RWC
RELIANCE WORLDWIDE CORPORATION®

RELIANCE WORLDWIDE CORPORATION LIMITED
ACN 610855877

FY2018 RESULTS PRESENTATION

27 August 2018

Important Notice

This presentation contains general information about Reliance Worldwide Corporation Limited's activities at the date of presentation (27 August 2018). It is information given in summary form and does not purport to be complete.

The presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities in any jurisdiction. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

Information, including forecast or forward looking information, in this presentation should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in Reliance Worldwide Corporation Limited. Due care and attention has been used in the preparation of forecast and forward looking information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature are subject to uncertainty and contingencies many of which are outside the control of Reliance Worldwide Corporation Limited. Past performance is not a reliable indication of future performance. Except as required by applicable regulations or laws, Reliance Worldwide Corporation Limited does not undertake any obligation to publicly update or review any forward looking statements whether as a result of new information or future events.

The sum totals throughout this presentation may not add exactly due to rounding differences.

The information in this presentation remains subject to change without notice. Circumstances may change and the contents of this presentation may become outdated as a result.

This presentation forms part of a package of information about Reliance Worldwide Corporation Limited. It should be read in conjunction with the Appendix 4E, 30 June 2018 Full Year Financial Report and the Results Announcement also released on 27 August 2018.

Agenda

1.	Highlights	3
2.	Financial Performance	7
3.	Strategy	15
4.	John Guest Acquisition	17
5.	New Market Opportunities	21
6.	Outlook	24

01.
HIGHLIGHTS

Key Highlights

- Double digit growth in sales and EBITDA led by core SharkBite Push-to-Connect ("PTC") fittings and accessories, good growth across both EMEA and APAC and first full year inclusion of Holdrite
- Further penetration of SharkBite PTC in North America. SharkBite products now available in more than 23,000 outlets in North America. Introduction of additional PTC products, including at The Home Depot, and sales through all the Lowe's stores in the USA.
- Growth of sales into new construction markets, led in the Americas by the addition of Holdrite products and EvoPEX
- Completed acquisition of John Guest in June 2018 creating a single global leader in the manufacture and distribution of both brass and plastic PTC technology and related products
- Realised synergies to be achieved following the John Guest acquisition now expected to be $20 million p.a. on a run rate basis (excluding one-off integration costs) by the end of FY2019. Annual synergy realisation expected to exceed $30 million p.a. on a run rate basis by the end of FY2020
- Investment in product development, commercial capabilities and sales resources to drive growth
- Launch of the Streamlabs brand, a new growth platform for RWC, and its first product, the Smart Home Water Monitor, at the Consumer Electronics Show (CES) in January 2018

FY18 Financial Highlights

Net sales

$769.4 million

+28% growth[2], +30% on a constant currency basis

Adjusted EBITDA[1]

$150.9 million

+25% growth[2]

Adjusted NPAT[1]

$78.6 million

+20% growth[2]

Continued strong sales growth from Americas

+29% growth[2], +32% on a constant currency basis

Balance Sheet strength

Pro-forma leverage ratio at 1.57x[3]

Final dividend declared of 3.0 cps

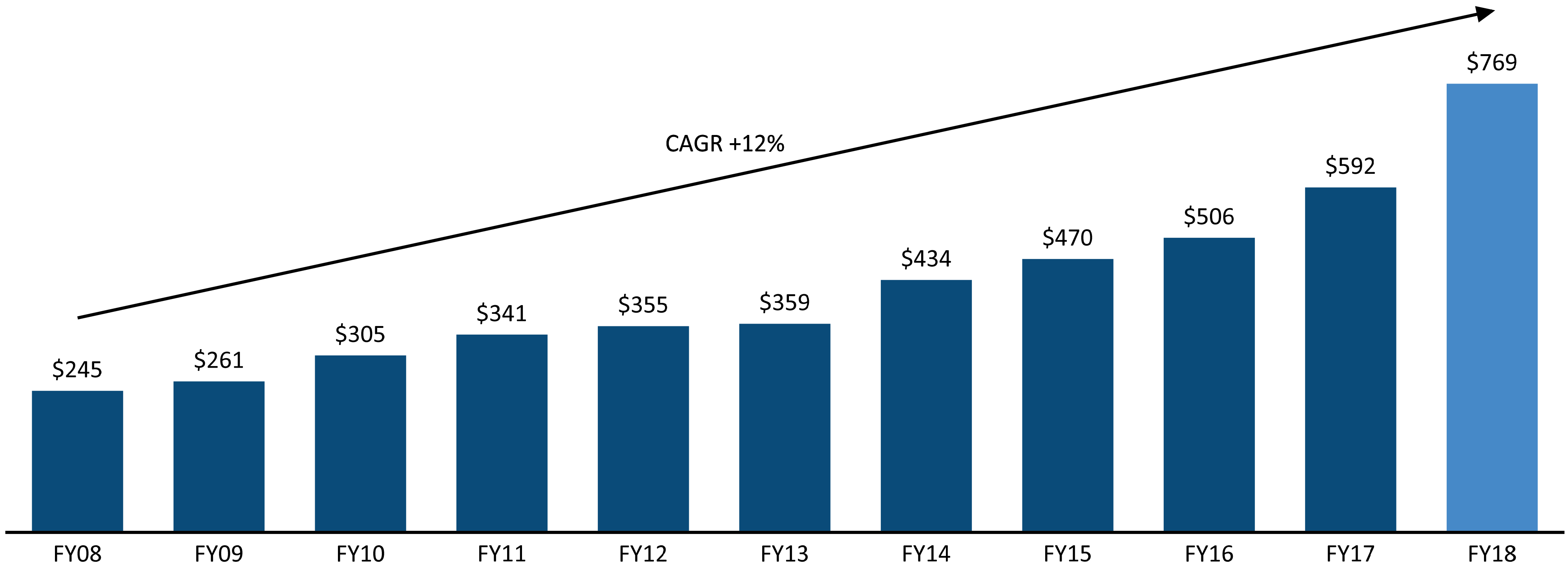
Total dividends for FY18 represent payout ratio of 63% of NPAT

Delivered strong growth in line with guidance

[1] Before contribution from John Guest and transaction costs expensed; after one-time charge for reclassification of tariff categories for products imported to the USA; NPAT also before effect of financing costs
[2] Growth rates expressed as change over comparative twelve month period ended 30 June 2017
[3] Net Debt/pro forma EBITDA assuming John Guest included based on historical data for a full 12 month period ended 30 June 2018 and excluding $20.5 million of John Guest acquisition transaction costs

Continuing RWC's long-term track record of strong growth

RWC historical net sales growth, constant currency basis[1] (A$M)



[1] Period from FY2008 to FY2018. Pro forma net sales calculated based on a constant currency basis of AUD/USD: 0.7752, AUD/GBP: 0.5760, AUD/CAD: 0.9841, AUD/NZD: 1.0842, AUD/EUR: 0.6498, being the average exchange rates in FY2018

02.
FINANCIAL PERFORMANCE

FY18 Consolidated Results

June Year End (A$m)	FY18	FY17	Variance
Net Sales	769.4	601.7	+28%
Reported EBITDA *EBITDA margin*	135.4 *17.6%*	120.7 *20.1%*	+12% *(250bps)*
Adjusted EBITDA[2] *Adjusted EBITDA margin[2]*	150.9 *19.6%*	120.7 *20.1%*	+25% *(50bps)*
Reported EBIT *EBIT margin*	111.1 *14.4%*	101.3 *16.8%*	+10% *(240bps)*
Reported NPAT	66.0	65.6	+1%
Adjusted NPAT[2]	78.6	65.6	+20%

Commentary

- Net sales up 28% compared to FY17 (+30% on a constant currency basis)
  - Solid performance across all 3 segments[1]: Americas (+29%), Asia Pacific (+6%) and EMEA (+62% including John Guest sales post acquisition; +22% excluding John Guest)
  - Continued double digit underlying growth rate for SharkBite PTC fittings and accessories
  - One-time benefits in the Americas from the product rollout to Lowe's stores in the US and an uplift in sales from the unseasonably cold winter in North America
  - Full year contribution from Holdrite and one month contribution from John Guest
- Adjusted EBITDA[2] up 25% compared to FY17
  - Margin benefits from Holdrite products and increased scale and efficiency in operations
  - Partially offset by increased copper and other input costs, higher SG&A to support RWC's growth activities and one-time charge of $6.0 million from reclassification of categories for products imported to the USA

[1] Segment net sales growth includes intercompany sales between segments
[2] Before contribution from John Guest and transaction costs expensed; NPAT also before effect of financing costs

Segment Results – Americas

June year end (A$m)	FY18	FY17	Variance
Net sales[1]	559.7	435.3	*+ 29%*
EBITDA[2] *EBITDA margin*	95.4 17.0%	74.6 17.1%	*+ 28%* *(10 bps)*
Adjusted EBITDA[3] *Adjusted EBITDA margin*	101.4 18.1%	74.6 17.1%	*+ 36%* *+100 bps*

Financial commentary

- Net sales growth of 29% compared to FY17 (+32% on a constant currency basis)
- Continued market penetration of SharkBite PTC fittings and accessories in the repair and renovation market, supported by strategy to expand product availability
- One-time uplift in sales from the rollout to the second half of the Lowe's stores and as a result of the unseasonably cold winter temperatures in January and February 2018
- Full year inclusion of Holdrite
- Gross margin improvement from product mix, inclusion of Holdrite, improved scale and operating efficiencies, partly offset by the rise in the cost of copper
- Increased costs due to volume driven SG&A activities as well as investment to support ongoing growth

Operational commentary

- Holdrite integration completed on schedule, with sales and EBITDA growing as expected
- Completion of announced changes to product availability at Retail distributors, with sales growing in line with expectations
- Signed over 2,000 stores with a long standing Hardware channel customer to display an expanded PTC and pipe total solution offering
- Maintained strong delivery performance; >99% order fill rate to the big box Retail channel continues to be achieved
- Expanded into residential and commercial new construction, accelerating via Holdrite and EvoPEX products
- Continued manufacturing capacity expansion to meet expected future demand growth progressing on plan

[1] Segment net sales includes intercompany sales between segments
[2] EBITDA from financial statements
[3] EBITDA before $6 million one-time charge for US import duties

Segment Results – Asia Pacific

June year end (A$m)	FY18	FY17	Variance
Net sales[1]	232.0	218.1	*+ 6%*
EBITDA[2] *EBITDA margin*	52.4 22.6%	47.5 21.8%	*+ 10%* *+80 bps*

Financial commentary

- Net sales growth of 6% compared to FY17
  - Strong growth in external sales across product categories, particularly PEX piping systems
  - Continued growth in intersegment sales, driven by ongoing demand in the Americas
- Slightly improved margins supported by:
  - Higher recoveries due to increased production and ongoing procurement savings helping to offset rising copper and energy costs
  - Modest inflationary rises and SG&A investment to support future growth

Operational commentary

- Strong SharkBite production to meet demand in the Americas prior to and during the winter season
- Supply chain improvements to support growth of systems utilising PEXa pipe from Spain
- EvoPEX launched in second half

[1] Segment net sales includes intercompany sales between segments
[2] EBITDA from financial statements

Segment Results – EMEA

June year end (A$m)	FY18	FY17	Variance
Net sales[1]	81.1	50.1	*n/m*
EBITDA[2] *EBITDA margin*	8.3 10.2%	0.5 1.0%	*n/m* *n/m*
Adjusted EBITDA[3] *Adjusted EBITDA margin*	2.5 4.0%	0.5 1.0%	*n/m* *n/m*

Financial commentary

- Net sales increase of 62% compared to FY17 inclusive of sales from John Guest
  - Excluding John Guest, sales were $61.2 million or an increase of 22%
- Demand in the UK from Wholesale and OEM customers remains strong, particularly for underfloor heating, thermal interface units and control valves
- Spain sales growth led by significant growth in external sales in Europe balancing ongoing PEXa production sold to RWC Australia to meet local demand
- Positive EBITDA for the full year driven by increased sales, improved gross margin and lower SG&A costs

Operational commentary

- Focus on integrating John Guest business and capturing value uplift from combined operations and top line growth synergies
- Ongoing production efficiency improvements in Spain facility as the operation achieves increased scale
- Spain production capacity being expanded to meet projected demand growth in Europe

[1] Segment net sales includes intercompany sales between segments
[2] EBITDA from financial statements
[3] EBITDA before contribution from John Guest; Adjusted margin calculated on Net sales excluding John Guest sales

Strong Cash Flow Generation

June year end (A$m)	FY18	FY17	Variance
Reported EBITDA	135.4	**120.7**	***+ 12%***
Add back Transaction Costs expensed	20.5	-	*n/m*
Changes in Working Capital	(31.1)	(21.2)	*- 47%*
Cash flow from operations[1]	**124.8**	**99.5**	**+ 25%**
Operating cash flow conversion[2]	***82.7%***	***82.4%***	***+30bps***
Maintenance capital expenditure	(11.8)	(13.3)	*+11%*
Growth capital expenditure	(26.6)	(12.2)	*- 118%*
Acquisition of John Guest, net of cash acquired	(1,157.3)	-	n/m
Acquisition of Holdrite, net of cash acquired	-	(122.2)	n/m
Proceeds from capital raising	1,100.1	-	n/m
Net proceeds from borrowings	352.5	97.4	*n/m*
Tax paid	(44.8)	(27.6)	*n/m*
Net other investing and financing cash flows	(90.5)	(31.7)	*n/m*
Net change in cash for the year	**246.4**	**(10.1)**	***n/m***
Change in net debt	*152.6*	*107.5*	*n/m*

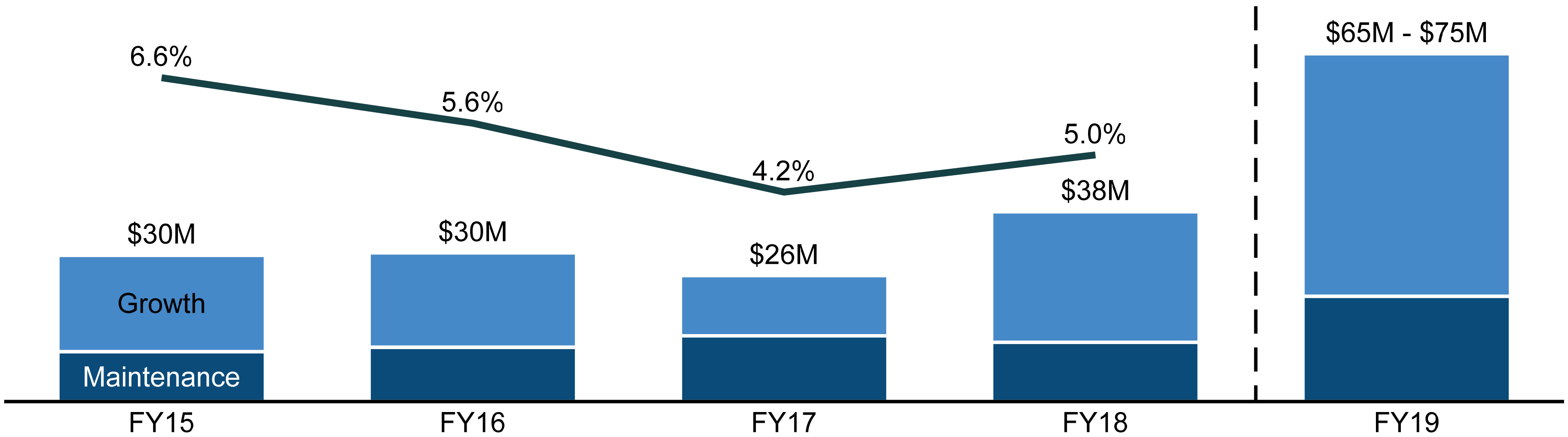
[1]Before significant items, capex, financing and taxation
[2] FY18 = Operating cash flow to Adjusted EBITDA of $150.9 million
[3] n/m = not meaningful

Commentary

- Cash flow from operations generated[1] $124.8 million in FY18, an increase of 25% over FY17 and in line with growth in EBITDA
- Operating cash flow conversion of 82.7%[2]
- Growth in working capital principally reflects increases to support growth in sales
- Growth capital expenditure reflects planned expansion to meet forecast demand

Capital expenditure

Historical Cap Ex (A$M) and Cap Ex as a % of Net Sales



FY15	FY16	FY17	FY18	FY19
Commenced construction of Cullman facility Completion of Spain acquisition	Cullman Phase 1 expansion completed, increasing brass PTC fittings production capacity Potential to further increase capacity with incremental capital outlay	Property acquisition in Cullman Capacity expansion following regular review of capital plan	Capacity expansion supporting core PTC product growth in the USA	Expansion of product range, capacity and efficiency in PEX pipe, HydroFlame Pro and EvoPEX; planned expansion at John Guest; and staged rollout of IT system upgrades

Balance Sheet Strength

Debt metrics

A$m	30 June 2018	30 June 2017
Cash and cash equivalents	274.3	35.0
Gross debt	662.3	270.4
Net debt	**388.0**	**235.4**
Net debt / EBITDA[1]	1.57x	1.95x

Net working capital

A$m	30 June 2018	30 June 2017
Trade and other receivables	204.9	109.7
Inventories	202.6	161.2[2]
Trade and other payables	(167.7)	(97.9)
Net working capital	**239.8**	**173.0**

Commentary

- Strong balance sheet with pro forma net leverage of 1.57x at 30 June 2018[1]
- Higher working capital compared with 30 June 2017 to support a growing business and from the acquisition of John Guest

1 Net Debt/pro forma EBITDA assuming John Guest included based on historical data for a full 12 month period ended 30 June 2018 and excluding $20.5 million of John Guest acquisition transaction costs

2 Restated to reflect final purchase price accounting for Holdrite acquisition.

03.
STRATEGY

Overview of Growth Strategy

Invest in the core

- Continued penetration of core brass PTC fittings & accessories in Americas
- Growth in core valves, pipe, thermostats across all existing geographies

Create new solutions

- New product development & innovation
- New end-use applications (e.g. residential new construction)

Expand geographically

- Selectively expand into attractive European markets
- Explore opportunities in growing Asian markets

Disciplined M&A to accelerate growth

- Pursue adjacent "tuck under" opportunities like Streamlabs
- Transformational opportunities

Driving Shareholder Value

04.
JOHN GUEST ACQUISITION

Strategically compelling acquisition, positioning RWC for continued growth into the future

1 **Creates**

a global leader in PTC technology, with global distribution and strong regional manufacturing capabilities

2 **Transforms**

RWC's UK business, provides a strong platform for further growth in Europe, and combines with RWC's powerful existing positions in North America and Asia Pacific

3 **Extension and diversification**

of RWC's geographic, product and channel exposure

4 **Enhances and accelerates**

RWC's portfolio of products and highly attractive organic growth opportunities

5 **Significant synergies**

through improved operating efficiency, integration benefits and cross-selling opportunities

6 **Financially attractive acquisition**

delivering significant margin enhancement and earnings accretion

Combining RWC and John Guest has created a global leader in PTC technology

	Americas		EMEA		Asia Pacific
	USA	Canada	UK	Europe	Australia
Brass PTC	#1	#1	Launched	Minimal	#1
Plastic PTC	#1	#1	#1	Top 2-3	#1
PEX pipe	Top 3	Launched	Top 2	N.A.	#2
Water heater valves[1]	#1	#1	#1	N.A.	#1

Shading represents key changes arising from the acquisition of John Guest

RWC is a global leader in PTC fittings, with a more expansive product offering for channel customers and end-users following the John Guest acquisition

Update on John Guest acquisition and integration activities

- Post close integration activities are underway with dedicated integration teams in all 3 regions – EMEA, APAC and the Americas
- Early efforts have been focused on change management and bringing together the two cultures and seeking to leverage common values of innovation, collaboration, end-user focus and quality
- Also focused on educating the respective sales teams on the combined product portfolio and identifying cross-sell opportunities in key markets
- Efforts to date confirm the initial thinking around cost synergies. Management expectation is that RWC will realise $20 million p.a. run rate synergies (excluding one-off integration costs) by the end of FY2019, a year earlier than original guidance
- Work continues on identifying specific revenue synergies but early indications are positive
- Management now expects annual synergy realisation to exceed $30 million on a run rate basis by the end of FY2020; 50% greater than previously expected

05.
NEW MARKET OPPORTUNITIES

HyroFlame Pro Series

End use	• Commercial new construction • Multi-family residential, concrete buildings
Scenario	Building codes require firestopping material in through penetrations (pipes, cables, etc.) in concrete floors
Current challenges	Manual, built-in-place systems (mineral wool & fire caulking) have many drawbacks: • Often requires certified installer • Prone to installer and inspection errors • Labor intensive: install in only clean and dry conditions. • Requires 24 hour curing period
HydroFlame Pro solution	Engineered solution: • No installer certification required • Consistent, higher reliability applications • Quick easy install: reduces install time up to 80% and no curing period • 3rd party certified (UL)
RWC opportunity	Install early in new construction process establishes relationship and credibility for later phase solutions (e.g., piping system)

HOLDRITE®
HYDROFLAME™
PRO SERIES
TRANSFORMING FIRESTOP SOLUTIONS

Streamlabs

End use	• Single family residential
Scenario	Water monitoring and leak detection
Current challenges	• Leaks are typically not discovered until too late resulting in significant water damage • Insurance industry pays out $multi-billion annually in water damages in the U.S.
Streamlabs solution	Smart home water monitor providing: • Easy install, no tools or pipe cutting required • Real-time leak alerts • Instant data on water usage • Comparative usage analysis • Mobile application to help monitor usage
RWC opportunity	• The non-invasive Monitor is the initial product launched (FY18) • Additional products targeted for release at CES in January 2019

06. OUTLOOK

FY19 Outlook

- FY19 forecast EBITDA of $280 million to $290 million, including actual synergies expected to be realised in FY19 and excluding one-off integration costs expected to be incurred[1]
- Realised synergies to be achieved are expected to be $20 million p.a. on a run rate basis (excluding one-off integration costs) by the end of FY2019. Annual synergy realisation is now expected to exceed $30 million on a run rate basis by the end of FY2020
- Expected strong top line growth in all regions, including full year inclusion of John Guest, ongoing expansion in the core business and strong growth in new products
- Continued market penetration of SharkBite PTC fittings and accessories in repair and remodel markets and increased penetration of residential and commercial new construction markets with Holdrite and EvoPEX products in the Americas
- Capital expenditure forecast between $65 million and $75 million, including capital spending for John Guest of about $25 million
- Target total dividend payout ratio for FY19 of between 40% and 60% of NPAT

Note 1: Forecast assumes, among other things, that current general economic conditions are maintained, including in the geographies where RWC operates, and no significant changes to budgeted copper and foreign currency exchange rates, particularly USD/AUD and GBP/AUD


RWC
RELIANCE WORLDWIDE CORPORATION®