



ASX / MEDIA ANNOUNCEMENT

LINDSAY AUSTRALIA ANNOUNCES SOLID FINANCIAL RESULTS
Underlyingⁱ Profit Before Tax Grows 50.7% in 1H18

BRISBANE, 23 February 2018: Integrated transport, logistics and rural supply company Lindsay Australia (ASX: LAU) today announced solid financial results from its network of stores and depots for the six months ended 31 December 2017 delivering underlying profit before tax of \$7.6 million representing growth of 50.7%.

RESULT HIGHLIGHTS

- Revenue grew 8.2% to \$191.6 million supported by a diversified product and service offering and geographically spread network
 - Lindsay Rural reported revenueⁱⁱ growth of 10.7% with a strong performance across its 22 rural locations mitigating the impact of adverse weather conditions across the Wide Bay region during the second quarter
 - Lindsay Transport reported revenue growth of 8.7%, largely driven by customer additions, increased fleet utilisation rates and pricing
- Continued to invest in fleet and technology upgrades enhancing the customer offering and delivering cost efficiencies to the business

RESULT SUMMARY

During the prior corresponding period, the company benefited from a fuel tax credit of \$2.5 million relating to prior periods. Removing the impact of this benefit, underlying profit before tax grew 50.7% to \$7.6 million. Reported profit before tax was flat on the prior corresponding period which included the fuel tax credit benefit.

Underlyingⁱⁱⁱ Net Profit After Tax (NPAT) grew 19.9% to \$5.0 million. Reported NPAT declined 15.6% due to the prior period and current period impact of non-assessable R&D tax offsets and certain non-deductible expenses.

Lindsay Rural delivered revenue of \$63.1 million representing growth of 10.7% for the half-year largely driven by strong sales in North Queensland. This somewhat mitigated a decline in revenue from the Wide Bay region which experienced adverse weather conditions. Despite an increase in sales, profit declined \$0.6 million to \$1.7 million due to a lower margin revenue mix combined with softer sales from the weather impacted Wide Bay region.

Lindsay Transport delivered revenue of \$130.4 million representing growth of 8.7%. A strong focus on improved capacity utilisation combined with customer additions and pricing drove the increase. Profit improved 7.5% to \$16.2 million. Excluding the benefit of the fuel tax credit in the prior corresponding period, underlying profit for Transport grew by a strong 29.0%.

Lindsay Australia CEO, Kim Lindsay, commented on the results:

“We are pleased to announce a solid set of results for the 6 months to 31 December 2017. Lindsay Transport produced an outstanding result which has been delivered by our investment in technology and fleet upgrades, focus on increased utilisation rates, and ability to push through price increases.”

“The Rural division performed well despite facing operational headwinds with adverse weather conditions in parts of Queensland. This result is testament to our strategy of a diverse geographic mix and product offering.”

“Encouragingly, we have seen a good start to the year which when combined with the solid performance of the first six months positions us well to meet full year market expectations of around 20.0% net profit growth subject to no adverse weather and unforeseen events.”

DIVIDEND

The Lindsay Australia Board has maintained an interim dividend of 0.8 cents per share which is to be paid on 30 March 2018.

– END –

Enquiries

Justin Green, CFO Lindsay Australia Ph: (07) 3240 4908

Email: justin.green@lindsayaustralia.com.au

ⁱ Underlying Profit Before Tax excludes a fuel tax credit of \$2.5m received during 1H17 that relates to prior periods.

ⁱⁱ Segment Revenue includes both external and internal revenue unless otherwise stated

ⁱⁱⁱ Underlying NPAT excludes a fuel tax credit of \$2.5m received during 1H17 that relates to prior periods with an after tax benefit of \$1.8 million.