



Full Year Results

to 30 June 2013



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Our Business

- Established 26 years ago by Chairman and major shareholder, Allan English.
- Listed on ASX in 2005.
- More than 160 employees across Australia and New Zealand.
- Provides equipment funding solutions under two brands: Silver Chef and GoGetta
- Rental assets only acquired for specific rental contracts
- Standard rental charged weekly by direct debit in advance
- Minimum 12 month contract for customers provides recurring income
- At the end of the contract, customer either purchases, returns, upgrades or continues renting



ASX DETAILS

Listed	5 June, 2005
Total Shares on issue	28,762,745
Market Capitalisation	\$224.0 million as at 22 August, 2013

Results Overview

Total revenue

+ 36%

Rental assets (at cost)

+ 39%

NPAT

+ 27%

EPS

+ 11%

Dividend

+19%

Rental asset acquisitions

+ 35%

Results Overview

Asset acquisitions

- Both brands maintained strong growth with total asset acquisitions of \$125.3 million, up 35%.
- Total rental assets (at cost) increased 39% to \$257.4 million.
 - Hospitality asset acquisitions of \$76.7 million – up 37% (FY12: 31%)
 - GoGetta asset acquisitions of \$48.6 million – up 32% (FY12: 53%)

Revenue, profits and margins

- Revenue up 36% to \$114.4 million (FY12: \$84.2 million).
- Profit (after tax) for the year increased 27% to \$11.5 million (FY12: \$9.0 million).
- Marginal improvement in EBITDA margin to 63.1% (FY12: 62.8%) from operating efficiency and credit risk management resulting in lower bad debts.
- EBIT Margin declined to 20.0% (FY12: 21.5%).

Funding

- Issued \$30 million of notes – lengthening debt maturity profile and diversifying sources of funding.
- Placement and Share Purchase Plan raised \$8 million – maintains 30% equity funded capital model.
- Extension of CBA Facility (maturing October 2014) to \$110 million.

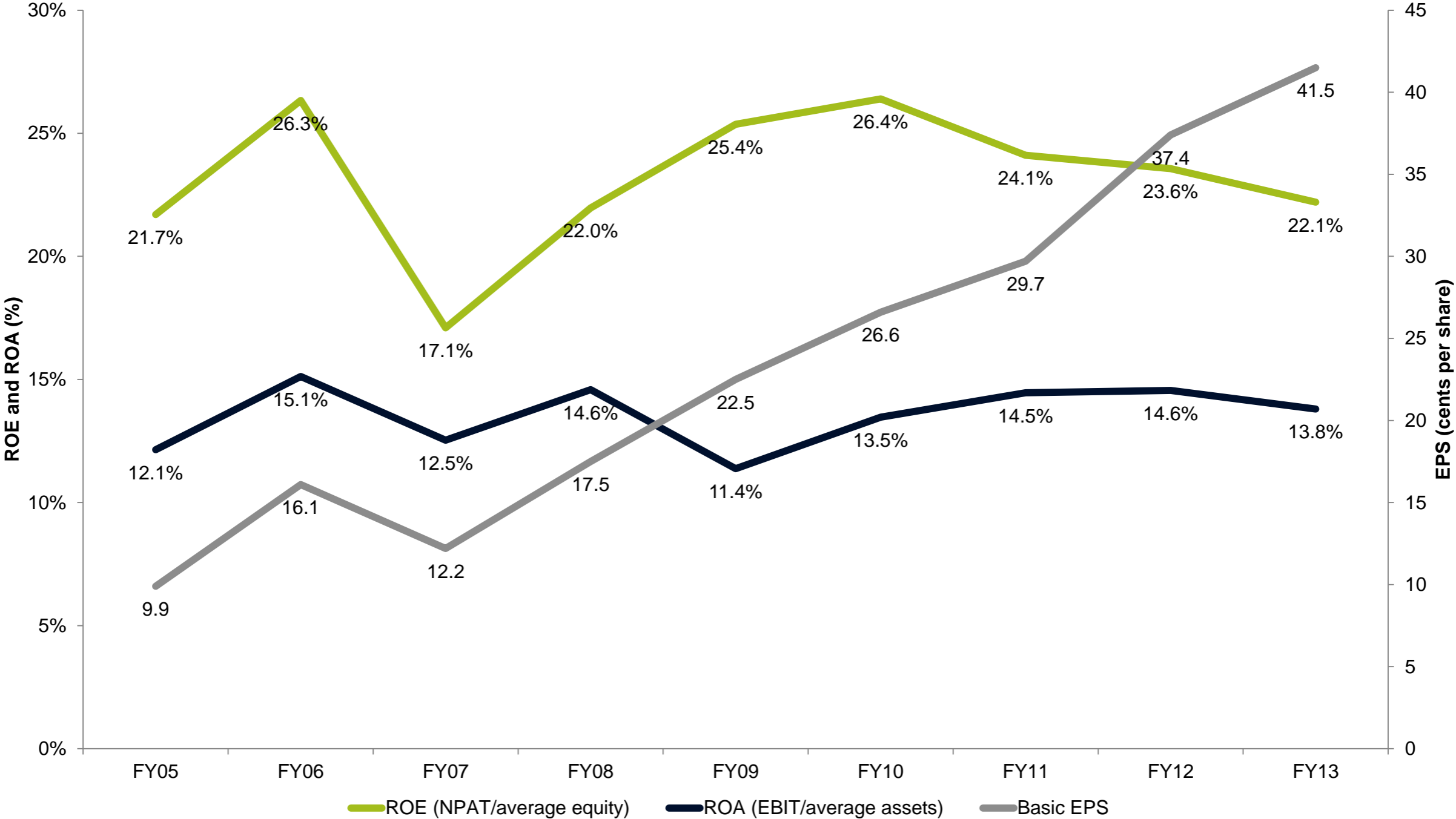
Strategy

- Entering Year 4 of 10-year strategic plan.
- Entrenched organisational focus on enhancing customer experience.

Key Metrics (FY13)

	CAGR FY05 to FY13	Change FY12 v FY13
Total revenue	↑ 37%	↑ 36%
Rental assets at cost	↑ 35%	↑ 39%
Net profit before tax (NPBT)	↑ 40%	↑ 27%
Net profit after tax (NPAT)	↑ 39%	↑ 27%
Operating cash flow	↑ 40%	↑ 34%
Basic EPS	↑ 20%	↑ 11%
Total dividend	↑ 52%	↑ 19%

Shareholder Returns



Profit and Loss

(\$ millions)	FY10	FY11	FY12	FY13
Hospitality rental income	42.0	49.2	60.1	76.6
GoGetta rental income	7.1	13.5	24.0	37.5
Total rental income	49.1	62.7	84.0	114.1
Total revenue	49.4	62.9	84.2	114.4
Depreciation and amortisation expense	(21.7)	(26.7)	(34.8)	(49.2)
Expenses from ordinary activities	(16.6)	(22.0)	(31.0)	(41.6)
Borrowing costs	(3.0)	(4.2)	(5.0)	(6.8)
Profit before income tax expense	7.5	9.7	13.1	16.6
Income tax expense	(2.3)	(3.0)	(4.1)	(5.1)
Profit for the year	5.2	6.6	9.0	11.5

CHANGE (FY12-FY13)
+ 28%
+ 57%
+ 36%
+ 36%
+ 42%
+ 34%
+ 36%
+ 27%
+ 25%
+ 27%

Financial Position

(\$ millions)	30 June 2012	30 June 2013	Change (FY12-FY13)
Assets			
Current assets	5.9	6.8	+ 15%
Rental assets at WDV	128.4	173.5	+ 35%
Non-current assets	7.9	9.7	+ 23%
Total assets	142.2	190.0	+ 34%
Liabilities			
Customer deposits and bonds	22.4	27.3	+ 22%
Current interest bearing debt	1.8	1.0	- 44%
Other current liabilities	7.2	11.2	+ 56%
Non-current interest bearing debt	65.2	91.3	+ 40%
Other non-current liabilities	0.5	0.9	+ 80%
Total liabilities	97.0	131.8	+ 36%
Total equity	45.2	58.2	+ 29%

Rental assets under management (at cost)

Group

- Total rental assets (at cost) - up 39% to \$257.4 million.
- Total acquisitions of \$125.3 million in FY13.

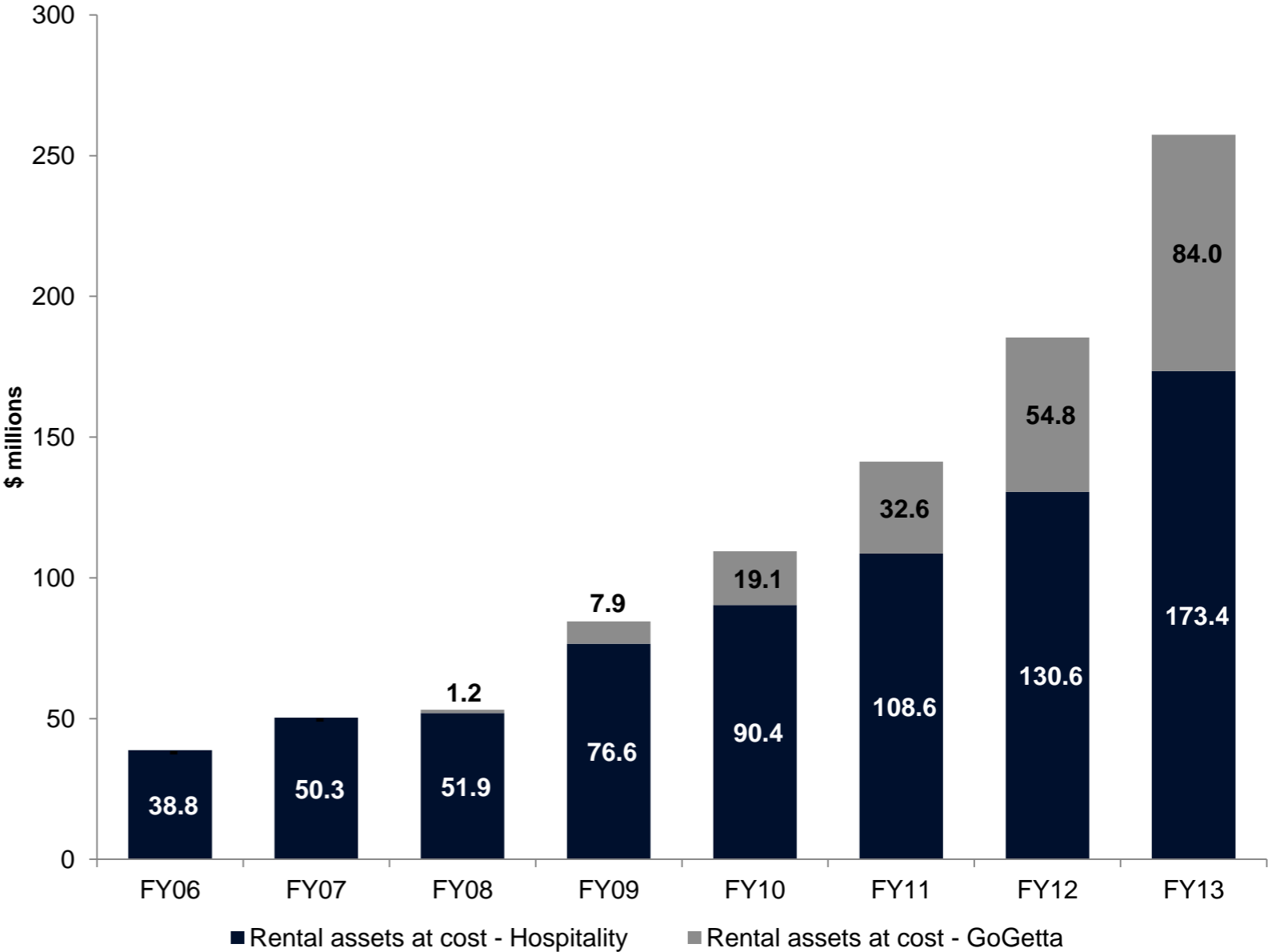
Hospitality

- Rental assets up 33% to \$173.4 million.
- Acquisitions increased 37% to \$76.7 million.
- Strong contributions from franchise, New Zealand and Pubs & Clubs.

GoGetta

- Rental assets up 53% to \$84.0 million.
- Acquisitions growth slowed to 32% (FY12: 54%).

Rental assets under management (at cost) up 39%



Earnings

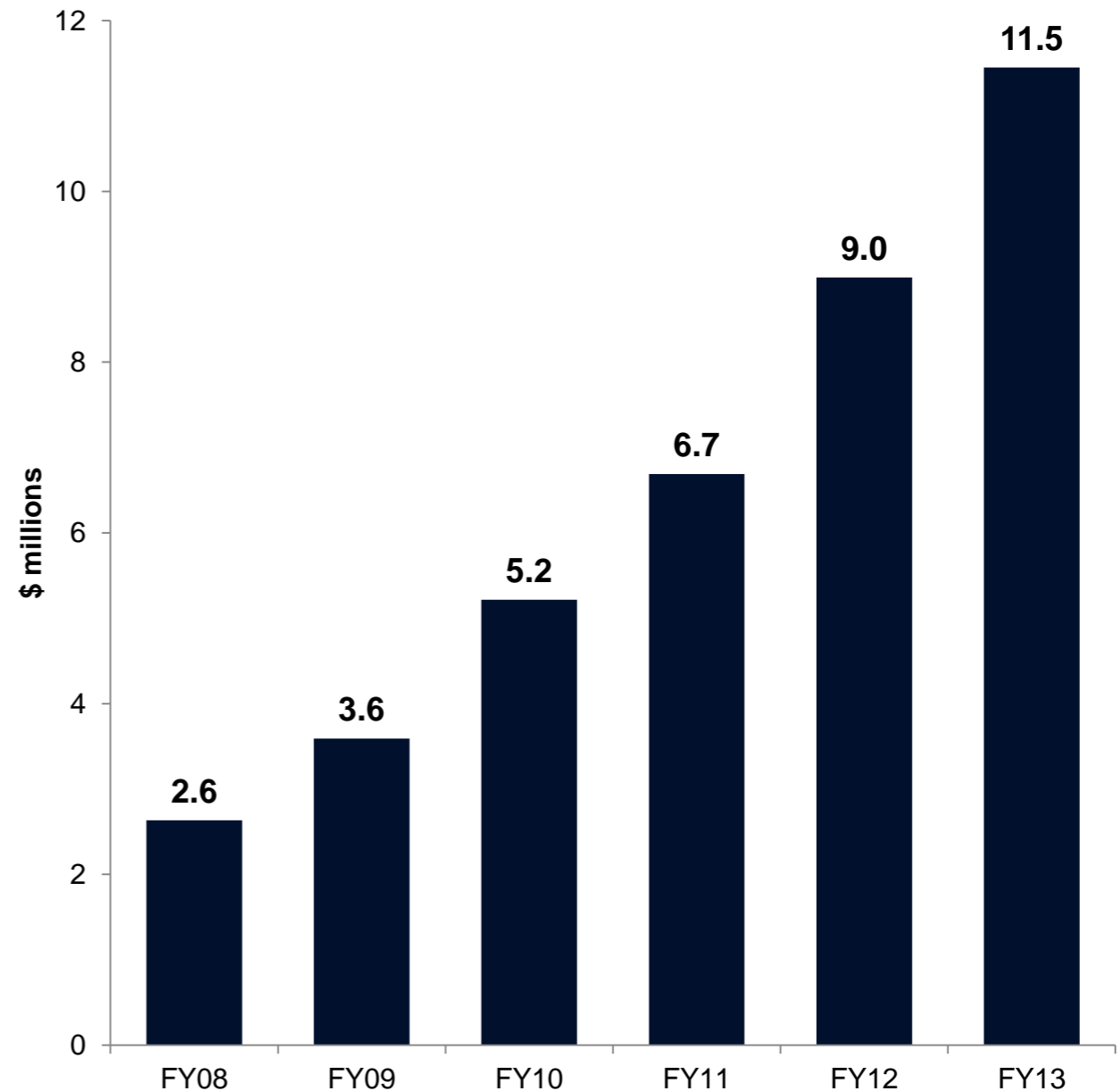
NPAT

- Profit (after tax) for the year increased 27% to \$11.5 million (FY12: \$9.0 million).

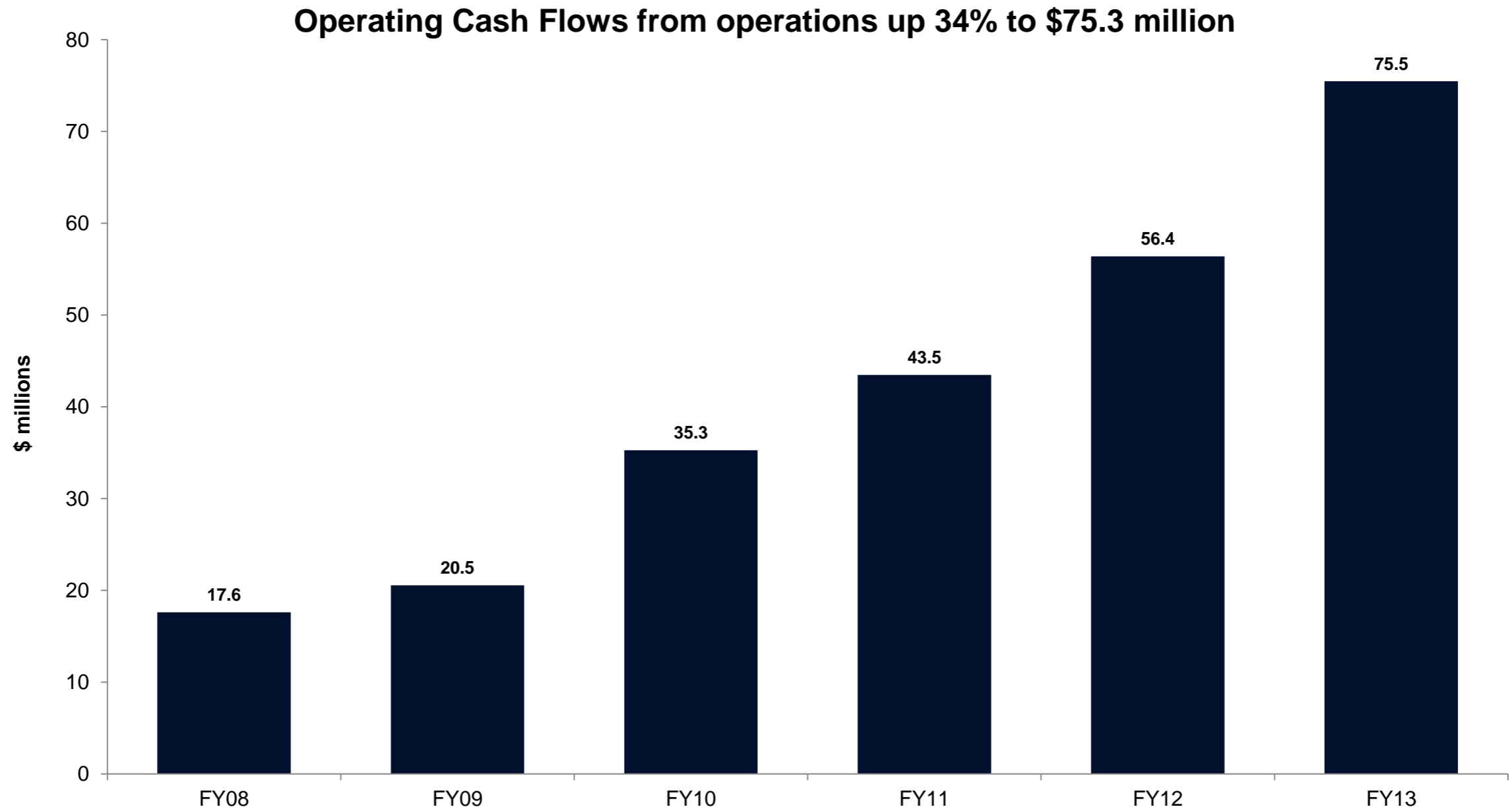
EBIT

- EBITDA increased 36% to \$72.1 million (FY12: \$52.9 million)
- EBIT increased 26% to \$22.9 million (FY12: \$18.1 million).
- EBIT margin declined to 20.0% (FY12: 21.5%). Impacted by:
 - Asset repatriation capacity issues (to be alleviated by opening of Melbourne warehouse)
 - Growth of GoGetta asset pool and faster rate of depreciation

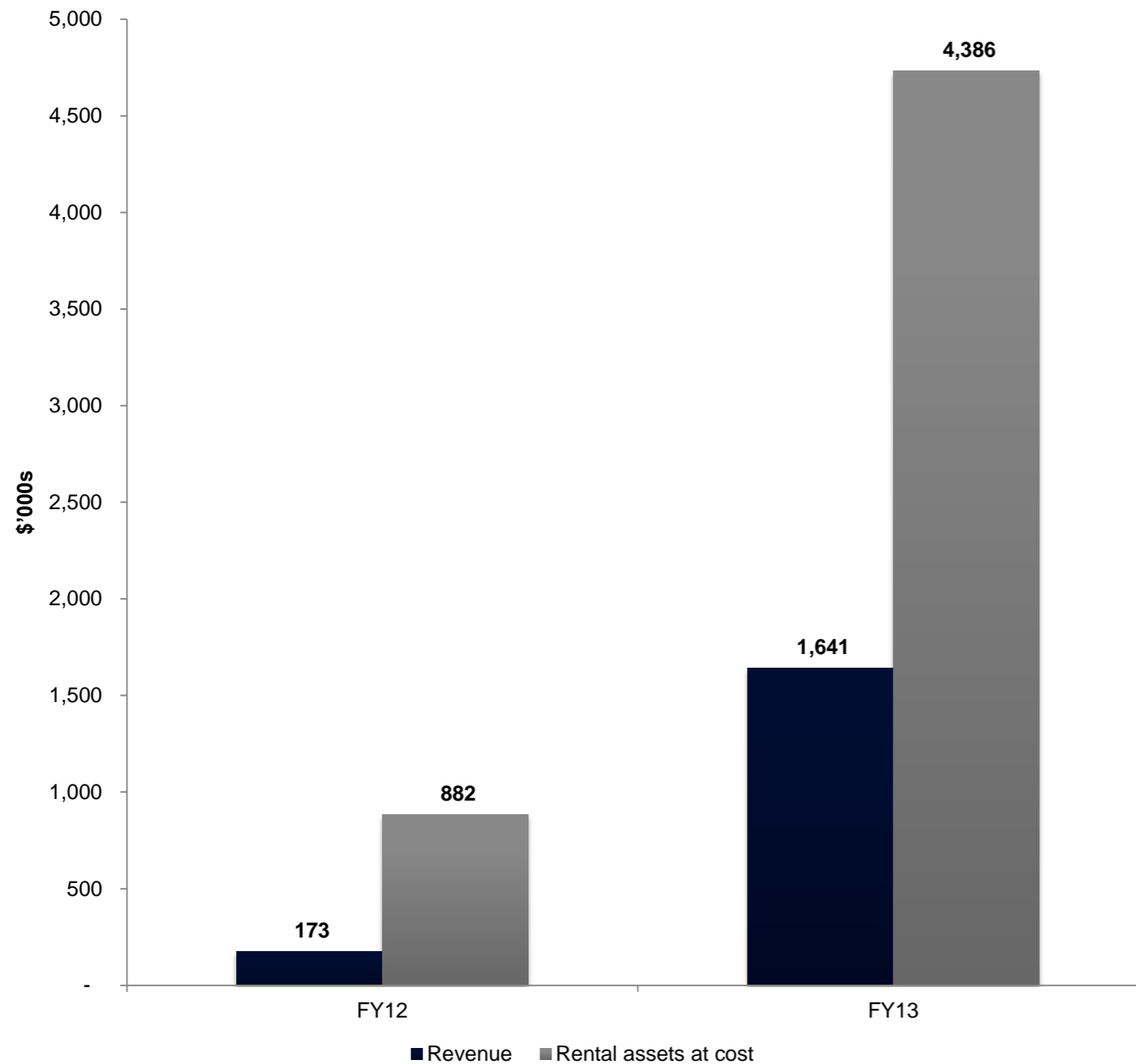
Profit up 27% to \$11.5 million



Cash Flows



New Zealand



- New Zealand expansion continuing to build momentum
- Commenced operations in FY12
- Rental assets up to \$4.4 million as at 30 June, 2013

Segment Review

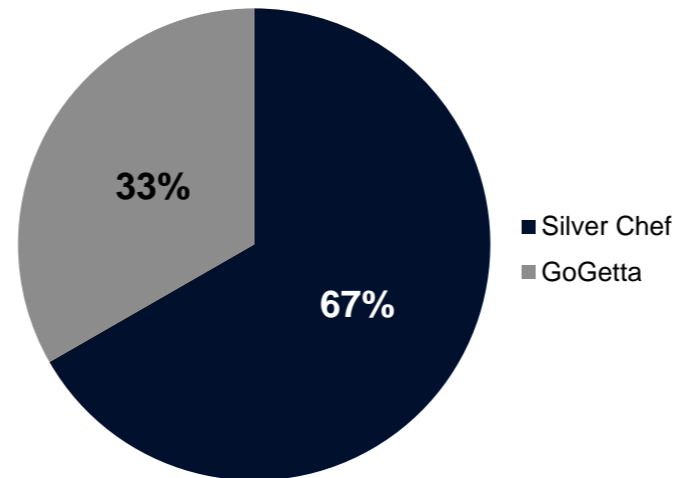
Hospitality

- Continued strong organic growth
- Increased penetration in new target sectors; franchise, pubs and clubs and New Zealand

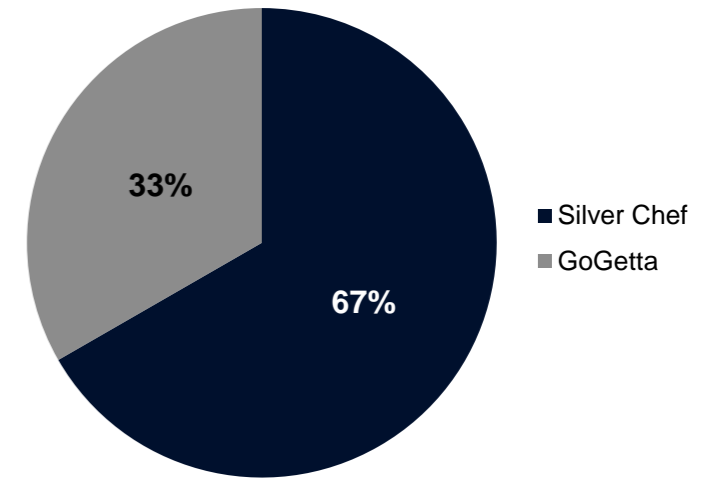
GoGetta

- Slower acquisition rate
- Solid growth in rental asset base across all industries

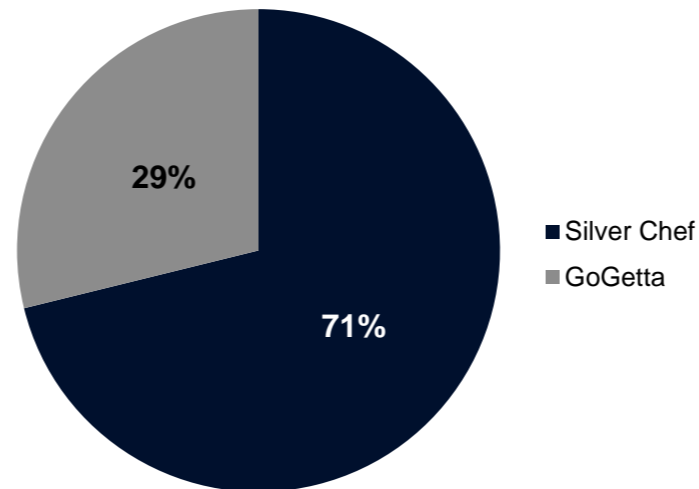
Rental Revenue - FY13



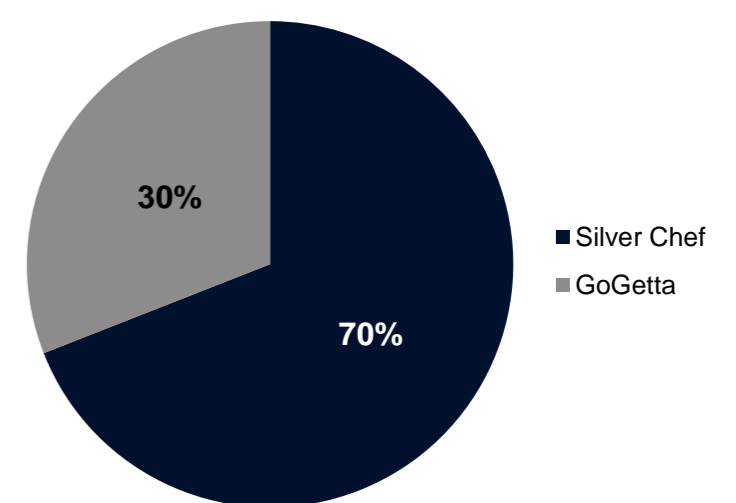
Rental Assets (at cost) - FY13



Rental Revenue - FY12

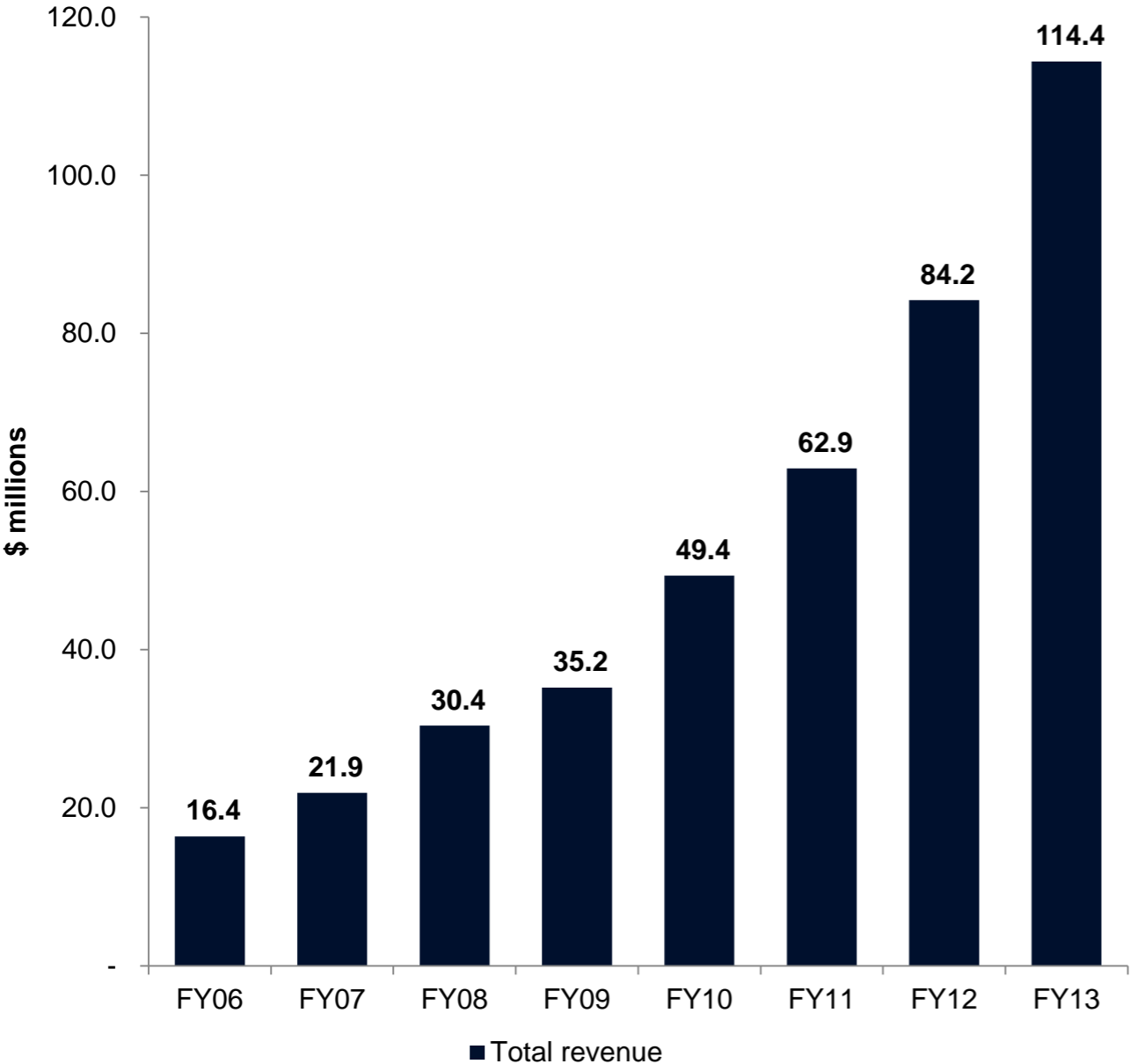


Rental assets (at cost) - FY12



Revenue Analysis

Total revenue up 36% to \$114.4 million

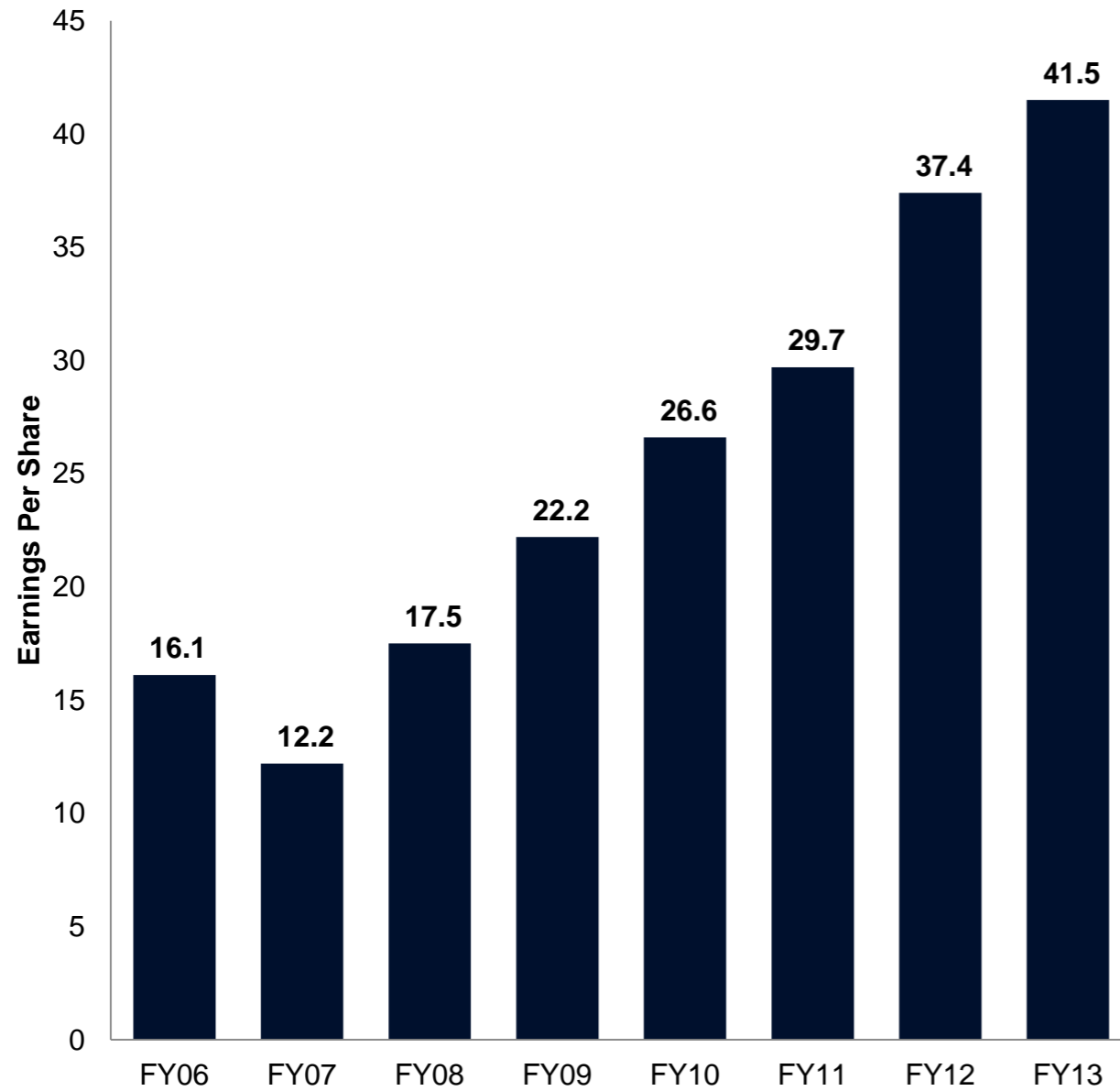


- Growing rental income from solid growth in rental assets across both brands.
- High utilisation of rental assets.

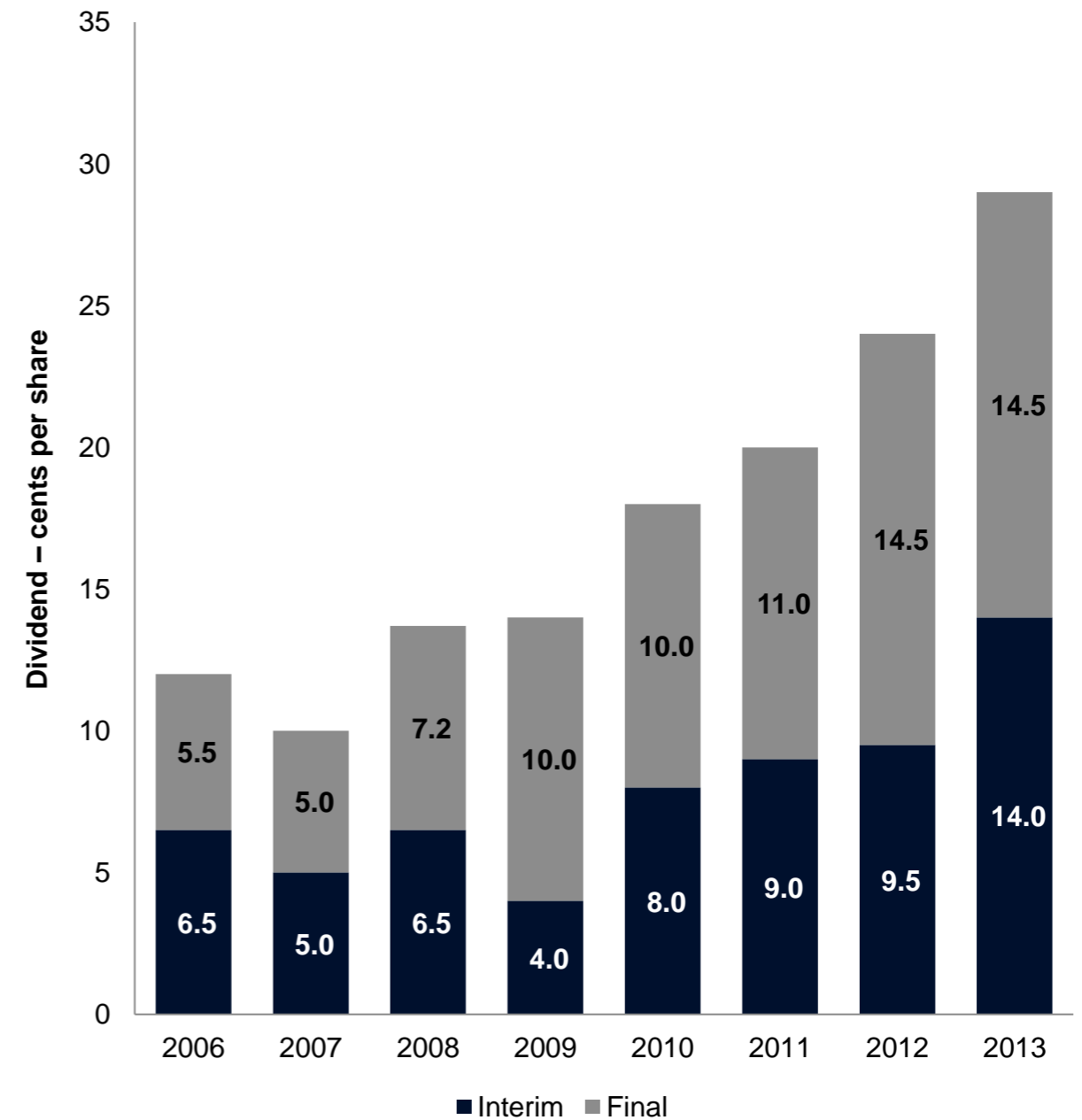
(\$ m)	FY10	FY11	FY12	FY13	Change
Hospitality	42.0	49.2	60.1	76.6	+28%
GoGetta	7.0	13.5	23.9	37.5	+57%
Other	0.4	0.2	0.2	0.3	+50%
Total	49.4	62.9	84.2	114.4	+36%

EPS & Dividends

Basic EPS up 11% to 41.5 cents

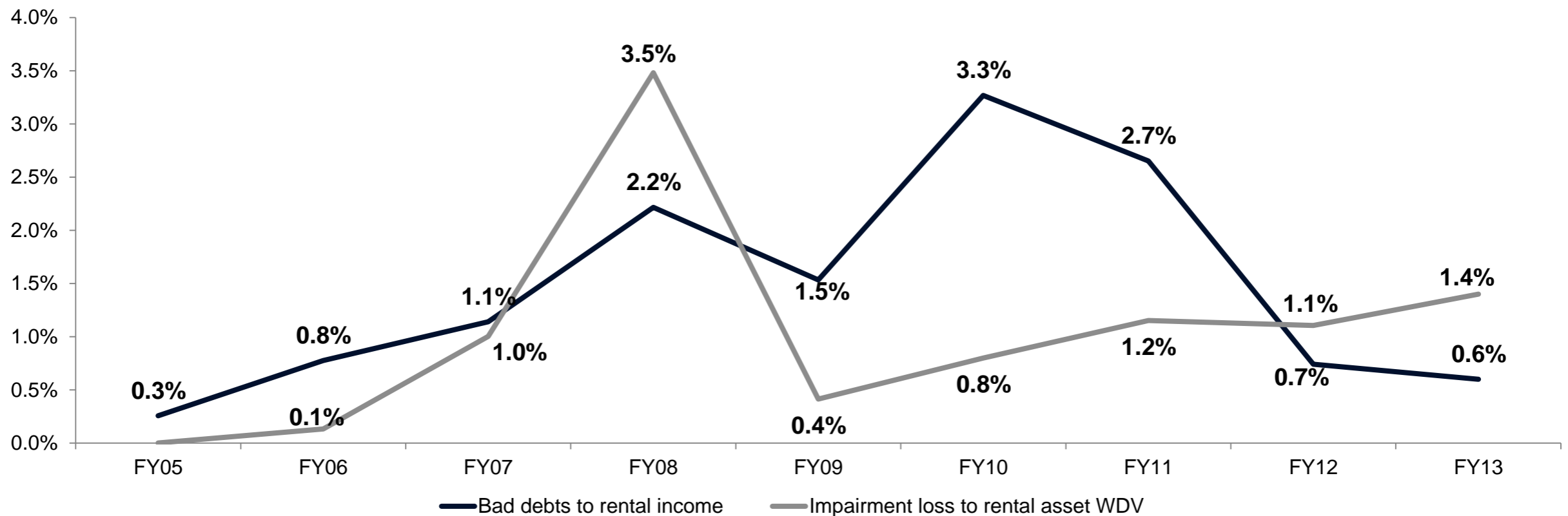


Full year dividend up 19% to 28.5 cents



Risk Management

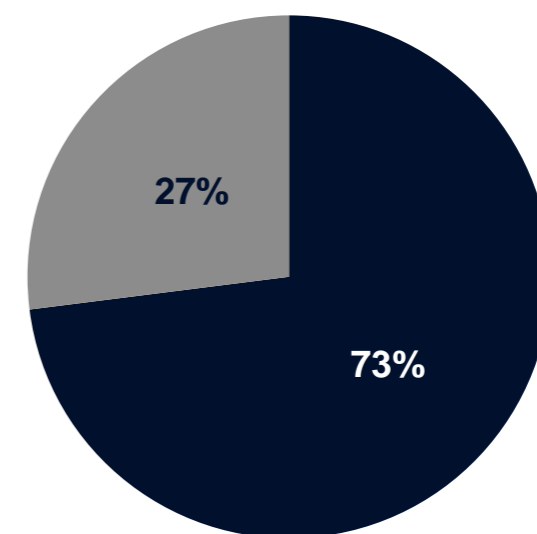
- Asset repatriation capacity to be expanded with opening of new warehouse facility in Q1 of FY14
 - New facility in Melbourne to service Victoria, Western Australia, Tasmania and South Australia
- A highly diversified client base with more than 18,000 rental agreements in place
- Largest client represents less than 1.0% of rental income
- Spreading exposure to an increasingly diverse range of industries (GoGetta customers represent 20 different industry groups) which limits the impact if one of these sectors experiences difficulty.



Funding

- Silver Chef utilises a diverse range of funding to support the growth of the business through the acquisition of assets for rental to clients.
- In FY13 the Company acquired \$125.3 million worth of rental assets (at cost) of which 73% (\$91.8 million) was funded from internally generated cash flows and the balance was funded from debt and equity.
- As at 30 June 2013, 53% of the carrying amount of the Company's rental assets was funded by debt.

Rental Asset Funding Source



- Asset acquisitions funded by net internal cash flow
- Asset acquisitions funded by debt and equity

Sources of Debt/Equity Funding

Equity	Debt (Bank)	Debt (Notes)
<ul style="list-style-type: none"> ○ \$5 million Placement completed at \$5.20. ○ \$3 million Share Purchase Plan (SPP) completed at \$5.20. ○ Company aims to fund approximately 30% of total assets with equity. 	<ul style="list-style-type: none"> ○ Primary debt facility of \$110 million held with Commonwealth Bank. ○ Expires October 2014 ○ As at 30 June, 2013, the facility was drawn to \$60.5 million. 	<ul style="list-style-type: none"> ○ In August 2012 Silver Chef issued six-year senior unsecured fixed rate notes to raise \$30 million. ○ Notes Issue further diversifies the Company's debt funding sources and maturity profile.

Strategy

10-year Strategic Plan
in place to 2020

Based on
Argenti System



FY14 is Year 4
of Plan

Outlook

- Solid organic growth across the Silver Chef and GoGetta customer segments
- Investment in People, Systems and Processes with the view to delivering a good customer experience
- Continued refinement of the Silver Chef Rent.Try.Buy model with the view to increasing geographic market exposure
- Continued growth of the GoGetta Rent Grow Own model across various market sectors
- Risks to outlook
 - Effective operational execution of strategy
 - Significant deterioration in the macro-economic environment
 - Material change in the competitive landscape