



**LINDSAY AUSTRALIA**  
LIMITED

# Investor Presentation

## FY2013 Full Year Results





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# Overview





# About Lindsay Australia

Lindsay Transport and Lindsay Rural are divisions of Lindsay Australia Limited, a fully integrated transport, logistics, and rural supply company, with a focus on premium standard service to major customers in the food processing, food services, fresh produce, rural and horticultural sectors.

With one of the largest refrigerated transport fleets in the country, combined with an extensive network of refrigerated warehousing, Lindsay Transport maintains a dependable cold-chain and quality of product throughout the delivery life cycle. The network of strategically located terminals maximises the Lindsay operation through all seasonal fluctuations and allows customers to have confidence in the reliability of our service.

The Lindsay Rural network offers a broad range of services to the horticulture sector by knowing and delivering the needs of growers, particularly in cardboard packaging solutions. The Lindsay Solution provides integrated end-to-end rural services from harvesting to packaging to transport.



# About Lindsay Australia Cont.

## Directors

Kim Lindsay	CEO and Managing Director
John Pressler	Non-Executive Chairman
Les Hancock	Non-Executive Director
Richard Anderson	Non-Executive Director
Greg Farrell	Non-Executive Director

## Senior Management

Graham Johnston	CFO and Company Secretary
Glen Lindsay	General Manager Transport
Wayne Bunker	Commercial Manager Transport



# Structure



**LINDSAY AUSTRALIA**  
LIMITED

**Lindsay Australia Limited**

ABN 81 061 642 733

**Lindsay Transport Pty Ltd**

ABN 62 055 792 919



**Lindsay Rural Pty Ltd**

ABN 80 090 821 300



**LINDSAY RURAL**





# Locations





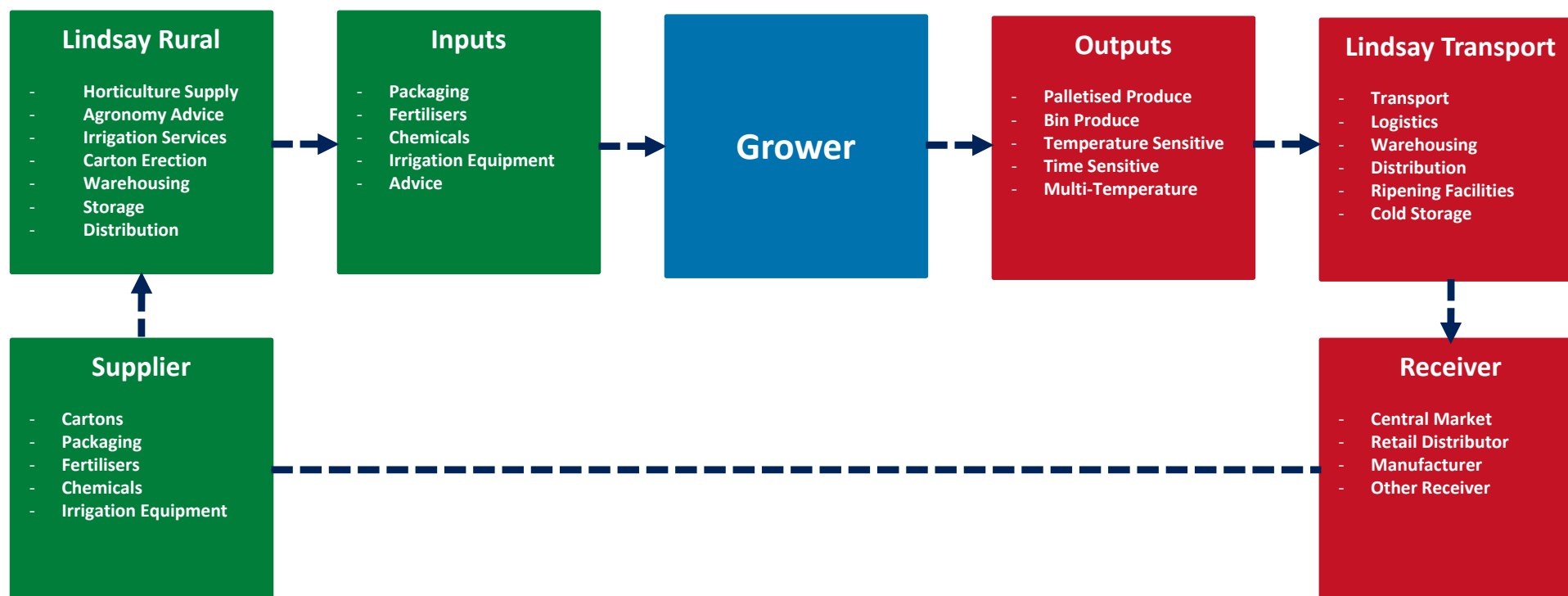
# Strategy and Objectives

- Strategic alignment to refrigerated transport sector
- Servicing the East of Australia and Western Australia by subcontractor arrangements
- Growth of The Lindsay Solution in new and existing geographic areas, for rural and transport customers
- New transport market segment, Lindsea, servicing the seafood industry
- Increase growth and investment in North Queensland horticulture and seafood industries, and growing in other horticulture areas



# The Lindsay Solution

Lindsay Rural and Lindsay Transport share common customers in the horticulture industry which enables a strategic advantage by providing unique end-to-end service solution to horticulture customers, the Lindsay Solution.





# Shareholder Information





# Overview

- Listed on ASX in 2002
- Market Cap of \$51 million\*
- Major Shareholders\*
  - Amcor Fibre Packaging 12.14%
  - Mizikovsky Group 5.98%
  - Mulawa Holdings 13.47%
  - The Lindsay Family 19.54%
  - Washington H Soul Pattison & Co 16.39%
- Total employees 923 as at 1<sup>st</sup> July 2013

\*As at 28/08/2013



# Share Performance







# Full Year Results and Highlights

	2013 \$'000	2012 \$'000	% Increase (Decrease)
<b>Full Year ended 30<sup>th</sup> June 2013 Results</b>			
Revenue	283,465	260,400	8.9
Earnings Before Interest, Tax, Depreciation and Amortisation	28,708	17,592	63.2
Net Profit after Tax	7,181	25	287.2
Earnings per Share	3.3¢	–	
Dividends per Share	1.9¢	0.7¢	171.0
Net Tangible Assets per Share	21.2¢	19.0¢	
Return on Equity	13.15%	0.05%	
Return on Assets	4.44%	–	

## Major Items Impacting Revenue

The result was favourably influenced by retrospective fuel tax credit claims. The after tax benefit was \$1.908 million. Last year's result was negatively impacted by a doubtful debt expense of \$5.7 million (\$3.99 million after tax).



# Segmented Performance

	2013 \$'000	2012 \$'000	% Increase (Decrease)
<b>Transport</b>			
Divisional Sales	200,561	177,540	13.0
Divisional Profit	20,514	13,727	49.4
<b>Profit Margin %</b>	<b>10.2%</b>	<b>7.7%</b>	
<b>Rural</b>			
Divisional Sales	84,497	84,219	0.33
Divisional Profit	3,516	3,690	(0.47)
<b>Profit Margin %</b>	<b>4.2%</b>	<b>4.4%</b>	

# Lindsay Transport





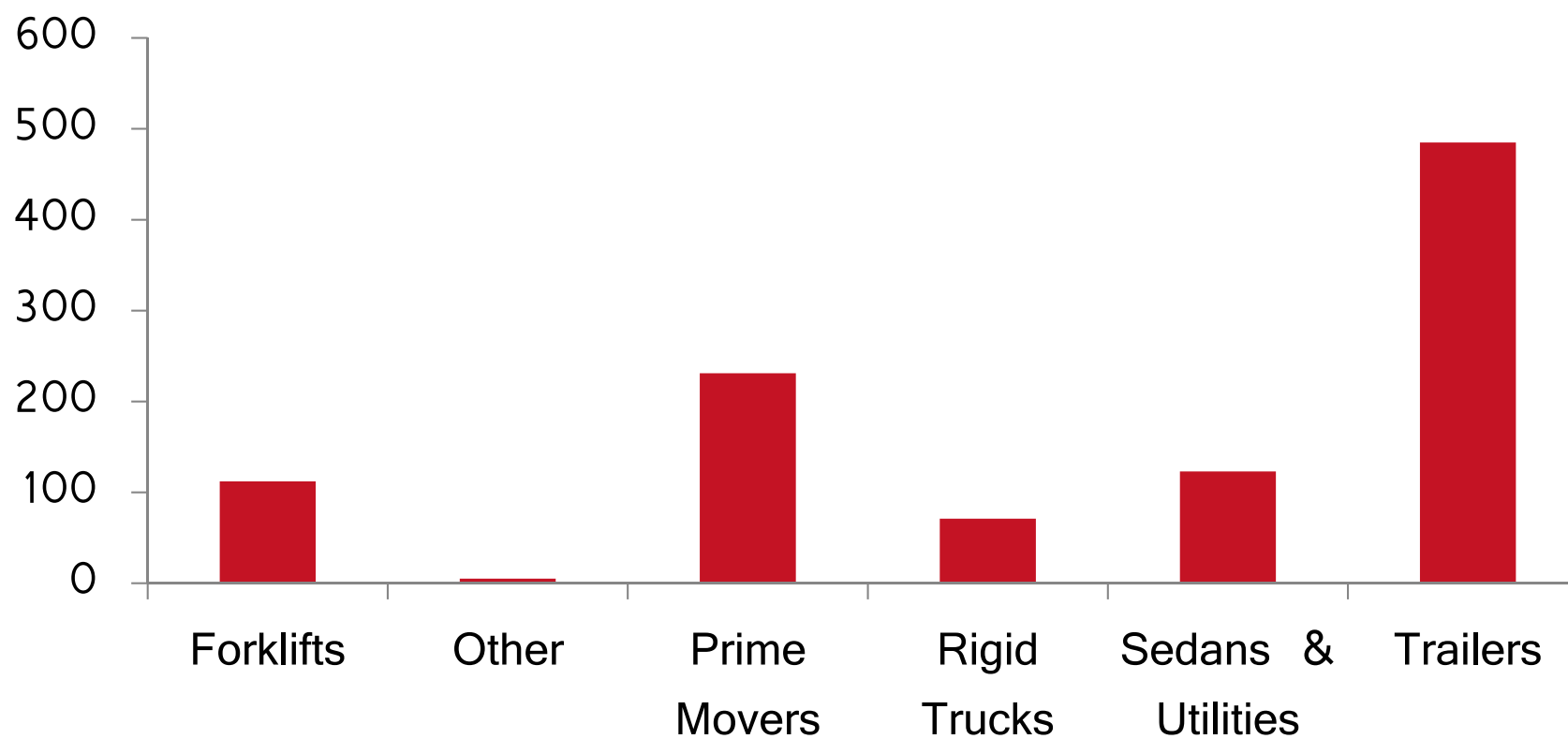


# About Lindsay Transport

- Lindsay Brothers Transport was founded by Thomas and Peter Lindsay in 1953
- Purpose-built refrigerated and ambient equipment fleet, over 1,000 vehicles
- Approximately 90% of revenue derived from food, or food related customers
- 15 terminals on the east coast of Australia
- Major customers include major grocery retailers, and major chilled and frozen food manufacturers



# Fleet Distribution





# Operational Statistics

- **Freight:** over 1.7 million tonnes per annum
- **Kilometres:** over 51.7 million kilometres per annum
- **Fuel:** over 32.1 million litres per annum
- **Employees:** 771 employees as at 30th June 2013
- Fatigue, Maintenance and Mass accredited under National Heavy Vehicle Accreditation Scheme (NHVAS)



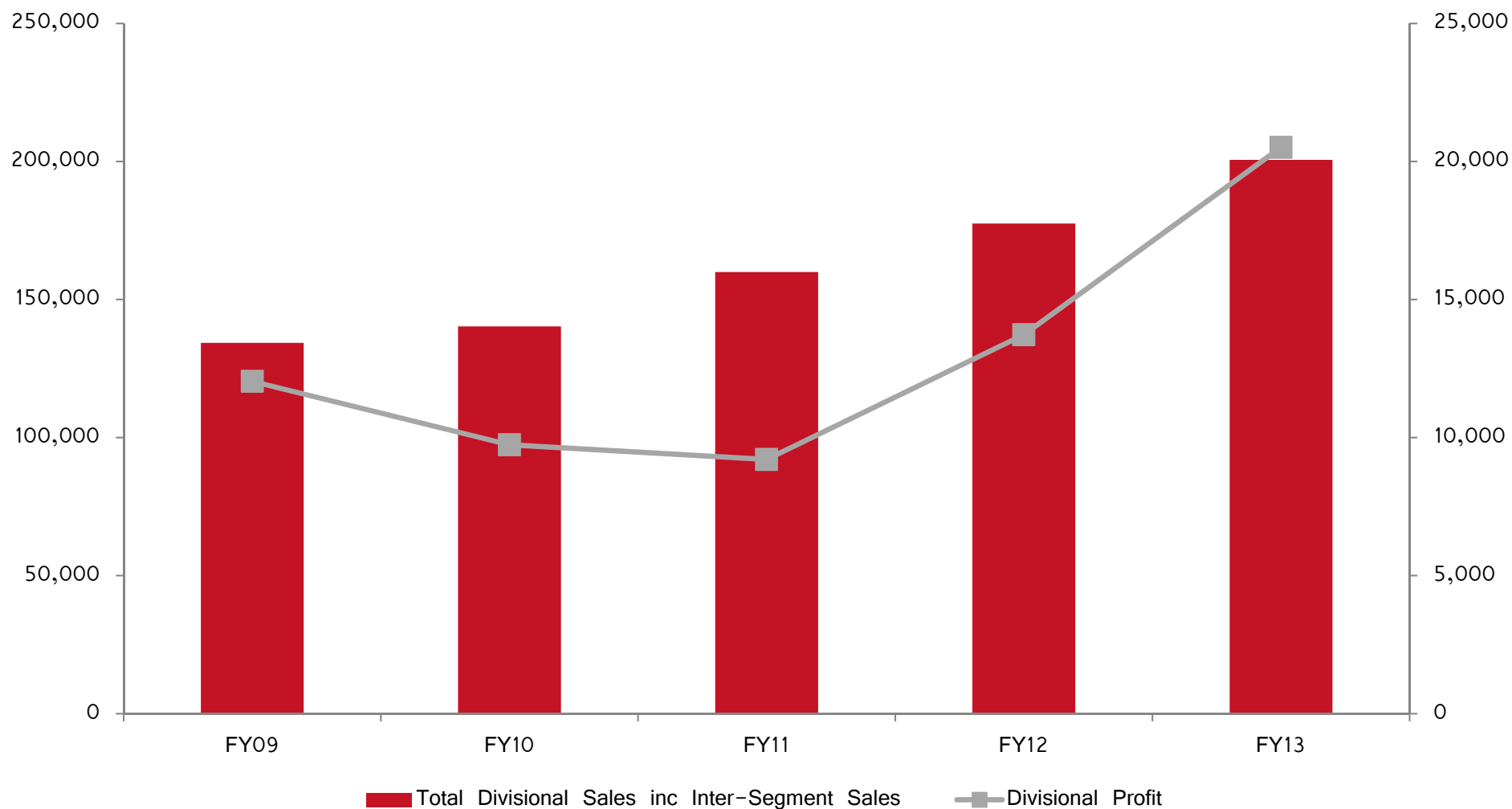


# Key Performance Drivers

- Operational performance – on-time delivery
- Customer yield – volume of freight and maximising customer relationship
- Balanced freight – ability to maximise round-trip profitability
- Load maximisation – ability to load trucks to maximum weight
- Quality of equipment maintenance – limited down time for fleet maintenance
- Compliant fatigue management
- Regional weather and annual rainfall
- Effectiveness of fuel levy to pass on fuel price movements



# Divisional Performance



# Lindsay Rural





# About Lindsay Rural

- Originally P&H Rural Supplies established in Bundaberg Region in 1984
- Rural merchandising of packaging, nutrients, chemicals and fertilisers
- Portion of customer base in common to Transport and Rural
- 15 stores located in strategic horticultural and rural areas
- Focus on providing premium customer service
- Quality agronomy services in specific regions





# Operational Statistics

■ 99 employees as at 30th June 2013

■ HACCP and Agsafe accredited

■ Product mix:

— Fertiliser	18%
— Packaging	29%
— Chemicals	16%
— Nutrients	14%
— Irrigation	4%
— Other	19%

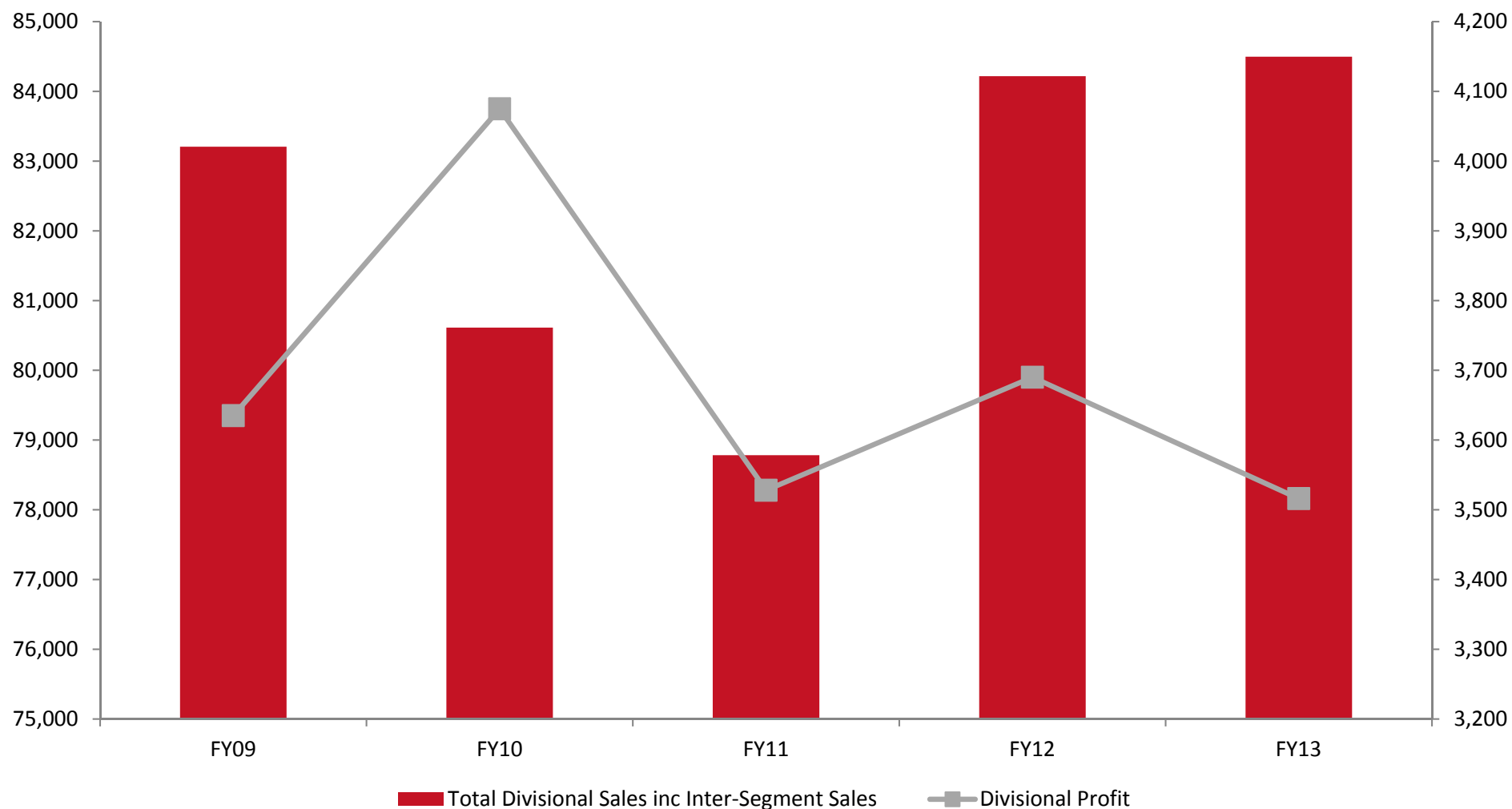


# Key Performance Drivers

- Sales growth
- Stock control
- Customer service
- Training of sales personnel
- Labour and property cost control
- Regional weather and annual rainfall
- Margin maintenance and improvement



# Divisional Performance





# Dividends

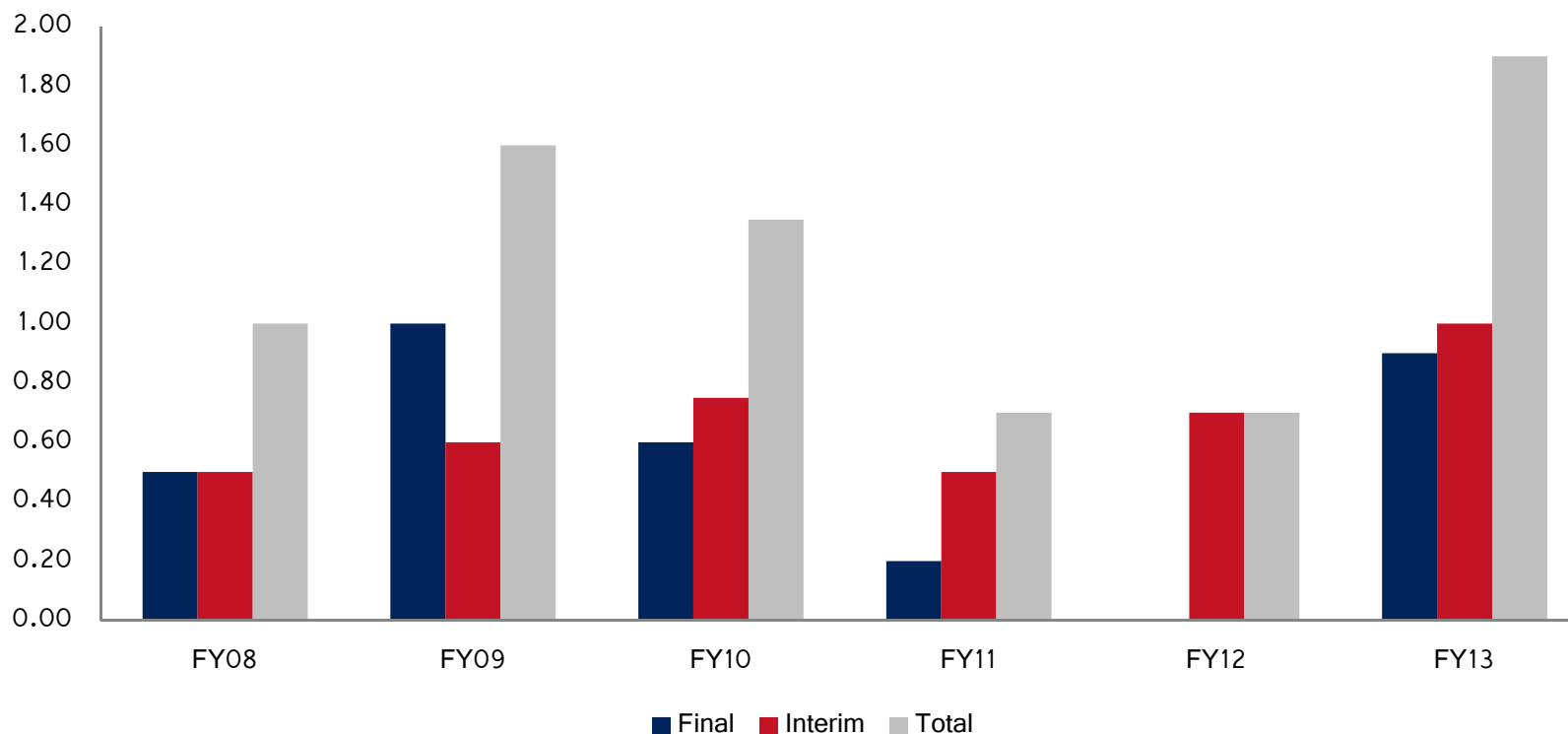






# Dividends

Two fully franked interim dividends for 2013 of 0.5 cents per share each, total paid 1.0 cent per share and final dividend of 0.9 cents per share will be paid on 27<sup>th</sup> September 2013. The company's dividend re-investment plan continues in force.



# Appendices





# Consolidated Statement of Comprehensive Income

## Full Year Ended 30<sup>th</sup> June 2013

	2013 \$'000	2012 \$'000
<b>Revenues</b>	283,465	260,400
Other income	651	158
	284,115	260,558
<b>Expenses</b>		
Changes in inventories	( 2,309 )	( 355 )
Purchase of inventories	( 65,577 )	( 67,346 )
Employee benefits expense	( 65,073 )	( 58,932 )
Subcontractors	( 41,780 )	( 34,307 )
Fuel and oil costs	( 33,585 )	( 35,674 )
Depreciation and amortisation	( 14,211 )	( 13,197 )
Repairs and maintenance	( 12,931 )	( 11,147 )
Registration costs	( 3,263 )	( 3,383 )
Finance costs	( 4,670 )	( 4,694 )
Insurance	( 1,844 )	( 1,264 )
Bad debt expense	( 30 )	( 5,686 )
Pallets	( 1,914 )	( 1,440 )
Operating lease rentals	( 5,453 )	( 5,511 )
Professional fees	( 1,910 )	( 860 )
Other expenses	( 19,252 )	( 16,710 )
	( 273,802 )	( 260,506 )
<b>Profit before income tax</b>	<b>10,314</b>	<b>52</b>
Income tax expense	( 3,133 )	( 27 )
<b>Profit for the year</b>	<b>7,181</b>	<b>25</b>
Basic and diluted earnings per share	3.3¢	–



# Consolidated Statement of Financial Position

## Full Year Ended 30<sup>th</sup> June 2013

	2013 \$'000	2012 \$'000
<b>Current assets</b>		
Cash and cash equivalents	9,953	3,178
Trade and other receivables	41,554	39,459
Inventories	10,680	12,598
Current tax assets	–	134
Other	3,843	2,931
<b>Total current assets</b>	<b>66,030</b>	<b>58,300</b>
<b>Non-current assets</b>		
Available-for-sale financial assets	25	25
Property, plant and equipment	87,794	79,914
Intangible assets	7,854	7,917
<b>Total non-current assets</b>	<b>95,673</b>	<b>87,856</b>
<b>Total assets</b>	<b>161,703</b>	<b>146,156</b>





# Consolidated Statement of Financial Position

## Full Year Ended 30<sup>th</sup> June 2013

### Cont.

	2013 \$'000	2012 \$'000
<b>Current liabilities</b>		
Trade and other payables	25,024	21,919
Borrowings	25,813	21,147
Current tax liabilities	1,462	–
Provisions	4,975	4,475
Other	2,140	1,398
Total current liabilities	59,414	48,939
<b>Non-current liabilities</b>		
Borrowings	43,666	44,561
Deferred tax liabilities	2,689	2,088
Provisions	880	842
Other	449	517
Total non-current liabilities	47,684	48,008
<b>Total liabilities</b>	<b>107,098</b>	<b>96,947</b>
<b>Net assets</b>	<b>54,605</b>	<b>49,209</b>
<b>Equity</b>		
Contributed equity	45,040	44,631
Reserves	491	491
Retained profits	9,074	4,087
<b>Total equity</b>	<b>54,605</b>	<b>49,209</b>



# Consolidated Statement of Cash Flows

## Full Year Ended 30<sup>th</sup> June 2013

	2013 \$'000	2012 \$'000
<b>Cash flows from operating activities</b>		
Receipts in course of operations	313,155	281,783
Payments to suppliers and employees	(281,766)	(262,874)
Interest received	486	351
Finance costs paid	(4,575)	(4,539)
Income taxes refund/(paid)	(937)	88
Net cash provided by operating activities	26,363	14,809
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	2361	1,728
Payments for property, plant and equipment	(3,604)	(2,995)
Payments for intangibles	(168)	(224)
Net cash (used in) by investing activities	(1,411)	(1,491)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	6,184	4,553
Repayment of borrowings	(8,574)	(9,980)
Repayment of lease liabilities	(10,879)	(9,141)
Dividends paid	(2,062)	(1,754)
Net cash (used) in financing activities	(15,331)	(16,322)
Net increase/(decrease) in cash and cash equivalents	9,621	(3,004)
Cash and cash equivalents at the beginning of the reporting period	(258)	2,746
Cash and cash equivalents at the end of the reporting period	9,363	(258)



**LINDSAY AUSTRALIA**  
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**[www.lindsayaustralia.com.au](http://www.lindsayaustralia.com.au)**  
**44b Cambridge Street, Rocklea QLD 4108**  
**07 3240 4900**