

The logo for Bapcor features the word "Bapcor" in a bold, italicized, white sans-serif font. The text is set against a dark blue background and is surrounded by several horizontal, glowing motion lines in shades of red, yellow, and blue, suggesting speed and energy. A registered trademark symbol (®) is located at the end of the word.

Bapcor[®]

Morgan Stanley Conference – Sydney - June 12, 2019

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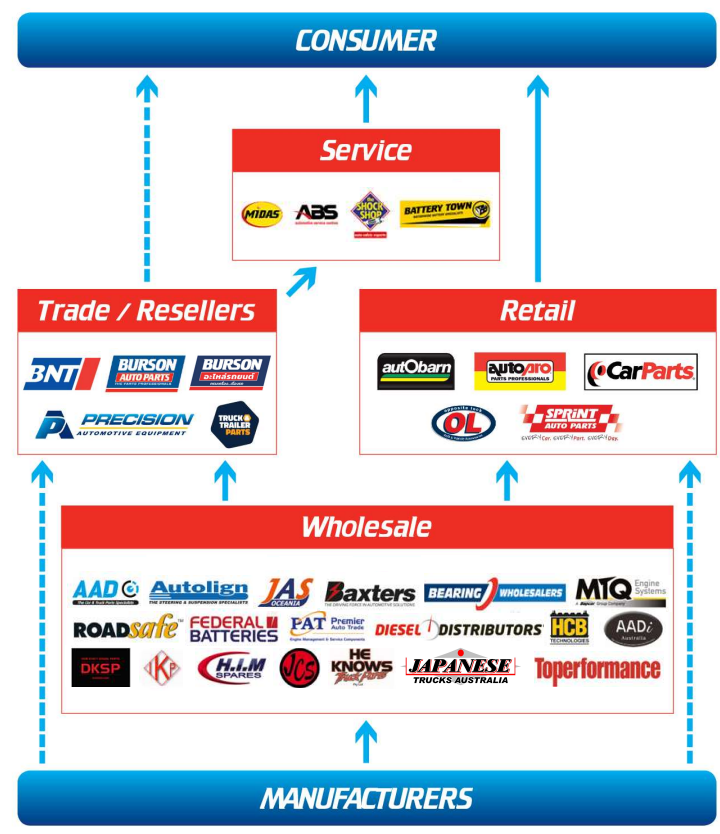
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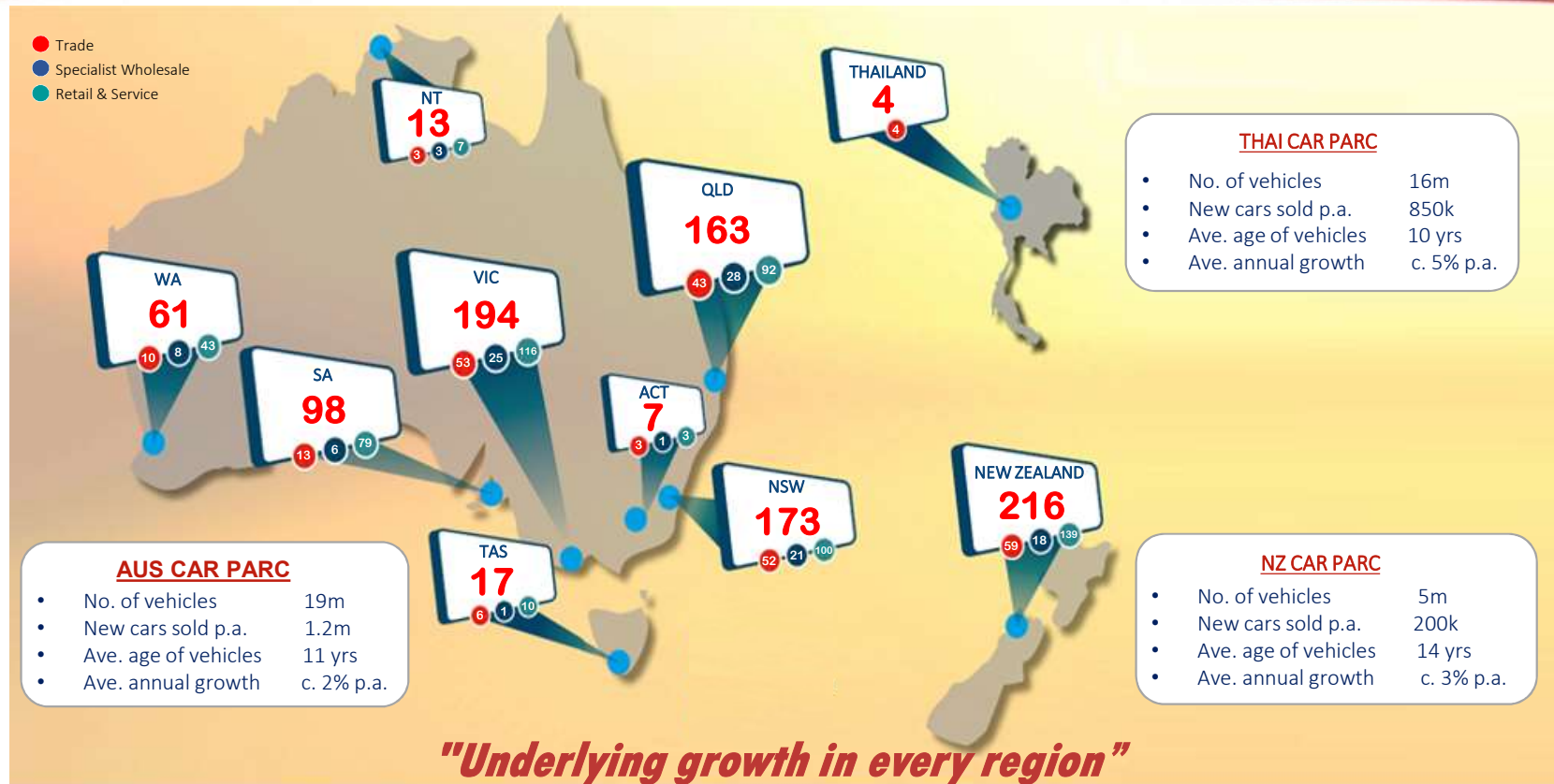
Aftermarket Supply Chain



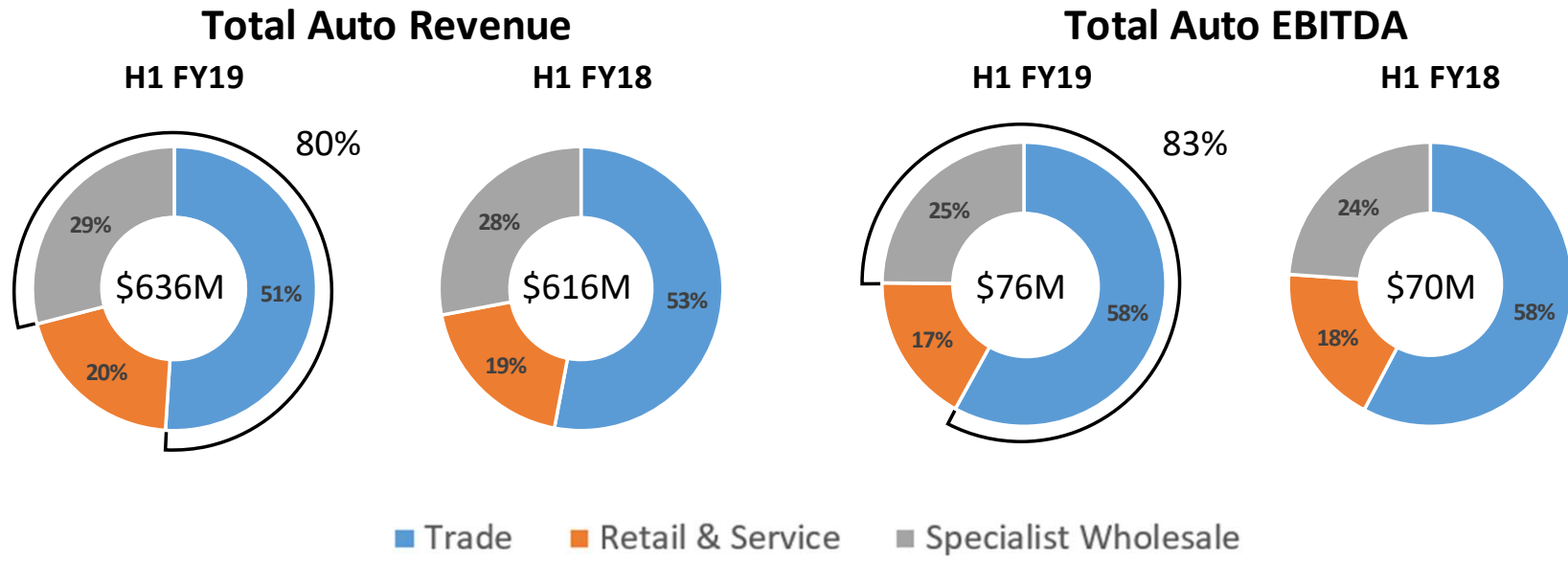
■ Bapcor businesses participate

“Australasia’s leading provider of aftermarket parts, accessories, equipment and services”

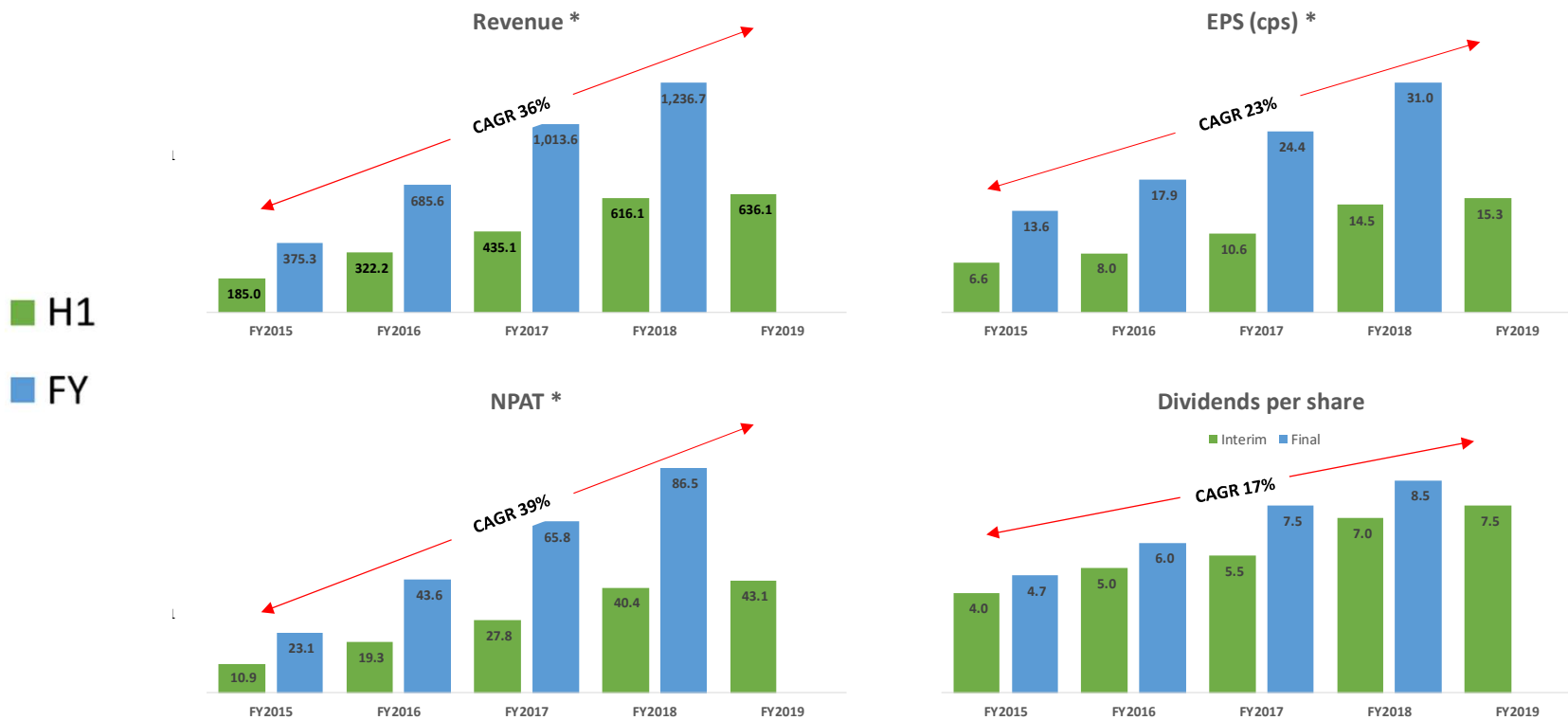
Over 940 locations across Australia & NZ



Business Segment Contribution to Results



Summary of Key Performance Indicators



* Based on continuing operations and estimated FY19 results

H1 FY2019 Financial Highlights

		H1 FY19	H1 FY18	Variance
<u>Continuing Operations</u>				
Revenue	\$'M	636.1	616.1	3.2%
Gross Margin	%	47.1%	45.6%	1.5 pp
EBITDA – proforma	\$'M	76.0	70.2	8.2%
EBITDA	%	11.9%	11.4%	0.6 pp
NPAT – proforma	\$'M	43.1	40.4	6.6%
EPS – proforma	cps	15.34	14.48	5.9%
<u>Total Bapcor (including Discontinued Operations)</u>				
NPAT – statutory	\$'M	45.5	43.7	4.1%
EPS – statutory	cps	16.20	15.66	3.4%
Dividend	cps	7.5	7.0	7.1%



Every performance indicator improved – it was a record result!

Notes:

1. In H1 FY2018 Discontinued Operations of Hellaby Footwear and Contract Resources are included in the results for 3 months until their divestment, and TBS is included for the full 6 months. The TRS business which was divested 3 July 2018 and is not treated as a “discontinued operation” and is therefore included for the full six months in H1 FY2018.

Senior Management Team – rejuvenating



Senior Team will be at Brisbane Investor Day on July 3

"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

CURRENT YEAR FORECAST



FY19 Financial Year Forecast



For the full FY19, Bapcor continues to forecast an increase NPAT of circa 9% above FY18 proforma NPAT – i.e. Circa \$94.3million

- THIS HAS NOT CHANGED

This guidance delivers a *record full year result* in Revenue, Earnings and EPS.

Full Year cash conversion is expected to be at historical normal levels
– i.e. cash conversion greater than 90%

New Debt facilities in place by 30 June with 7 year, 5 year and 3 years debt tranches.

Net debt annualised leverage ratio (EBITDA) forecast around 2x earnings.

Comments on current performance



- Overall market remains softer than historically
 - Competition continues in every sector and fighting for business – nothing new here!!
This is normal for any business.
- In trade, market share gain is not as high as historically, BUT NOT LOSING market share – just not gaining as much.
- Recent acquisition of “Commercial Vehicle Parts Group” (Don Kyatt (QLD) etc)
 - Business is performing well.
 - Acquisition on June 3 of “Japanese Trucks Australia” – parts business with branches in SA and WA.
 - Now a national business with significant growth potential.

STRATEGY & Industry Fundamentals



Bapcor Ltd has partnered with Greenfleet to plant native forests in Australia and capture over 5,250 tonnes of greenhouse gas emissions.

Bapcor 5 Year Strategic Targets



**NO
CHANGE
TO
GROWTH
STRATEGY**

Trade	50% Segment contribution	230 AUS Target Stores Now 179	75 NZ Target Stores Now 59	25 NZ Relocation & Refurb Target Now 6	35% Own brand Target Now 24%
Specialist wholesale	30% Segment contribution	A\$450m AUS Target Turnover Now A\$364m		A\$50m NZ Target Turnover Now A\$31m	
Retail	20% Segment contribution	200 AUS Autobarn Target Stores Now 131	200 Independents Target Stores Now 203	120 AUS OL Target Stores Now 83	35% Own brand Target Now 24%
Service	Reliable & Trusted car servicing at affordable prices Supporting the independents	500 AUS Target Stores Now 124	150 NZ Target Stores Now 115		90% Intercompany Sourcing Target
Asia	Bringing automotive aftermarket parts to Asia	TBD Target Locations Now 4			

Growth Strategy

- All current business segments;
 - Grow sales
 - Organic
 - Store Footprint Expansion
 - Margin
 - Procurement / Buying
 - Pricing Management
 - Own Brand
 - Intercompany
 - Operating Efficiencies – including POS, WMS, warehousing etc
- Strategic Acquisitions / Expansion



Strategy

- Consistent strategy with specific, clear, measurable targets.
- No changes to direction.
- We know what we do best and stick with it.



Bapcor Thailand

- Now operating 4 stores in Bangkok district
- A procurement office and 1 additional store planned June / July
- Stores making positive progress in new market dynamics
- Good relationships being established with a significant chains presenting good growth opportunities as we grow more scale
- As with any start-up operation in a new market we are learning and will over time fine tune product ranges and operation methods to optimise outcomes.



Latest Burson store at retail shopping centre - at entrance to Thai Watsadu. A workshop is also on the shopping centre site.

Key Automarket Stats 2018



	Global	Australia
# vehicles on the road	1,200,000,000	19,200,000
Average age	11.6 years	10.1 years
# cars sold 2018	84,000,000	870,000
Car Parc growth	??	2.1%
# EV's sold 2018	2,100,000	1,352
EV's as of 2018 sales	2.5%	0.2%
Diesel of fleet	35%	23.4%
EV's sold since 2011	5,000,000	6,000
EV's % of car parc	.4%	.03%
Passenger cars of market	74%	75%

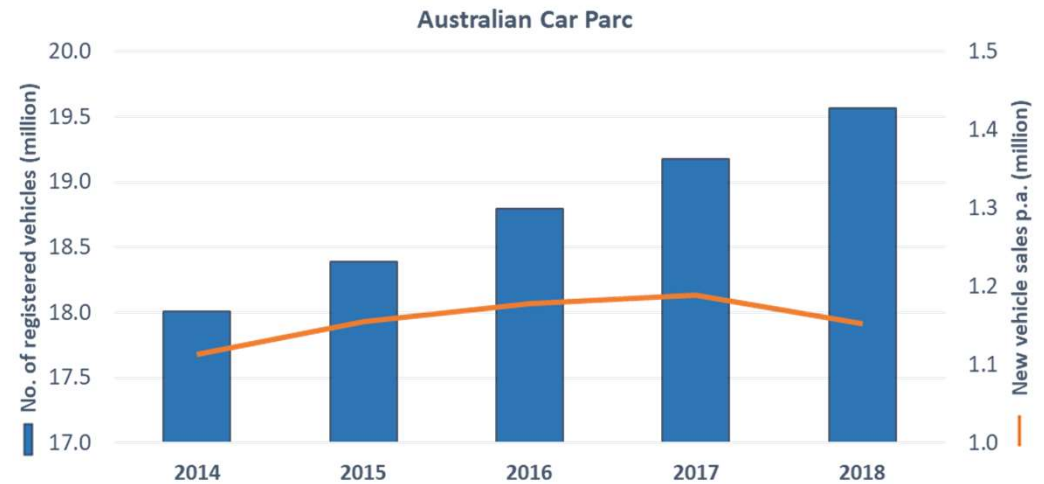
* EV = electrical/hybrid vehicle

"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

Continued growth of the Australian Car Parc...



- Estimated **19.2m registered vehicles** at the end of 2018, an increase of 2% on 2017
 - **Average age** of vehicles stable at **10 - 11 years**
- **New vehicle sales** in 2018 were down 3% on 2017 and ending four years of YoY growth
 - 60% of new vehicle sales were in the SUV & Utility categories; 33% in Passenger vehicles
- **Electric vehicle penetration continues to be minimal**, <0.5% of new vehicle sales in 2018 were electric vehicles



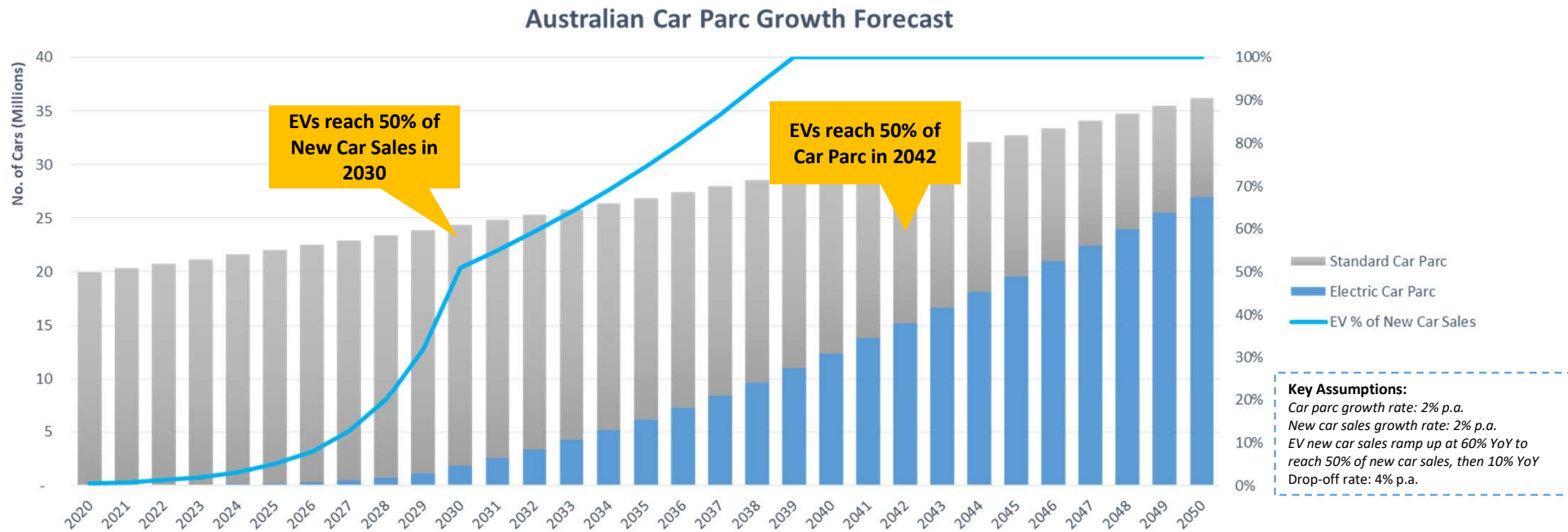
Source: ABS Motor Vehicle Census; FCAI VFACTS;

No change to industry fundamentals.

Impact of Electric Vehicles (EVs)... Facts do not support rhetoric!!!!



- For EVs to reach 50% of New Car Sales by 2030, **60% year on year sales growth in electric cars is required** – and at that point only 7% on road will be electric!!



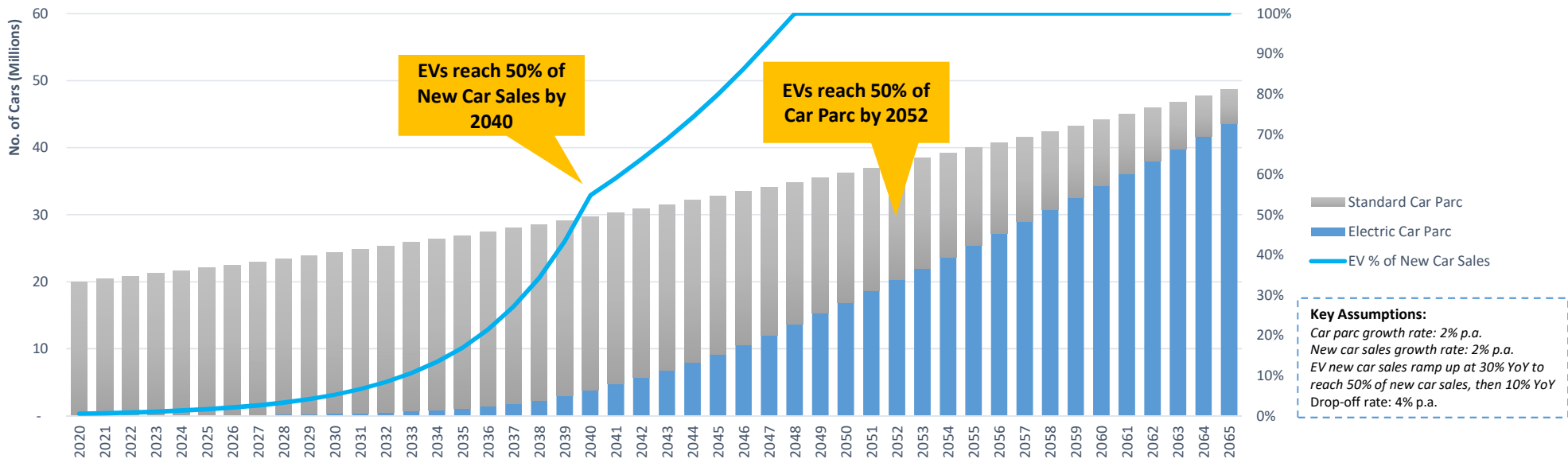
Impact of Electric Vehicles (EVs)...

Do you remember the LPG usage forecasts????? Where are these today?



- For EVs to reach 50% of New Car Sales by 2040, **30% year on year sales growth is required** – and at that point only 12% of cars on road will be electric!!

Australian Car Parc Growth Forecast



Thank
you!

See you at Bapcor Brisbane Investor Day – July 3, 2019.