



Seeka Kiwifruit Industries

Analyst briefing for six months to 30 June 2015

The Premier Produce People



SEEKA
KIWIFRUIT INDUSTRIES LIMITED

Overview

1. Financial summary
2. Forecast volumes
3. Division performance
4. Oakside fire
5. 2015 forecast
6. Dividend
7. Share price
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9. Seeka's Vision



Financial summary

Unaudited six month financial results to 30 June 2015



\$5.4m profit before tax – up 115%

\$104.7m revenue – up 32%

\$11.4m EBITDA – up 97%

31% increase in post harvest
kiwifruit volumes

Includes \$2.55m full-year cost of
grower share scheme

Oakside fire

- \$143k addition to profit at 30 June
- May produce an extraordinary gain at full year

\$Millions	6 months June 2015	6 months June 2014	12 months December 2014
Turnover	114.3	88.1	148.6
Revenue	104.7	79.2	115.7
EBITDA	11.4	5.8	11.3
Net profit before tax	5.4	2.5	4.3

Financial summary

Financial highlights



25 cents basic earnings per share

- Up 150%

\$31.7m net debt

- Similar to 2014
- 2015 includes significant infrastructure spend

Improved cash flow from operations

- On usual seasonal deficit levels

	6 months June 2015	6 months June 2014	12 months December 2014
Earning per share (cents)	25	10	22
Net debt (\$m)	31.7	31.4	17.2
Cashflow operations (\$m)	(2.4)	(9.2)	8.5

Seeka post harvest kiwifruit volumes

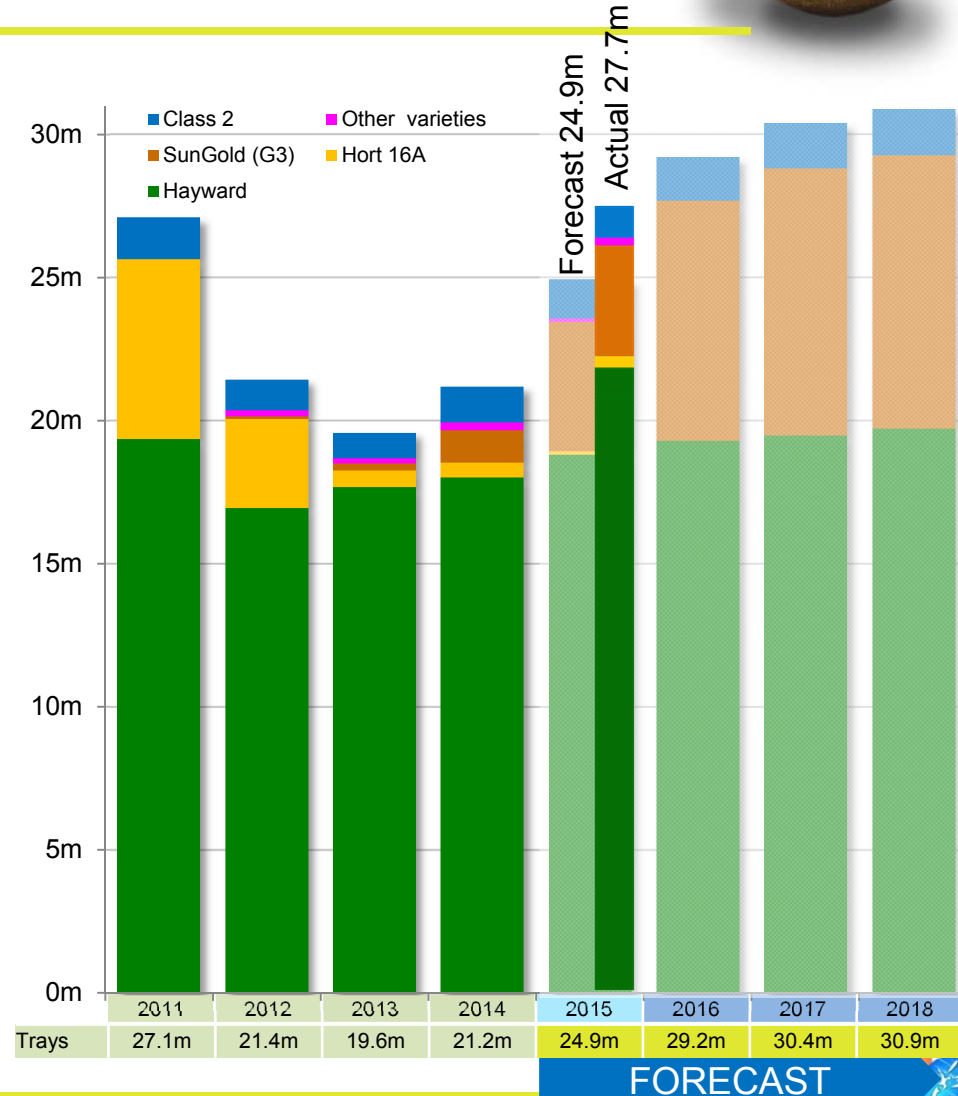
11% up on pre-season forecast



Record 27.7 m trays

- Up 11% on forecast
- Up 30% on 2014

Expected to continue increasing



Orchard operations

Volume and profit increases



Long term leases going back to full production

- \$2.7m earnings – up from \$0.6m

9.4m trays produced by orchard operations

- Up 30%

\$4.5m EBITDA

- Up 50%

SunGold selling season proceeding well

- Long selling season predicted for Hayward

	6 months June 2015	6 months June 2014
Millions of trays		
Green cultivars	8.2	6.8
Gold cultivars	1.3	0.4
Total	9.4	7.2
EBITDA (\$m)	4.5	3.0

Post harvest operations

Volume and profit increases



27.7m trays handled – up 30%

\$11.0m EBITDA – up 115%

- Includes full-year cost of Grower Share Scheme

\$5m capex at Oakside

- For coolstore and capacity

\$5.4m third-party capex at Pioneer

	6 months June 2015	6 months June 2014
Millions of trays		
Green cultivars packed	22.1	18.3
Green cultivars UFI storage	1.2	1.0
Gold cultivars packed	4.4	1.9
Total trays	27.7	21.2
EBITDA (\$m)	11.0	5.1

Retail services

Flat earnings



Flat profits

- Lower avocado volumes and earnings
- Competitive banana market in Glassfields

	6 months June 2015	6 months June 2014
\$ millions		
EBITDA	0.5	0.8

Oakside fire

Recovery of Seeka's largest post harvest site



Major fire 4 March

- Just prior to harvest
- Site processes 8% of national crop
- Damaged coolstores and load out facilities

Insurers accepted claim

- Stage 1 remedial work completed 20 May
- Site was back to full operation
- Full reinstatement work to be completed in 2015

Softer fruit at Oakside has led to quicker loadouts and some higher losses

- Insurance claim being investigated

4 March



5 March



Today



Early forecast 2015

NPAT up between 30% to 40% on 2014

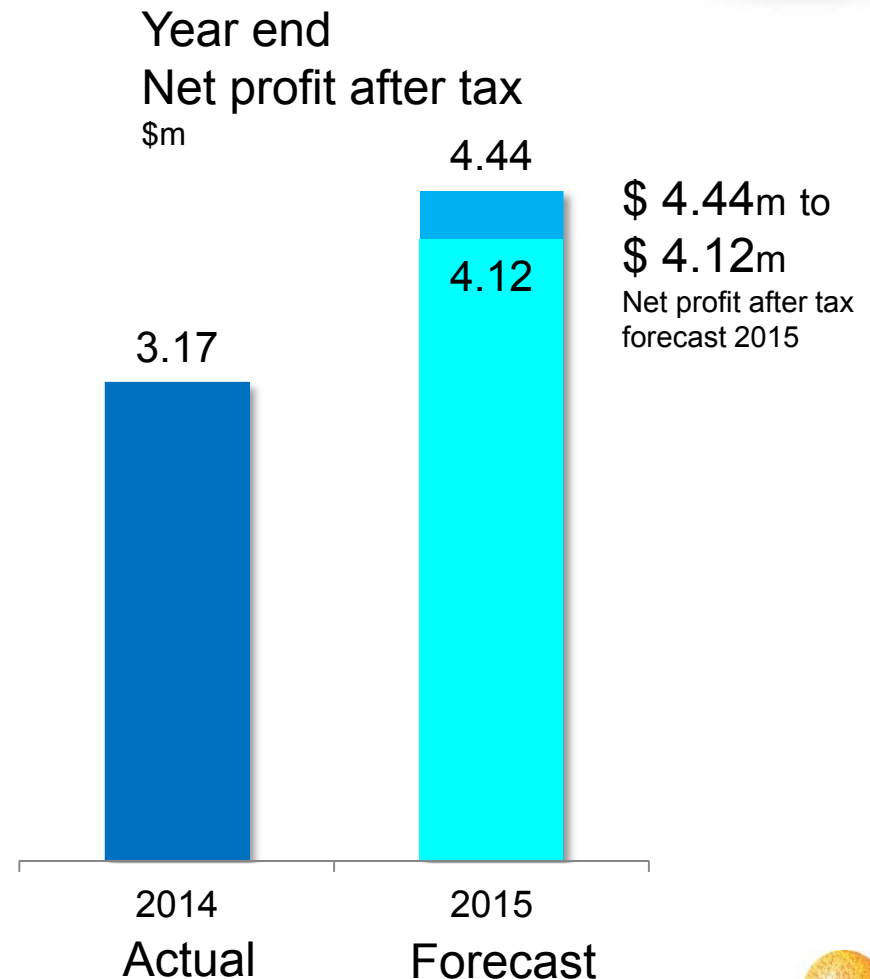


\$4.12m to \$4.44m forecast
net profit after tax

- \$3.17m in 2014

Key variables

- Late fruit sales by Zespri
- Oakside insurance claim
- Costs or benefits of acquisition



Dividend announcement

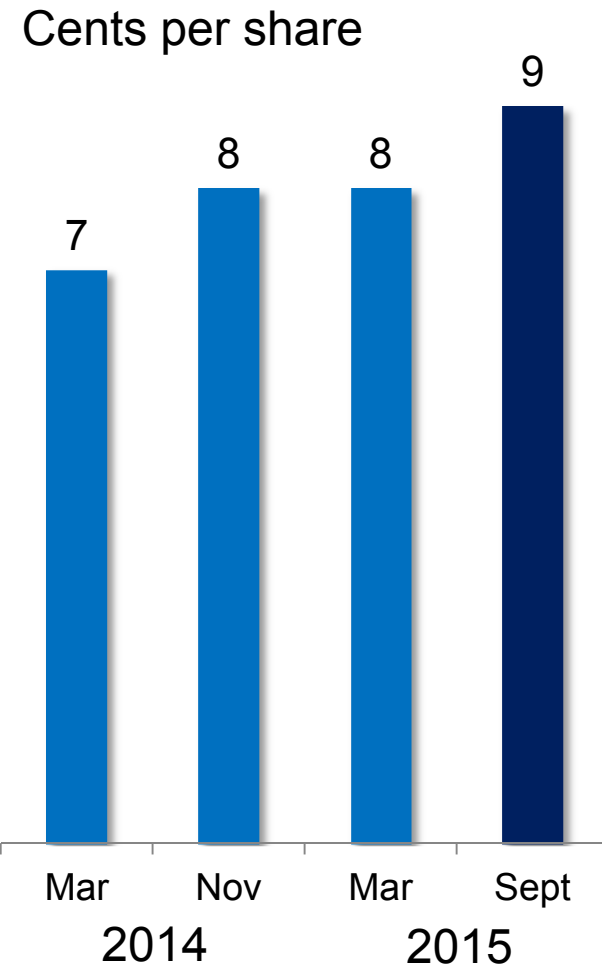
9 cents per share paid 18 September 2015



\$0.09 per share

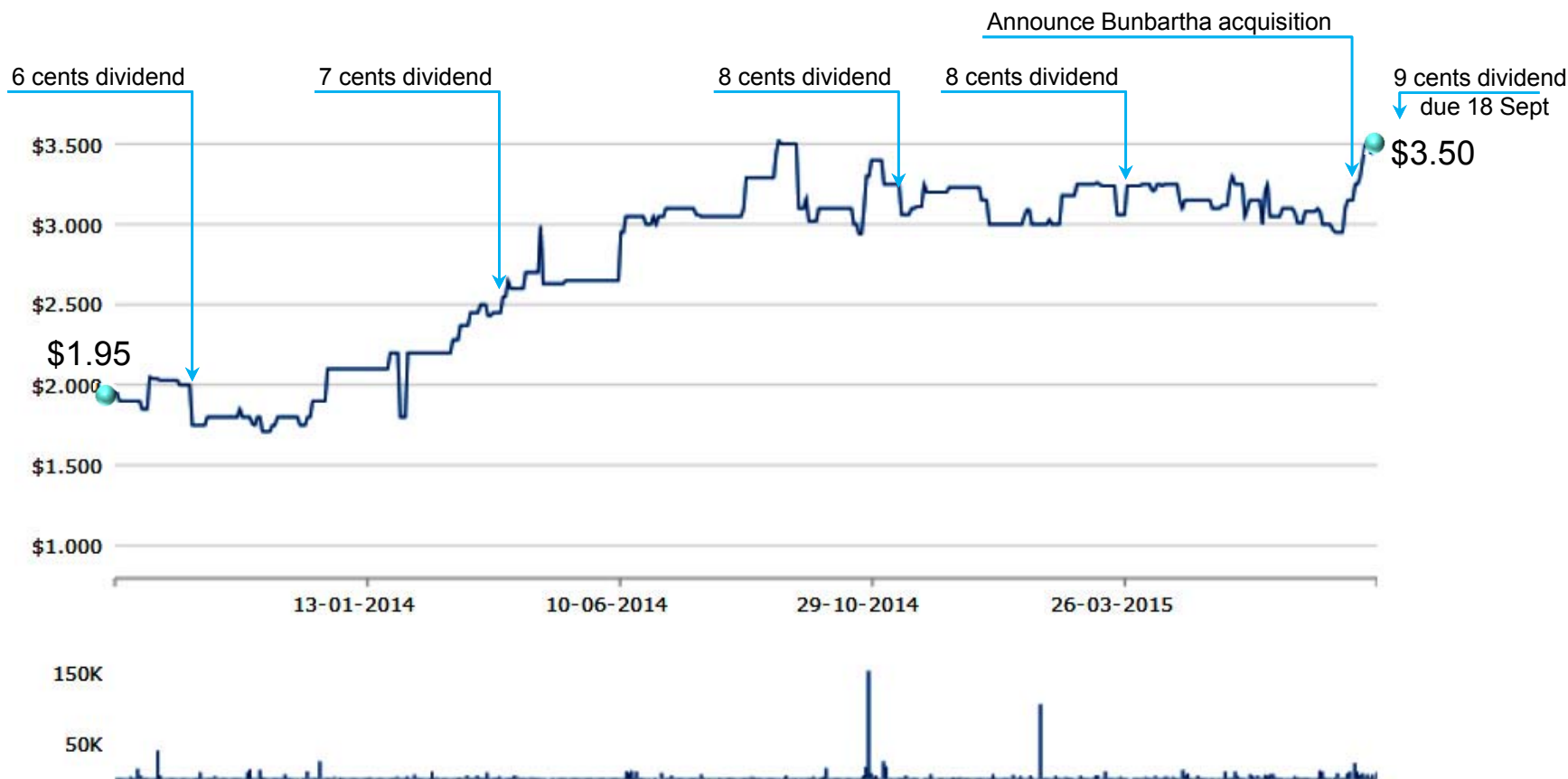
- Fully imputed
- Paid 18 September
- To all shareholders on register 5pm 11 September

Dividend reinvestment plan applies



Share price

Up 79% in 2 years, with 29 cents paid in dividends





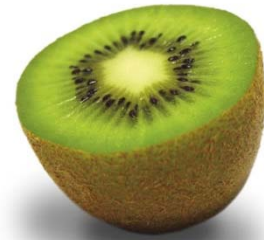
Seeka Australia Pty Ltd

New business platform in our most-valuable market



Bunbartha acquisition

At a glance



506 hectares in Australia's fruit basket

Australia's largest kiwifruit producer

Australia's largest nashi producer

Pears, apricots, cherries and plums

224 hectares in production

123 hectares ready for development

Extensive water rights

Acquisition completion subject to usual conditions and approvals

Integrated post harvest services

Onsite packhouses and coolstores

Full service for all crops

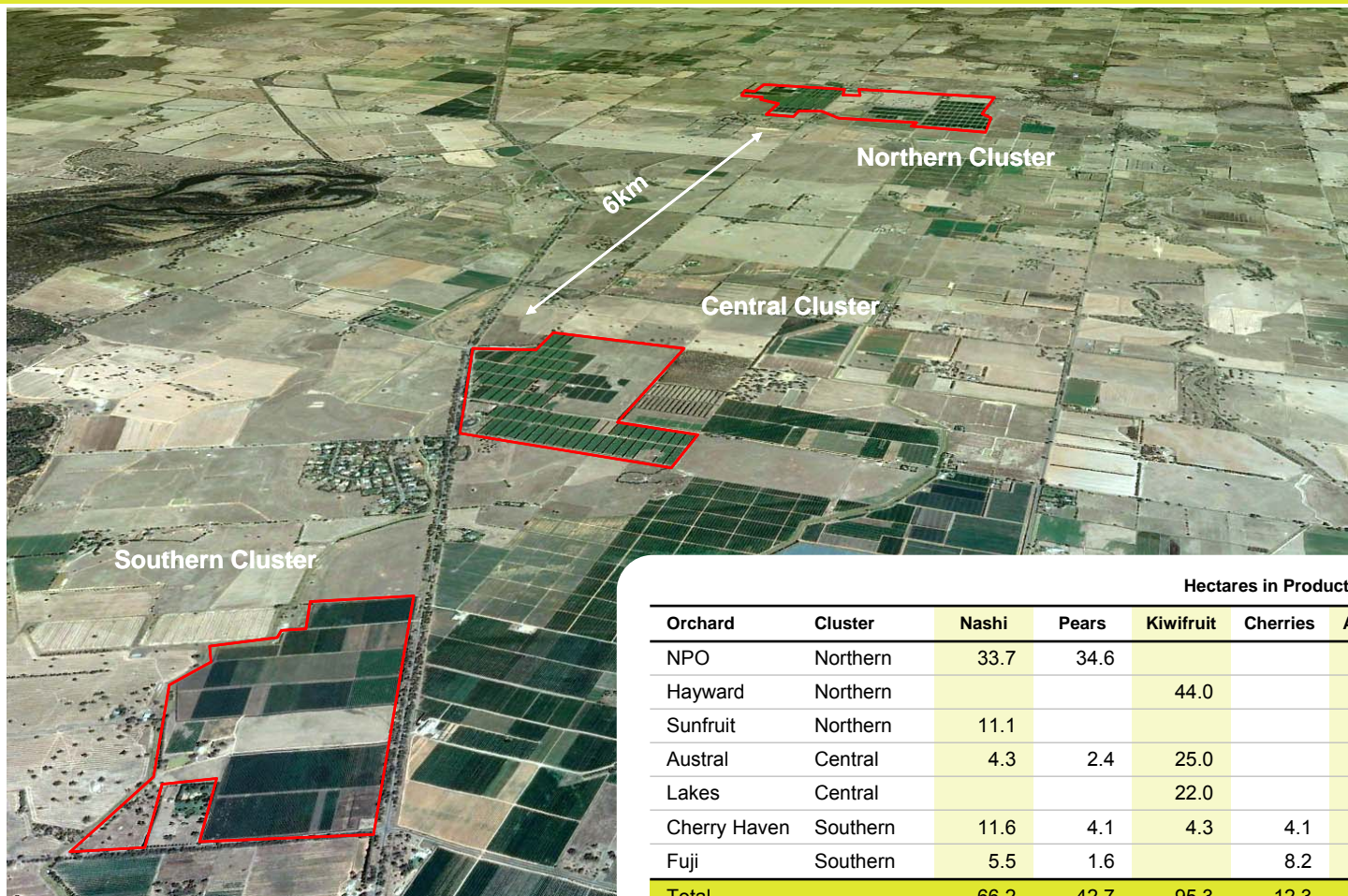
High-value retail channels

Established relationships with large Australian retailers



Bunbartha orchards

7 orchards arranged in 3 clusters



		Hectares in Production						Total
Orchard	Cluster	Nashi	Pears	Kiwifruit	Cherries	Apricots	Plums	
NPO	Northern	33.7	34.6					68.3
Hayward	Northern			44.0				44.0
Sunfruit	Northern	11.1				5.8	0.7	17.7
Austral	Central	4.3	2.4	25.0			1.3	33.0
Lakes	Central			22.0				22.0
Cherry Haven	Southern	11.6	4.1	4.3	4.1			24.1
Fuji	Southern	5.5	1.6		8.2			15.3
Total		66.2	42.7	95.3	12.3	5.8	2.0	224.3

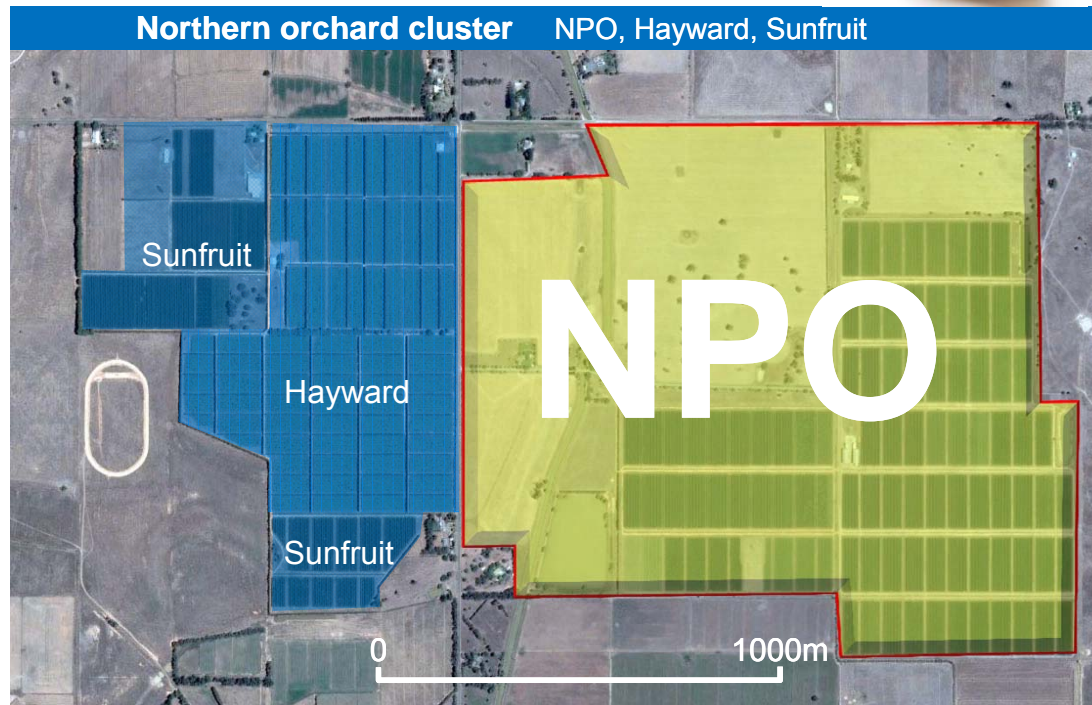
NPO

Nashi and pear plus 45ha for development



Crop	Hectares	Revenue AUD
Nashi	33.7	\$ 3.0 m
Pears	34.6	\$ 1.8 m
Sub total	68.3	\$ 4.8 m
In development	3.9	
Unused horticultural land	45.0	
Other land	86.6	
Total land	203.8	

Building assets	Number
Workshop	1
Sheds	3
Water reservoir	1
Houses	3



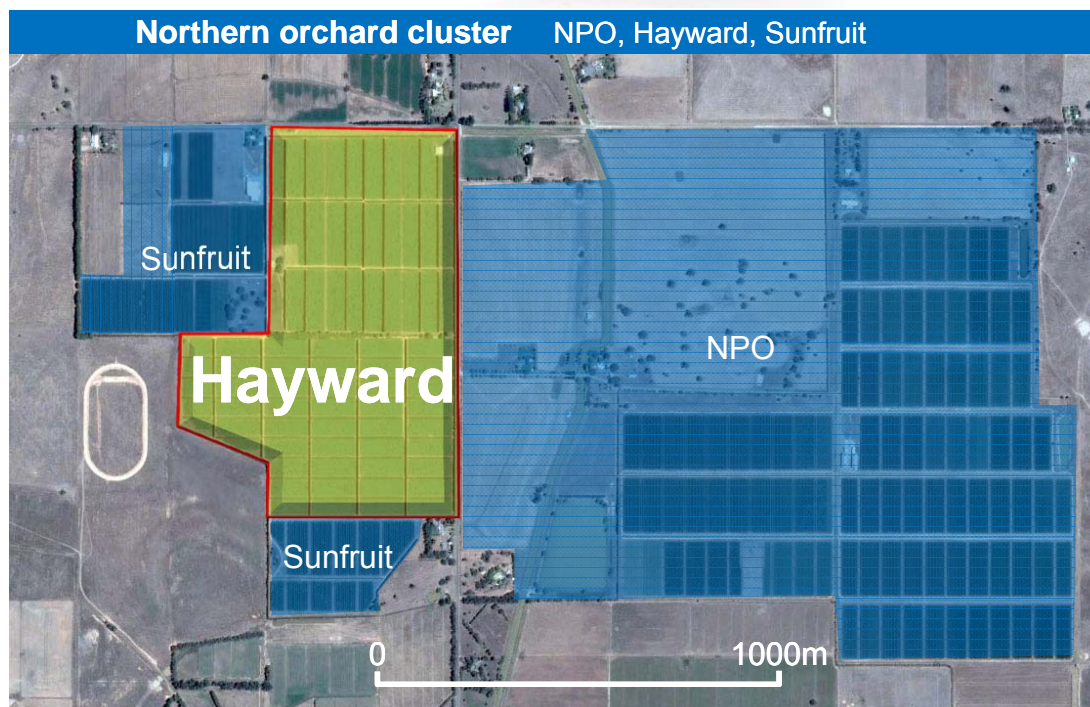
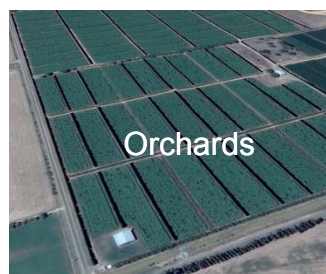
Hayward

44 hectares of kiwifruit



Crop	Hectares	Revenue AUD
Hayward kiwifruit	44.0	\$ 3.0 m
Sub total	44.0	\$ 3.0 m
In development	0.6	
Unused horticultural land	3.0	
Other land	16.0	
Total land	63.6	

Building assets	Number
Sheds	2



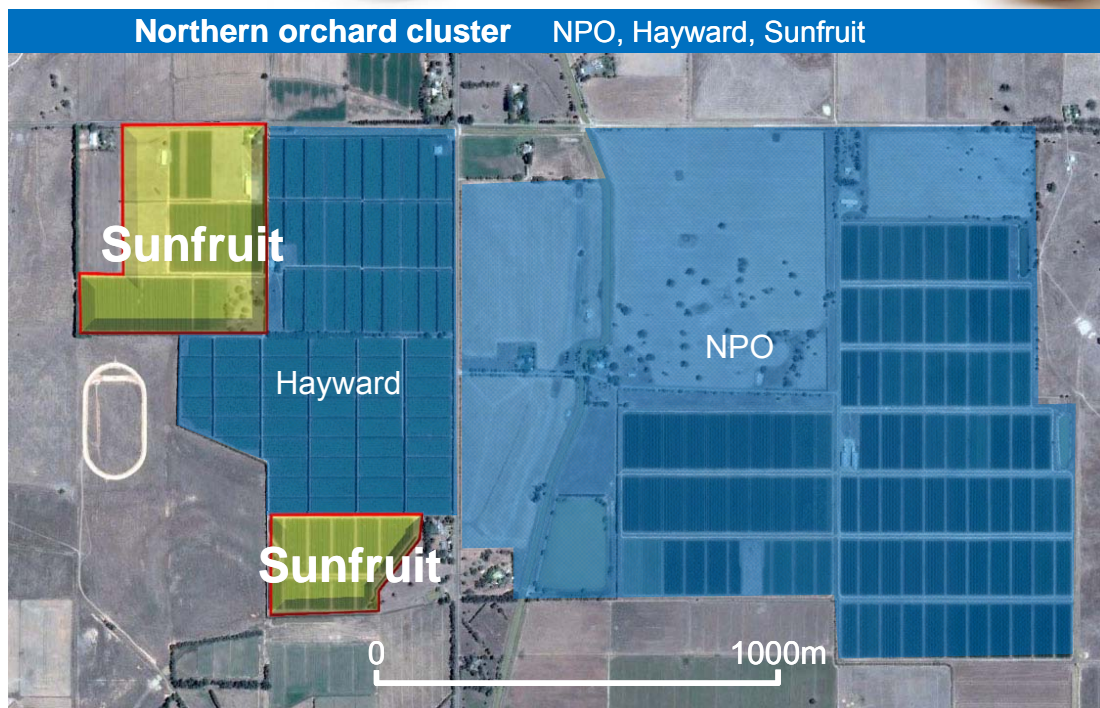
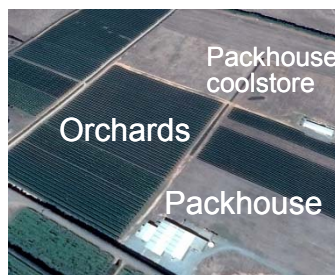
Sunfruit

Apricots, nashi and plums



Crop	Hectares	Revenue AUD
Apricots	5.8	\$ 0.2 m
Nashi	11.0	\$ 0.9 m
Plums	0.7	\$ 0.0 m
Sub total	17.7	\$ 1.1 m
In development	0.9	
Unused horticultural land	4.5	
Other land	3.3	
Total land	26.3	

Building assets	Number
Packhouse	1
Packhouse / coolstore	1
House	1



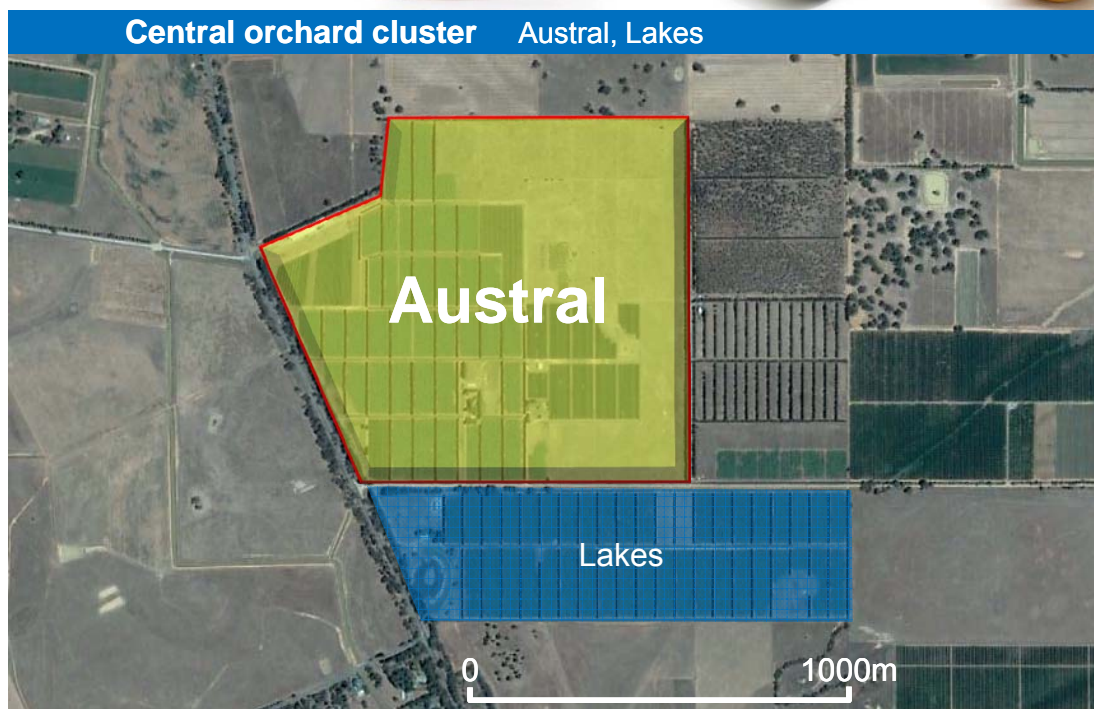
Austral

Mixed orchard with 50 hectares for development



Crop	Hectares	Revenue AUD
Kiwifruit	25.0	\$ 1.9 m
Nashi	4.3	\$ 0.5 m
Pears	2.4	\$ 0.1 m
Plums	1.3	\$ 0.1 m
Sub total	33.0	\$ 2.6 m
In development	-	
Unused horticultural land	50.0	
Other land	7.0	
Total land	90.0	

Building assets	Number
Packhouse and coolstore	1
Implement shed	1



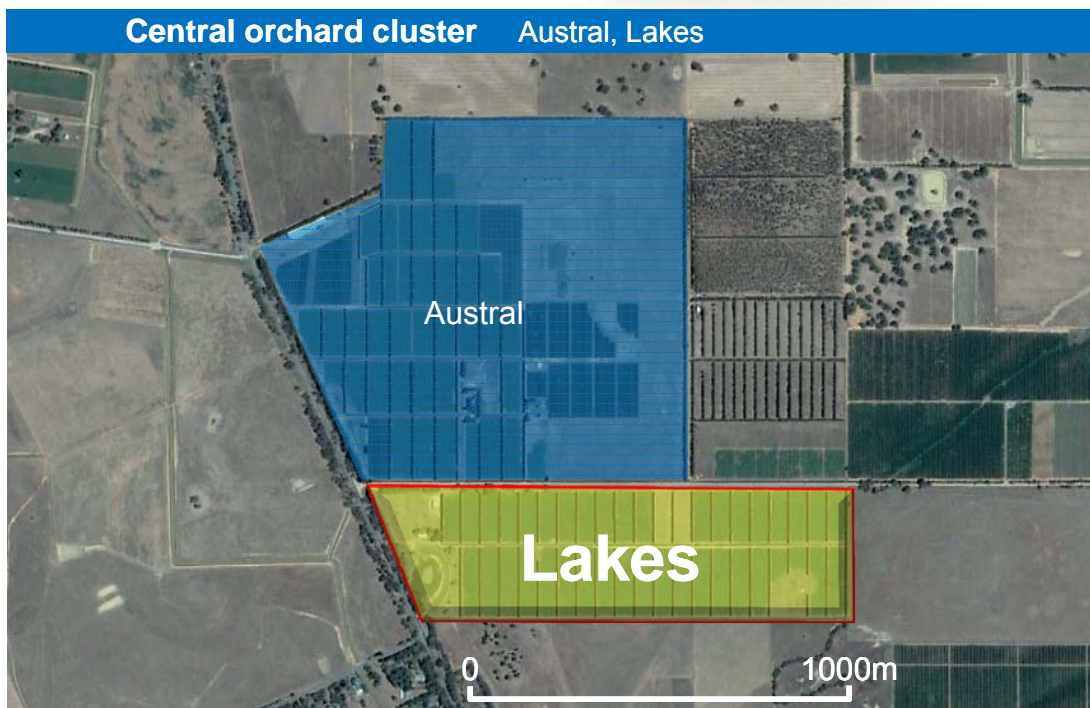
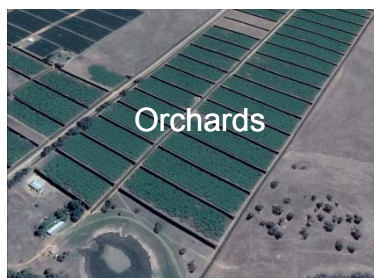
Lakes

22 hectare kiwifruit orchard



Crop	Hectares	Revenue AUD
Kiwifruit	22.0	\$ 1.7 m
Sub total	22.0	\$ 1.7 m
In development	-	
Unused horticultural land	3.2	
Other land	15.2	
Total land	40.4	

Building assets	Number
House	1
Nursery house	1



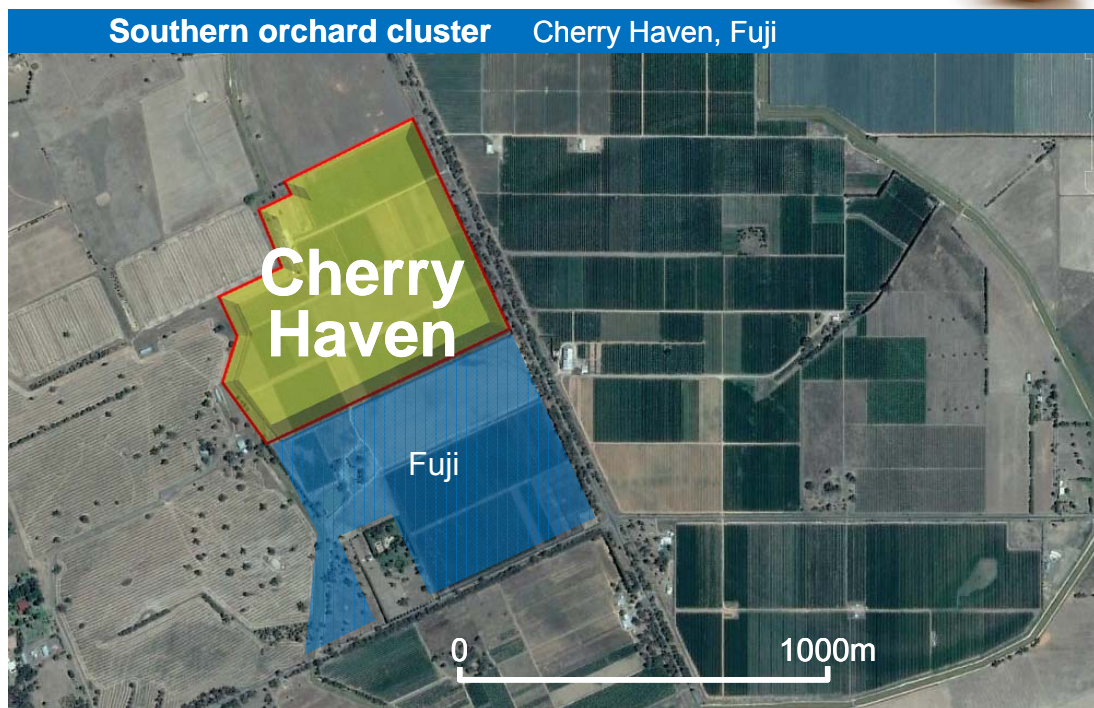
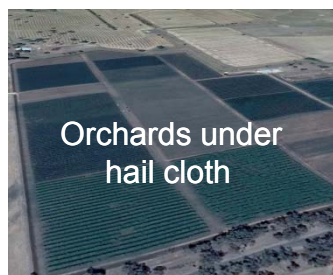
Cherry Haven

Nashi, cherries, kiwifruit and pears



Crop	Hectares	Revenue AUD
Nashi	11.6	\$ 0.8 m
Cherries	4.1	\$ 0.2 m
Kiwifruit	4.3	\$ 0.3 m
Pears	4.1	\$ 0.2 m
Sub total	24.1	\$ 1.5 m
In development	7.5	
Unused horticultural land	-	
Other land	10.8	
Total land	42.4	

Building assets	Number
Hail cloth – full orchard	1
Shed	1



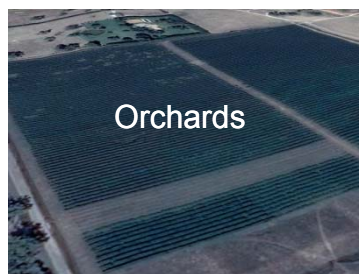
Fuji

Nashi, cherries and pears



Crop	Hectares	Revenue AUD
Cherries	8.2	\$ 0.4 m
Nashi	5.5	\$ 0.4 m
Pears	1.6	\$ 0.1 m
Sub total	15.3	\$ 0.9 m
In development	-	
Unused horticultural land	17.0	
Other land	7.7	
Total land	40.0	

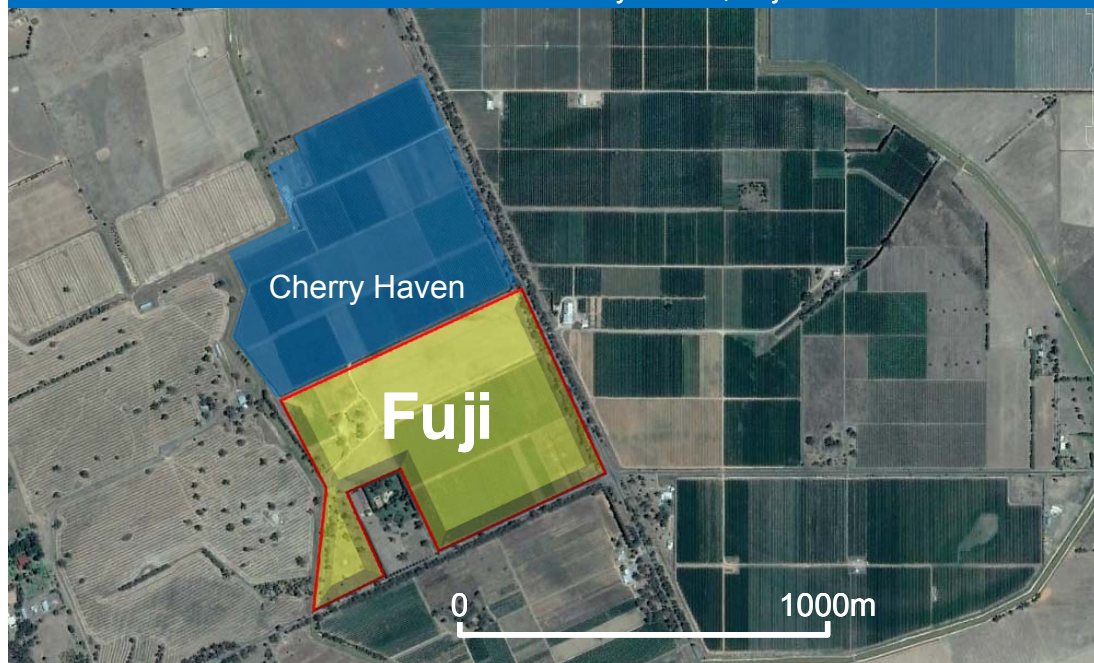
Building assets	Number
Hail cloth – old	1
Shed	1



Orchards



Southern orchard cluster Cherry Haven, Fuji





Seeka's vision

Our goal

- *“To deliver long term growth and value to shareholders and stakeholders”*

Our strategy

- *“To grow, harvest and deliver through an integrated supply chain”*

Seeka is a listed company

- Close to its stakeholder growers and shareholders
- Operates lean management structure
- Committed people with clear structures, defined roles and clear accountabilities
 - > Rewards performance

Our aim

- To generate total shareholder returns better than NZX50 average
- To grow the Company to \$200m market cap



END

