



SeaLink Travel Group Ltd

Investor Summary
Year Ended 30th June 2015



Jeff Ellison
Chief Executive and Managing Director

Trevor Waller
Chief Financial Officer

Michael Hughes
Commercial Director



SeaLink Travel Group

Connecting Australian landscapes and icons to the world



OUR BUSINESS

SeaLink Travel Group celebrated 25 years of business

Strong brands in SeaLink and Captain Cook Cruises

Diversified geographically with operations in New South Wales, Queensland, South Australia and Northern Territory

Operating in the Tourism and Transport industries

Transporting over 3 million passengers p.a

Annual revenue of \$112 million

26 vessels and 29 coach and touring vehicles

600+ staff



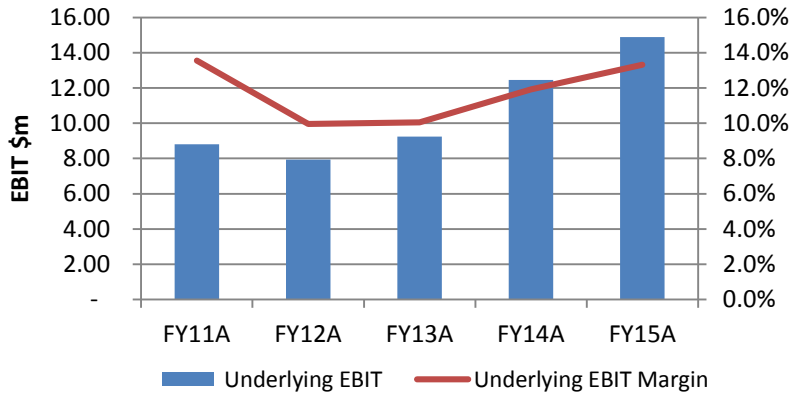
Section 1 - Highlights



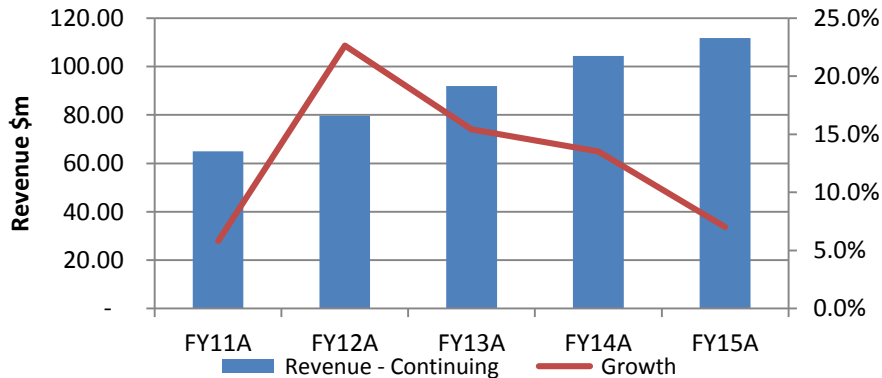
2015 – Year In Review

“Record profits and expansion in new markets”

Underlying EBIT



Revenue

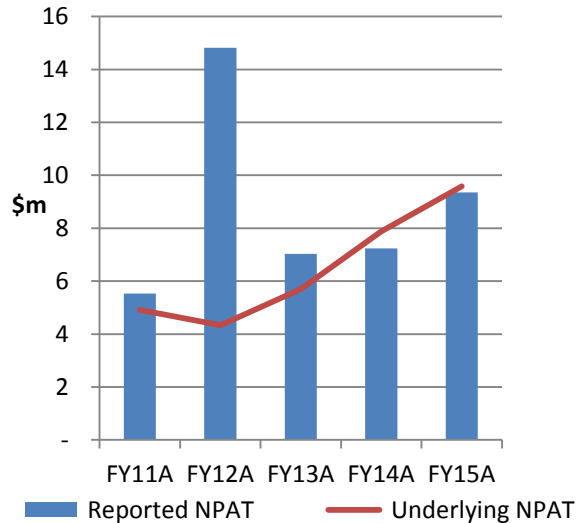


- Strong result despite impact of poor weather in second half in Sydney and South Australia
- Record underlying net profit after tax of \$9.6m, 21% ahead of FY14 underlying profit
- 17% increase in underlying EBITDA on 7% sales growth demonstrates strong operating leverage
- Enhancement of the asset base with 3 vessels added to the fleet, 3 sold
- Final dividend of 4 cents per share versus 3.7 cents in FY14
- Continuing strong EBIT returns on average invested capital
- Positioned for emerging international tourism growth

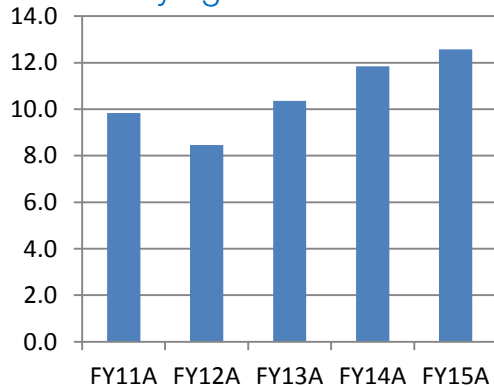
Financial Highlights – 4 Year Ratios and Statistics

“Continued growth”

NPAT



Underlying EPS - undiluted

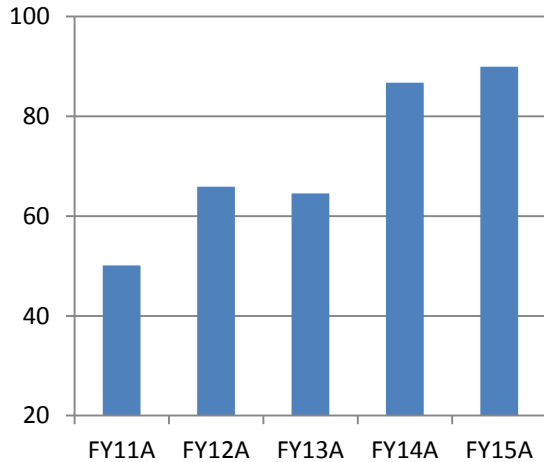


SEALINK TRAVEL GROUP		2012	2013	2014	2015
PERFORMANCE					
Operating Revenue	\$m	78.5	91.4	103.8	111.3
Underlying EBIT	\$m	7.4	9.2	12.4	14.8
EBIT margin	%	9.4	10.0	11.9	13.3
Reported NPAT	\$m	14.8	7.0	7.2	9.3
Underlying EPS (average)	cents	8.5	10.4	11.8	12.6
Dividend per share (100% franked)	cents	15.1	7.5	7.4	7.8
Payout ratio (Reported NPAT)	%	56.1	69.9	73.7	64.1
FINANCIAL STRENGTH					
Net assets	\$m	27.8	30.8	53.9	61.3
NTA per share	cents	38.0	41.6	61.7	68.9
Gearing	%	42	34	17	13
Underlying NPAT – Continuing operations	\$m	4.3	5.7	7.9	9.6

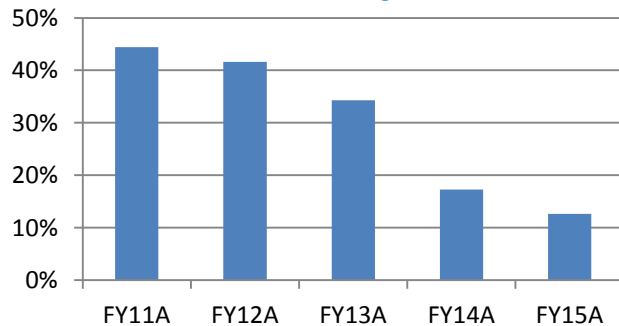
Statement of Financial Position

“Balance sheet positioned for growth opportunities”

Total Assets - \$m



Gearing



	June 2015 \$m	June 2014 \$m	Change \$m
Assets	89.7	86.7	3.0
Liabilities	28.4	32.8	(4.4)
Net Assets	61.3	53.9	7.4
Net Interest Bearing Debt (IBD)	8.0	9.1	(1.1)
Gearing (Gross Debt to Total Tangible Assets%)	13%	17%	(4%)

- Net \$9.1m of fixed assets acquired during the year whilst Interest Bearing Debt was reduced by \$3.2m
- \$3.7m capital raised during 2015 via share issue and option exercise
- 0.98m options outstanding
- 76.81m ordinary shares on issue

Section 2 – Segment Performance



Business Unit Results – SeaLink South Australia

Year Ending 30 June	2015 \$m	2014 \$m	Variance \$m
Revenue (external) (Ferry, tours, packaging, retail centre)	54.0	50.6	3.4
Direct expenses –			
Repairs and Maintenance	1.6	2.4	0.8
Wages	11.2	10.6	(0.6)
Other	21.0	19.6	(1.4)
Indirect expenses	6.6	6.8	0.2
EBITDA (pre corp. allocation)	13.6	11.2	2.4
Depreciation	1.7	1.3	(0.4)
Corporate allocation	3.1	3.1	-
EBIT (after corp. allocation)	8.8	6.8	2.0

FINANCIAL HIGHLIGHTS

- Results show strong operating leverage of this business
- Packaging revenue up 11%
- Ferry revenue up 3.1% with higher PAX, vehicle and freight
- Lower R&M reflects more “standard” level of spend
- 2013-14 included major SL2000 major upgrades
- Ferry base wages up due to new EBA and additional hours on SeaLion 2000 ferry refurbishment
- Other direct expense increase includes \$0.6m for packaging accommodation costs

OPERATIONAL HIGHLIGHTS

News

- Tourism revenue up 12% including Kangaroo Island Odyssey, KI Adventure Tours and large coach touring
- Record ferry passengers – passengers up 2.0% whilst vehicles up 1.6% and freight up 4.3% on last year
- Online reservations sales revenue continues to increase to 25.1%
- Online sales success through revenue management and social media
- Successful Festivals promoting the Island such as KI FEASTival and KI Cup
- Penneshaw terminal granted Liquor Licence

Additions

- 2 x new Scania Coaches, 1 Coaster and 1 Landcruiser



Business Unit Results – Captain Cook Cruises

Year Ending 30 June	2015 \$m	2014 \$m	Variance \$m
Revenue (external)	42.5	39.5	3.0
Direct expenses –			
Repairs and Maintenance	2.1	2.3	0.2
Wages	11.5	9.7	(1.8)
Other	14.9	15.0	0.1
Indirect expenses	7.7	7.4	(0.3)
EBITDA (pre corp. allocation)	6.3	5.1	1.2
Depreciation	1.6	1.6	0.0
Corporate allocation	0.9	0.8	(0.1)
EBIT	3.8	2.7	1.1

FINANCIAL HIGHLIGHTS

- 7.5% sales growth primarily attributable to contracted ferry revenue
- Murray Princess sales growth of 5% adding to solid returns
- Weather in April held back tourism related sales. Note FY14 included Navy Review (\$1m + sales)
- Finalised wages negotiations for Murray Princess
- Additional \$1m in wages on servicing full year HCF contracts
- Chinese market up 10% but margin enhancement is a key focus

OPERATIONAL HIGHLIGHTS

News	<ul style="list-style-type: none"> ■ Successful VIVID festival ■ Commenced Whale watching tours in May 2015 ■ New commuter peak hour route from Watsons Bay to Circular Quay ■ Extended Ho-Ho service to Manly ■ Opal card has negatively affected the Darling Harbour route
Additions	<ul style="list-style-type: none"> ■ 1 new Rocket ferry – Violet McKenzie ■ Acquired Maggie Cat ■ Built Beatrice Bush, mobile ferry wharf
Upgrades	<ul style="list-style-type: none"> ■ PW Murray Princess upgrade, including new paddle wheel ■ Upgraded upper deck on Sydney 2000



Business Unit Results – SeaLink QLD/NT

Year Ending 30 June	2015 \$m	2014 \$m	Variance \$m
Revenue (external)	15.3	14.0	1.3
Direct expenses –			
Repairs and Maintenance	1.3	0.5	(0.8)
Wages	3.2	2.8	(0.4)
Other	3.6	3.5	(0.1)
Indirect expenses	4.6	4.3	(0.3)
EBITDA (pre corp. allocation)	2.6	2.9	(0.3)
Depreciation	0.6	0.6	(0.0)
Corporate allocation	0.1	0.4	0.3
EBIT	1.9	1.9	(0.0)

FINANCIAL HIGHLIGHTS

- Sales growth of 9.3 % primarily attributable to full year effect of Darwin and 1.5% PAX growth for Magnetic Island
- Reef Cat, slipped on time and on budget. \$0.9m total spend
- Charter income subdued due to having only 3 vessels in the fleet for 10 months

OPERATIONAL HIGHLIGHTS

News	<ul style="list-style-type: none"> ■ New Tiwi Island Adventure tourism packaging released, increasingly recognised by national travel media ■ Sale of Pacific Cat as part of fleet upgrade in Townsville
Additions	<ul style="list-style-type: none"> ■ Palm Cat ferry acquired for Townsville services ■ New Palm Island Pontoon project completed
Upgrades	<ul style="list-style-type: none"> ■ Reef Cat upgrade in Townsville ■ James Grant ferry refurbishment in Darwin
Contracts	<ul style="list-style-type: none"> ■ Tiwi Island contract extended for a further 4 years



Cash Flow

“Improved gross cash flows from operations”

Year Ending 30 June	2015 \$m	2014 \$m
Gross operating cash flow	17.2	15.8
Net operating cash flow	12.2	12.3
Net investing cash flows (net payments for Property, Plant & Equipment and after grants)	(9.1)	(17.9)
Proceeds from capital raising and option exercise	3.7	20.4
Net borrowing movement	(3.2)	(4.6)
Dividends paid	(5.8)	(5.5)
Net financing cash flows	(5.3)	10.3
Net increase / (decrease) in cash	(2.2)	4.7

HIGHLIGHTS

- Slight decrease in net operating cash flow mainly reflects higher tax paid of \$4.1m versus \$2.2m in FY14 (timing difference)
- Continuing reinvestment in the business whilst increasing dividend payments and reducing debt
- Strong correlation between gross cash flows and EBITDA

MAJOR CAPITAL SPEND

	GROSS OUTLAY \$M
New Ferries	7.8
Ferry upgrades	1.6
Coaches	1.4
Other	0.7



Section 3 - International Markets and Performance Outlook



Performance Outlook

“A positive outlook for medium term tourism growth”

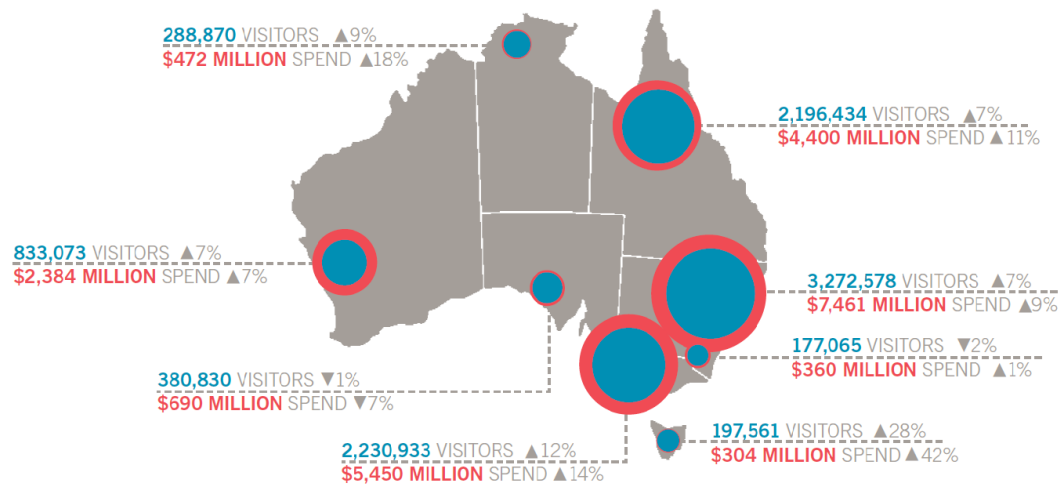
VISITORS ▲8%
6.5 MILLION

NIGHTS ▲7%
231 MILLION

EXPENDITURE^a ▲10%
\$32.5 BILLION

OUTLOOK 2015/16

INTERNATIONAL VISITOR NUMBERS AND SPEND BY STATE, YEAR ENDING MARCH 2015



a) Refers to total trip expenditure; all expenditure made by international visitors when travelling to Australia. Includes international pre-paid airfares and packages expenditure.

b) Both holiday visitors and those visiting friends and relatives (VFR), combined.

Note: All percentage changes are as compared to year ending March 2014 and all estimates relate to visitors aged 15 years and older.

Source: International Visitor Survey, March quarter 2015. For the full report and methodology go to tra.gov.au

- Key focus on extracting higher margins from the growing international tourism sector
- Solid domestic demand expected due to a lower Australian dollar
- Substantial capacity to handle increased customers within current fleet
- Further transport opportunities on Sydney Harbour, somewhat subject to Opal card access
- Strong Balance Sheet for acquisitions and organic growth opportunities
- Implementation of yield management across all operations is expected to boost sales
- Continued expansion of on-line sales, saving commission and reservation costs
- July was a strong start for FY16
- Assuming average seasonal and business conditions over the 2016 financial year, SeaLink is well-positioned to report an increased underlying profit.

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For more information please contact: Carla Schaefer, Investor Relations, SeaLink Travel Group 08 8202 8619, 0409 101 188 or carla@sealink.com.au

