Delivering operational excellence

Tyman plc Results Presentation 2017
Highlights
A further year of profitable growth

Business highlights

• Increased contributions from Bilco and Giesse acquisitions and favourable exchange rates

• AmesburyTruth ahead of last year – strong Bilco growth partially offset by short term market share loss in smaller residential customers and operational issues in Juarez now largely resolved

• ERA gained market share in OEM and Distribution despite slow market

• SchlegelGiesse increased margins by c. 190 bps - enlarged product offering continues to gain traction

• Synergy targets for Giesse and Bilco acquisitions exceeded

• Leverage back within target range at year end

• Industry leading facilities opened in Sioux Falls, Statesville and Wolverhampton

• Group effective tax rate for 2018 expected to reduce by c. 400 bps to 26.0 to 27.0 per cent. following US Federal tax rate change

2018 highlights and trading

• Volumes in 2018 to date are in line with expectations and there is a promising order book in each Division

• Banking facilities increased to £240.0 million together with a £70.0 million accordion and extended to at least February 2023

• The Group has today announced the acquisition of Ashland Hardware by AmesburyTruth for an enterprise value of US$101.0 million
Financial performance
## 2017 Financials
Performance assisted by M&A and favourable exchange rates

<table>
<thead>
<tr>
<th>Metric</th>
<th>2017</th>
<th>Change</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>£522.7m</td>
<td>+ 14%</td>
<td>£457.6m</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>£76.8m</td>
<td>+ 10%</td>
<td>£69.8m</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>14.7%</td>
<td>(60) bps</td>
<td>15.3%</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>26.91p</td>
<td>+ 6%</td>
<td>25.41p</td>
</tr>
<tr>
<td><strong>ROCE</strong></td>
<td>13.6%</td>
<td>(20) bps</td>
<td>13.8%</td>
</tr>
<tr>
<td><strong>Leverage</strong></td>
<td>1.83x</td>
<td>(0.06)x</td>
<td>1.89x</td>
</tr>
<tr>
<td><strong>Cash conversion</strong></td>
<td>85.6%</td>
<td>(2,030) bps</td>
<td>105.9%</td>
</tr>
<tr>
<td><strong>DPS</strong></td>
<td>11.25p</td>
<td>+ 7%</td>
<td>10.50p</td>
</tr>
</tbody>
</table>

Notes – for Definitions and reconciliation of APMs see the Results Announcement published on 7 March 2018

(1) Underlying
(2) Operating Cash Conversion
2017 Revenue
Increase in Revenue assisted by exchange and acquisitions

AmesburyTruth
*Reported: + 9 %; CCLFL: + 2 %*

[Bar charts showing US$393.1m to US$428.8m for 2016 and 2017, respectively.]

SchlegelGiesse
*Reported: + 8 %; CCLFL: Flat*

[Bar charts showing €115.8m to €125.2m for 2016 and 2017, respectively.]

ERA
*Reported: + 10 %; LFL: + 3 %*

[Bar charts showing £73.0m to £80.3m for 2016 and 2017, respectively.]

Group
*Reported: + 14 %; CCLFL: + 2 %*

[Bar charts showing £457.6m to £522.7m for 2016 and 2017, respectively.]

**Tyman plc** Results for year ended 31 December 2017
2017 Revenue bridge
Bridge from reported 2016 to reported 2017

Tyman plc Results for year ended 31 December 2017
2017 Underlying Operating Profit
Favourable impact of acquisitions, exchange and pricing actions offset by higher input costs

AmesburyTruth
Reported: + 4 %; CCLFL: Flat

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported UOP</th>
<th>CCLFL Impact</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>US$74.1m</td>
<td>18.8 %</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>US$77.0m</td>
<td>17.9 %</td>
<td>(90) bps</td>
</tr>
</tbody>
</table>

SchlegelGiesse
Reported: + 27 %; CCLFL: + 19 %

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported UOP</th>
<th>CCLFL Impact</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>€11.5m</td>
<td>10.0 %</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>€14.6m</td>
<td>11.6 %</td>
<td>+ 160 bps</td>
</tr>
</tbody>
</table>

ERA
Reported: (13) %; CCLFL: (25) %

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported UOP</th>
<th>CCLFL Impact</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>£11.7m</td>
<td>16.1 %</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>£10.2m</td>
<td>12.7 %</td>
<td>(340) bps</td>
</tr>
</tbody>
</table>

Corporate
Reported and CCLFL: (1) %

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported UOP</th>
<th>CCLFL Impact</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>£6.0m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>£5.9m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tyman plc Results for year ended 31 December 2017
2017 Underlying Operating Profit bridge
Bridge from reported 2016 to reported 2017


£69.8m | £3.5m | £73.3m | £(0.8)m | £7.4m | £(5.5)m | £(3.3)m | £(5.0)m | £6.1m | £72.2m | £4.6m | £76.8m

£(0.8)m | £(5.5)m | £(3.3)m | £(5.0)m | £6.1m | £72.2m | £4.6m | £76.8m

£69.8m | £73.3m | £76.8m

Tyman plc Results for year ended 31 December 2017
Input costs
Commodity cycles turned; input costs continue to trend up in most markets

Stainless steel (US)

Zinc (US)

Polypropylene (Euro)

Aluminium (Euro)
**Working Capital**

**Targeted investment in working capital**

### 2017 working capital

- Exchange movement: £(5.0)m (Trade) £(4.0)m (Total)
- Acquisitions: £0.7m (Trade) £Nil (Total)
- Investment in trade working capital £10.4m over the year
- Trough to Peak: £17.5 million
- Peak to Trough: £11.4 million

**Trade working capital cycle**

- FY 2016 (restated): £88.6m
- FY 2017: £94.7m
- HY 2017: £106.1m

**2017 working capital**

- Trade working capital: £88.6m (2016), £94.7m (2017)
- Total working capital: £66.3m (2016), £76.5m (2017)
ROCE and ROAI

Acquisitions on track to exceed ROAI post-acquisition target of 15.0 %

Giese ROAI calculated over 22 months of ownership; Bilco over 18 months; Howe Green over 10 months.

Tyman plc Results for year ended 31 December 2017
Other financial information
Capital Expenditure and Net Interest Payable

**Capital expenditure**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Capex</td>
<td>£15.4m</td>
<td>£16.4m</td>
</tr>
<tr>
<td>Net Capex</td>
<td>3.3%</td>
<td>3.4%</td>
</tr>
<tr>
<td>(17.3) %</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Continued investment in the business**

**Net Interest**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of funds</td>
<td>3.3%</td>
<td>3.4%</td>
</tr>
<tr>
<td>+ 10 bps</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Int. Charge</td>
<td>1.32x</td>
<td>1.27x</td>
</tr>
<tr>
<td>+ 9.3 %</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Higher interest charge due to full year impact of Bilco and Giesse**

Tyman plc Results for year ended 31 December 2017
Other financial information
Underlying tax rate and Exceptional items

Taxation
Underlying + 90 bps
Cash + 170 bps

Underlying tax rate
2016: 29.2%
2017: 30.1%

Cash tax rate
2016: 20.4%
2017: 22.1%

Slightly higher Group tax rates

Exceptional items
Footprint costs £16.4m
Footprint credits £(5.7)m
M&A £(0.7)m

Exceptional items
2016 net costs
Footprint restructuring £5.7m
M&A and integration £16.4m
Inventory £8.6m

2017 costs
Footprint restructuring £5.7m
M&A and integration £16.4m
Inventory £8.6m

2017 credits
Footprint restructuring £5.7m
M&A and integration £8.6m
Inventory £8.3m

Cash exceptionals
2016: £8.3m
2017: £10.2m

Significant credits taken through exceptional during the year
Other financial information
Cash performance

**Operational cash flow**
- OCF: (11) %
- FCF: (30) %

**Operational Cash Flow**
- 2016: £73.9m
- 2017: £65.8m

**OCF conversion**
- 2016: 1.06x
- 2017: 0.86x

**Five year Operating Cash Conversion average 92.9 per cent.**

**Pension & PRB**
- Pension: £42.5m
- PRMB: £0.3m
- Deficit: £10.8m

**Pension & PRB**
- 2016: £52.7m
- 2017: £42.8m

**Deficit Indemnified (Bilco) Funded**

**33 per cent. reduction in effective net post-retirement liabilities year on year**
Other financial information (cont’d)
Pension liabilities and Leverage

**Leverage**

Reported 1.83x

**Leverage Calculations**

- 1.89x (Dec 2016)
- 1.83x (Dec 2017)
- 3.00x (Test)

*Leverage back below 2.00x at year end for sixth successive year*
## Summary 2018 guidance

<table>
<thead>
<tr>
<th>Acquisition contributions</th>
<th>Trade Working Capital</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trading</strong></td>
<td><strong>Trough to peak</strong></td>
<td><strong>£18.0m – £20.0m</strong></td>
</tr>
<tr>
<td>- Howe Green twelve months</td>
<td>- £15.0m – £20.0m</td>
<td></td>
</tr>
<tr>
<td>- Ashland c. nine months</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Tax and Interest</strong></th>
<th><strong>Integration &amp; Footprint</strong></th>
<th><strong>LTIP and Accounting</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Underlying effective rate</strong></td>
<td><strong>Exceptional Costs</strong></td>
<td><strong>P&amp;L share-based payments</strong></td>
</tr>
<tr>
<td>26.0 % – 27.0 %</td>
<td>£4.0m – £5.0m + IFRS 3 Ashland</td>
<td>c. £1.1m</td>
</tr>
<tr>
<td><strong>Interest Payable</strong></td>
<td><strong>2018 Exceptional cash costs</strong></td>
<td><strong>EBT Purchases</strong></td>
</tr>
<tr>
<td>£10.0 – £11.0m</td>
<td>£9.0m – £10.0m</td>
<td>£2.0m – £3.0m</td>
</tr>
<tr>
<td><strong>Amort’n of borrowing costs</strong></td>
<td><strong>2018 Benefits</strong></td>
<td><strong>IFRS 16</strong></td>
</tr>
<tr>
<td>c. £1.1m</td>
<td>US Footprint – US$2.0m</td>
<td>Provisional assessment ongoing</td>
</tr>
</tbody>
</table>
Divisional Reviews
Amesbury Truth
Mixed performance in 2017

Performance

• Mixed year despite generally favourable market conditions
• Strong Bilco growth in second half
• Short term market share loss in smaller residential customers
• Volumes in core AmesburyTruth business marginally ahead of 2016
• Higher input costs not fully recovered through price

Operating results

<table>
<thead>
<tr>
<th>$’m except where stated</th>
<th>2017</th>
<th>2016</th>
<th>Change</th>
<th>CCLFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>428.8</td>
<td>393.1</td>
<td>+ 9 %</td>
<td>+ 2 %</td>
</tr>
<tr>
<td>U’lying Operating Profit</td>
<td>77.0</td>
<td>74.1</td>
<td>+ 4 %</td>
<td>-</td>
</tr>
<tr>
<td>U’lying Operating Margin</td>
<td>17.9%</td>
<td>18.8%</td>
<td>(90) bps</td>
<td>(40) bps</td>
</tr>
</tbody>
</table>

Footprint project financials

<table>
<thead>
<tr>
<th>$’m</th>
<th>Inception to date</th>
<th>2018 Forecast</th>
<th>2019 Estimate</th>
<th>2020 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>P&amp;L charge(^{(1)})</td>
<td>17.3</td>
<td>3.0</td>
<td>2.0</td>
<td>1.5</td>
</tr>
<tr>
<td>Operational expenditure(^{(2)})</td>
<td>10.7</td>
<td>5.5</td>
<td>7.5</td>
<td>1.0</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>12.7</td>
<td>1.5</td>
<td>1.5</td>
<td>-</td>
</tr>
<tr>
<td>Cash receipts(^{(3)})</td>
<td>(2.1)</td>
<td>(1.4)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total cash costs</td>
<td>21.3</td>
<td>5.6</td>
<td>9.0</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total cumulative cash costs</strong></td>
<td><strong>21.3</strong></td>
<td><strong>26.9</strong></td>
<td><strong>35.9</strong></td>
<td><strong>36.9</strong></td>
</tr>
<tr>
<td>Incremental P&amp;L saving</td>
<td>0.0</td>
<td>2.0</td>
<td>3.0</td>
<td>5.0</td>
</tr>
<tr>
<td><strong>Cumulative annual P&amp;L saving</strong></td>
<td><strong>0.0</strong></td>
<td><strong>2.0</strong></td>
<td><strong>5.0</strong></td>
<td><strong>10.0</strong></td>
</tr>
</tbody>
</table>

2016 restated for transfer of Bilco UK from AmesburyTruth to ERA

\(^{(1)}\) P&L charge comprises exceptional items incurred and to be incurred in connection with the footprint project

\(^{(2)}\) Operational expenditure comprises gross cash costs incurred and expected to be incurred in connection with the footprint project in respect of items that are not capitalised

\(^{(3)}\) The Division expects to realise gross cash receipts of up to US$5.0 million from disposals of capital assets/exits from lease obligations as part of the footprint project. Only proceeds from completed disposals and exits are included in the table above and in net project cost estimates.
**ERA**

Good performance despite flat to down markets

**Performance**

- Challenging UK market in 2017
- Underlying operating margins impacted by higher raw material costs and property costs of new facility
- Share gains in OEM and Distribution
- ERA Home concept launched
- Bilco with Howe Green provides commercial and light infrastructure platform

**Operating results**

<table>
<thead>
<tr>
<th>£’m except where stated</th>
<th>2017</th>
<th>2016</th>
<th>Change</th>
<th>CCLFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>80.3</td>
<td>73.0</td>
<td>+ 10 %</td>
<td>+ 3 %</td>
</tr>
<tr>
<td>U’lying Operating Profit</td>
<td>10.2</td>
<td>11.7</td>
<td>(13) %</td>
<td>(25) %</td>
</tr>
<tr>
<td>U’lying Operating Margin</td>
<td>12.7%</td>
<td>16.1%</td>
<td>(340)bps</td>
<td>(440)bps</td>
</tr>
</tbody>
</table>

2016 restated for transfer of Bilco UK from AmesburyTruth to ERA

**New facility complete**

Construction completed at i54

**Input cost inflation**

Relative average pricing of a basket of largest volume ERA products sourced from the Far East since 2013

+10% in 2017
**SchlegelGiesse**

**Another strong year**

**Performance**

- Strong year as enlarged hardware and seals product proposition continued to gain traction
- Further expansion of Underlying operating margin
- Growth in EMEAI offset by challenging markets in UK, China, Australia and Latin America
- Delivery of synergies in the year improved profitability
- LATAM market recovery evident in second half

**Integration and synergy delivery**

- Giesse integration complete
- Unified executive team with simplified legal and financial structure
- €7.6 million in aggregate delivered; c. 90.0 per cent. over original targets
- Two Giesse facilities in Bologna consolidated into single manufacturing site

**Operating results**

<table>
<thead>
<tr>
<th>C’m except where stated</th>
<th>2017</th>
<th>2016</th>
<th>Change</th>
<th>CCLFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>125.2</td>
<td>115.8</td>
<td>+8%</td>
<td>Flat</td>
</tr>
<tr>
<td>Underlying Operating Profit</td>
<td>14.6</td>
<td>11.5</td>
<td>+27%</td>
<td>+19%</td>
</tr>
<tr>
<td>Underlying Operating Margin</td>
<td>11.6%</td>
<td>10.0%</td>
<td>+160bps</td>
<td>+190bps</td>
</tr>
</tbody>
</table>

**New brand launch**
Optimising our footprint

Significant progress made in rationalising the Group footprint

9 facilities exited
3 properties for sale
4 significant new facilities
Proposed acquisition of Ashland Hardware
Highly complementary US residential components business

Transaction

- **US$101.0 million** (c. £72.7 million) acquisition (cash/debt free) – **9.0x 2017 Adjusted EBITDA**
- Financed from committed banking facilities and net proceeds of proposed placing
- Completion expected **by end March 2018**

Equity placing

- Proposed equity placing of up to **10.0 per cent.** to part finance the Acquisition and provide structural facility headroom going forward

Highly complementary US residential components acquisition

- Acquisition brings to the Group an engineered hardware product offering for the North American residential window and door market
- Products include casement operators, window balances, window hardware, patio door hinges and multi-point locking systems
- Ashland’s product portfolio and capabilities are highly complementary to those of AmesburyTruth giving the Enlarged Division a viable “Good Better Best” product offering
- Synergy benefits of not less than **US$4.0 million** expected from 2020
- Earnings accretive from 2019; target run rate **ROAI > 15.0 per cent. from 2020**
Ashland overview
History, locations, products and markets

History
- Founded in 1932
- Owned since 2013 by private equity
- Corporate headquarters in Dallas, Texas
- Employs approximately 475 people

Products and markets
- North American residential markets
- Engineered components for North American OEMs – highly complementary to AT product sales
- Some contract manufacturing (other building products and furniture industries)

Locations

<table>
<thead>
<tr>
<th>Manufacturing</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monterrey, Mexico</td>
<td>Freeport, Illinois</td>
</tr>
<tr>
<td>Woodbridge, Canada</td>
<td>Dallas, Texas</td>
</tr>
</tbody>
</table>
Product overview
Gives AmesburyTruth a viable “Good Better Best” product offering

Casement window

Builders grade
- Maxim® Operators
- Optima™ Operators

Midrange
- Reposition

Premium
- Encore® Operators

Hinged patio door hardware

Builders grade
- P2000
- P3000

Hinged patio door hardware

Builders grade
- DualTech™ System
- High Performance Tilt Latch
- SightLine™ Tilt Latch
- Sash Locks

Hung/sliding window

Builders grade
- P2000
- P3000

Hung/sliding window

Builders grade
- DualTech™ System
- High Performance Tilt Latch
- SightLine™ Tilt Latch
- Sash Locks

Tyman plc Results for the year ended 31 December 2017
2018 AmesburyTruth footprint
Including Ashland Hardware sites

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Location</th>
<th>Type</th>
<th>Size</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dallas, TX</td>
<td>Corporate HQ</td>
<td>6,350 sq.ft.</td>
<td>36 employees</td>
<td></td>
</tr>
<tr>
<td>Monterrey, Mexico</td>
<td>Manufacturing</td>
<td>244,000 sq.ft.</td>
<td>394 employees</td>
<td></td>
</tr>
<tr>
<td>Freeport, IL</td>
<td>Distribution</td>
<td>100,000 sq.ft.</td>
<td>25 employees</td>
<td></td>
</tr>
<tr>
<td>Woodbridge, Canada</td>
<td>Manufacturing</td>
<td>12,000 sq.ft.</td>
<td>10 employees</td>
<td></td>
</tr>
<tr>
<td>Dallas, TX</td>
<td>Distribution</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tyman plc Results for the year ended 31 December 2017
Ashland financials
2015, 2016 and 2017 financials (unaudited)

Ashland Revenue

2017 Revenue by product

- Hung - 29%
- Door - 25%
- Casement - 27%
- Multi-Purpose - 11%
- Contract - 8%

US$67.2m

Ashland EBITDA

2018 Ashland trading

- Trading in line with budget and expectations to date in 2018
M&A pro forma impact
Impact of the proposed acquisition of Ashland on the Group

Revenue bridge

Operating Profit bridge

Revenue by Division

Operating Profit by Division

Pro forma impact represents the aggregation of Tyman and Ashland for Revenue and Operating Profit assuming that Ashland had been owned for the entire 2017 year. Aggregation does not include any amendments or adjustments for acquisition costs, integration costs, synergies, differences in basis of preparation or other impacts of combination. All figures translated at 2017 average exchange rates.

(1) Includes corporate costs of £5.9m

Tyman plc Results for the year ended 31 December 2017
Ashland
Clear path to integration and synergies

Transaction and financial effects\(^{(1)}\)
- Enterprise value of **US$101.0 million** (c. £72.7 million)
- Costs and expenses of c. £2.2 million
- Acquisition multiple **9.0x 2017 EBITDA**
- Completion by end March 2018
- Earnings accretive from 2019

Integration
- Integration team established
- Ashland to report through AmesburyTruth
- Ashland manufacturing will remain in Monterrey, Mexico

Our approach to M&A

<table>
<thead>
<tr>
<th>Complementary products</th>
<th>Add value to our customers</th>
<th>Reliable future</th>
<th>Synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Improve our business</th>
<th>Strong prospects</th>
<th>Returns</th>
<th>Financial parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Synergies
- **US$4.0 million** of synergy benefit by 2020 at estimated cost of c. US$3.0 million
- Alignment of sales and marketing resources
- Co-ordination of third party sourcing, freight and logistics
- Sharing of best practice
- Optimisation of offices and facilities
- Effective utilisation of administrative overheads
- **Targeting run rate ROAI of 15.0 per cent. by March 2020**

---

\(^{(1)}\) This financial effects statement should not be construed as a profit forecast or interpreted to mean that the future earnings per share, profits, margins, returns on capital or cash flows of the Group will necessarily be greater than the historic published figures or that Leverage will necessarily be lower than the historic published figures.
Outlook and track record
2018 Outlook
2018 has started promisingly in most markets

AmesburyTruth
US residential and commercial market growth
Further growth in Canadian market

- Changes to route to market for tier three and four customers
- Focus on operational and quality improvements
- Return to like for like sales growth and margin expansion
- Closure of Rochester, NY and Amesbury, MA facilities
- Integration of Ashland Hardware

ERA
Slow RMI market
Growth in UK commercial and Ventrolla

- Focus on further market share gains
- Leveraging opportunities offered by industry leading Wolverhampton facility
- Launch of TouchKey night latch and “ERA Home” concept
- Outlook for Bilco and Howe Green remains positive

SchlegelGiesse
Growth in Continental Europe
Continued recovery in Middle East and Latin America

- Launch of SchlegelGiesse brand in March 2018
- Extensions to Giesse hardware range
- New sealing technology in advanced testing
- Further investments in manufacturing capability and automation in the year
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 2016
- Management restructure
- New product introductions
- Overland acquisition
- Disposal of Gall Thomson
- Fab & Fix acquisition
- Exit Composite Doors

**Growth and... 2013–2017**
- Name change to Tyman
- Truth transaction and integration to create AmesburyTruth
- Move to official list of LSE
- Vedasil acquisition
- North American Footprint rationalisation
- Bilco, Giesse, Response and Howe Green acquisitions

**Expansion 2018 and beyond**
- New ERA facility opened
- Route to market change in US
- Full service offering available in Schlegel
- Next generation of new product introductions
- Proposed Ashland Hardware acquisition

Tyman plc Results for year ended 31 December 2017
2017 Indebtedness bridge
Bridge from reported 2016 to reported 2017 IFRS net indebtedness

Tyman plc Results for year ended 31 December 2017
Group debt facilities
Borrowings at 31 December 2017 and the 2018 Facility

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RCF</td>
<td>US$55m</td>
<td>US$45m</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accordion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USPP2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USPP2024</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Available Liquidity up to £223.0 million

Repayment profile three to seven years

For illustrative purposes, "other" facilities are assumed to be refinanced on the same date as the 2018 Facility matures in Feb 2023

Tyman plc Results for year ended 31 December 2017
**Leverage**

- Total Net Debt to Adjusted\(^{(1)}\) EBITDA must be $< 3.00x$
- Target year end Leverage range of 1.50x to 2.00x

\[ \text{39.0 \%} \]

\[ \text{£35.5m} \]

EBITDA would need to decrease by £35.5m before there would be a breach of covenants

\[ \begin{array}{ccc}
2016 & 1.89x & 1.83x \\
2017 & & 3.00x \\
\text{Test} & &
\end{array} \]

\(^{(1)}\) Includes annualised EBITDA of acquisitions and excludes 100% EBITDA of disposals

---

**Interest Cover**

- EBITDA to Net Finance Charges must be $> 4.00x$

\[ \text{64.9 \%} \]

\[ \text{£58.9m} \]

EBITDA would need to decrease by £58.9m before there would be a breach of covenants

\[ \begin{array}{ccc}
2016 & 11.41x & 11.38x \\
2017 & & 4.00x \\
\text{Test} & &
\end{array} \]
Appendix B
Business model
Strategy and business model

Delivering stakeholder value

- Expertise and experience
- Flexibility
- Market share gain and pricing discipline
- Capital allocation and cash generation
- Maximising margins through elimination of cost and waste
- Strong relationships
- Engineered solutions
- Financial discipline
- Quality and service
How we operate

Where we sell by country
- US 56%
- UK 16%
- Europe 11%
- Canada 7%
- Australia 2%
- Rest of the world 8%

Who we sell to
- OEM Manufacturers 74%
- Distributors & Wholesalers 19%
- Other Industrial 7%

What we sell
- Hardware 45%
- Sealing 17%
- Balances 11%
- Speciality Access Products 10%
- Operators 9%
- Polymer Extrusion 4%
- Other 4%

Where we source from
- US 54%
- Far East 20%
- Europe 13%
- UK 8%
- Canada 2%
- Mexico 2%
- South America 1%
## Our key financial targets

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market share</strong></td>
<td>Grow Revenue ahead of markets year on year</td>
</tr>
<tr>
<td><strong>ROCE</strong></td>
<td>Medium term target of 15.0 %</td>
</tr>
<tr>
<td><strong>Gross Margins</strong></td>
<td>Consistently greater than 30.0 %</td>
</tr>
<tr>
<td><strong>Operating Margins</strong></td>
<td>Take businesses back to peak cycle margins</td>
</tr>
<tr>
<td><strong>M&amp;A</strong></td>
<td>Value adding M&amp;A to improve the business, ROCE and EPS</td>
</tr>
<tr>
<td><strong>Net debt: EBITDA</strong></td>
<td>1.50x – 2.00x at each year end</td>
</tr>
<tr>
<td><strong>Cash Conversion</strong></td>
<td>+/- 100.0% at Divisional level</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>Year on year growth via dropthrough of profitability</td>
</tr>
</tbody>
</table>
Our approach to M&A

Complementary Products
Complement the Group’s product offering

Add value for our customers
Value added engineered proposition

Reliable future
Profitable, cash generative and well invested

Synergies
Capable of integration with a clear path to synergies

Improve our business
Value adding M&A to improve the business, ROCE and EPS

Strong prospects
Attractive and resilient growth opportunities

Returns
Must offer both absolute and relative returns to Tyman

Financial parameters
Leverage ROAI EPS enhancement

Improve our business

Deliver for our stakeholders
Appendix C
Markets
Housing starts
US, Canada and United Kingdom

US Housing Starts
Units '000

Canadian Housing Starts
Units '000

UK Housing Starts
Units '000

Source: United States Census Bureau
Source: Statistics Canada
Source: www.gov.uk

Tyman plc Results for year ended 31 December 2017
Western Europe Construction

Eastern Europe Construction

Australian Housing Starts

Source: EuroConstruct

Source: EuroConstruct

Source: www.abs.gov.au

Tyman plc Results for year ended 31 December 2017
Appendix D

Other information
## Currency ready reckoner

<table>
<thead>
<tr>
<th>Currency</th>
<th>US$</th>
<th>Euro</th>
<th>AUS$</th>
<th>CA$</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average rate 2017</td>
<td>1.2887</td>
<td>1.1414</td>
<td>1.6811</td>
<td>1.6717</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average rate 2016</td>
<td>1.3554</td>
<td>1.2243</td>
<td>1.8252</td>
<td>1.7965</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% mvt in average rate</td>
<td>(4.9) %</td>
<td>(6.8) %</td>
<td>(7.9) %</td>
<td>(6.9) %</td>
<td></td>
<td>20.5</td>
</tr>
<tr>
<td>£’m Revenue impact</td>
<td>15.9</td>
<td>4.4</td>
<td>0.7</td>
<td>0.5</td>
<td>(1.0)</td>
<td>20.5</td>
</tr>
<tr>
<td>£’m Profit impact (1)</td>
<td>2.9</td>
<td>0.6</td>
<td>0.1</td>
<td>0.1</td>
<td>(0.2)</td>
<td>3.5</td>
</tr>
<tr>
<td>1c decrease impact (2)</td>
<td>£448k</td>
<td>£82k</td>
<td>£8k</td>
<td>£7k</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Underlying Operating Profit impact

(2) Defined as the approximate favourable translation impact on the Group’s Underlying Operating Profit of a 1c decrease in the Sterling exchange rate of the respective currency
## Exited properties

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Sq ft</th>
<th>Tenure</th>
<th>Expiry</th>
<th>Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 2017</td>
<td>Harrogate, UK</td>
<td>9,000</td>
<td>Leasehold</td>
<td>Dec 2021</td>
<td>N/a</td>
</tr>
<tr>
<td>Feb 2017</td>
<td>Gistel, Belgium</td>
<td>158,000</td>
<td>Freehold</td>
<td>N/a</td>
<td>€0.9m</td>
</tr>
<tr>
<td>Mar 2017</td>
<td>Sioux Falls, US</td>
<td>112,000</td>
<td>Leasehold</td>
<td>Dec 2021</td>
<td>US$0.9m(1)</td>
</tr>
<tr>
<td>May 2017</td>
<td>Canton, US</td>
<td>78,000</td>
<td>Freehold</td>
<td>N/a</td>
<td>US$1.2m</td>
</tr>
<tr>
<td>Oct 2017</td>
<td>Coventry, UK</td>
<td>25,000</td>
<td>Leasehold</td>
<td>Mar 2018</td>
<td>N/a</td>
</tr>
<tr>
<td>Dec 2017</td>
<td>Silver End, UK</td>
<td>348,000</td>
<td>Leasehold</td>
<td>Dec 2017</td>
<td>N/a</td>
</tr>
<tr>
<td>Dec 2017</td>
<td>Statesville, US</td>
<td>113,000</td>
<td>Leasehold</td>
<td>Dec 2017</td>
<td>N/a</td>
</tr>
<tr>
<td>Dec 2017</td>
<td>Statesville, US</td>
<td>32,000</td>
<td>Leasehold</td>
<td>Jul 2018</td>
<td>N/a</td>
</tr>
<tr>
<td>Dec 2017</td>
<td>Wolverhampton, UK</td>
<td>20,000</td>
<td>Leasehold</td>
<td>Rolling</td>
<td>N/a</td>
</tr>
</tbody>
</table>

(1) Cash incentive received for early termination of the lease
## Properties marketed for sale at 31 December 2017

<table>
<thead>
<tr>
<th>Location</th>
<th>Sq ft</th>
<th>Tenure</th>
<th>Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amesbury, US</td>
<td>83,000</td>
<td>Freehold</td>
<td>tba</td>
</tr>
<tr>
<td>Fossatone, Italy</td>
<td>145,000</td>
<td>Freehold</td>
<td>tba</td>
</tr>
<tr>
<td>Statesville, US(1)</td>
<td>53,000</td>
<td>Freehold</td>
<td>US$1.4m</td>
</tr>
<tr>
<td>Willenhall, UK</td>
<td>64,000</td>
<td>Freehold</td>
<td>tba</td>
</tr>
</tbody>
</table>

(1) Sold in February 2018 for consideration of US$1.4 million and classified as held for sale in 2017 financial statements

## Significant new properties

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Sq ft</th>
<th>Tenure</th>
<th>Expiry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 2017</td>
<td>Sioux Falls, US</td>
<td>167,000</td>
<td>Leasehold</td>
<td>Jan 2037</td>
</tr>
<tr>
<td>Mar 2017</td>
<td>Harrogate, UK</td>
<td>21,000</td>
<td>Leasehold</td>
<td>Mar 2032</td>
</tr>
<tr>
<td>Aug 2017</td>
<td>Statesville, US</td>
<td>242,000</td>
<td>Leasehold</td>
<td>Aug 2037</td>
</tr>
<tr>
<td>Oct 2017</td>
<td>Wolverhampton, UK</td>
<td>136,000</td>
<td>Leasehold</td>
<td>Oct 2042</td>
</tr>
</tbody>
</table>
Appendix E

Financial statements and track record
## Consolidated income statement
For the year ended 31 December 2017

<table>
<thead>
<tr>
<th></th>
<th>2017 £'000</th>
<th>2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>522,700</td>
<td>457,644</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(331,831)</td>
<td>(290,385)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>190,869</td>
<td>167,259</td>
</tr>
<tr>
<td><strong>Administrative expenses</strong></td>
<td>(146,962)</td>
<td>(130,069)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>43,907</td>
<td>37,190</td>
</tr>
<tr>
<td>Analysed as:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underlying(^1) operating profit</td>
<td>76,817</td>
<td>69,803</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(9,976)</td>
<td>(10,900)</td>
</tr>
<tr>
<td>Amortisation of acquired intangible assets</td>
<td>(22,934)</td>
<td>(21,713)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>43,907</td>
<td>37,190</td>
</tr>
<tr>
<td>Finance income</td>
<td>224</td>
<td>853</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(9,597)</td>
<td>(8,667)</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td>(9,373)</td>
<td>(7,814)</td>
</tr>
<tr>
<td><strong>Profit before taxation</strong></td>
<td>34,534</td>
<td>29,376</td>
</tr>
<tr>
<td>Income tax charge</td>
<td>(3,334)</td>
<td>(8,641)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>31,200</td>
<td>20,735</td>
</tr>
</tbody>
</table>
## Consolidated balance sheet

**As at 31 December 2017**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2017</th>
<th>£'000</th>
<th>2016</th>
<th>£'000</th>
<th>(restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>323,799</td>
<td>344,873</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>103,393</td>
<td>130,684</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>68,424</td>
<td>71,459</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivable</td>
<td>1,112</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>11,851</td>
<td>15,933</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>508,579</td>
<td>562,949</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current asset held for sale</td>
<td>1,275</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>509,854</td>
<td>562,949</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **LIABILITIES**         |      |       |      |       |            |
| Trade and other payables | (65,916) | (71,197) |      |       |            |
| Derivative financial instruments | (29) | -     |      |       |            |
| Borrowings              | (1,108) | -     |      |       |            |
| Current tax liabilities | (3,964) | (4,337) |      |       |            |
| Provisions              | (11,024) | (4,544) |      |       |            |
| **TOTAL LIABILITIES**   | (82,041) | (80,078) |      |       |            |

| **NET ASSETS**          | 364,515 | 377,091 |      |       |            |

| **EQUITY**              |      |       |      |       |            |
| Capital and reserves attributable to owners of the Company | | | | | |
| Share capital           | 8,929 | 8,929 |      |       |            |
| Share premium           | 81,407 | 81,407 |      |       |            |
| Other reserves          | 8,920 | 8,920 |      |       |            |
| Treasury reserves       | (2,776) | (3,338) |      |       |            |
| Hedging reserve         | (275) | (291) |      |       |            |
| Translation reserve     | 56,066 | 80,135 |      |       |            |
| Retained earnings       | 212,244 | 201,329 |      |       |            |
| **TOTAL EQUITY**        | 364,515 | 377,091 |      |       |            |
## Underlying Earnings Per Share

For the year ended 31 December 2017

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit before taxation</strong></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>34,534</td>
<td>29,376</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>9,976</td>
<td>10,900</td>
</tr>
<tr>
<td>Loss/(Gain) on revaluation of fair value hedge</td>
<td>440</td>
<td>(328)</td>
</tr>
<tr>
<td>Amortisation of borrowing costs</td>
<td>400</td>
<td>412</td>
</tr>
<tr>
<td>Unwinding of discount on provisions</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Amortisation of acquired intangible assets</td>
<td>22,934</td>
<td>21,713</td>
</tr>
<tr>
<td><strong>Underlying profit before taxation</strong></td>
<td>68,284</td>
<td>62,079</td>
</tr>
<tr>
<td>Income tax charge</td>
<td>(3,334)</td>
<td>(8,641)</td>
</tr>
<tr>
<td>Add back: US Federal rate change adjustment</td>
<td>(6,907)</td>
<td>-</td>
</tr>
<tr>
<td>Add back: Underlying tax effect(1)</td>
<td>(10,345)</td>
<td>(9,469)</td>
</tr>
<tr>
<td><strong>Underlying profit after taxation</strong></td>
<td>47,698</td>
<td>43,969</td>
</tr>
</tbody>
</table>

Underlying earnings per share:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic underlying earnings per share</td>
<td>26.91p</td>
<td>25.41p</td>
</tr>
<tr>
<td>Diluted underlying earnings per share</td>
<td>26.73p</td>
<td>25.31p</td>
</tr>
</tbody>
</table>

(1) Tax effect of exceptional items, amortisation of borrowing costs, amortisation of acquired intangible assets, gain or loss on revaluation of fair value hedge and unwinding of discount on provisions
Nine year track record

**Revenue (£’m)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>241.6</td>
<td>266.2</td>
<td>216.3</td>
<td>228.8</td>
<td>298.1</td>
<td>350.9</td>
<td>353.4</td>
<td>457.6</td>
<td>522.7</td>
</tr>
</tbody>
</table>

**U’lying Op Profit & Margin (£’m)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25.6</td>
<td>33.7</td>
<td>22.2</td>
<td>23.0</td>
<td>32.3</td>
<td>46.1</td>
<td>51.4</td>
<td>69.8</td>
<td>76.8</td>
</tr>
</tbody>
</table>

**U’lying Earnings per share (p)**

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</thead>
<tbody>
<tr>
<td></td>
<td>9.39</td>
<td>13.06</td>
<td>8.94</td>
<td>10.31</td>
<td>13.71</td>
<td>18.61</td>
<td>19.33</td>
<td>25.41</td>
<td>26.91</td>
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</tbody>
</table>

**Dividend per share (p)**

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</thead>
<tbody>
<tr>
<td></td>
<td>0.00</td>
<td>2.00</td>
<td>3.50</td>
<td>4.50</td>
<td>6.00</td>
<td>8.00</td>
<td>8.75</td>
<td>10.50</td>
<td>11.25</td>
</tr>
</tbody>
</table>

*Tyman plc Results for year ended 31 December 2017*
Contact us

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