



**SKELLERUP**

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# Annual Meeting

29 October 2014

David Mair, CEO & Executive Director

# Skellerup

## Guidance & Focus FY15

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- Grow earnings
  - FY15 NPAT range of \$21 to \$24.5 million compared to FY14 NPAT of \$20.7 million (excluding Canterbury EQ Insurance Gain)
  - Key variables include:
    - Speed and breadth of US economy recovery and our success in growing market share
    - Impact of reduction in Fonterra pay-out
    - Timing of mining expenditure
- Grow revenue
  - Expand our presence in key markets to grow revenue
  - Capitalise on requirements for food safety and increasing demand for clean energy



# Skellerup

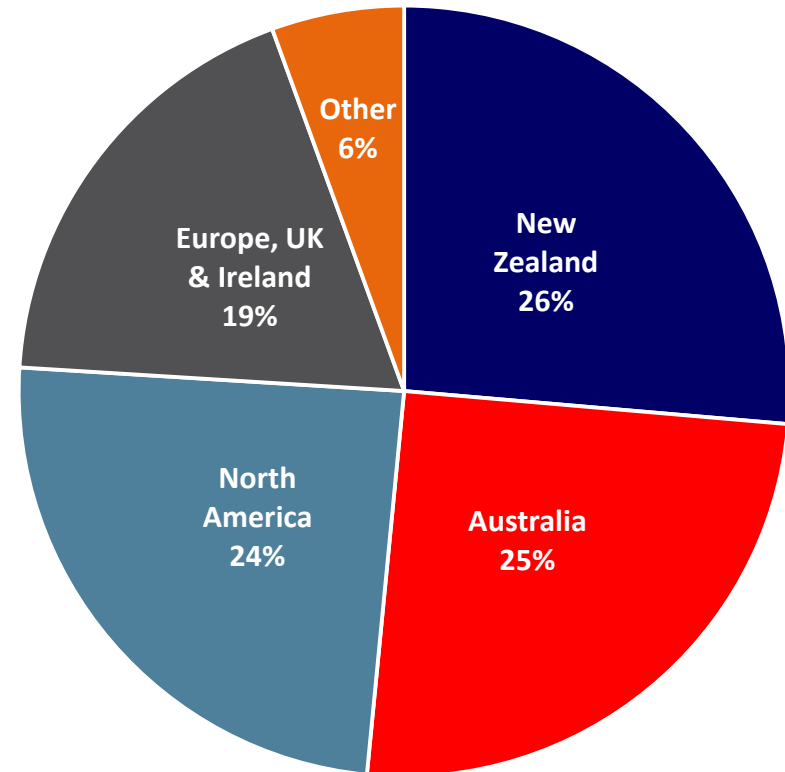
Global business positioned for growth

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## Skellerup in 2015

- Well capitalised Agri & Industrial Business
  - Rubber the common element
- Geographically diverse revenue base
  - Distribution and sales in market across the world
  - FY14 growth in Europe, North America and NZ.
- Geographically diverse design and manufacturing base
  - Design: NZ, Australia, UK
  - Manufacturing: NZ, UK, China, Vietnam
- Designing products to capitalise on
  - Importance of food safety and continual evolution in requirements and standards
  - Growing demand for clean energy

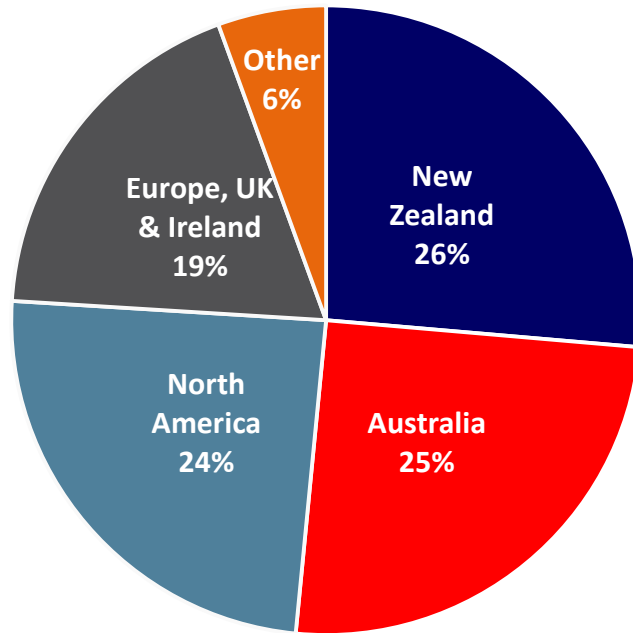
## Revenue by Market FY14



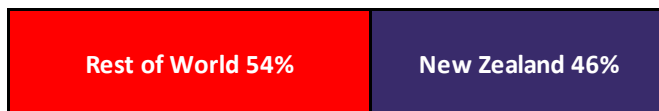
# Skellerup Agri Division

## Business Overview

### FY14 Skellerup Group Revenue



### FY14 Agri Division Revenue



### Our Agri Business

- FY14 Revenue \$80.2 million
- New Zealand
  - Footwear
    - Increased range, specialist fire and forestry boots, sandals
  - Dairy Consumables
    - Filters
    - Liners, Tubing
  - Pumps
- International
  - Dairy Consumables
    - OEM and distribution into North America and Europe which are not reliant on export markets
  - Animal Hygiene
    - Expanded via two small acquisitions to expand range and distribution capability

# Project Viking

FY2014

## Proposed Development



## Project Status

- New dairy rubberware development and manufacturing facility to replace damaged Woolston facility built over 70 years ago
- 18,900 m<sup>2</sup> of floor space including warehouse
- Sir Ron Carter overseeing the Project
- Land ✓
- Construction Contract ✓
- Building Consent lodged ✓
- Earthworks to commence November 2014
- Construction to commence December 2014



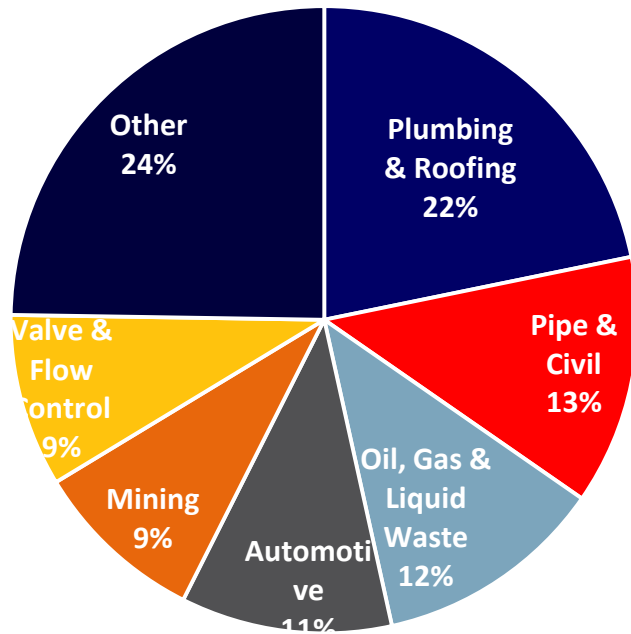
# Skellerup Industrial Division

## Business Overview

### FY14 Industrial Division Revenue



### FY14 Industrial Revenue by Application



“Other” includes various applications for our rubber and foam products including Appliances, Tapware, Marine, Footwear & Sports

### Our Industrial Business

- FY14 Revenue \$116.2 million
- North America
  - Platforms firmly in place in Lincoln (Nebraska), Chicago (Illinois) and Charlotte (North Carolina)
  - Invested in and continuing to invest in sales growth
- New Markets & Applications
  - Flexiflo
  - Foam
- Acquisition & Investment
  - Acquired Foam business in May 2014
  - Investing in manufacturing capability in Vietnam

# Skellerup

## Closing remarks

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- Well positioned with products in demanding and growing food safety and clean energy applications
- Investing in the business now for revenue and earnings growth
  - New personnel
  - New markets
  - Product development
- Risk of downturn in any market mitigated by geographic diversity
- Balanced team
  - Expertise from experienced Skellerup personnel aided by expertise of personnel new to the Group

# Disclaimer

FY2014

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This presentation contains not only a review of operations, but also some forward looking statements about Skellerup Holdings Limited and the environment in which the company operates. Because these statements are forward looking, Skellerup Holdings Limited's actual results could differ materially.

Although management and directors may indicate and believe that the assumptions underlying the forward looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward looking statements will be realised.

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