



*ANNUAL GENERAL MEETING*

*CEO Presentation*

*29<sup>TH</sup> October 2018*

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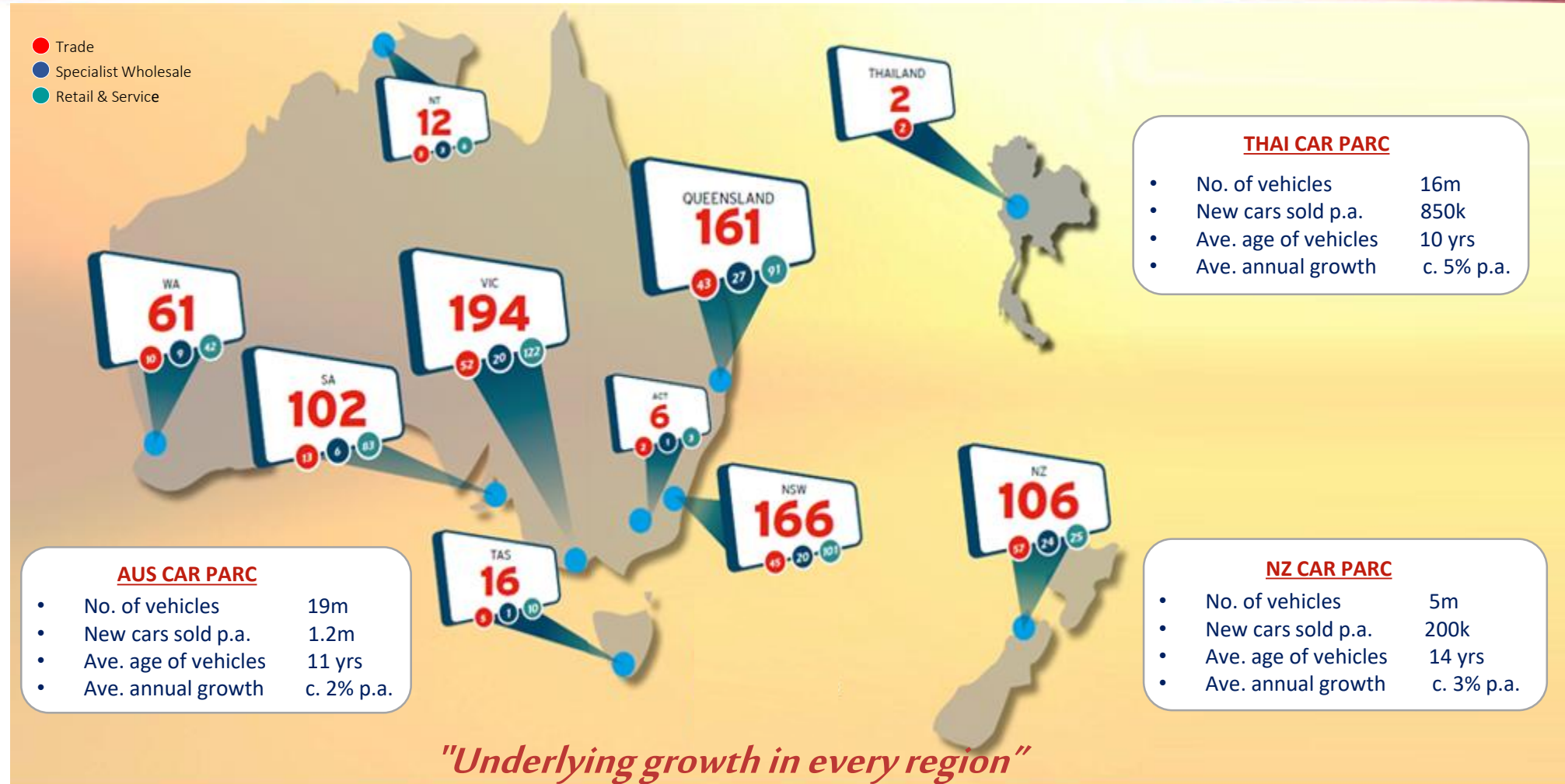
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# Aftermarket Supply Chain



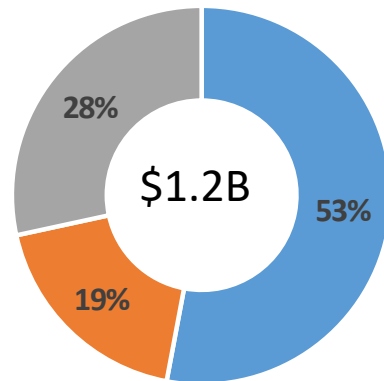
# Over 800 locations across Australia & NZ



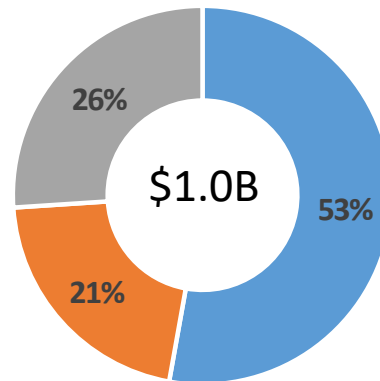
# Business Segment Contribution to Results

## Total Auto Revenue

FY2018

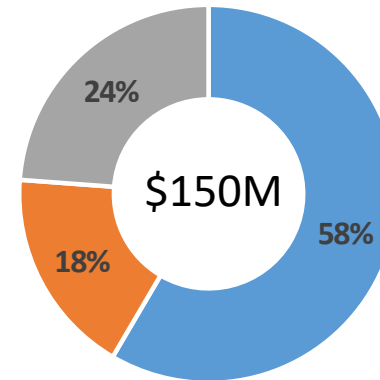


FY2017

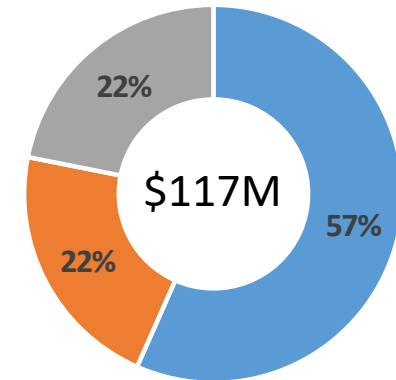


## Total Auto EBITDA

FY2018



FY2017



■ Trade ■ Retail & Service ■ Specialist Wholesale

***TRADE FOCUSED IN A RESILIENT INDUSTRY***



# FY2018 Headline Results



**22%**



**REVENUE**

**Up 22% to \$1,237M**  
(continuing ops)

**32%**



**NPAT**

**Up 32% to \$86.5M**  
(proforma continuing ops)

**Up 48% to \$94.7M**  
Statutory

**27%**



**EPS**

**Up 27% to 30.99 cps**  
(proforma continuing ops)

**Up 43% to 33.90 cps**  
Statutory

# FY2018 Operational Highlights



- Delivered result in line with guidance – have done each year since IPO in 2014
- Every business segment showing improvement on prior year
- Trade continues to perform extremely well, as does Specialist Wholesale and Bapcor New Zealand
- Retail & Service making good progress, in line with plan
- Intercompany sales & own brand increasing
- Completed divestment of non-core assets with investment proceeds of NZ\$103M
  - Resulting in a gain on divestments of \$7M in statutory NPAT
- Successful integration of Hellaby Automotive acquisition and delivered on synergies.

# FY2018 Financial Highlights



		FY18	FY17	Variance
<u>Continuing Operations</u>				
Revenue	\$'M	1,236.7	1,013.6	22.0%
Gross Margin	%	46.0%	45.7%	0.3 pp
EBITDA – proforma	\$'M	150.0	117.4	27.7%
EBITDA	%	12.1%	11.6%	0.5 pp
NPAT – proforma	\$'M	86.5	65.8	31.6%
EPS – proforma	cps	30.99	24.40	27.0%
<u>Total Bapcor (including Discontinued Operations)</u>				
NPAT – statutory	\$'M	94.7	63.8	47.8%
EPS – statutory	cps	33.90	23.76	42.7%
Dividend	cps	15.5	13.0	19.2%



## Notes:

1. Hellaby was acquired in January 2017 and hence is included for the full year FY18, but only six months in the prior year.
2. Discontinued Operations include Hellaby Footwear, Contract Resources and TBS.



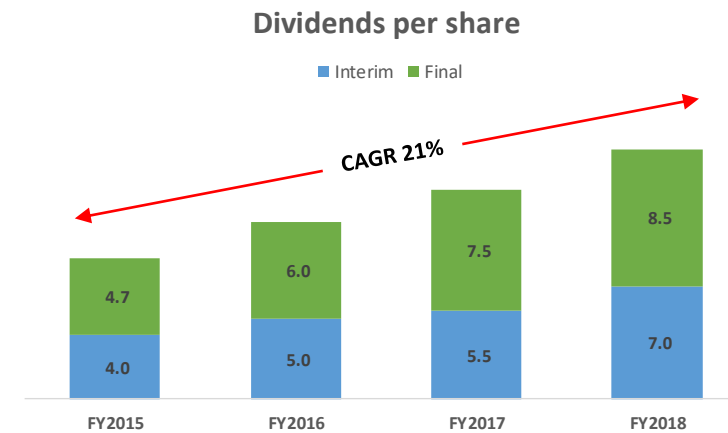
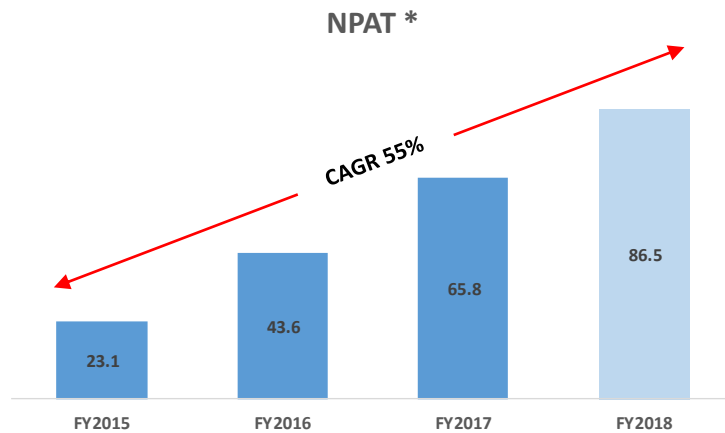
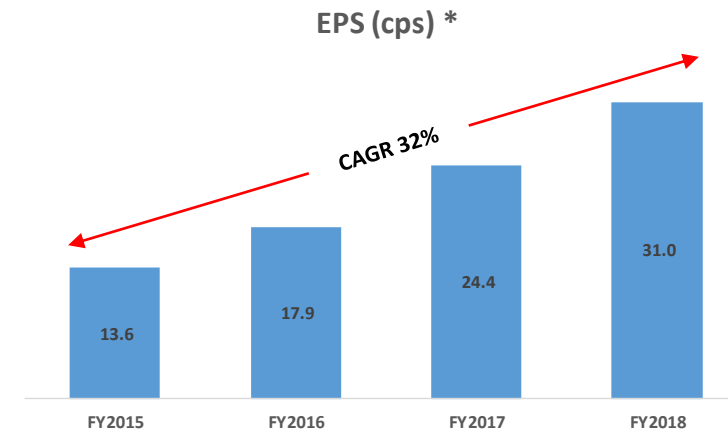
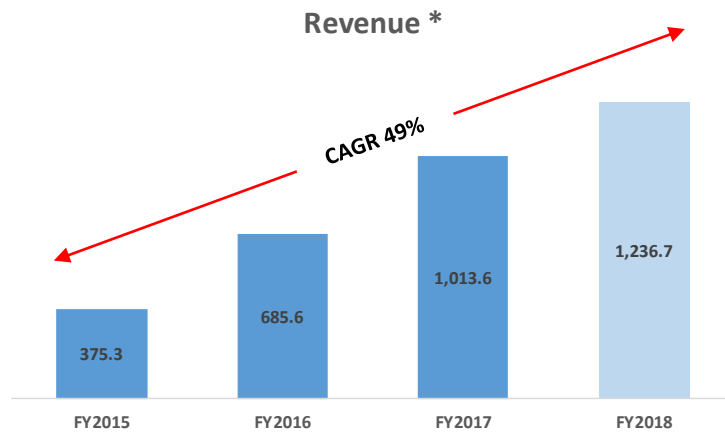
# Business Segment Results – continuing operations



\$'M Proforma	Revenue			EBITDA			EBITDA % Revenue
	FY18	FY17	% Change	FY18	FY17	% Change	Change
Trade	501.6	465.1	7.8%	72.1	63.3	13.9%	+0.8 pp
Bapcor NZ	177.9	87.1	104.1%	22.7	9.3	144.3%	+2.1 pp
Specialist Wholesale	364.3	272.3	33.8%	38.6	28.0	37.7%	+0.3 pp
Retail & Service	239.1	221.0	8.2%	28.8	27.6	4.4%	-0.5 pp
Group / Elims	(46.2)	(31.9)	44.7%	(12.3)	(10.8)	(13.5%)	
<i>Continuing operations</i>	<i>1,236.7</i>	<i>1,013.6</i>	<i>22.0%</i>	<i>150.0</i>	<i>117.4</i>	<i>27.7%</i>	<i>+0.5 pp</i>

NOTE: The former Hellaby Automotive Specialist Wholesale businesses based in Australia have been reallocated to Specialist Wholesale Group for FY18 and FY17. Refer ASX release on 20 July 2018.

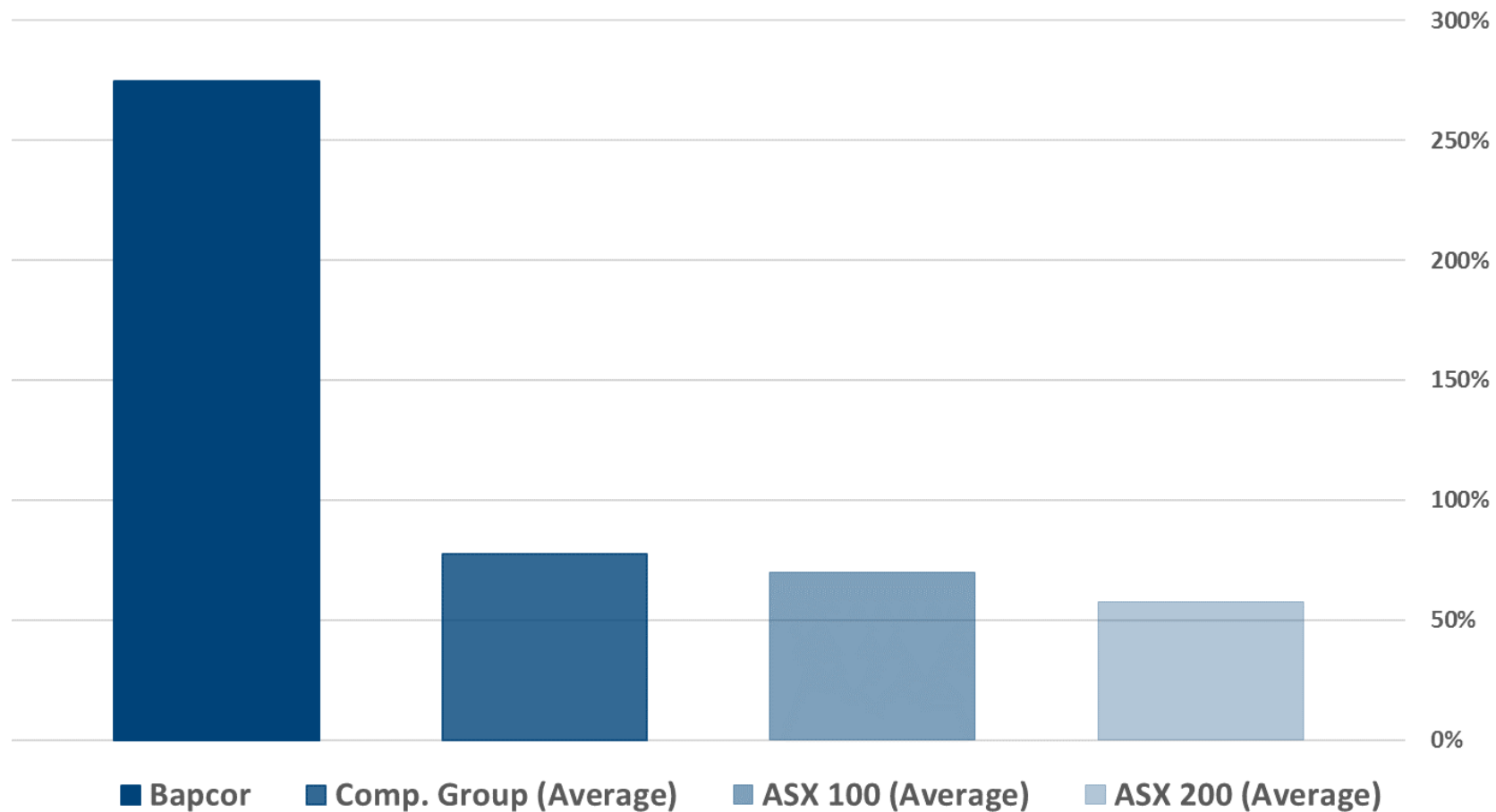
# Summary of Key Performance Indicators



\* Based on continuing operations only and proforma results where appropriate

# Comparative Total Return to Shareholders

- over last four years

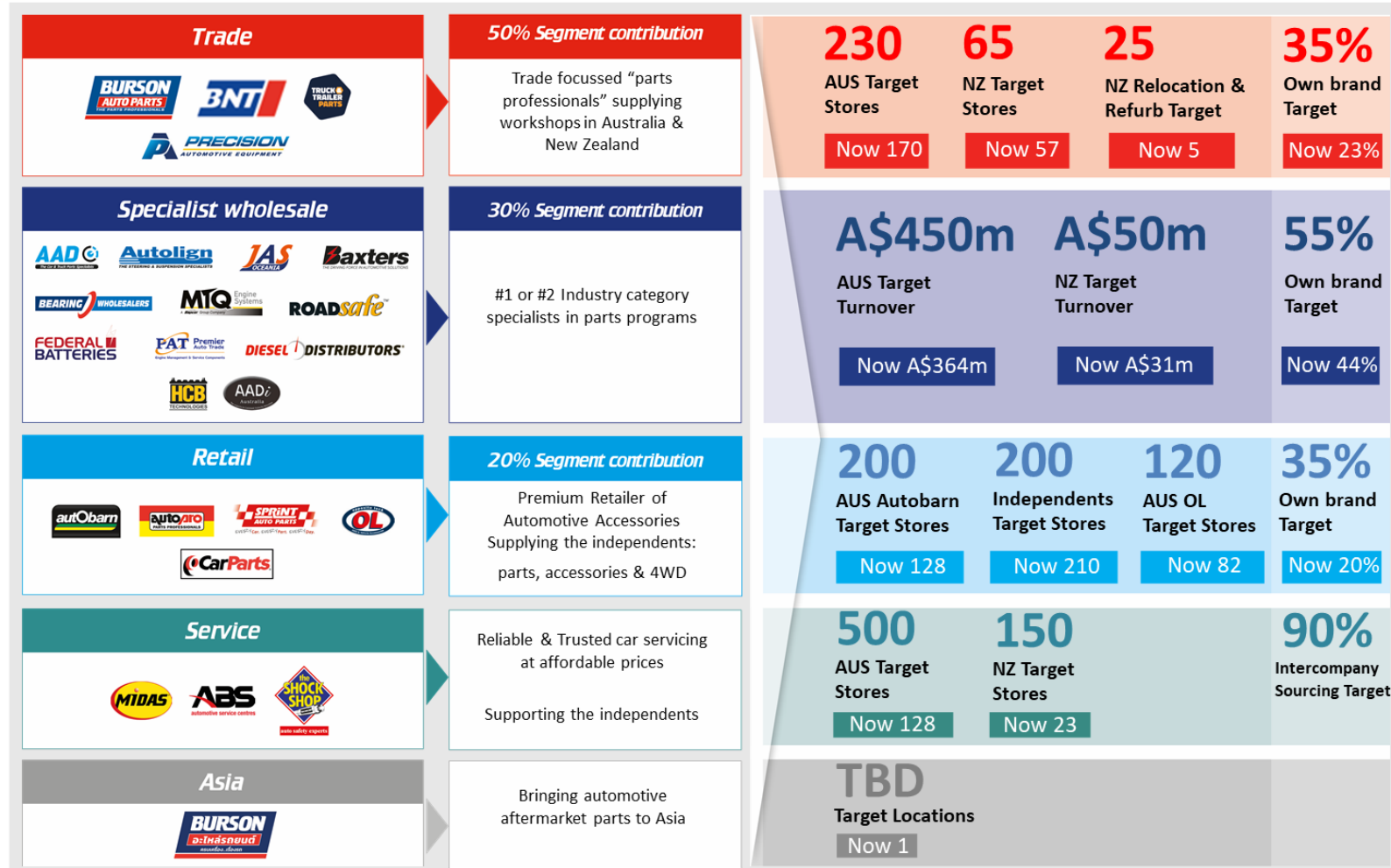


Source: KPMG

## **STRONG FINANCIAL POSITION**

- Solid cash conversion 98.9%
- Net cash generated before acquisitions, divestments, dividends \$57m
- Net Debt \$290m
- Leverage Ratio < 2 times
- TRS in NZ divested 1 July 2018 for \$20m

# Bapcor 5 Year Strategic Targets



# Growth Strategy



- All current business segments;
  - Grow sales
    - Organic
    - Store Footprint Expansion
  - Margin
    - Procurement / Buying
    - Pricing Management
    - Own Brand
    - Intercompany
  - Operating Efficiencies
- Strategic Acquisitions / Expansion



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



- TRS, a NZ tyre & wheel specialist business, was divested in July 2018 for NZ\$20M
- First store in Asia opened – formal grand opening was held 10 August 2018
  - Second store opened 6<sup>th</sup> October
- FY19 YTD all business segments tracking to expectations
- **FY19 expect continued revenue & profit growth**
  - ***Increased NPAT between 9% & 14% above FY18 proforma NPAT***



# Questions