



LINDSAY AUSTRALIA
LIMITED

Investor Presentation

FY15 Half Year Results





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Overview





About Lindsay Australia

Lindsay Transport alongside Lindsay Fresh Logistics and Lindsay Rural are divisions of Lindsay Australia Limited, a fully integrated transport, logistics, and rural supply company, with a focus on premium 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.

Lindsay Fresh Logistics a newly formed operation of Lindsay Transport, located in Brisbane Markets, which provides unloading, cross-docking, storage and ripening services to growers, market agents and other transport companies.



About Lindsay Australia Cont.

Directors

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

Senior Management

Nathan King	CFO and Company Secretary
Glen Lindsay	CEO Lindsay Fresh Logistics
Robert Dummer	General Manager Operations (Transport)
Wayne Bunker	Commercial Manager Transport
Craig Baker	General Manager Sales and Marketing
Wolf Lorenz	General Manager Rural
Bob McMillan	General Manager Lindsay Fresh Logistics
Broderick Jones	Group Legal Counsel and Company Secretary



Structure



LINDSAY AUSTRALIA
LIMITED

Lindsay Australia Limited
ABN 81 061 642 733



Lindsay Transport Pty Ltd
ABN 62 055 792 919



Lindsay Fresh Logistics Pty Ltd
ABN 90 600 103 142



Lindsay Rural Pty Ltd
ABN 80 090 821 300



LINDSAY RURAL



Locations





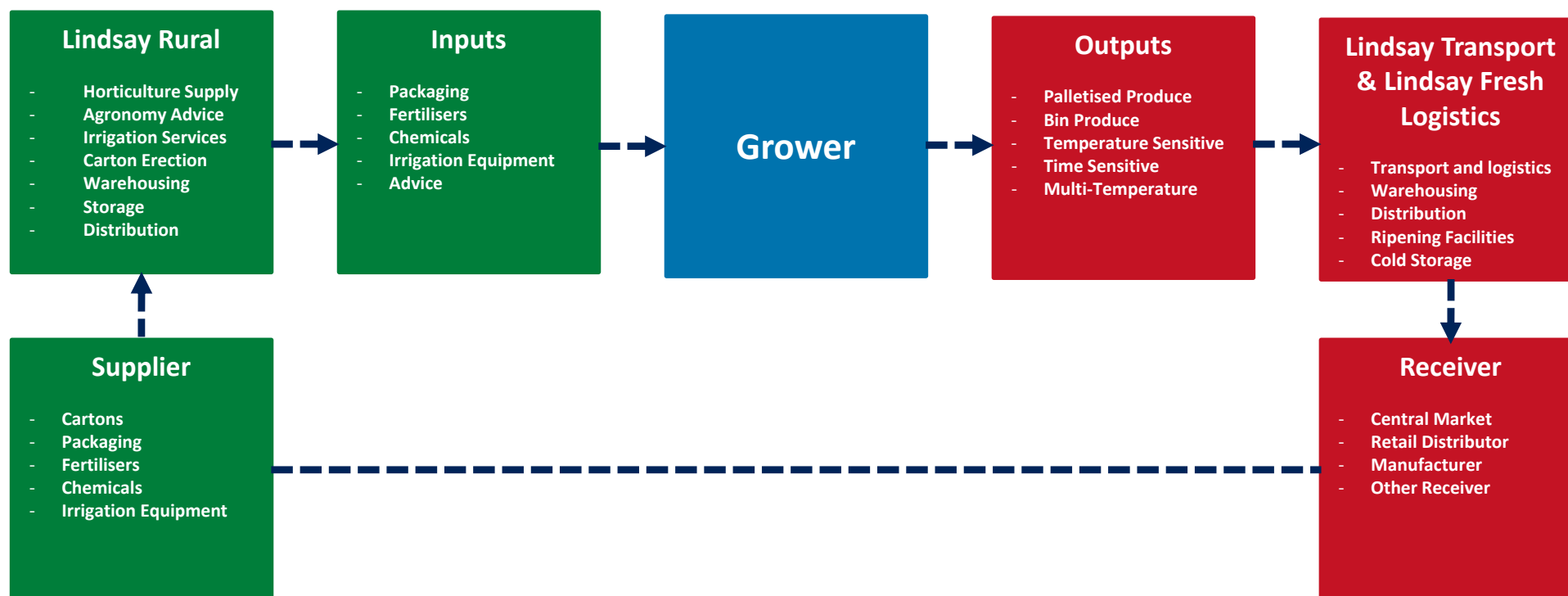
Strategy and Objectives

- Strategic alignment to refrigerated transport sector
- Servicing the East of Australia, Western Australia is serviced by subcontractor arrangements
- Growth of The Lindsay Solution in new and existing geographic areas, for rural and transport customers
- 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
- Offer additional logistics and warehousing services to suppliers of fresh produce through Lindsay Fresh Logistics including unloading, cold storage, ripening and delivery services



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





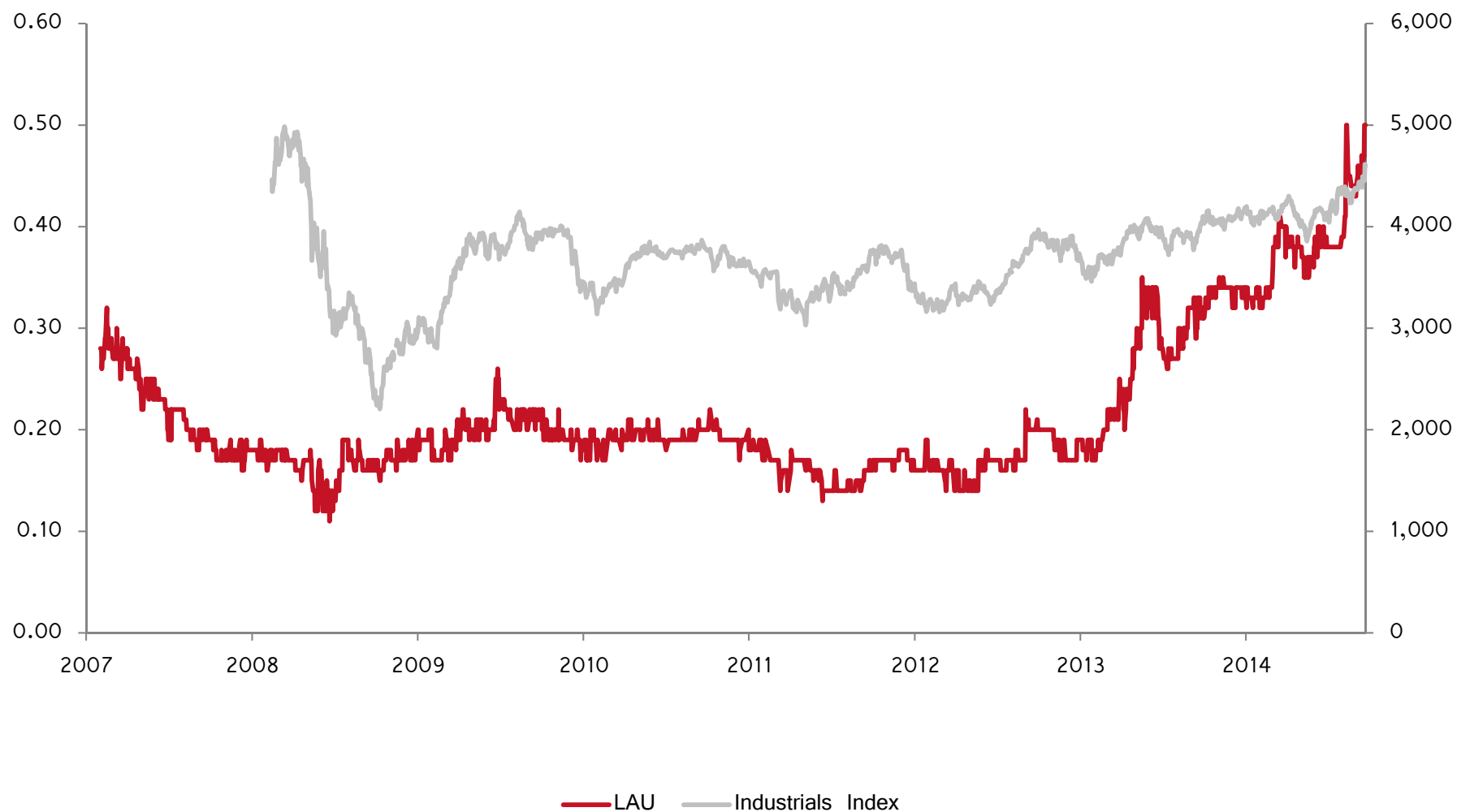
Overview

- Listed on ASX in 2002
- Market Cap of \$122 million*
- Major Shareholders as at 31st July 2014
 - Mizikovsky Group 5.9%
 - Mulawa Holdings 11.7%
 - Orora Limited 10.6%
 - Lindsay Family Interest (1) 16.8%
 - Washington H Soul Pattison & Co 18.5%
- Total employees 1099 as at 31st December 2014

*As at 23/02/2015



Share Performance





FY15 First Half Results and Highlights

	H1 FY15 \$'000	H1 FY14 \$'000	% Increase (Decrease)
Half Year ended 31st December 2014 Results			
Revenue	160,977	160,292	0.4
Earnings Before Interest, Tax, Depreciation and Amortisation	16,135	16,142	0.0
Net Profit after Tax	4,466	4,735	(5.7)
Earnings per Share	1.8¢	2.1¢	(14.3)
Dividends per Share	1.1¢	1.1¢	
Net Tangible Assets per Share	23.7¢	22.5¢	5.3
Return on Equity	6.0%	8.2%	(19.5)
Return on Assets	2.47%	2.67%	(7.4)

Major Items Impacting Revenue

For Transport half year revenue decreased 1.8%. This reduction is largely due to the decreased fuel levies that applied during the period as a result of declining fuel prices. Overall fuel usage increased 5.8%, corresponding with total kilometres travelled and greater fleet utilisation. Rural division contribution saw a 24% decrease due to a change in the product mix and resulting margin compression coupled with increased divisional operating costs.



FY14 Results and Highlights

	FY14 \$'000	FY13 \$'000	% Increase (Decrease)
Full Year ended 30th June 2014 Results			
Revenue	311,134	283,465	9.8%
Earnings Before Interest, Tax, Depreciation and Amortisation	27,676	28,709	(3.6%)
Net Profit after Tax	6,497	7,181	(9.5%)
Earnings per Share	2.8¢	3.3¢	(15.2%)
Dividends per Share	2.0¢	1.9¢	5.3%
Net Tangible Assets per Share	22.7¢	21.2¢	7.1%
Return on Equity	9.93%	13.15%	(24.5%)
Return on Assets	3.66%	4.44%	(17.6%)

Major Items Impacting Revenue

For the year ended 30 June 2014 the Group earned a net profit after tax of \$6,497,000. This result included an after tax benefit of \$568,000 from the recovery of fuel tax credits that related to prior years. The result this year compares with an after tax profit of \$7,181,000 last year. Last year's result included an after tax benefit of \$1,908,000 from the recovery of fuel tax credits.



FY15 Half Year Segmented Performance

	H1 FY15 \$'000	H1 FY14 \$'000	% Increase (Decrease)
Transport			
Divisional Sales	113,943	116,035	(1.8)
Divisional Profit	12,121	11,420	6.1
Profit Margin %	10.6%	9.8%	8.2
Rural			
Divisional Sales	48,998	45,508	7.67
Divisional Profit	2,181	2,859	(23.7)
Profit Margin %	4.5%	6.3%	(28.6)



FY14 Full Year Segmented Performance

	FY14 \$'000	FY13 \$'000	% Increase (Decrease)
Transport			
Divisional Sales	223,277	200,561	11.3%
Divisional Profit	18,782	20,514	(8.4%)
Profit Margin %	8.4%	10.2%	(17.6%)
Rural			
Divisional Sales	90,054	84,497	6.6%
Divisional Profit	5,148	3,516	46.4%
Profit Margin %	5.7%	4.2%	35.7%

Lindsay Transport



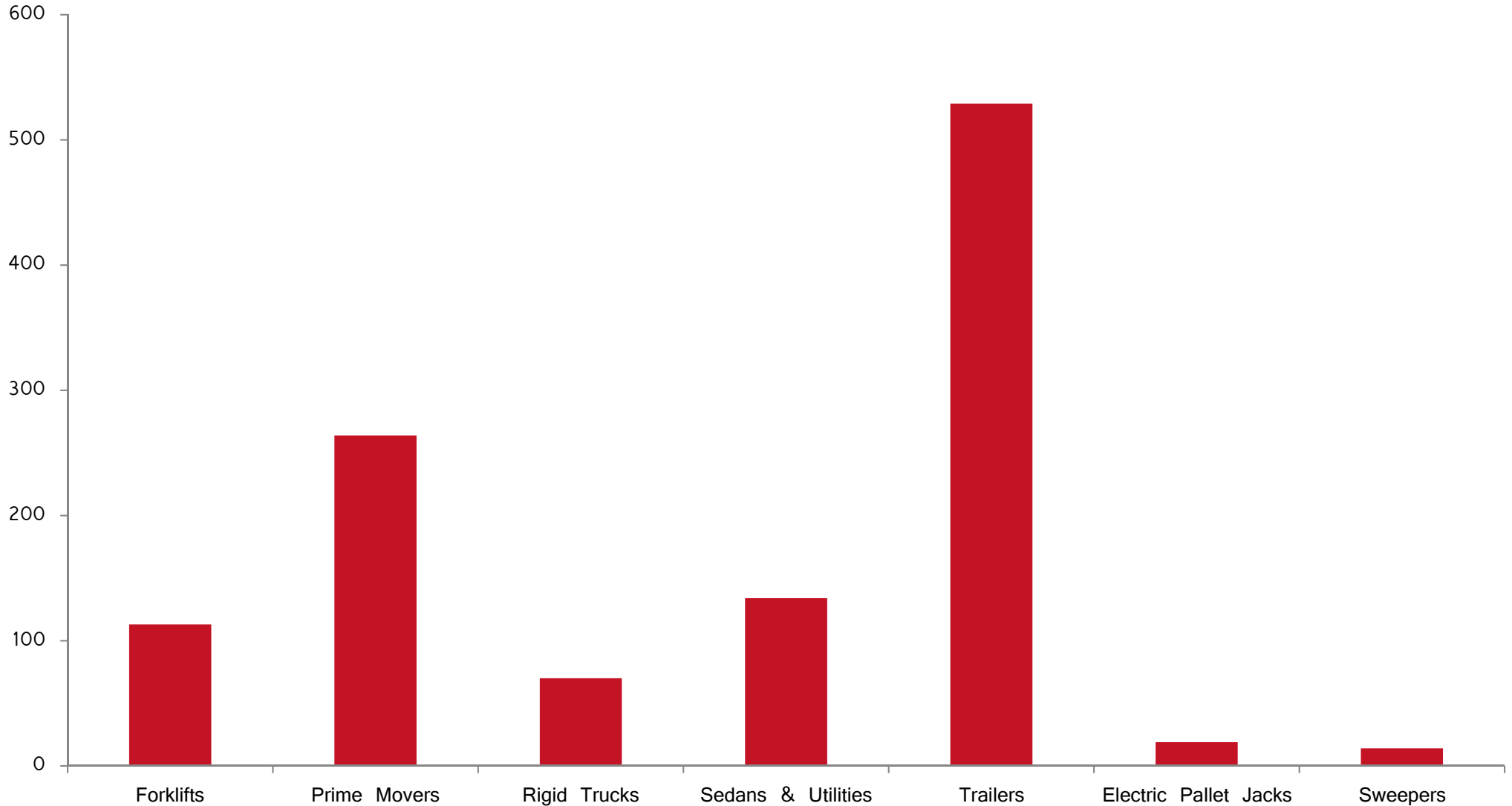


About Lindsay Transport

- Lindsay Brothers Transport was founded by Thomas and Peter Lindsay in 1953
- Purpose-built refrigerated and ambient equipment fleet, over 1,100 vehicles
- Approximately 90% of revenue derived from food, or food related customers
- 17 terminals on the east coast of Australia
- Major customers include major grocery retailers, and major chilled and frozen food manufacturers



Fleet Distribution





Operational Statistics

- **Kilometres:** over 55.5 million kilometres per annum
- **Fuel:** over 36 million litres per annum
- **Employees:** 860 employees as at 31st December 2014
- Fatigue, Maintenance and Mass accredited under National Heavy Vehicle Accreditation Scheme (NHVAS)

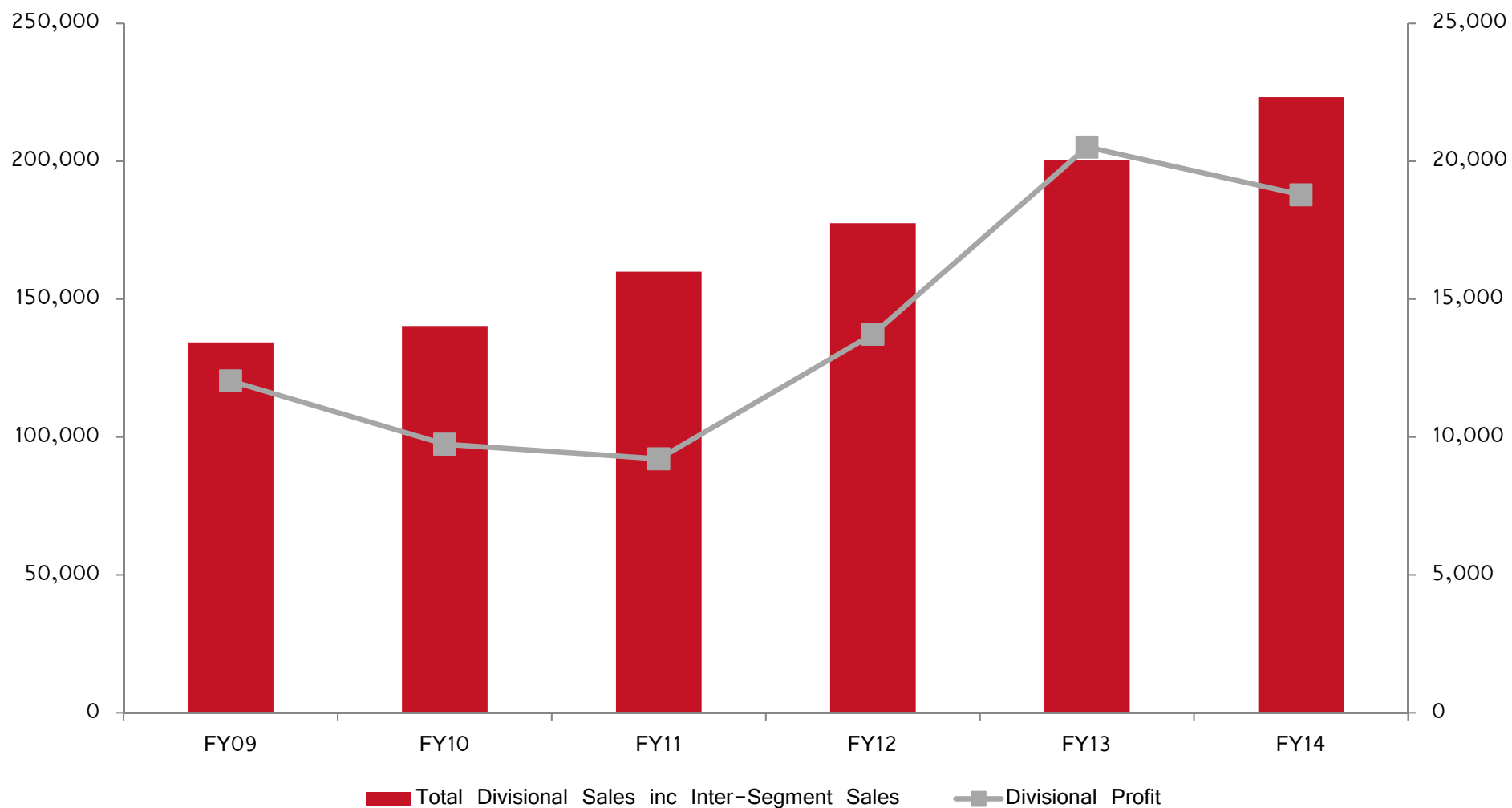


Key Performance Drivers

- 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 Fresh Logistics





About Lindsay Fresh Logistics

- Lindsay Fresh Logistics, a newly formed transport and logistics provider, located in Brisbane Markets, provides unloading, cross-docking, storage and ripening services.
- Lindsay Fresh Logistics offers the following services for fresh produce:
 - Short and long term storage solutions
 - Ripening services for specific produce lines
 - Brisbane Market unloading and delivery to market agents
 - Unloading and delivery service to major Brisbane delivery points

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
- 19 stores and 3 satellite locations in strategic horticultural and rural areas
- Focus on providing premium customer service
- Quality agronomy services in specific regions
- Independent of any buying group
- North Queensland growth strategy and impact on Victorian stores
- Over 1800 customers



Operational Statistics

■ 114 employees as at 31st December 2014

■ HACCP and Agsafe accredited

■ Product mix:

— Fertiliser	17%
— Packaging	29%
— Chemicals	14%
— Nutrients	13%
— Irrigation	5%
— Other	22%

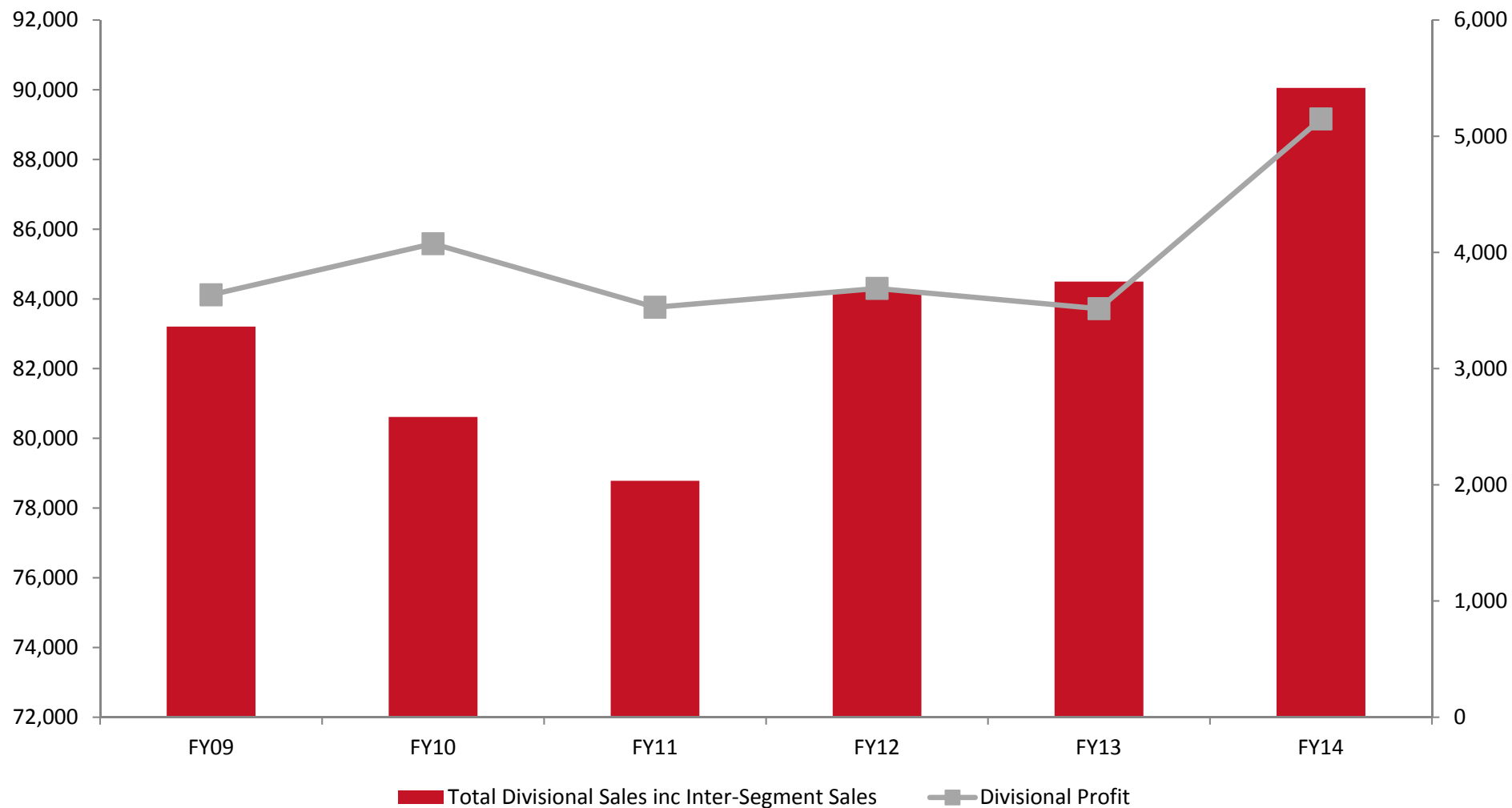


Key Performance Drivers

- 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



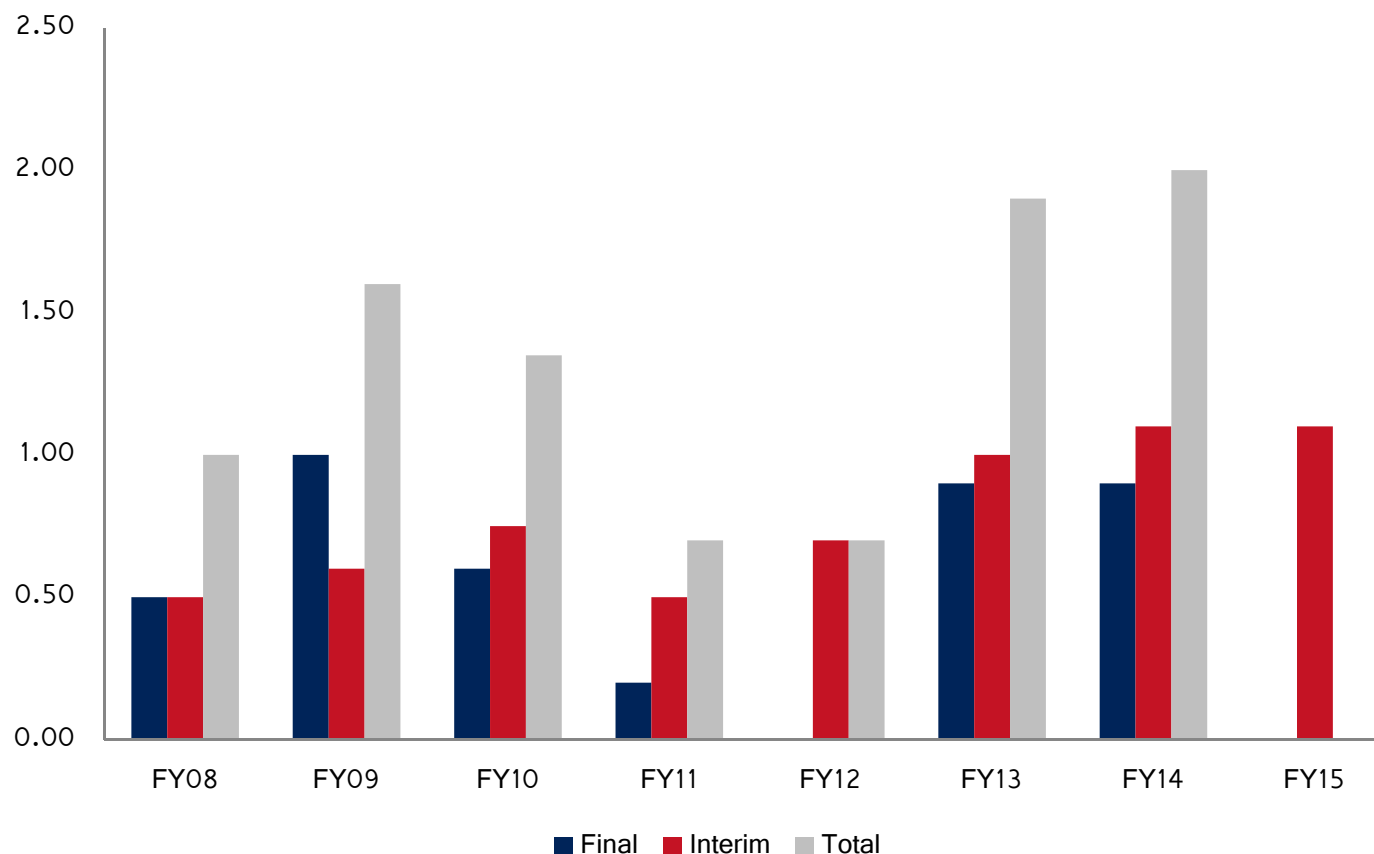
Dividends





Dividends

The company's dividend re-investment plan continues in force.
An interim dividend has been maintained at the same level with a fully franked dividend of 1.1 cents per share declared on 20 February 2015.



Appendices





Consolidated Statement of Comprehensive Income

Half Year Ended 31th December 2014

	H1 FY15 \$'000	H1 FY14 \$'000
Revenues	160,977	160,292
Other income	106	101
	161,083	160,393
Expenses		
Changes in inventories	3,957	2,334
Purchase of inventories	(42,901)	(38,183)
Employee benefits expense	(40,633)	(36,297)
Subcontractors	(17,802)	(27,829)
Fuel and oil costs	(21,440)	(19,765)
Depreciation and amortisation	(7,910)	(7,366)
Repairs and maintenance	(6,814)	(6,775)
Registration costs	(2,098)	(1,887)
Finance costs	(2,234)	(2,331)
Insurance	(1,170)	(873)
Bad debt expense	(87)	207
Pallets	(899)	(966)
Operating lease rentals	(3,661)	(2,813)
Professional fees	(608)	(736)
Other expenses	(10,378)	(10,340)
	(154,678)	(153,620)
Profit before income tax	6,405	6,773
Income tax expense	(1,939)	(2,038)
Profit for the year	4,466	4,735
Basic and diluted earnings per share	1.8¢	2.1¢



Consolidated Statement of Financial Position

Half Year Ended 31th December 2014

	1H FY15 \$'000	2H FY14 \$'000
Current assets		
Cash and cash equivalents	6,594	17,152
Trade and other receivables	43,653	42,565
Inventories	17,058	13,291
Other	1,610	4,854
Total current assets	68,915	77,862
Non-current assets		
Available-for-sale financial assets	25	25
Property, plant and equipment	104,391	91,798
Intangible assets	7,708	7,735
Total non-current assets	112,124	99,552
Total assets	181,039	177,414



Consolidated Statement of Financial Position

Half Year Ended 31th December 2014

Cont.

	1H FY15 \$'000	2H FY14 \$'000
Current liabilities		
Trade and other payables	25,009	26,061
Borrowings	23,425	25,213
Current tax liabilities	3,434	2,257
Provisions	5,916	5,455
Other	320	1,402
Total current liabilities	58,104	60,388
Non-current liabilities		
Borrowings	51,965	47,656
Deferred tax liabilities	1,477	2,431
Provisions	1,218	1,133
Other	319	370
Total non-current liabilities	57,979	51,590
Total liabilities	113,083	111,978
Net assets	67,956	65,436
Equity		
Contributed equity	54,481	54,143
Reserves	491	491
Retained profits	12,984	10,802
Total equity	67,956	65,436



Consolidated Statement of Cash Flows

Half Year Ended 31th December 2014

	H1 FY15 \$'000	H1 FY14 \$'000
Cash flows from operating activities		
Receipts in course of operations	174,712	174,550
Payments to suppliers and employees	(161,883)	(161,321)
Interest received	413	328
Finance costs paid	(2,191)	(2,285)
Income taxes refund/(paid)	(1,716)	(1,263)
Net cash provided by operating activities	9,335	10,009
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	133	798
Proceeds from loan receivable		
Payments for loan receivable		
Payments for property, plant and equipment	(8,044)	(1,613)
Payments for intangibles	(21)	(47)
Net cash (used in) by investing activities	(7,932)	(862)
Cash flows from financing activities		
Proceeds from borrowings	–	1,552
Repayment of borrowings	(5,683)	(4,649)
Repayment of lease liabilities	(6,068)	(5,955)
Dividends paid	(2,034)	(1,865)
Net cash (used) in financing activities	(13,785)	(10,917)
Net increase/(decrease) in cash and cash equivalents	(12,381)	(1,770)
and cash equivalents at the beginning of the reporting period	15,878	9,363



LINDSAY AUSTRALIA
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