Interim Results Presentation

TYMAN PLC

Six months ended 30 June 2017

Highlights

Solid first half positions Group well for second half

> Solid underlying trading performance against a relatively strong comparator period and in line with expectations

> Integration of 2016 and 2017 acquisitions remains on track

> Synergy expectations for the Giesse acquisition increased by 50 per cent. to €6.0 million by March 2018

> Continued strong cash generation and year on year deleveraging

> Indications of input cost inflation moderating somewhat in second quarter

> North American and International markets remain positive, UK more subdued

> Well positioned for further progress in the second half

H1 2017 Financials

Performance assisted by progress on integration; and by exchange. Strong cash conversion

Revenue	Operating Profit[1]	Operating Margin[1]	EPS[1]
£260.4m *+ 30 %* H1 2016: £201.0m	**£35.5m** *+ 31 %* H1 2016: £27.2m	**13.6%** *+ 10bps* H1 2016: 13.5%	**12.09p** *+ 25 %* H1 2016[2]: 9.69p

ROCE[3]	Leverage	Cash conversion[5]	Interim DPS
13.8% *+ 70bps* H1 2016: 13.1%	**2.05x** *(0.30x)* H1 2016[4]: 2.35x	**99.3%** *+ 240bps* H1 2016: 96.9%	**3.50p** *+ 17 %* H1 2016: 3.00p

Notes – for Definitions and reconciliation of APMs see the Results Announcement published on 25 July 2017
(1) Underlying
(2) Restated
(3) LTM Underlying Operating Profit divided by LTM average capital employed
(4) Pro forma Leverage at 1 July 2016 – date of completion of Bilco acquisition
(5) LTM Operating Cash Conversion

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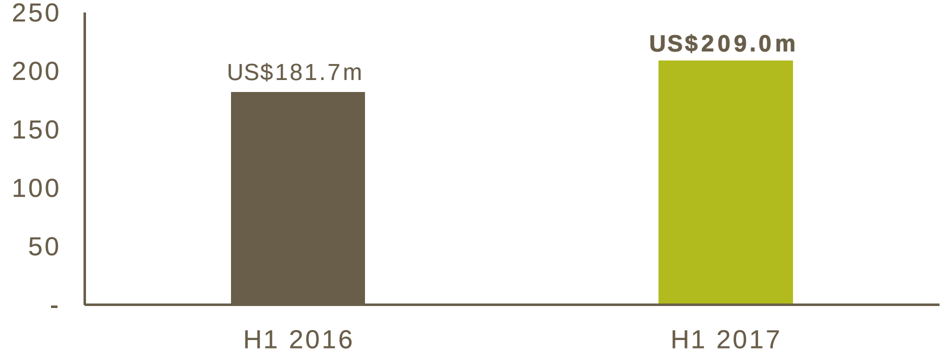
H1 2017 Revenue

Increase in Revenue assisted by exchange and pull through of 2016 acquisitions

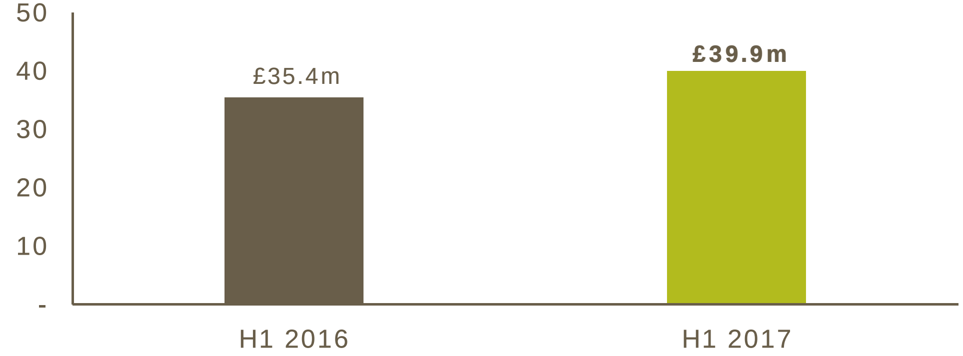
AmesburyTruth

Reported: + 31 %; CC LFL: Flat



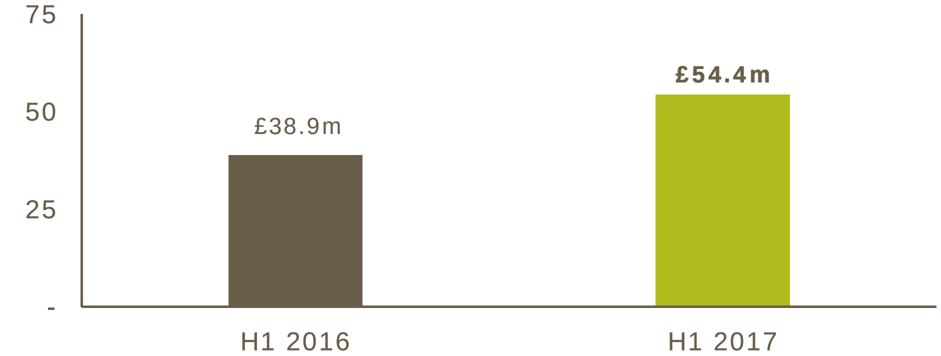
ERA

Reported: + 13 %; LFL: + 5 %



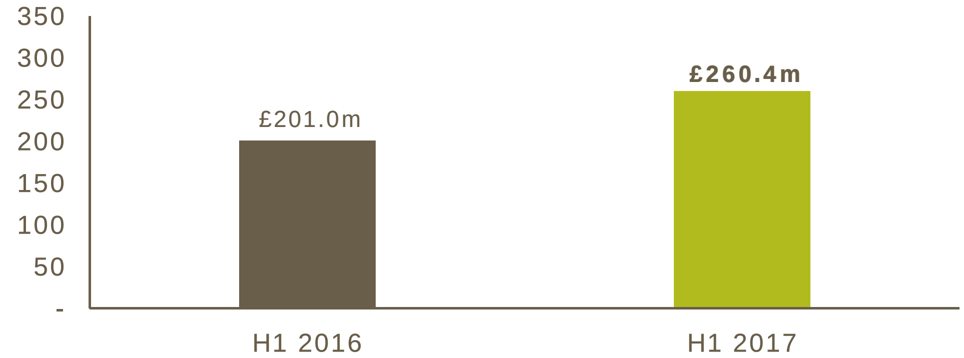
Schlegel International

Reported: + 40 %; CC LFL: + 7 %



Group

Reported: + 30 %; CC LFL + 2 %



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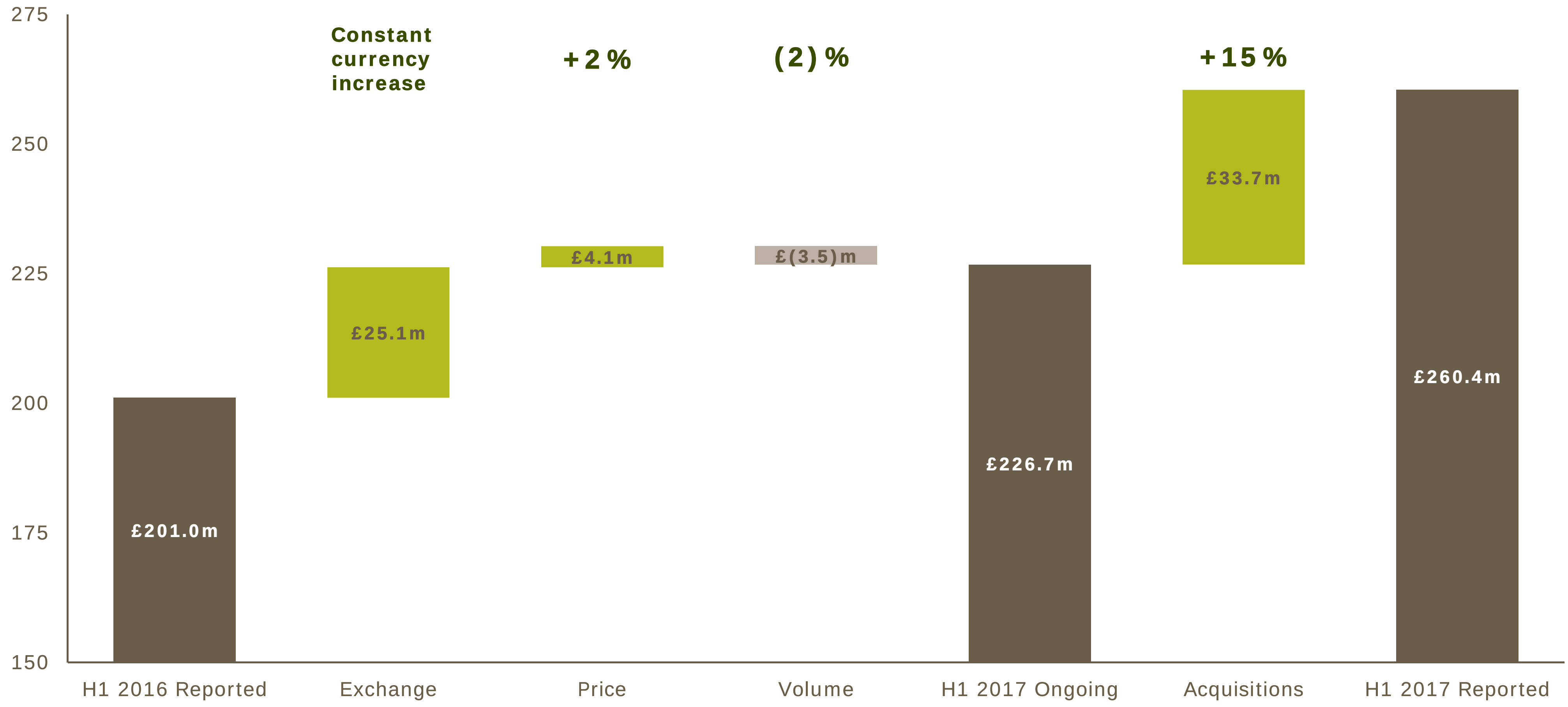
H1 2017 Revenue bridge

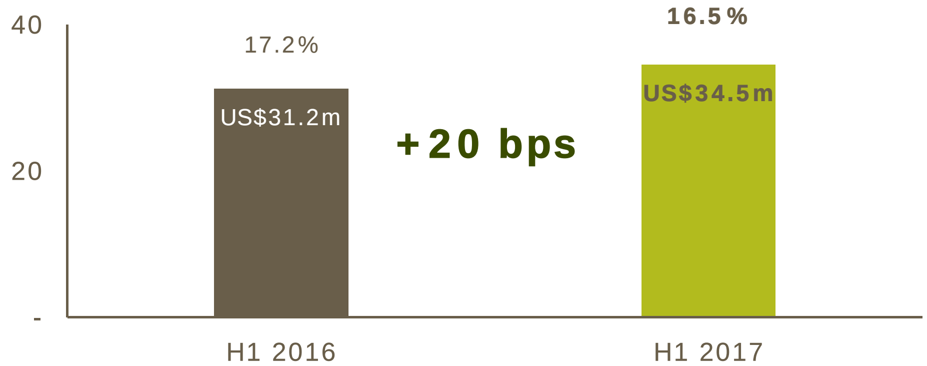
Bridge from reported H1 2016 to reported H1 2017



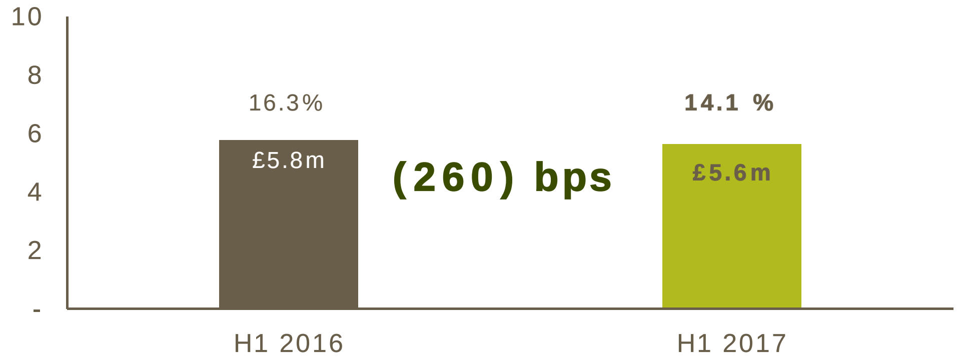
H1 2017 Underlying Operating Profit

Like for like margin improvements in AmesburyTruth and Schlegel International

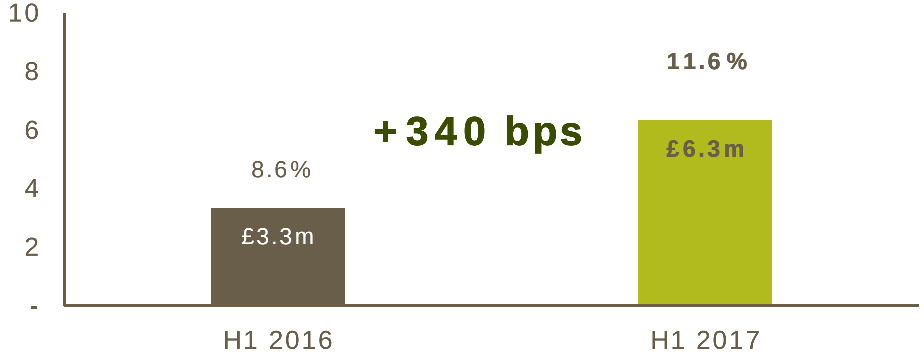
AmesburyTruth
Reported: + 11 %; CC LFL: + 1 %



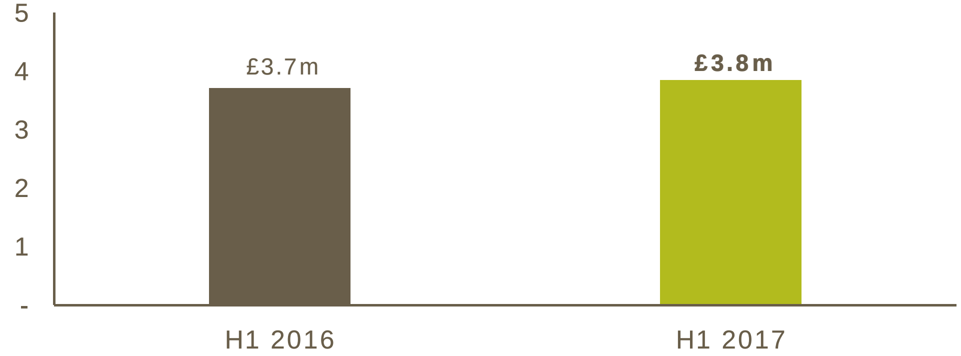
ERA
Reported: (3) %; CC LFL: (12) %



Schlegel International
Reported: + 90 %; CC LFL: + 50 %



Corporate
Reported and CC LFL: + 4 %



bps movement is the change in the constant currency like for like underlying operating margin

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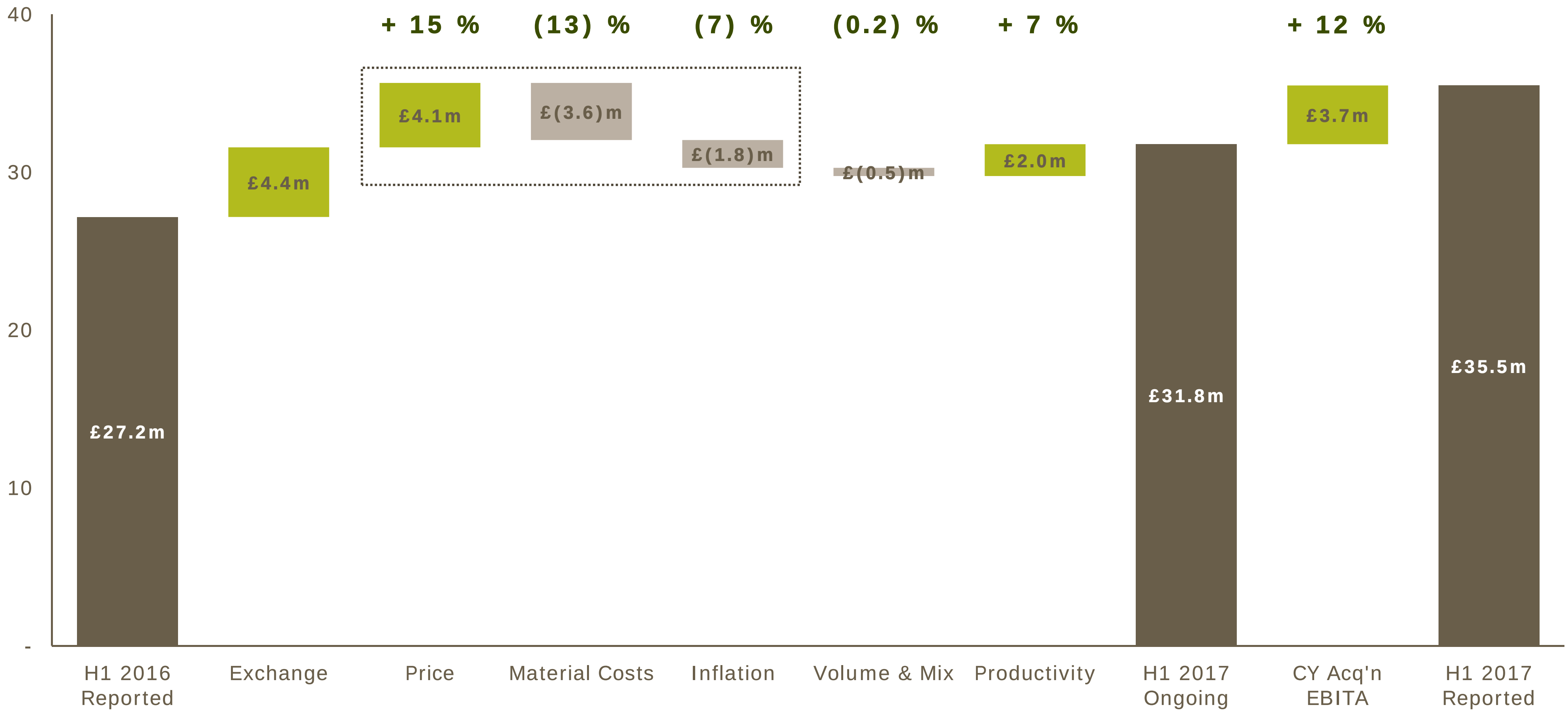
H1 2017 Underlying Operating Profit bridge

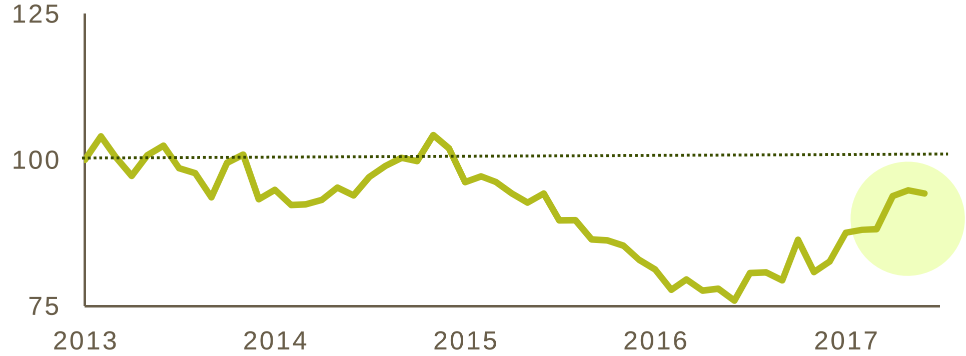
Recovery of raw material cost increases but inflation still a factor



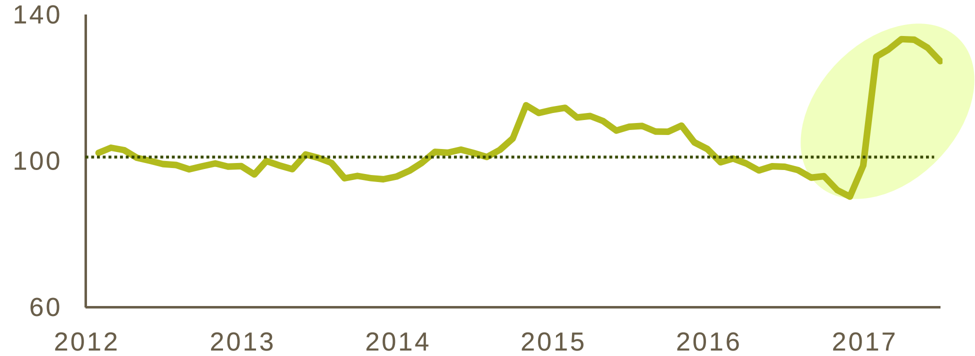
Input costs

Q1 2017 input costs continued to rise; some signs of moderation in Q2

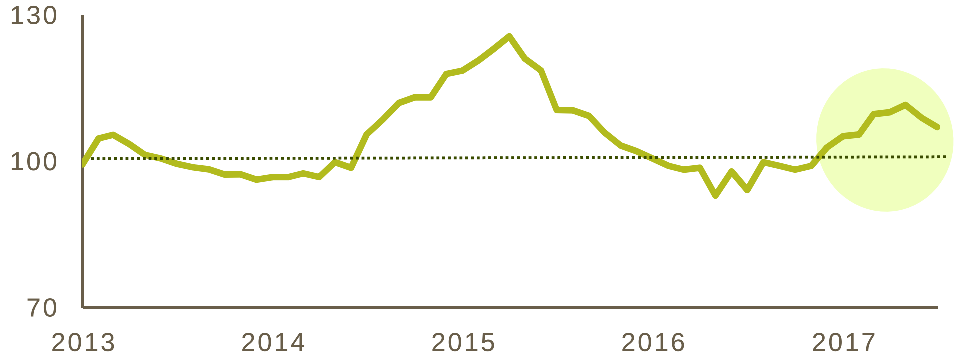
US stainless steel



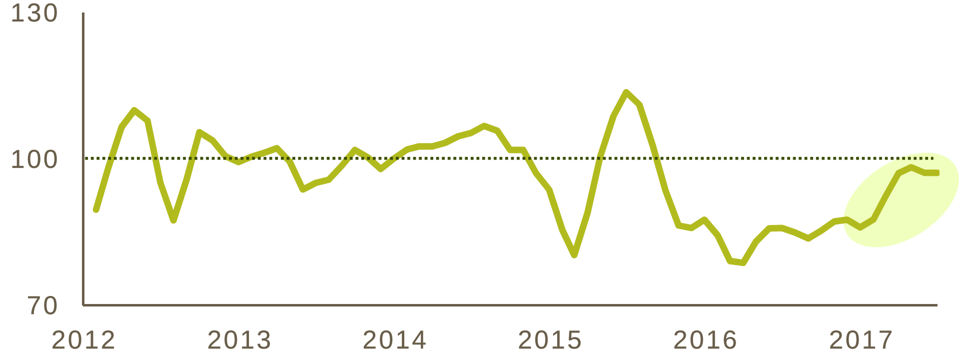
US Zinc



Euro aluminium



Euro polypropylene

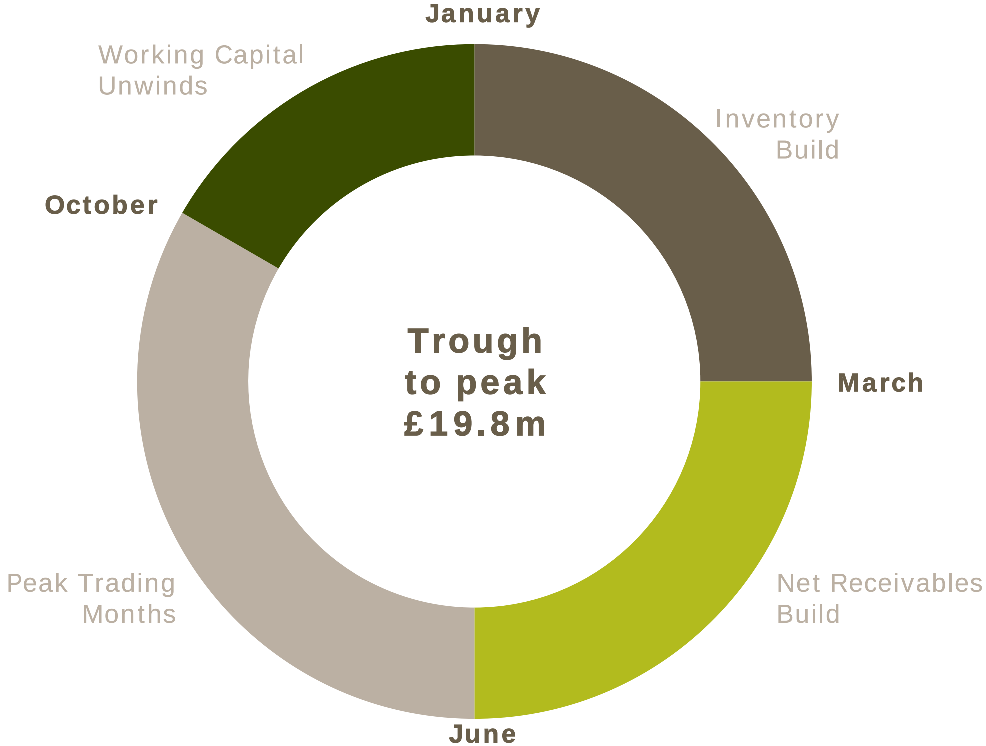


Working Capital

Working capital build at the top end of the target range in H1

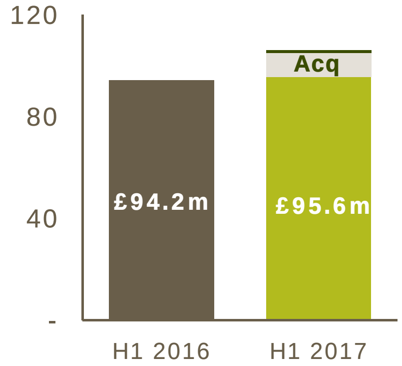
Trade working capital cycle

FY 2016 restated: £88.6m

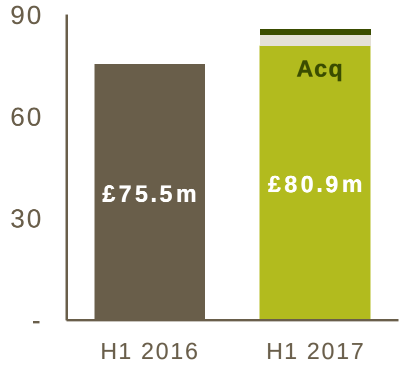


H1 2017: £106.1m

H1 2017 Working Capital



Trade Working Capital

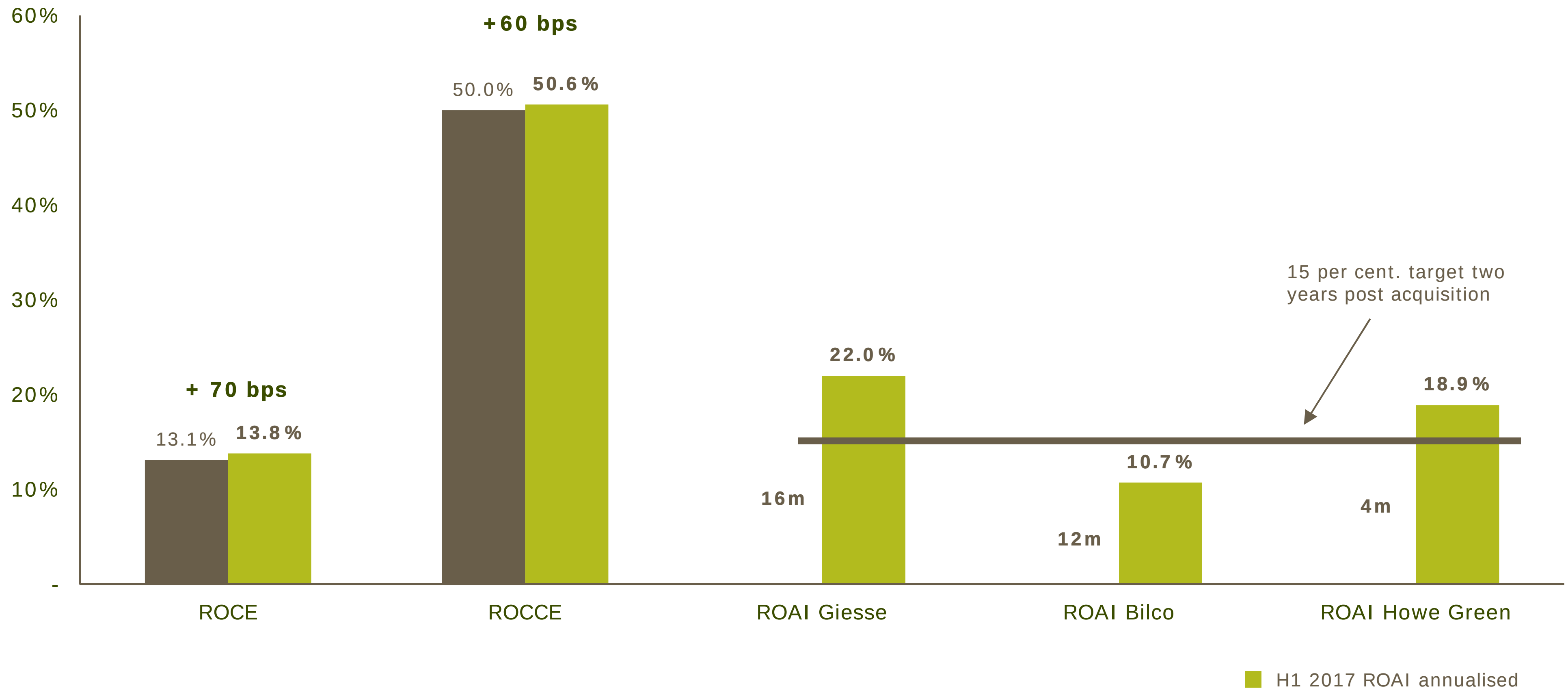


Total Operating Working Capital

- Exchange: £1.1m (Trade) £1.8m (Total)
- Acquisitions: £9.4m (Trade) £3.2m (Total)
- Year on year increase in trade working capital well controlled at £1.4 million
- H2 peak to trough: c. £12.5 - £17.5 million

Returns on invested capital

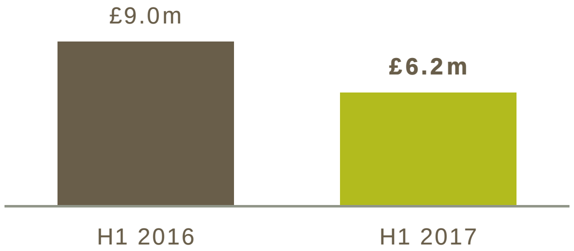
Continued progress on ROCE metrics



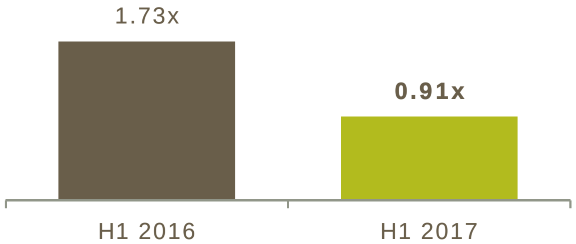
Other financial information

Capital Expenditure, Net Interest Payable and Taxation

Capital Expenditure	
Gross	(31) %

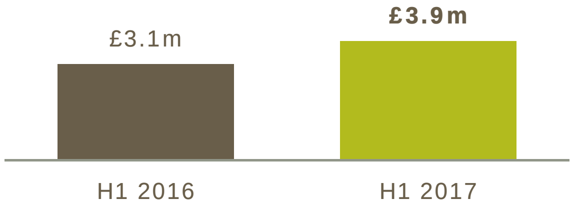


Gross Capex

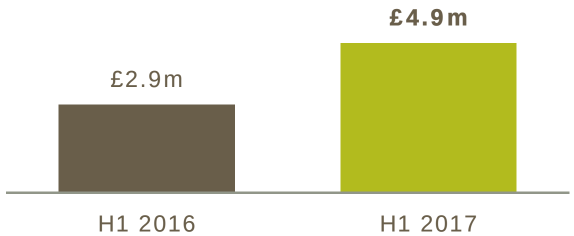


Gross Capex : Depreciation

Net Interest	
Net interest payable	+ 24 %
Net finance costs per P&L	+ 70 %

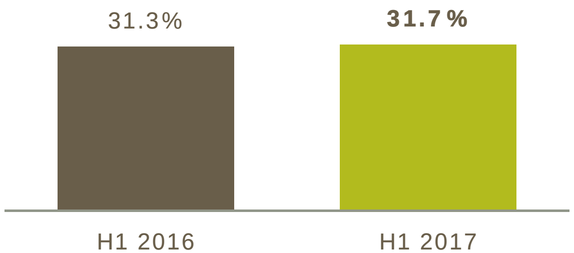


Net interest payable



P&L Net Finance Costs

Taxation	
Underlying tax rate	+ 40bps



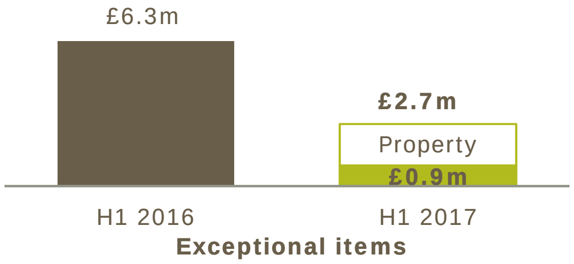
Underlying tax rate

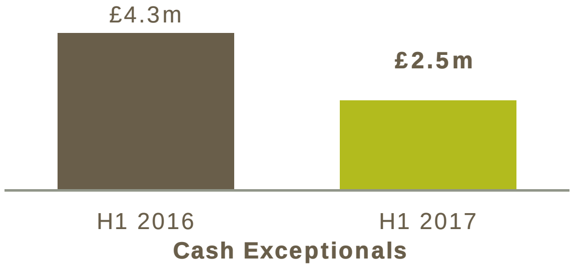
Other financial information (cont'd)

Exceptional items, cash and Leverage

Exceptional items

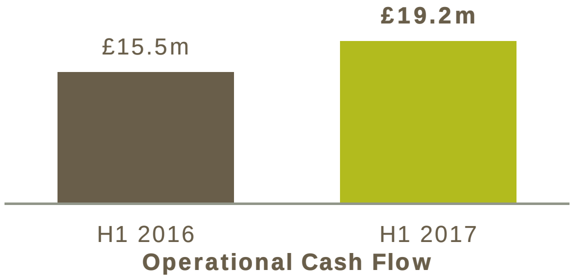
Footprint	£2.0m
Property receipts	£1.8m
Integration	£0.7m

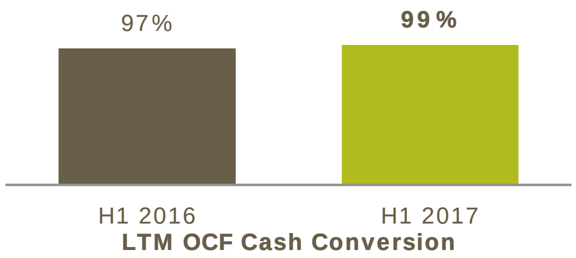




Cash performance

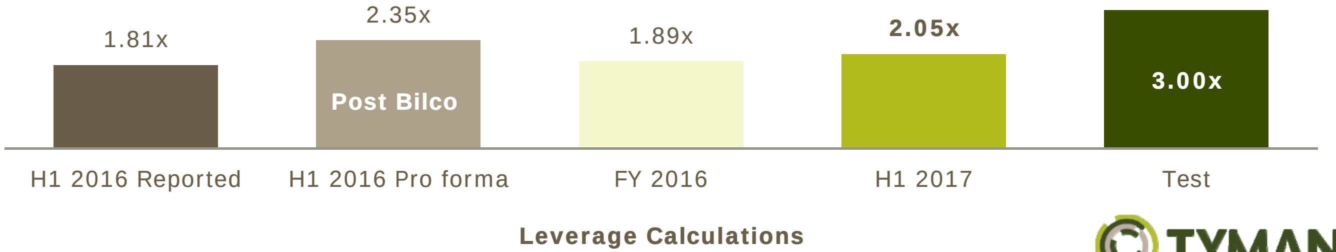
H1 OCF	+24%
H1 FCF	(68)%
LTM FCF	+43%





Leverage

Reported	2.05x



North American Footprint

Project on schedule – net cash costs to 2020 expected to be c. US$35.0million

US$'m	2015/16 Actual	2017 Forecast	2018 Estimate	2019 Estimate	End of Project
P&L cash costs	4.2	6.0	6.5	1.0	18.0
P&L non cash costs	0.1	1.0	3.0	4.0	8.0
Total P&L Costs	***4.3***	***7.0***	***10.5***	***6.0***	***26.0***
Capital expenditure (gross)[1]	6.0	11.0	3.0	2.0	22.0
Net cash proceeds received[2]	0.0	(2.1)	*c. (3.0)*		(5.0)
Total cash costs net of proceeds	***10.2***	***14.9***	***9.5***	***3.0***	***35.0***
Incremental P&L saving[3]	0.0	0.5-1.0	2.5	3.5	
Cumulative P&L saving	***0.0***	***0.5-1.0***	***3.0-3.5***	***6.5-7.0***	***10.0***

(1) 2017 capex will now be c.US$11.0m; some of which represents a pull forward from future years.

(2) AmesburyTruth expects to realise cash proceeds of up to c. US$5.0 million from disposals of capital assets as part of the footprint project which will be offset against the gross capital expenditure of the project.
During H1 2017 US$2.1 million of net cash proceeds were received following the exits from the Sioux Falls and Canton sites. These cash proceeds have been taken as credits through the exceptionals line.

(3) Incremental savings for 2017 now expected to be US$0.5 – US$1.0 million rather than US$2.0 million; the 2017 shortfall will be made up in future years.

TYMAN PLC

Summary 2017 guidance

Changes since year end highlighted in **bold**

Acquisition contributions

Trading

Howe Green ten months

Trade Working Capital

Peak to trough

£12.5m – £17.5m

Capital Expenditure

Core capex

£10.5m – £13.0m

Footprint projects

c. £10.0m

Total capex guidance remains the same at £20.5 -£23.0m; £2.0m has shifted from core to footprint projects

Tax and Interest

Underlying effective rate

31 % - 32%

Underlying cash tax rate

< 31 - 32%

Interest Payable

£8.5m – £9.5m

Integration & Footprint

Exceptional costs

£5.0m – £7.0m

2017 Benefits

FY Giesse Integration – **c. €3.4m**
(cumulative – c. €5.8m)
FY Bilco Integration – c. US$2.0m
(run rate c. US$2.5m)
FY US Footprint – **US$0.5 - US$1.0m**

LTIP + Dividend

P&L share-based payments

c. £1.1m

EBT purchases

£0.8m

Cash dividends

2016 Final: £13.3m (May 2017)
2017 Interim: £6.3m (Sep 2017)
2017 Total: £19.6m for the year

Divisional Reviews

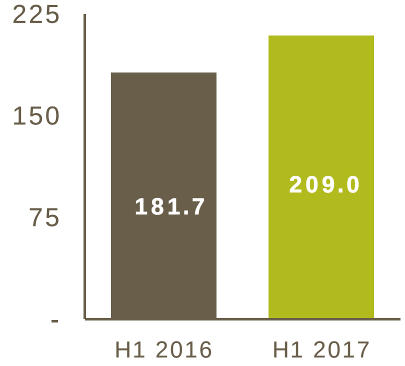
AmesburyTruth

US markets broadly flat; Canada improving

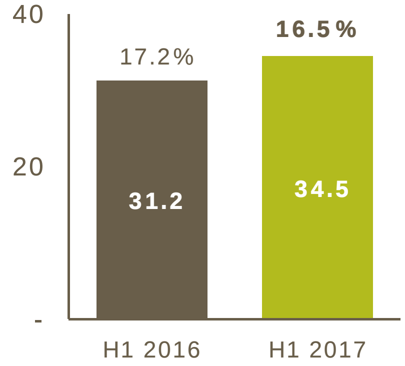
Market and operations

- US residential markets broadly flat in H1; Canadian residential improving
- US commercial positive
- National approach to coverage of Tier 3 and 4 customers implemented – first stage in development of a differentiated approach to service and distribution
- Order books 5.6% higher at half year
- Expect modest growth in US residential in H2 with continued improvement in US commercial and Canadian residential

US$ Financial performance



Revenue



Underlying Operating Profit

Bilco integration

- Revenue slightly ahead of 2016 due to strong commercial performance
- Good progress made particularly in freight, procurement, HR and warehousing
- US$0.8 million of synergies delivered in the period
- On course to deliver run rate US$2.5 million of synergies by the year end

US footprint project

- Exit & disposal of Canton, SD and exit from legacy Sioux Falls, SD sites. Aggregate cash receipts of US$2.1 million
- Statesville, NC site well advanced – production from Q4
- Juarez, MX site and new Sioux Falls, SD site both operating at target production levels
- Juarez, MX delays mean 2017 benefits of footprint project will be lower than forecast – shortfall will be made up in future years

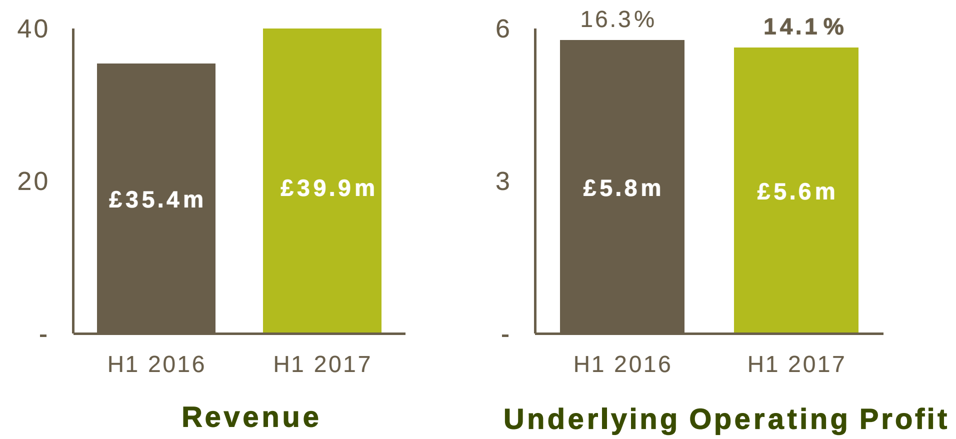
ERA

UK relatively subdued – good progress on distribution

Market and operations

- Market relatively subdued; new build strong but RMI weaker than H1 2016 – expected to continue into H2
- Revenue increased due to pricing however Operating Profit and Margin as expected lower than H1 2016
- Good progress on distribution; continued share gains in OEM
- New Wolverhampton facility nearing completion; Ventrolla now operating from new premises in Harrogate

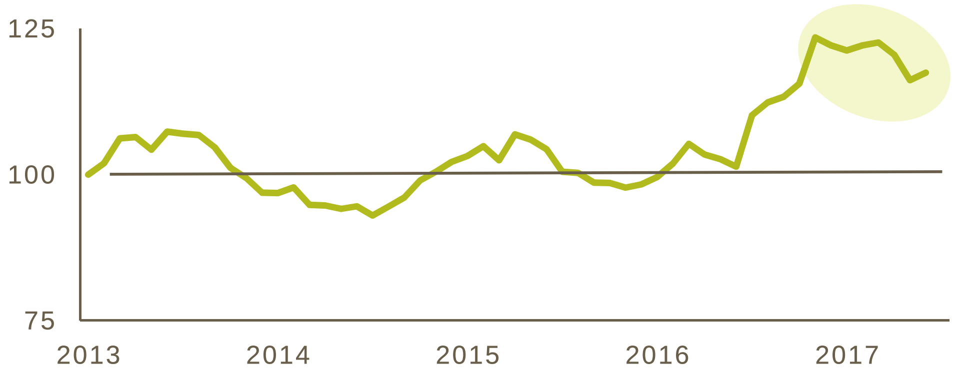
Financial performance



Howe Green & Bilco UK integration

- Howe Green and Bilco UK part of ERA Division
- £3.0 million Revenue contribution in the period at encouraging margins
- Some investment required to drive Revenue
- Promising pipeline of opportunities going forward (Crossrail, Westfield, supermarkets)

Input cost inflation



Relative pricing of a basket of largest volume ERA products sourced from the Far East since 2013
Raw materials still materially higher than twelve months ago

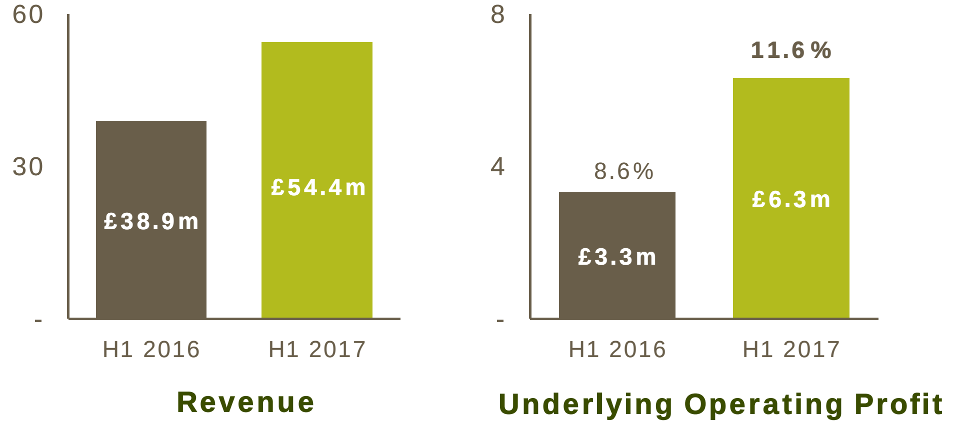
Schlegel International

Strong performance from Schlegel International and 50 per cent. increase in Giesse synergies

Markets

- Continental Europe continues gradual recovery – most markets showing sustained period on period growth
- China and Asia Pacific generally positive – other than Australia
- Latin America remains challenging but not deteriorating further
- International market trends expected to continue in second half

Financial performance



Business performance

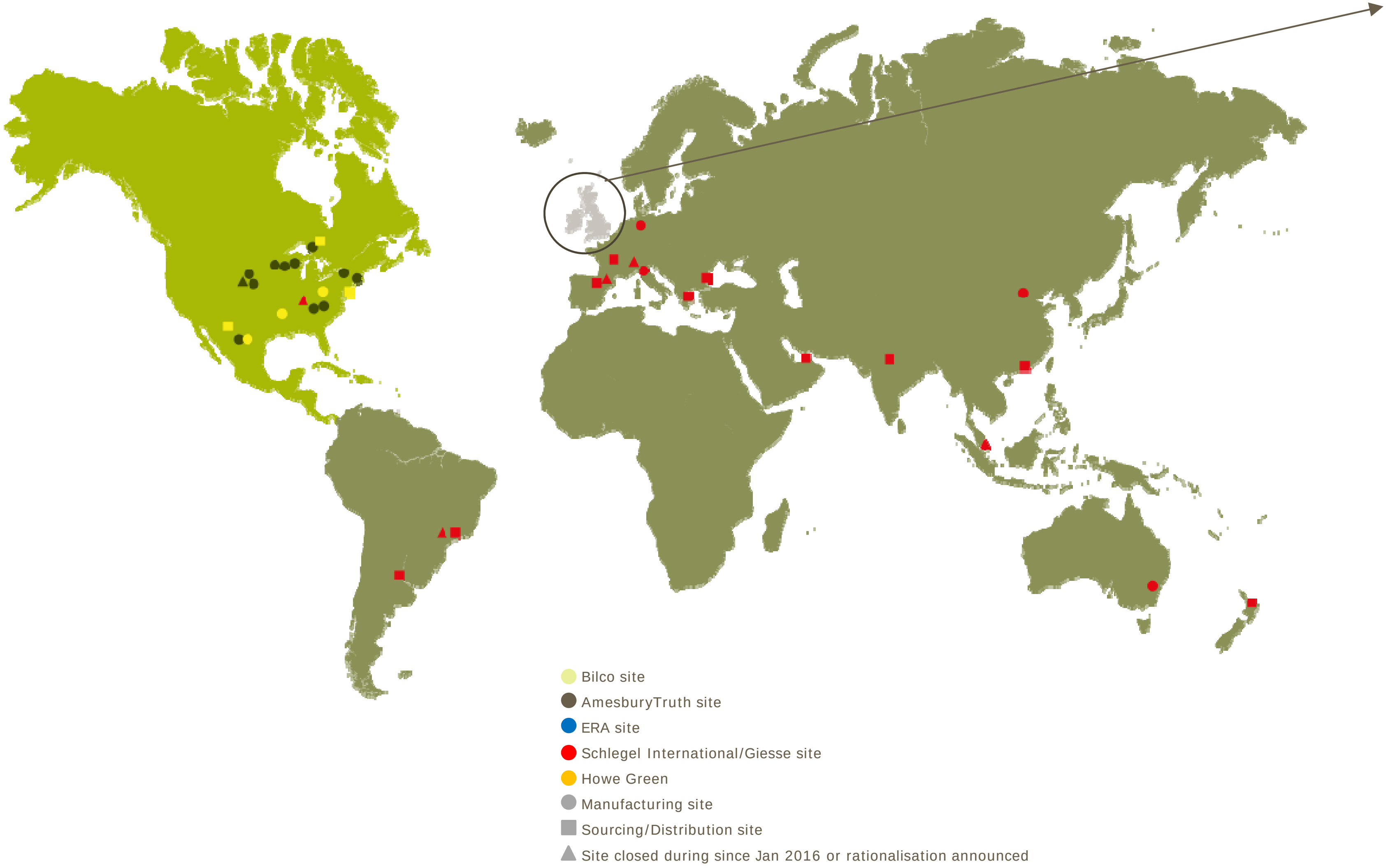
- Continental Europe performance encouraging – notably in Russia, Spain and Turkey
- Middle East slower than H1 2016 due to customers destocking – expected to pick up in H2
- Revenue in China in line with H1 2016 due to route to market change
- Australasia ahead due to strong performance in New Zealand
- Latin America difficult but still profitable & cash generative

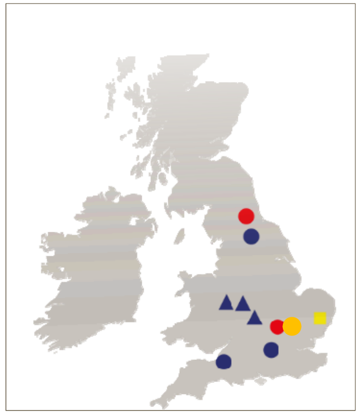
Giesse integration

- Integrated salesforce now operating with encouraging results
- Cumulative synergy target increased by 50 per cent. to €6.0 million by March 2018
- New general managers appointed in Australasia, China and Middle East. New Divisional CFO recruited
- Plan in place to consolidate two Italian manufacturing sites into one in H2 2016

Optimising our footprint

Significant progress made in rationalising the Group footprint





2017 H2 Outlook

Well positioned for further progress in the second half

AmesburyTruth

US residential to see modest market growth

US commercial positive

Canada improving

- Benefits of broader commercial offering and Bilco synergies to come through
- New site in Statesville, NC to start production
- New Tiers 3 and 4 residential coverage model launched
- Improving business performance in Canada expected to continue

ERA

Flat to down RMI market to persist

Inflationary pressures moderating

- Input cost inflation managed through purchasing, pricing and cost downs
- Move to new premises in Q4 2017
- Continued expansion of distribution channel
- Howe Green and Bilco UK integration to be completed

Schlegel International

Continued recovery in EMEAI and APAC regions (other than Aus)

LATAM challenging but may start to improve

- Complete integration of Giesse into Schlegel International
- Consolidation of Italian manufacturing sites
- Stronger performance in Middle East
- Exploring further acquisition opportunities in seals, extrusions and hardware

Development of Tyman

Eight years of progress

Reorganisation and Deleveraging
2009 - 2010

- Board re-organisation
- Cost reduction programmes
- Focus on cash generation
- Re-engaging with stakeholders
- Communicate strategy

Positioning
2011 - 2012

- Refinancing to H1 2017
- Management restructure
- New product introductions
- Overland Acquisition
- Disposal of Gall Thomson
- Fab & Fix Acquisition
- Exit Composite Doors

Growth and…
2013 - 2015

- Investment in NPD and marketing
- Name change to Tyman
- Truth transaction and integration to create AmesburyTruth
- Move to official list of LSE
- Vedasil Acquisition
- Refinancing and new RCF

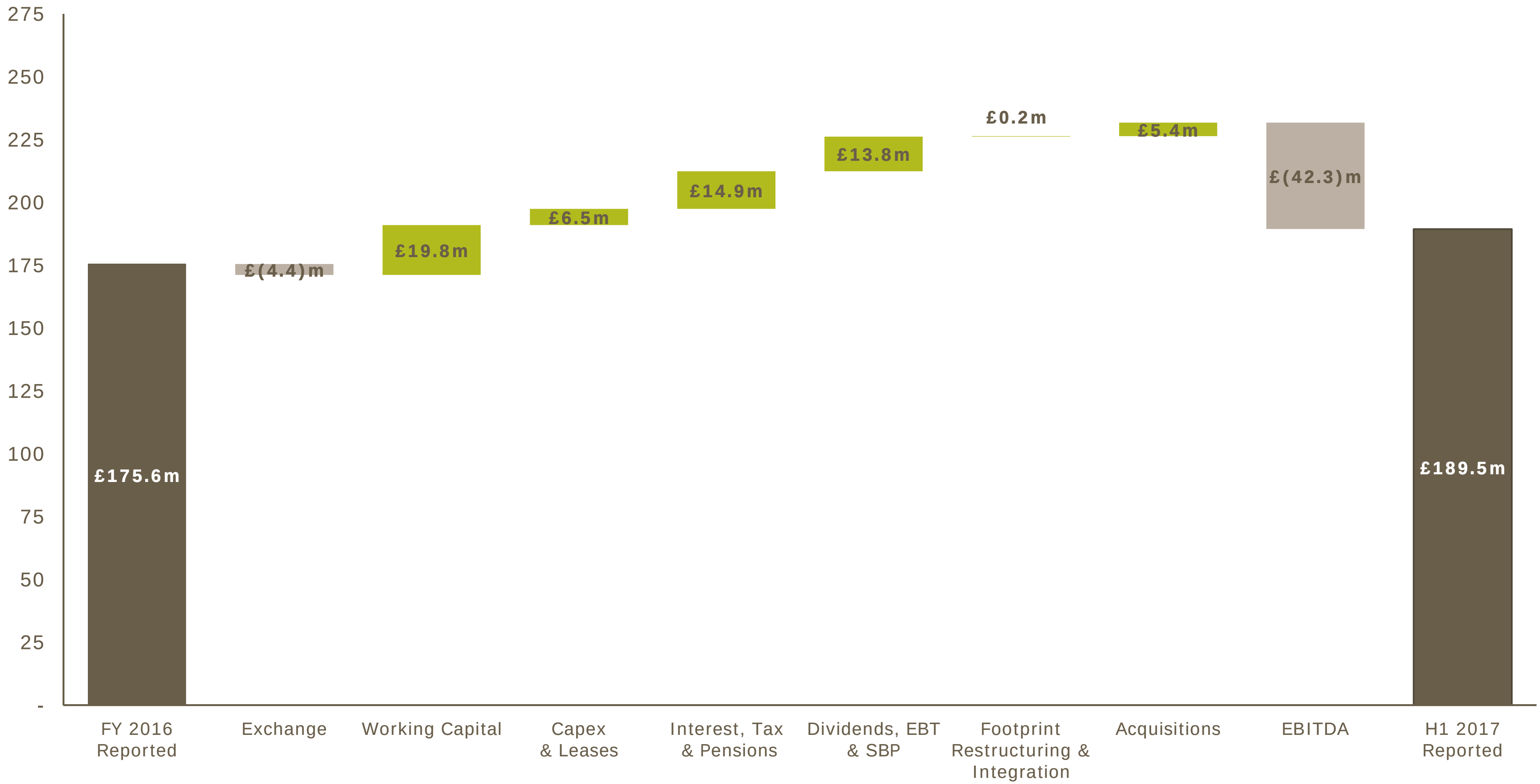
Expansion
2016 and beyond

- Bilco, Giesse, Response and Howe Green acquisitions
- UK and US Footprint projects
- US and UK commercial platforms established
- Full service offering now available in Schlegel
- Next generation of new product introductions

Appendix A – Indebtedness and currency

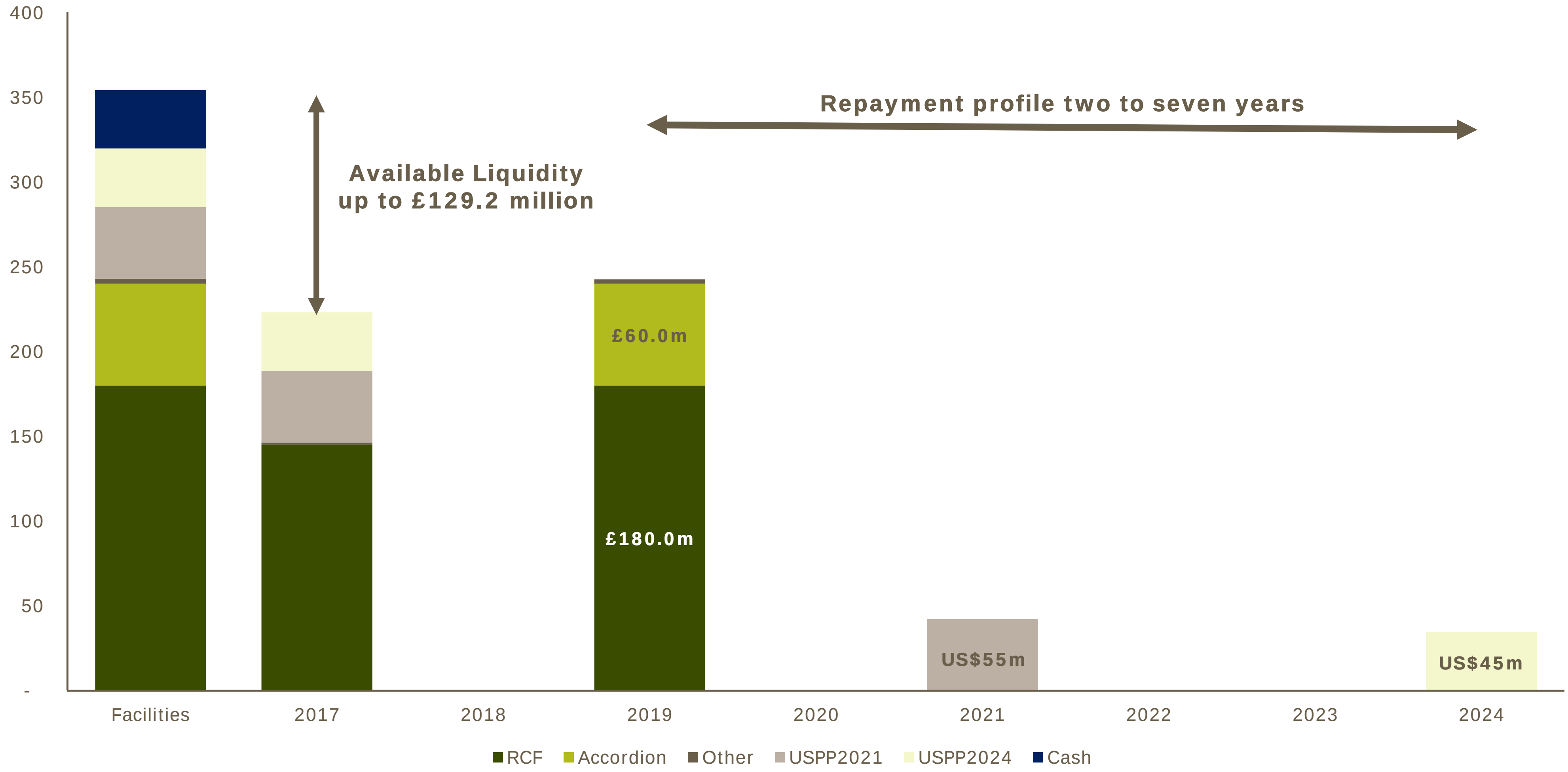
H1 2017 Indebtedness bridge

Bridge from reported FY 2017 to reported H1 2017 IFRS net indebtedness



Group debt facilities

As at H1 2017 – Bank facilities to be refinanced before March 2018



For illustrative purposes, "other" facilities are assumed to be refinanced on the same date as the RCF matures in June 2019

Covenant performance

Significant headroom on banking covenants

Leverage

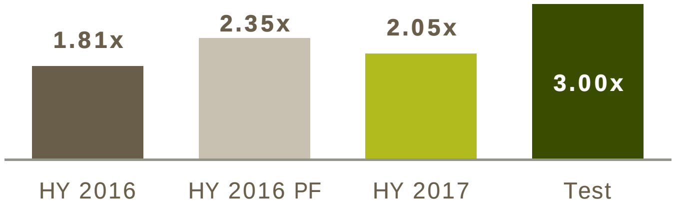
Total Net Debt to Adjusted[1] EBITDA must be < 3.00x

Target year end Leverage range of 1.50x to 2.00x

(1) Includes annualised EBITDA of acquisitions and excludes 100% EBITDA of disposals

31.5 %

£29.3m



EBITDA would need to decrease by £29.3m before there would be a breach of covenants

Interest Cover

EBITDA to Net Finance Charges must be > 4.00x

65.4 %

£60.5m

EBITDA would need to decrease by £60.5m before there would be a breach of covenants

Currency ready reckoner

Currency	US$	Euro	AUS$	CA$	Total[1]
Average rate H1 2017	1.2586	1.1626	1.6694	1.6799	
Average rate H1 2016	1.4336	1.2846	1.9556	1.9084	
% mvt in average rate	(12.2) %	(9.5) %	(14.6) %	(12.0) %	
£'m Revenue impact	19.8	3.0	0.7	0.4	23.9
£'m Profit impact[2]	3.3	0.5	0.1	-	3.9
1c decrease impact[3]	+ £211k	+ £42k	+ £3k	+ £2k	

(1) Impact of other currencies is immaterial

(2) Underlying Operating Profit impact

(3) Defined as the approximate favourable translation impact of a 1c decrease in the Sterling exchange rate of the respective currency on the Group's Underlying Operating Profit

Appendix B – Financial statements

Consolidated income statement

For the six months ended 30 June 2017

	Six months ended 30 June 2017 (unaudited) £'000	Six months ended 30 June 2016 (unaudited) £'000	Year ended 31 December 2016 (audited) £'000
Revenue	**260,402**	201,040	457,644
Cost of sales	**(164,094)**	(128,923)	(290,385)
Gross profit	**96,308**	72,117	167,259
Administrative expenses	**(73,570)**	(61,464)	(130,069)
Operating profit	**22,738**	10,653	37,190
Analysed as:			
Underlying operating profit	**35,497**	27,170	69,803
Exceptional items	**(891)**	(6,327)	(10,900)
Amortisation of acquired intangible assets	**(11,868)**	(10,190)	(21,713)
Operating profit	**22,738**	10,653	37,190
Finance income	**96**	897	853
Finance costs	**(4,986)**	(3,773)	(8,667)
Net finance costs	**(4,890)**	(2,876)	(7,814)
Profit before taxation	**17,848**	7,777	29,376
Income tax charge	**(6,059)**	(2,492)	(8,641)
Profit for the period	**11,789**	5,285	20,735

For Definitions and reconciliation of APMs see the Results Announcement published on 25 July 2017

Consolidated balance sheet

As at 30 June 2017

	30 June 2017 (unaudited) £'000	30 June 2016 (unaudited) £'000	31 December 2016 (audited and restated) £'000
ASSETS			
Non-current assets			
Goodwill	**333,741**	293,781	344,873
Intangible assets	**117,024**	109,598	130,684
Property, plant and equipment	**68,723**	69,135	71,459
Other investment	**1,154**	-	-
Deferred tax assets	**13,666**	15,717	15,933
	534,308	488,231	562,949
Current assets			
Inventories	**80,797**	72,512	71,091
Trade and other receivables	**82,612**	77,242	67,254
Cash and cash equivalents	**34,282**	105,585	40,917
Derivative financial instruments	**-**	936	506
	197,691	256,275	179,768
TOTAL ASSETS	**731,999**	744,506	742,717
LIABILITIES			
Current liabilities			
Trade and other payables	**(78,349)**	(74,630)	(71,197)
Derivative financial instruments	**(249)**	-	(291)
Borrowings	**-**	(588)	-
Current tax liabilities	**(1,242)**	(34)	(4,337)
Provisions	**(5,374)**	(4,326)	(4,544)
	(85,214)	(79,578)	(80,369)

	30 June 2017 (unaudited) £'000	30 June 2016 (unaudited) £'000	31 December 2016 (audited and restated) £'000
Non-current liabilities			
Borrowings	**(223,734)**	(248,542)	(216,470)
Deferred tax liabilities	**(38,233)**	(36,710)	(42,658)
Retirement benefit obligations	**(16,448)**	(11,168)	(17,108)
Provisions	**(6,763)**	(14,400)	(8,124)
Other payables	**(1,070)**	(3,779)	(897)
	(286,248)	(314,599)	(285,257)
TOTAL LIABILITIES	**(371,462)**	(394,177)	(365,626)
NET ASSETS	**360,537**	350,329	377,091
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	**8,929**	8,929	8,929
Share premium	**81,407**	81,407	81,407
Other reserves	**8,920**	8,920	8,920
Treasury reserves	**(2,868)**	(3,338)	(3,338)
Hedging reserve	**(200)**	77	(291)
Translation reserve	**64,938**	62,854	80,135
Retained earnings	**199,411**	191,480	201,329
TOTAL EQUITY	**360,537**	350,329	377,091

Underlying Earnings Per Share

For the six months ended 30 June 2017

	Six months ended 30 June 2017 (unaudited) £'000	Six months ended 30 June 2016 (unaudited and restated) £'000	Year ended 31 December 2016 (audited) £'000
Profit before taxation	**17,848**	7,777	29,376
Exceptional items	**891**	6,327	10,900
Amortisation of borrowing costs	**200**	212	412
Loss/(Gain) on revaluation of fair value hedge	**554**	(678)	(328)
Unwinding of discount on provisions	**-**	3	6
Amortisation of acquired intangible assets	**11,868**	10,190	21,713
Underlying profit before taxation	**31,361**	23,831	62,079
Income tax charge	**(6,059)**	(2,492)	(8,641)
Add back: Underlying tax effect	**(3,873)**	(4,970)	(9,469)
Underlying profit after taxation	**21,429**	16,369	43,969
Basic underlying earnings per share	**12.09p**	9.69p	25.41p
Diluted underlying earnings per share	**12.05p**	9.67p	25.31p

For Definitions and reconciliation of APMs see the Results Announcement published on 25 July 2017

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