GALE PACIFIC LIMITED

RESULTS FOR YEAR ENDED 30 JUNE 2013

FY13 Review

	FY13	FY12		FY11
	A$M'S	A$M'S	% Variance	A$M'S
Sales	120.0	110.5	9%	95.6
EBITDA	18.0	18.0	0%	15.8
EBIT	12.9	12.5	4%	9.9
NPAT	9.1	8.5	7%	7.1
Earnings per share - cents	3.00	2.86	5%	2.42
Dividends per share - cents	2.65	2.45	8%	2.20
Cash from operations	11.5	9.5	21%	11.4
Net debt	(3.2)	(4.1)	22%	(5.7)

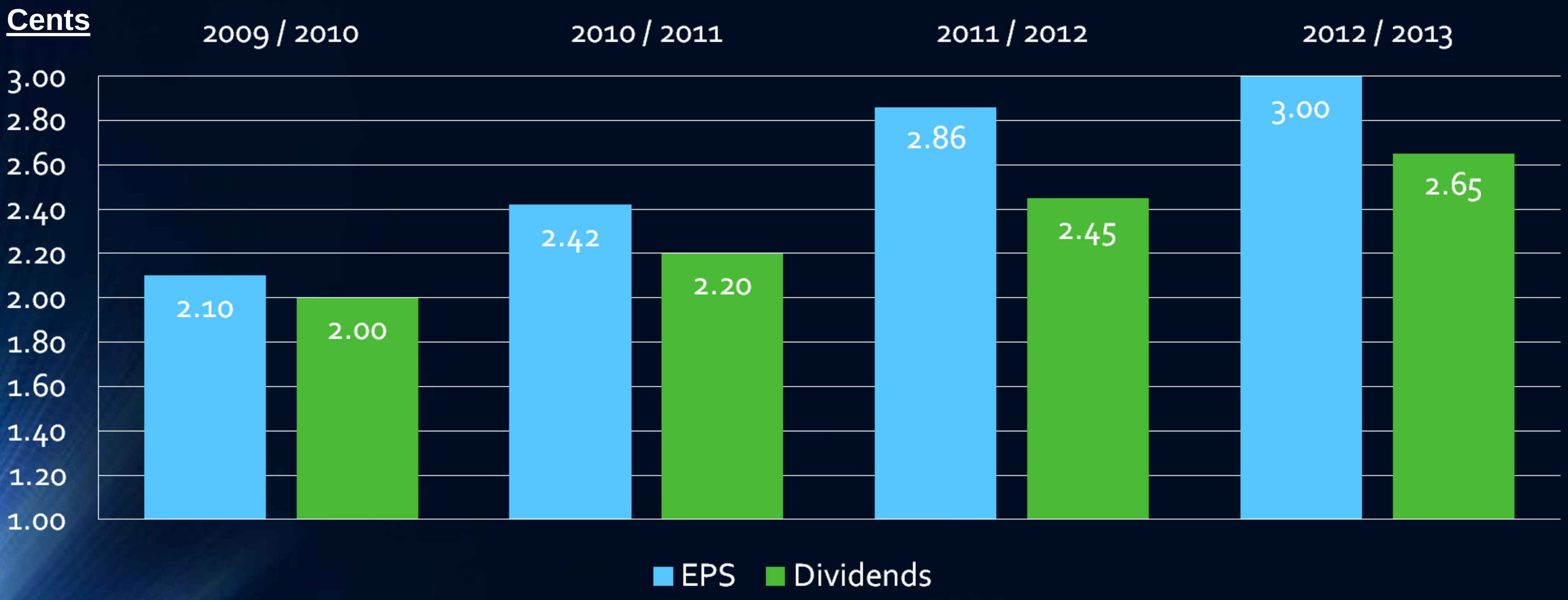
FY13 Results – Key Points

- NPAT up 7% to a record $9.1 million.
- Diluted earnings per share of 3.0 cents.
- Return on invested capital 14.9%.
- Net Debt of $3.2 million. Net debt / equity ratio 3.8%.
- Final dividend 1.35 cents franked to 80%. Full year dividend increased 8% to 2.65 cents per share.
- Gale continues to generate very strong cash flows which have been used to reduce debt, pay growing dividends in the past three years (at an 88% payout ratio in FY13) and fund the Highgrove acquisition in December 2012 ($2.5 million) and the Zone acquisition ($12 million) in June 2011.

FY13 Results – Key Points

- Sales up 9% to $120.0 million.
    - Sales revenues grew by 8% in Australasia, 22% in the USA (US dollars) and 23% in the Middle East (US dollars). Our International business decreased sales by 27% (US Dollars) due to carry-over inventory in the Japanese distributor network following record sales in 2011/2012.
- EBITDA in line with last year at $18.0 million.
- EBIT up 4% to $12.9 million. EBIT is 10.8% to sales.
- NPAT up 7% to $9.1 million.

Earnings per Share and Dividends per Share



GALE PACIFIC

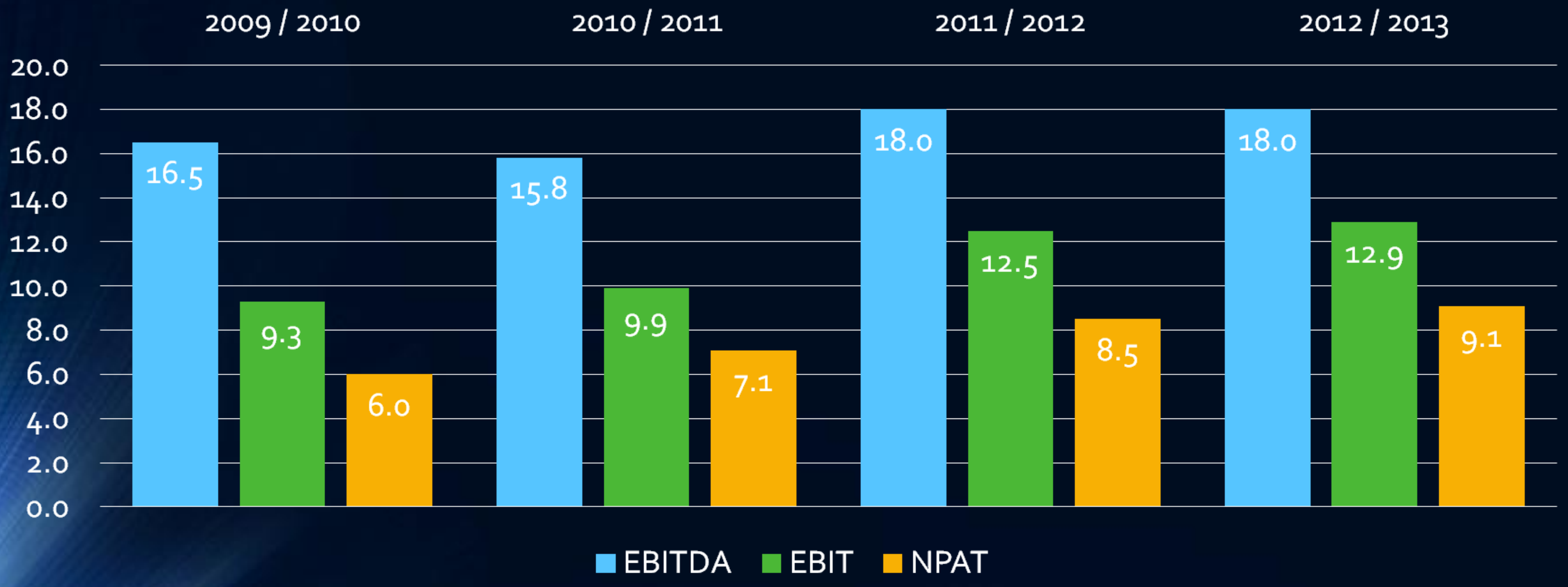
coolaroo MADE FOR LIFE

Synthesis Advanced Polymer Fabrics

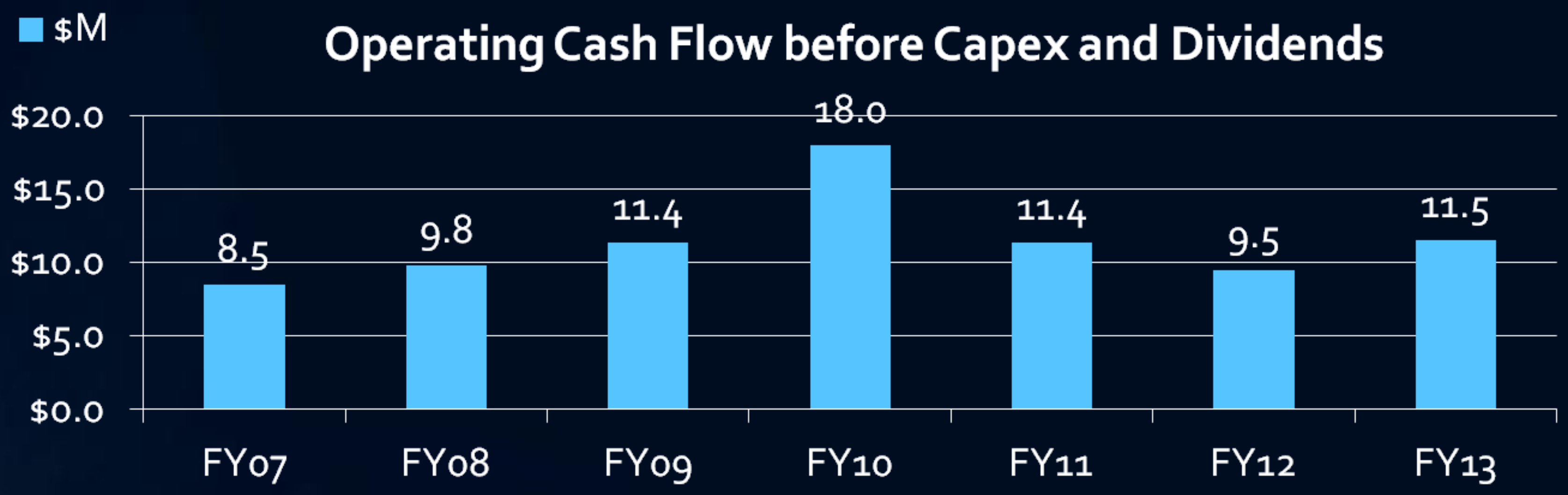
HIGHGROVE GLASS SOLUTIONS

ZONE hardware

EBITDA / EBIT / NPAT (A$ Million)



Operating Cash Flow (A$ Million)

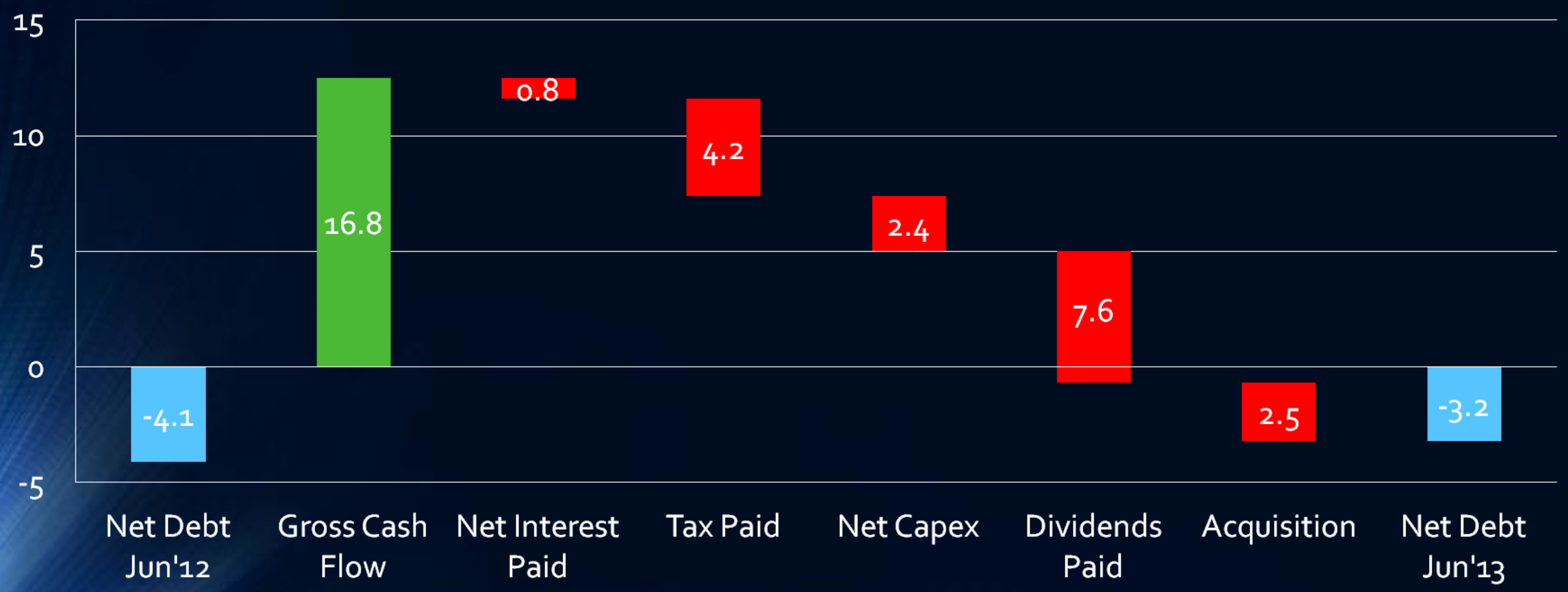


	FY07	FY08	FY09	FY10	FY11	FY12	FY13
Capital Expenditure (Gross)	(4.0)	(3.4)	(1.0)	(1.2)	(0.6)	(1.4)	(1.5)
Dividends Paid	-	-	-	-	(8.4)	(6.9)	(7.6)

Cash Flow

- Continuation of the strong annual cash flows from operations. Operating cash generated of $11.5 million for FY13, an increase of 21% from $9.5 million in FY12.
- Low capital expenditure requirements due to plant capacity investments previously made. In addition, in FY13 $1 million was invested for I.T. systems upgrade.
- Dividend payments comfortably below operating cash flow in FY13 after allowing for capital expenditure.
- $2.5 million cash paid for Highgrove acquisition in December, 2012. A further $0.8 million to be paid in FY14.

Changes in Net Debt (A$ Million)



Debt Position

- Net debt at 30 June of $3.2 million compared to $4.1 million at 30 June 2012. This low net debt position at year end was after paying out $7.6 million to shareholders in dividend payments.
- Net debt to equity at 3.8%.
- Interest cover of 15.0 times (EBIT/interest).

Regional Business Unit Results

	Australasia (A$'s)	Americas (US$'s)	Middle East (US$'s)	International (US$'s)	China (US$'s)
FY13 Sales	76.9M	25.9M	9.7M	7.6M	28.6M*
	Up 8%	Up 22%	Up 23%	Down 27%	Up 24%
FY13 EBITDA	6.2M	2.1M	1.9M	Included in China	7.6M**
	Down 21%	Up 31%	Up 19%	Included in China	Up 6%

* Intercompany Sales
** Commercial Margin on Intercompany Sales

Australasia

- Sales increased 8% over the prior year to A$76.9 million.
  - Part year contribution from the Highgrove Glass Solutions business acquired in December 2012.
  - Sales declined in Gale's traditional Australasian markets due to weak consumer demand, price deflation, significant reductions in the retail channel inventory levels and highly competitive trading conditions. Lower demand of fabrics for grain storage and the mining industry.
  - The Riva Window Fashions business trading losses and exit costs included in FY13 results.
  - New management resources for the Australasian business have been introduced in FY14.
- EBITDA declined by 21% to A$6.2 million due to selling price reductions, product cost increases and increased warehouse and freight costs.

Americas

- Sales increased 22% to US$25.9 million.
  - Strong sales growth and ranging achieved with most major accounts.
  - Good summer conditions aided the sale of outdoor shading and screening products in the USA and Canada.
  - Sales of commercial fabrics slightly down on record sales result from previous year as construction project expenditure has been tight.
  - Benefit from last years investment in additional retail sales and marketing resources to drive product range expansion and future sales growth.
  - Expanded range commitments in hand for next season from two largest wholesale clubs in the USA.
- EBITDA increased 31% to US$2.1 million.

Middle East

- Sales increased 23% to US$9.7 million.
  - Increased sales in key markets of United Arab Emirates and Qatar. Solid sales again for Saudi market.
  - Construction activity has shown steady improvement in the region.
  - Increased sales and demand for Synthesis Commercial 95 and Waterproof Commercial 95 architectural fabrics.
- EBITDA increased 19% to US$1.9 million.

China

- Strong, stable management and technical support teams.
- Record volumes, increased efficiencies, improved yields and reduced waste levels contributed to our strongest result from the China operation to date. These efficiency gains have all helped offset higher wage rates and labour on costs and the ongoing unfavourable impact from the strength of the Chinese renminbi.
- EBITDA increased 6% to US$7.6 million.
- Ongoing plant modification has enabled us to increase capacity and flexibility to support growth in the business.

China

- Polymer prices have recorded a small increase over FY12.
- Safety statistics (LTI's) improved by 50% year on year.
- Further improved our sourcing from third party Chinese suppliers to procure high quality and lower cost sourced products which continue to become an increasing part of our business.
- Focus continues on improving automation to reduce labour units to continue to offset rising labour costs where possible.
- EBITDA includes the margin on sales direct to international customers and a commercial margin on intercompany sales.

International Markets

- Sales decreased by 27% to US$7.6 million.
  - Reduction in sales to the Japanese market due to a carry over of seasonal inventory by our Japanese distributor following record sales in FY12. Gale products are sold through approximately 60 retail groups and approximately 1800 outlets in Japan.
  - Sales into South Africa declined as FY12 pipe line sales were not repeated.
  - Gale Pacific products now being sold in 26 countries serviced by the international market team.
  - Further market development resources have been added in Europe and China to support future growth initiatives.

Outlook

- Trading conditions are expected to remain highly competitive in all markets. Retail conditions in Australasia are generally weak but we are seeing improved consumer spending in the USA and improved construction activity in the Middle East.
- New management is in place for the Australasian business unit for FY14.
- Gale will continue to implement our growth strategy by expanding our product offer and presence in the markets for branded industrial and consumer screening, shading and home improvement products.
- Balance sheet strength provides flexibility in relation to future growth initiatives, including acquisitions which we continue to actively pursue.
- It is too early in the year to give any further update or guidance which we expect to provide in more detail at the Company's AGM in October.

Disclaimer

Statements contained in this presentation, particularly those regarding possible or assumed future performance, estimated company earnings, potential growth of the company, industry growth or other trend projections are or may be forward looking statements. Such statements relate to future events and expectations and therefore involve unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward looking statements.