

SILVER CHEF LIMITED – STRONG RESULTS IN LINE WITH GUIDANCE

	FY15	FY14	Change
Revenue	\$171.0 m	\$141.3 m	21%
Rental assets (at cost)* and lease receivables	\$358.4 m	\$299.0 m	20%
NPAT	\$15.5 m	\$12.7 m	22%
Net operating cash flows	\$103.3 m	\$89.4 m	16%
Basic EPS	51.9 cps	43.4 cps	20%
Dividend (fully franked)	36.0 cps	30.0 cps	20%

Highlights:

- Strong growth in EPS and dividend on the back of record profit
- Excellent growth in GoGetta rental asset base
- Significant increase in group rental asset base including lease receivables
- Strong performance from Canadian business in line with expectations
- Substantial expansion to Company's debt capacity to support future growth

Leading equipment financier Silver Chef Limited (ASX: SIV) has today reported a record net profit after tax of \$15.5 million for the year ending 30 June 2015, up 22% from the previous year.

The result was driven by significant growth in the Company's gross rental asset base (including lease receivables) that increased 20% year on year. The GoGetta business delivered outstanding growth with a 71% increase in acquisitions period on period and a net 31% increase in the GoGetta rental revenue contribution.

The Board has declared a fully franked final dividend of 20 cents per share. The record date for the dividend will be 7 September 2015 and the payment date will be 17 September 2015. This will take the years total dividends to 36 cents per share, a 20% increase on the previous year.

Executive Chairman Allan English said: "The GoGetta team had a record breaking year with particularly strong contributions from Queensland and New South Wales. Our strategy has been to increase market penetration and be more effective in two major segments of the business (transport and construction).

Silver Chef Limited

Park Tower, 20 Pidgeon Cl, West End Q 4101
PO Box 1760 Milton BC Q 4064
ABN 28 011 045 828

P 07 3335 3300
F 07 3335 3399
E admin@silverchef.com.au

www.silverchef.com.au

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“The restaurant and café sector has performed strongly again this year underpinning a solid result for Hospitality. We are also now starting to see the benefits of investments undertaken in recent years to establish our New Zealand and Canadian operations and our asset reconditioning facility in Melbourne. We are pleased that the strength of our current dealer relationships and customer focus satisfaction levels has ensured we are able to continue to grow our business in this important sector.”

Hospitality - Australia

The Company’s domestic Hospitality business achieved strong revenue growth. The strong result was achieved despite greater levels of competition and a gradually maturing market place.

A strategy of targeting existing rental customers and transitioning them into more traditional long-term financing agreements at the end of the first year’s Rent-Try-Buy contract is gaining traction. This initiative has increased Silver Chef’s lease receivable book by over three times compared to prior year.

This initiative will create more established, long term income streams while reducing asset reconditioning and disposal costs. The Group has also budgeted for further growth within the franchising division with the introduction of new franchising products based around the more traditional longer term financing arrangements. The Company expects these products to deliver more predictable income streams for Australian hospitality over the next few years.

Hospitality – Canada and New Zealand

Both New Zealand and Canada have achieved strong growth across their rental asset base during 2015. These results are in line with the expectations set by the Company given their relatively small starting positions.

Canada achieved a cash breakeven point ahead of expectation and is budgeting for a positive net accounting profit contribution in calendar 2016. Two new sales offices have been opened in Alberta and Ontario during 2015 to support the Company’s growth aspirations in Canada.

GoGetta

The GoGetta division recorded strong growth of 31% in revenue to \$57.4 million during 2015 arising largely from renewed focus in the transport and construction sectors. The Company believes there are significant opportunities within the light commercial transport sector particularly at the smaller end of the market focusing on tradesman and courier vehicles.

The Company believes it can provide an important equipment funding solution for these types of small businesses and can substantially increase its rental asset base through capturing only a small section of this large industry sector.

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Financial Overview

On 10 August 2015, the Company announced that it had established a new \$300 million syndicated banking facility which significantly improves the key terms and conditions of its debt arrangements. The facility enables Silver Chef to borrow directly in New Zealand and Canadian dollars assisting in mitigating foreign exchange risk and minimising interest withholding taxes. The syndicate has a staggered maturity profile over three (\$175 million) and five years (\$125 million), and provides a strong financial backing for future growth both within Australia and internationally.

The Company undertook a placement to institutional and sophisticated investors in March 2015 raising \$9 million, which followed the opportunity for all existing shareholders to reinvest through the Company's Dividend Reinvestment Plan ("DRP") which provided further capital of \$1.9 million. The Company's DRP will continue to operate for the final FY15 dividend of 20 cps.

The Group has continued to maintain a strong operating cash flow with 16% growth on last year's result.

The Company's credit performance has remained strong during 2015 with bad debts representing only 2-3% of gross revenue. Silver Chef's approach to mitigating residual asset risk continues to be successful across both brands.

Outlook

GoGetta growth, particularly in the transport and construction sectors was strong during FY15 and positions the Company well for FY16. Similarly, the Hospitality division has once again performed very well, with the expectation that strong growth will continue within Australia, Canada and New Zealand in FY16. The Company will continue to invest in improving the systems and processes that underpin the business to support long term growth.

Overall the Company has experienced another year of very strong growth, and significant improvement in the group's earnings metrics. This trend is expected to continue in FY16.

Don Mackenzie
Company Secretary

Enquiries to:

Allan English
Executive Chairman
(07) 3335 3300

Doug McAlpine
Chief Financial Officer
(07) 3335 3300

About Silver Chef

Silver Chef was established in 1986 to help businesses fund their equipment needs through the Rent-Try-Buy® and Rent-Grow-Own® Solutions. This keeps their options open and preserves their cash to grow their business.

Silver Chef Limited is an Australian Securities Exchange-listed company (ASX Code: SIV) focused on rentals of commercial equipment to small-to-medium enterprise. The Company has operations in Australia, New Zealand and Canada and operates under two brands: Silver Chef – hospitality assets and GoGetta – broader commercial equipment.

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