



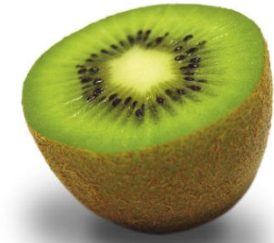
Seeka Kiwifruit Industries Limited

Analyst briefing for year ended 31 December 2015

The Premier Produce People



Overview

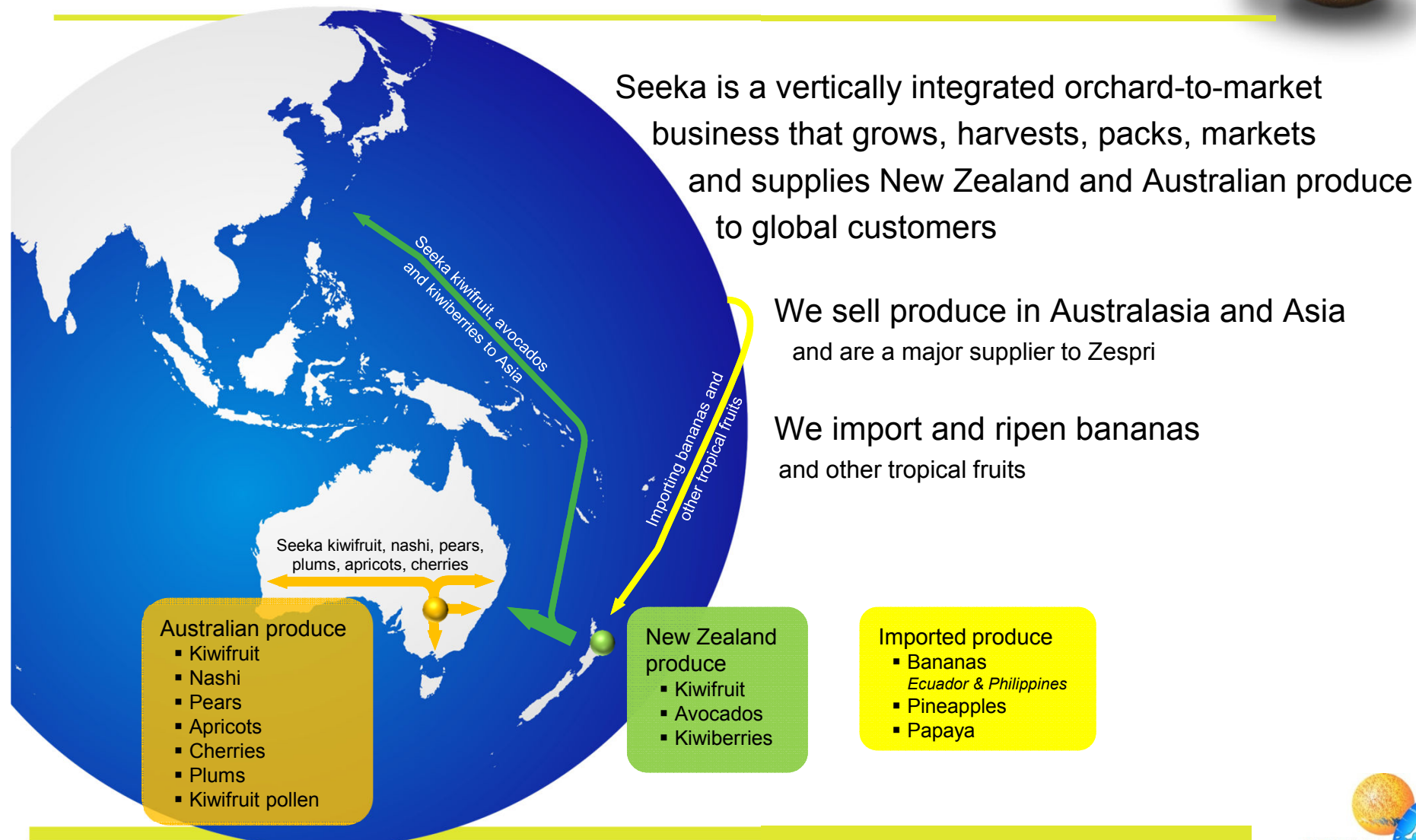


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|-------------------------|--------------------------|
| 1. What we do | 5. Share price |
| 2. Financial summary | 6. Capital expenditure |
| 3. Division performance | 7. Safety and compliance |
| 4. Dividend | |



We are an Australasian produce business

With a global reach



Group financial summary

Audited financial results



\$4.3m NPAT

- Up 35%
 - > Driven by increasing kiwifruit volumes and recovery from Psa

\$5.2m profit before tax

- Up 23%

\$184.7m turnover

- Up 24%

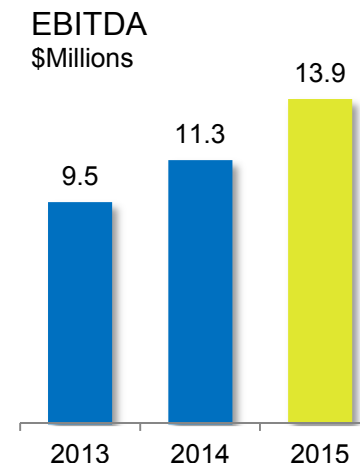
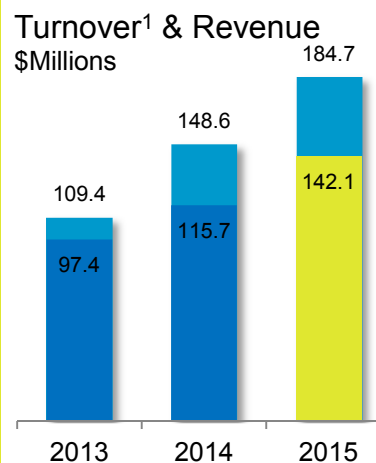
\$142.1m revenue

- Up 23%

\$13.9m EBITDA

- Up 23%

\$Millions	December 2015	December 2014
Turnover ¹	184.7	148.6
Revenue	142.1	115.7
EBITDA ²	13.9	11.3
Net profit before tax	5.2	4.3
NPAT	4.3	3.2



Psa RECOVERY →



Normalised EBITDA

Up 35%



EBITDA includes

- \$5.5m insurance proceeds from Oakside fire
- \$4.0m grower relationship payment¹
 - > May be recovered from future insurance proceeds
- \$2.5m cost of grower share scheme
 - > Second year of 3-year scheme
- Seeka Australia purchase
 - > \$1.1m acquisition costs and stamp duty

\$Millions	December 2015	December 2014
EBITDA ²	13.9	11.3
<i>Add back</i>		
Australian acquisition costs and stamp duty	1.1	-
Grower relationship payment ¹	4.0	-
Grower share scheme	2.5	1.9
<i>Deduct</i>		
Insurance proceeds	5.5	-
Gain on sale of investments	0.1	1.4
Normalised EBITDA ³	15.9	11.8

1. Seeka and its growers suffered extraordinary fruit loss as a result of the Oakside fire. The associated financial loss is subject to ongoing insurance claims.

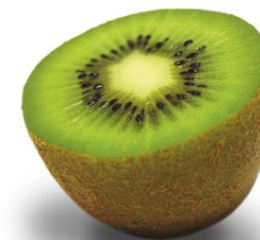
Seeka advanced \$4.0m to growers to maintain goodwill. This advance is to be repaid from any further insurance proceeds (see page 7).

2. EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

3. Normalised EBITDA removes both extraordinary and short-term gains and losses from Group EBITDA, such as the 3-year grower share scheme.

Earnings, net debt and net asset backing

Earnings up 32%



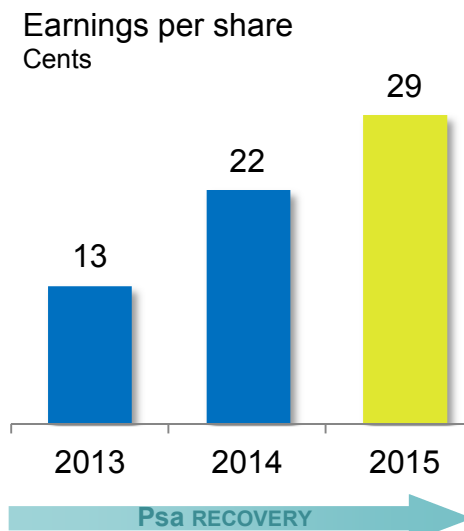
29 cents basic earnings per share

- Up 32%

\$53.0m net debt – up \$35.7m

- Significant investment
 - > \$20.2m purchase of Seeka Australia
 - > \$4.5m growing first Australian crop
 - > \$16.4m capital expenditure
 - \$9.5m in New Zealand growth
 - \$0.5m in Australia growth
 - > Fire-related spend funded by insurance proceeds

	December 2015	December 2014
Earning per share (cents)	29	22
Net debt (\$m)	53.0	17.2
Net asset backing per share	\$ 4.34	\$ 4.07



Operating cash flow

Investing in new Australian business



\$1.8m operating cash flow

- \$0.6m acquisition costs paid in current year
 - > \$0.5m Stamp duty paid in 2016
- \$4.5m spent growing first Australian crops that will be harvested in 2016
- \$4.0m grower relationship payment related to the Oakside fire¹
 - > Subject of an insurance claim

\$10.9m normalised operating cash flow

\$Millions	December 2015	December 2014
Operating cash flow	1.8	8.5
<i>Add back</i>		
Australian acquisition costs	0.6	-
Australian operating costs	4.5	-
Grower relationship payment ¹	4.0	-
Normalised cash flow	10.9	8.5

1. Seeka and its growers suffered extraordinary fruit loss as a result of the Oakside fire. The associated financial loss is subject to ongoing insurance claims. In order to protect Seeka's growers from the potential impact on income and cash flow, and to maintain goodwill, Seeka paid them \$4.04m ahead of any insurance outcome. The \$4.04m has been expensed in 2015 and recovery from insurance, if any, will be recorded as income in 2016.

New Zealand orchard operations

Volume and market returns



Crop volumes recovering

Fruit returns remain firm

- But down on 2014 high

High yields

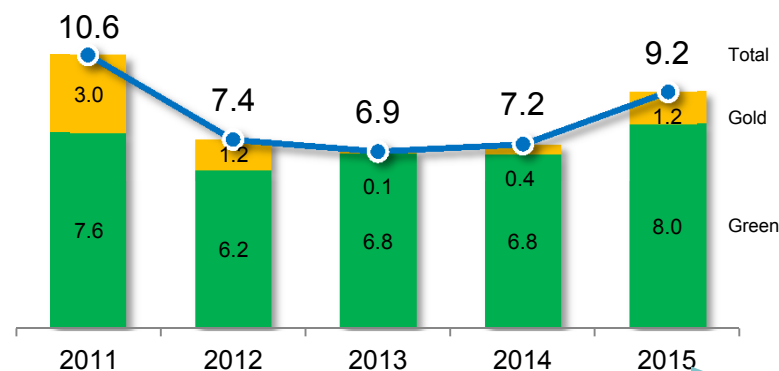
- 11,626 trays per hectare Hayward
> Up 25%
- 8,858 trays per hectare SunGold
> Up 56% (orchards in development)

We grow 8% of the national kiwifruit crop

- > Lease land with 12 orchards (97 ha), and own the crops
- > Lease 122 orchards (406 ha), and share profits
- > Manage 89 orchards (317 ha) on a service contract
- > Also grow avocados and kiwiberries

Millions of trays	December 2015	December 2014
Green cultivars (Hayward)	8.0	6.8
Gold cultivars	1.2	0.4
Total	9.2	7.2
Turnover / Revenue (\$m)	42.3	38.0
EBITDA (\$m)	4.0	4.2

New Zealand kiwifruit grown
Millions of class 1 trays



New Zealand post harvest operations

Volume and profit increases



27.8m trays handled – up 30%

\$13.3m EBITDA

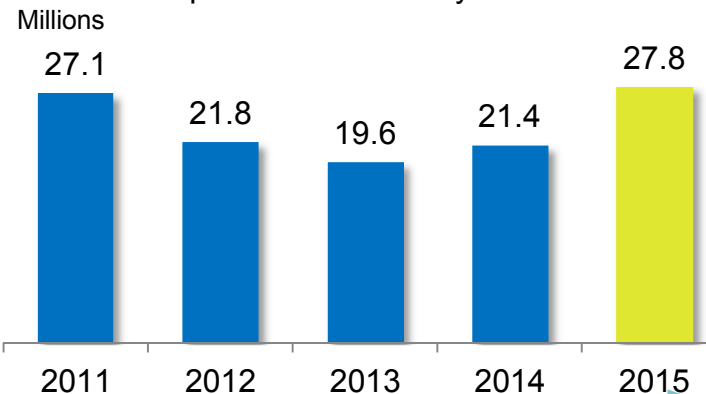
- Includes \$2.5m cost of Grower Share Scheme
- Includes \$4.0m grower relationship payment

We pack **22%** of the national kiwifruit crop

- > Operate 8 packhouses covering Northland, Coromandel, and the Bay of Plenty
- > Handle all produce from our orchard operations and from independent growers
- > Also pack avocados and kiwiberries

	December 2015	December 2014
Millions of trays		
Green cultivars packed	23.4	19.6
Gold cultivars packed	4.4	1.8
Total trays	27.8	21.4
Turnover / Revenue (\$m)	88.3	68.5
EBITDA (\$m)	13.3	10.8

Class 1 & 2 packed kiwifruit trays



Psa RECOVERY

New Zealand retail services

Flat earnings



Lower avocado sales

- Low-volume year constrains New Zealand avocado supply

Competitive banana market

- Short supply in first half year
- New supply from Ecuador in second half

We market produce from Group operations plus import and handle tropical fruits

- > Sell all our avocados under our Seeka brand
- > Market kiwifruit in Australasia and work in collaboration with Zespri to market kiwifruit in Asia
- > Import and ripen bananas and other tropical fruits
- > Operate a wholesale fruit and vegetable market

\$ millions	December 2015	December 2014
Turnover	52.2	41.6
Revenue	9.6	8.7
EBITDA	1.7	1.7



Seeka Australia

Acquisition and integration



\$25.8m purchase completed 28 August 2015

- Includes \$5.7m deferred settlement to occur 2016
- Fully funded by bank debt

505 hectares with 225 in orchards

- 200 hectares in kiwifruit, nashi and pears
- \$4.5m spent growing the crop to year end
- \$3.2 to \$4.0 EBITDA forecast 2016

Business integrated into Seeka systems

2015 sales from kiwifruit pollen and small volumes of cherries

Result includes \$0.6m acquisition costs and \$0.5m stamp duty

Tonnes	December 2015	December 2014
Cherries	60.6	Nil
Revenue (\$m)	1.2	Nil
EBITDA (\$m)	(1.4)	Nil



We are the largest grower and supplier of Australian kiwifruit and nashi pears

- > Own the orchards, pack, market and distribute all the produce throughout Australia
- > Also grow European pears, apricots, plums & cherries
- > Developing export markets



Dividend announcement

10 cents per share to be paid 24 March 2016



10 cents per share

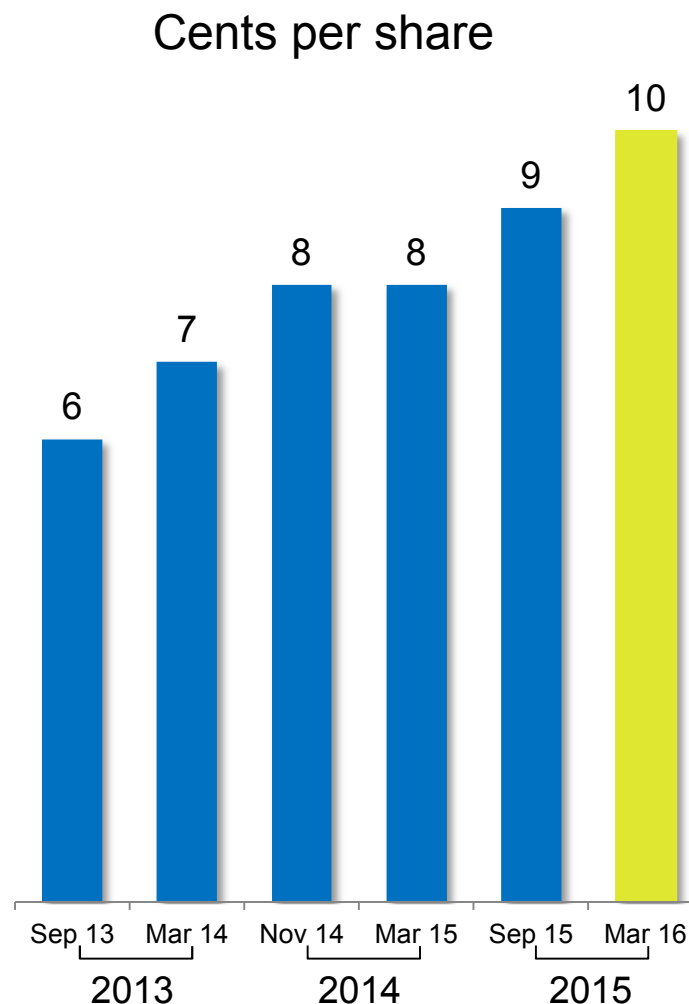
- Fully imputed
- Payment date: 24 March
- Record date: 18 March

Dividend reinvestment plan applies

- \$3.76 issue price

19 cents per share fully imputed dividend for the 2015 financial year

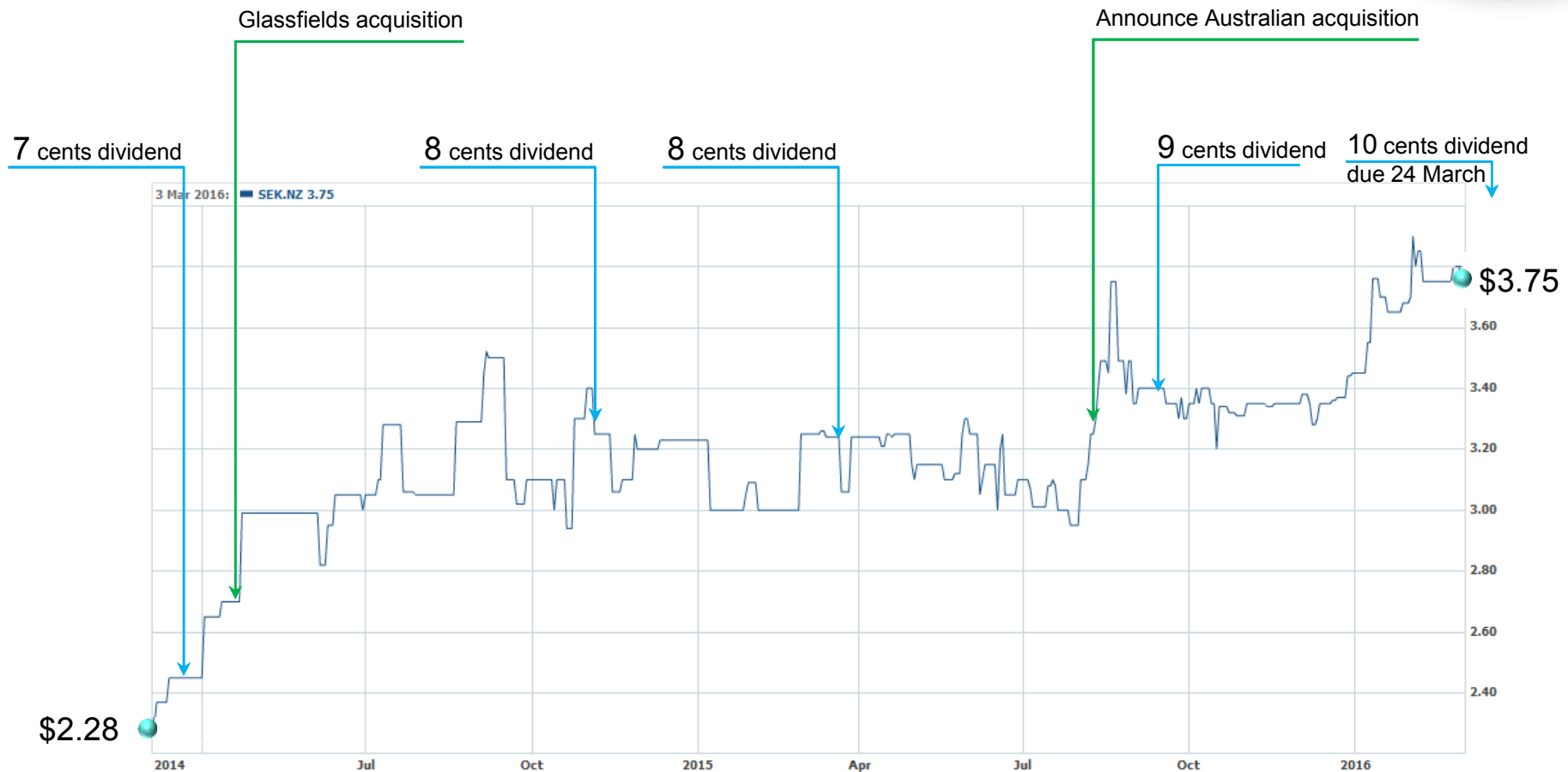
- 3 cents per share increase



Share price

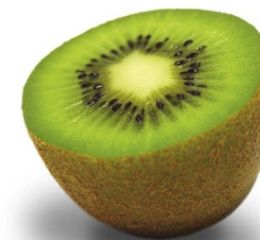
79% total shareholder return over 2-year period

\$1.47 cents lift in price + 32 cents paid in dividends



Capital expenditure

Expanding New Zealand infrastructure to handle growth



\$16.4m capex in 2015, includes:

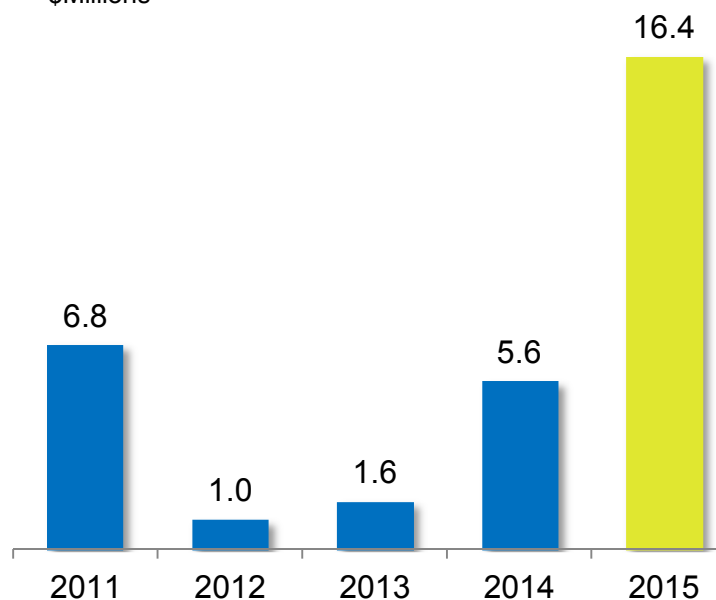
- \$10.0m growth capex, main items:
 - > Extra coolstore capacity at Oakside
 - > Started KKP and Main Road expansion
 - > \$0.5m post harvest at Australia
 - > 3,400 new plastic bins – First in the Industry
- \$2.4m fire asset replacement

2016 further investment

- Complete capacity expansion at KKP and Main Road
 - > \$13.4m total growth capex project
- Seeka 360 office complex
- Punkenga Orchard
 - > Secured site for major new packhouse facility
- 11,000 new plastic bins

\$Millions	December 2015	December 2014
Purchase of property, plant and equipment	16.4	5.6

Capital expenditure
\$Millions



Capacity build

Coolstorage expansion at Oakside, Pioneer, Main Rd and KPP



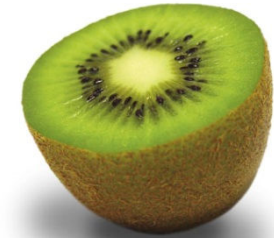
- Adding coolstore capacity to handle more kiwifruit
 - + 2.0m trays* 2015
 - + 2.3m trays* 2016
 - 18% lift in capacity



* Annual coolstore throughput capacity in kiwifruit tray equivalents. Total static capacity build (maximum load) is 2.9m trays.

Safety and compliance

Making safety a primary focus delivers results

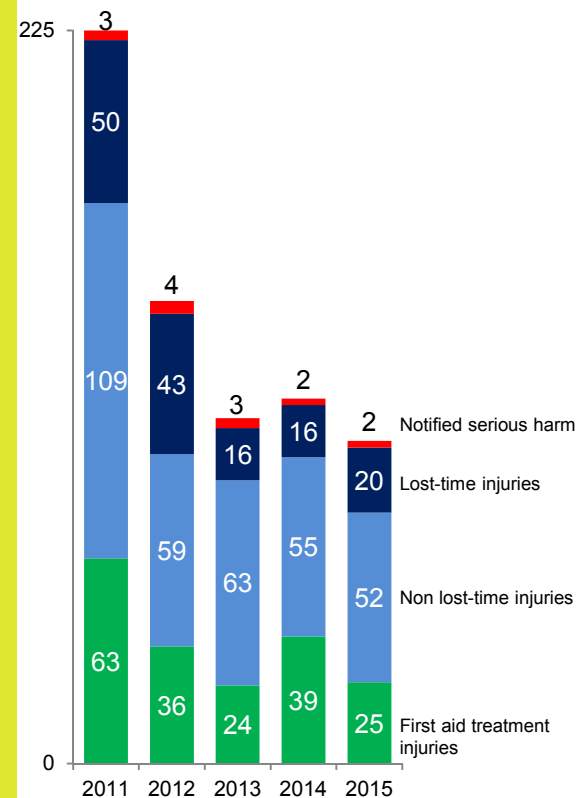


Reinforce safety as a feature of normal work practice

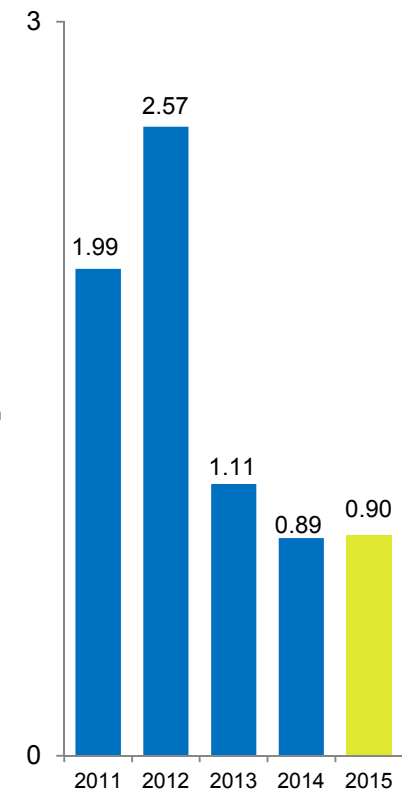
- For employees and contractors



Employee injuries by type
Number of injuries



Lost time frequency rate
Hours lost per 100,000 worked





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