



GPG Annual General Meeting presentation

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Not a profit forecast

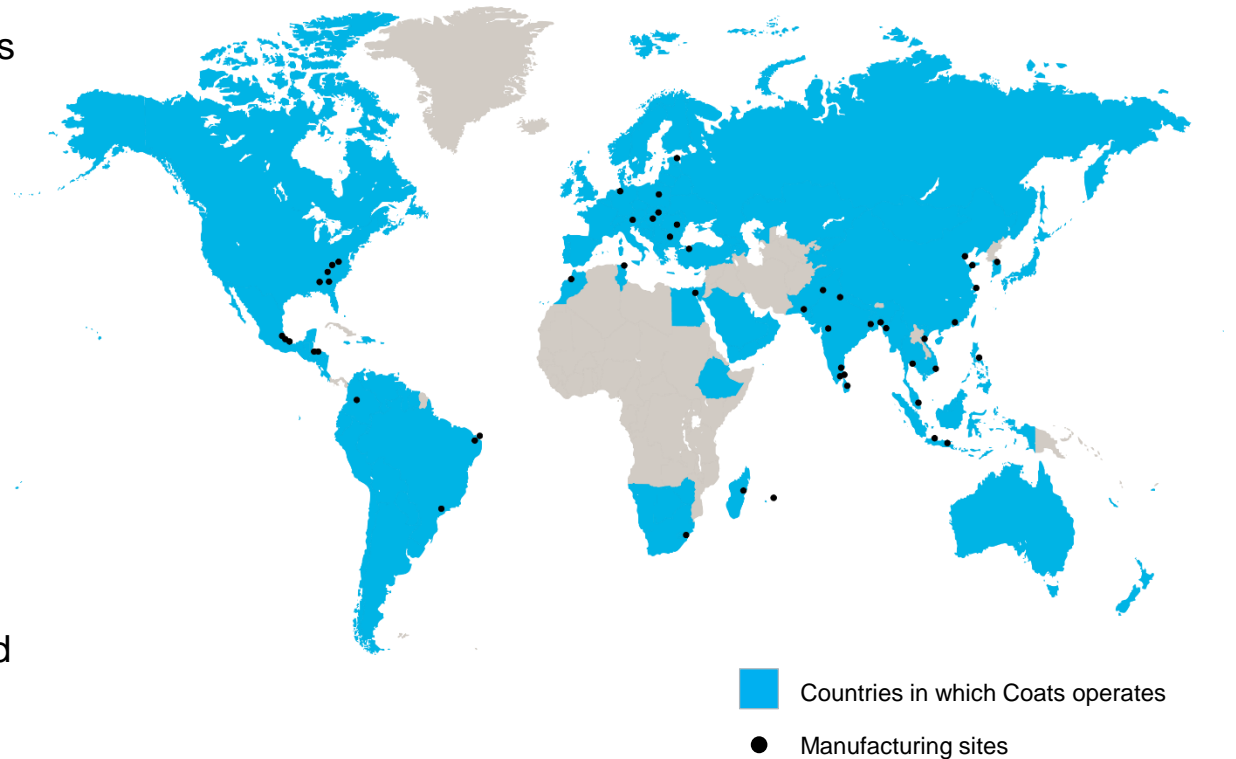
The financial information contained in this presentation is based on publicly available historic financial information of the GPG group and is not intended to be a profit forecast or profit estimate under applicable rules.

Who we are



With a rich heritage dating back to the 1750s, Coats is the world's leading industrial thread and consumer textile crafts business employing 20,000 employees in over 70 countries across six continents

- Group revenues of US\$ 1.7bn in 2013
- World's leading industrial thread producer
- Leading and expanding position in Speciality thread and yarn market
- Largest global player in textile crafts
- Headquartered in the UK; wholly owned subsidiary of Guinness Peat Group (LSE, NZX and ASX listed)



Coats is the world's leading industrial thread and textile crafts business

Five elements to our value



Key **differentiators** that provide a **platform for growth**

Global market leader...



1 in 5
garments
around the
world are held
together using
Coats' thread

Coats
produces
enough yarn
to knit
70million
scarves a year

Coats is
3 times
larger than the
next largest
thread
competitor

Thousands of
operations
take place
every
day
using Coats'
thread

100million
car airbags are
made using
Coats' thread
every year

1million
teabags using
Coats' thread
are brewed
every 10
minutes

Thomas
Edison used
Coats' thread
in
1879
to invent the
light bulb

Coats is the
2nd largest
and fastest
growing
global zip
manufacturer

400million
pairs of
shoes are
made every
year using
Coats' thread



... servicing several markets and global customers...



End applications

include



Industrial customers

include



Abercrombie & Fitch

Crafts products

include



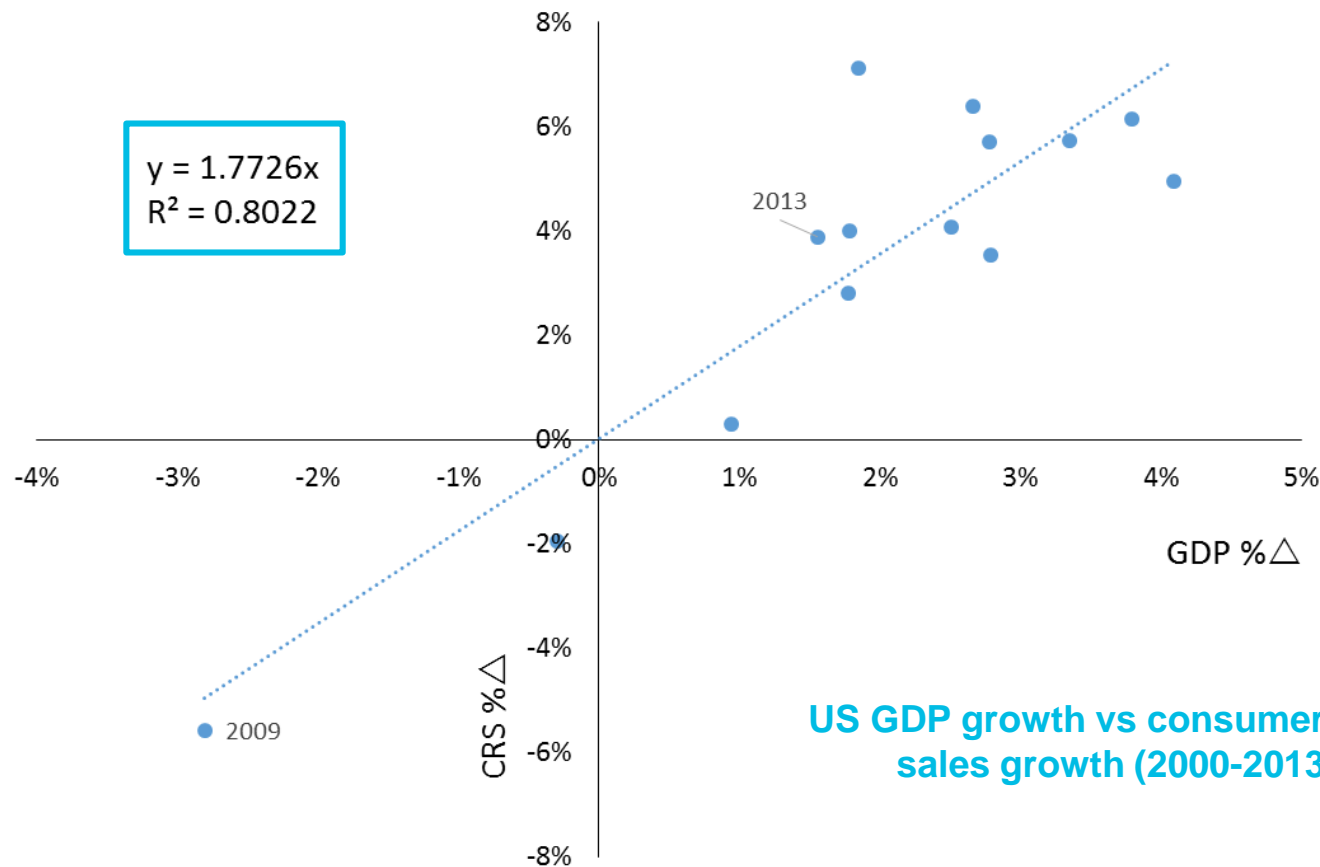
Schachenmayr
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MILWARD
Quality for Creativity

... and stable underlying trends

Strong link between clothing retail sales and GDP growth. For the US, clothing retail sales growth is approximately 1.8 times GDP growth



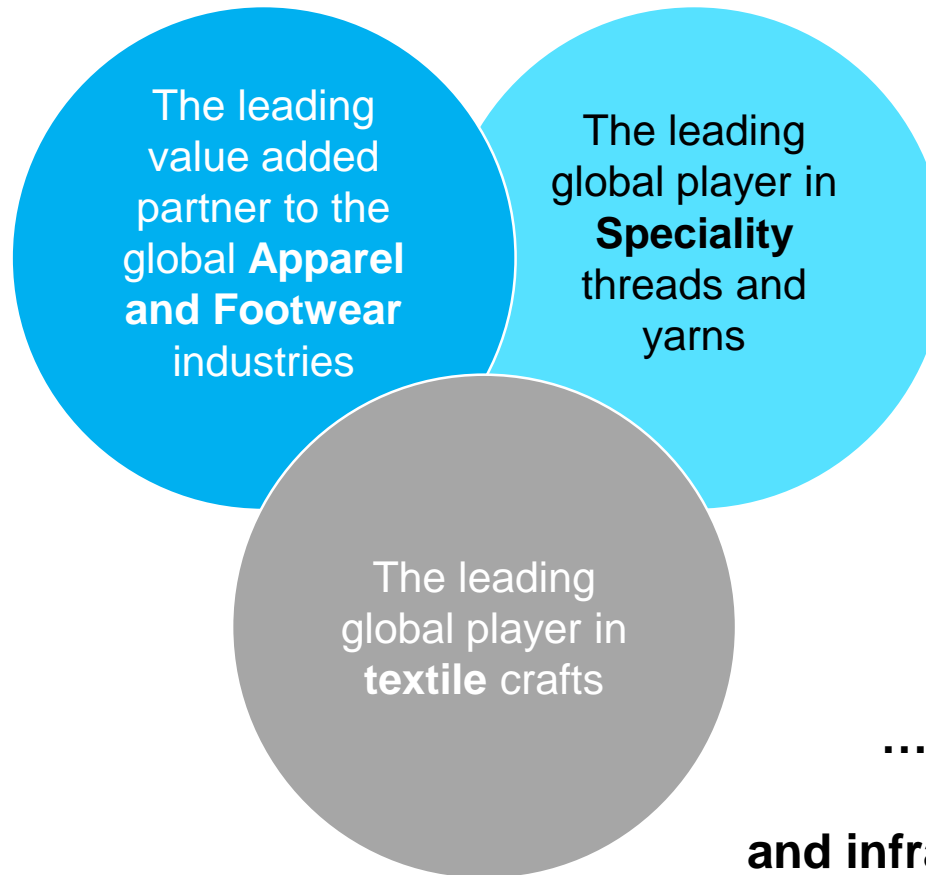
US GDP growth vs consumer retail sales growth (2000-2013)

CRS: Clothing Retail Sales
Source: IMF, US Census Bureau

Defined growth strategy to achieve three Market Goals

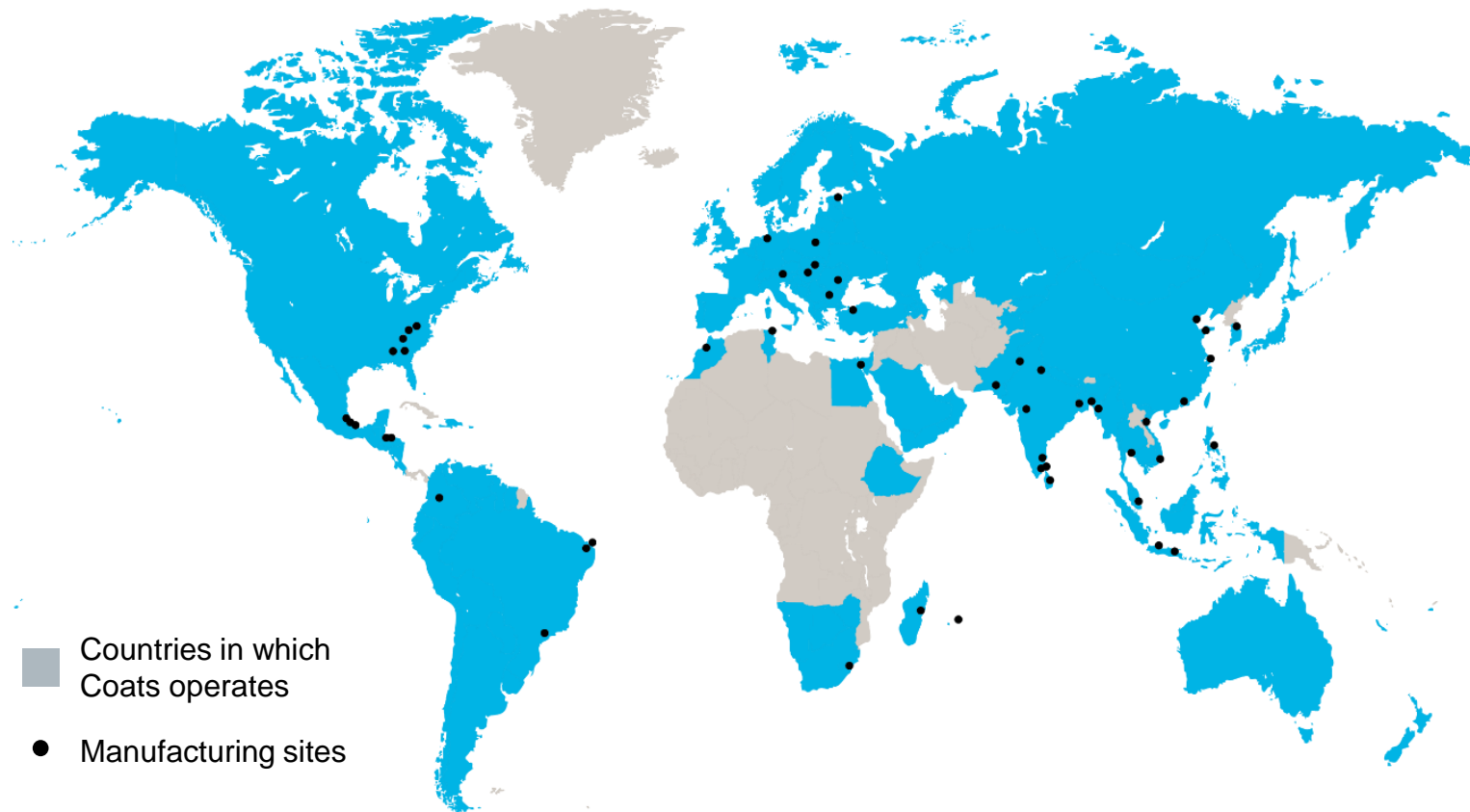


The Coats of 2015...



**...based on a core of
world class skills
and infrastructure globally**

Strategy supported by a global, world class asset base...



- Well invested asset base
- Restructured manufacturing footprint: reduced number of plants in higher cost Europe and North America

Truly global footprint with more than 70 manufacturing facilities across the world

... key differentiators providing a platform for growth...



Coats Protect
World's first anti-microbial thread



Flamepro
For use in personal protective equipment



Ultrabloc
Blocks water from seeping into fibre optic cables

Product innovation

'Make it Coats' portal



Service enhancements
(including digital)

Corporate Responsibility

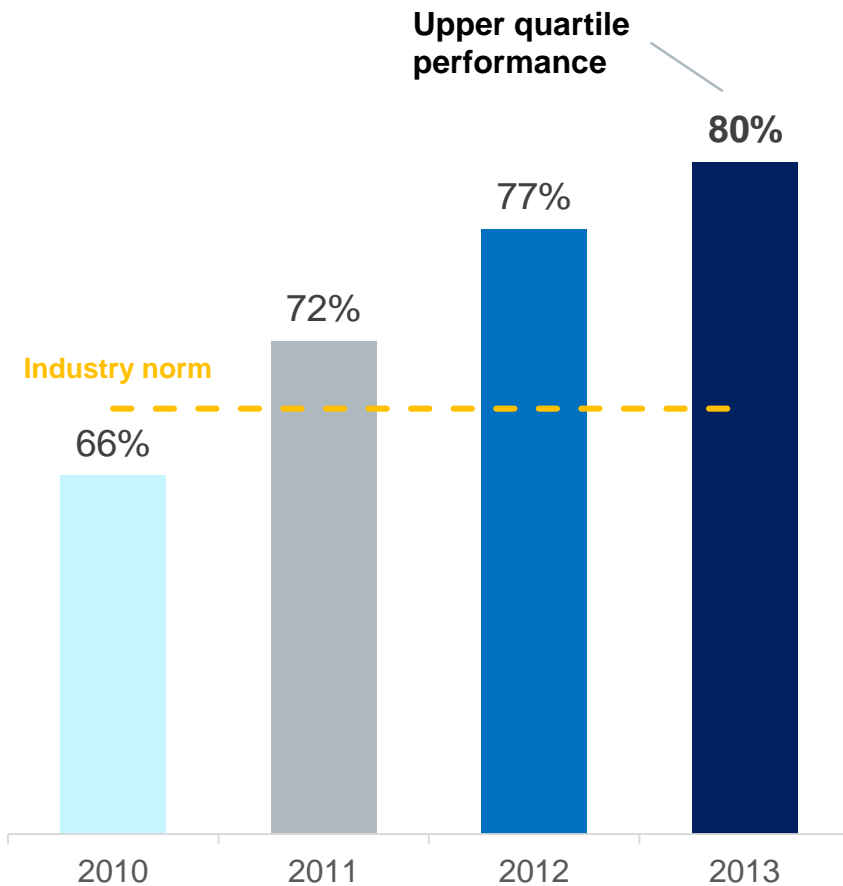
Colour Express



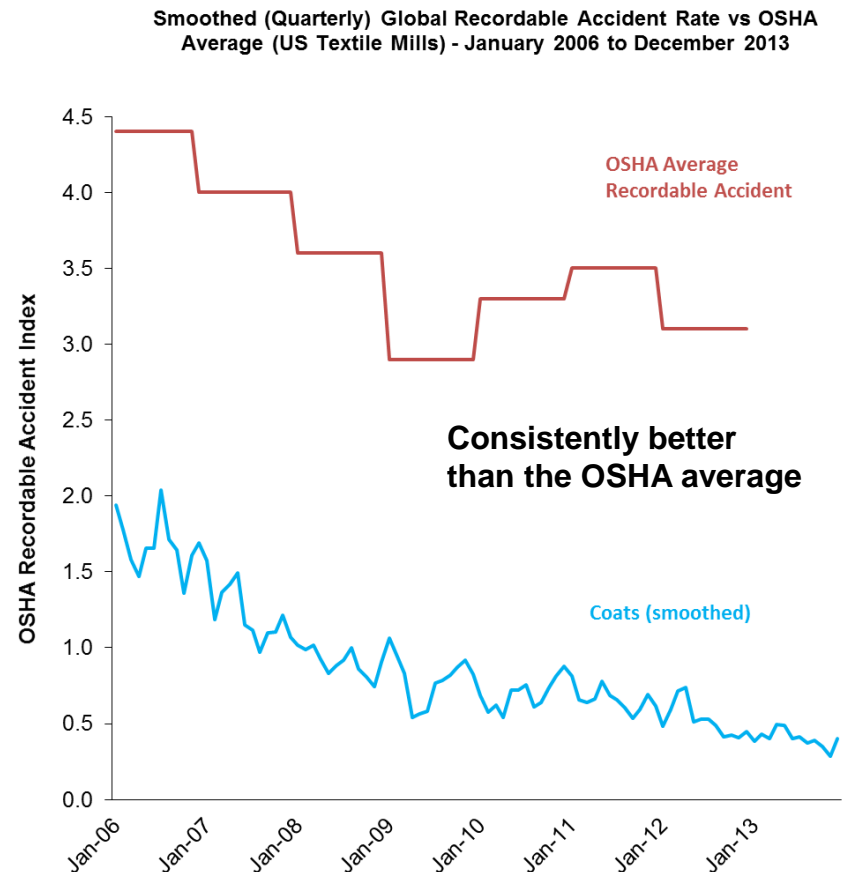
... and a highly engaged and safe workforce



Global employee engagement survey results



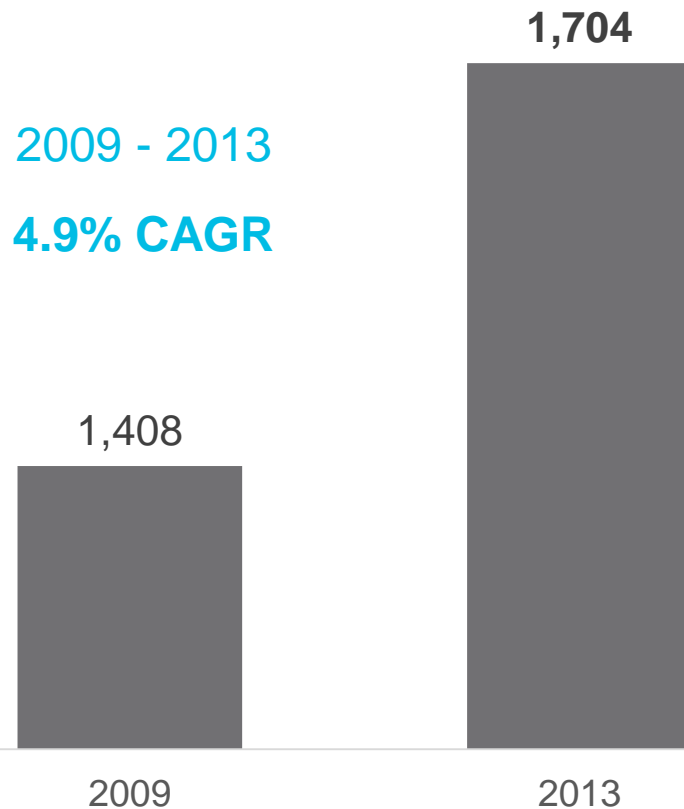
Global recordable accident rate



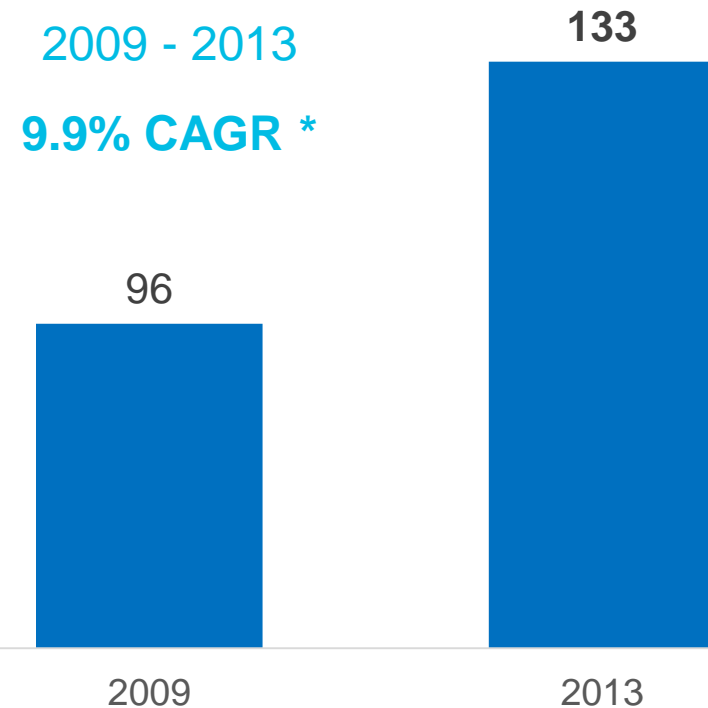


Leading to revenue and operating profit growth

Group revenue - \$m



Group operating profit - \$m
(pre-exceptional)



* 2013 includes an additional \$7m pension administrative expenses charge due to an accounting rule change. Including this item would give a 8.5% CAGR, excluding this item gives a 9.9% CAGR

Q1 2014 IMS summary

Group

- Q1 2014 sales performance robust; driven by growth in the Industrial Division
- Consolidated sales +5% year-on-year on like-for-like (constant currency) basis, continuing the positive trend experienced during 2013, despite the sales decline seen in the Crafts Division

Industrial

- Sales +8%; key regional contributors were Asia, driven by Apparel and Footwear, and EMEA, driven by Speciality and Zips

Crafts

- Sales -2%; growth in EMEA impacted by change in operating model in Scandinavia made at the end of H1 2013 and by the anticipated reduction in fashion handknitting sales

Trading outlook

- Anticipate overall trading performance for 2014 will be in line with market expectations

Conclusion

- **Global market leader** with robust fundamentals; **strong** and **defendable core**
- Defined growth strategy
 - **A&FW**: market share growth and Global Services offering
 - **Speciality**: focus on existing segments and sector and geographic growth
 - **Crafts**: marketing opportunities in b2b and b2c, regional demand dynamics
- Supported by **key differentiators**: world class asset base, product innovation, service enhancements (including digital) and CR
- Achieved CAGR of 5% in revenues and 8-10% in operating profit since 2009 and demonstrating ability to **generate significant free cash flow**
- **Well positioned** for future sales, earnings and free cash flow growth



Thank you