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22 February 2012

Company Announcements Office
Australian Securities Exchange
Brisbane

APPENDIX 4D – HALF YEAR ENDED 31 DECEMBER 2011

We attach for release to the market:

- Appendix 4D (including the interim financial statements at 31 December 2011).
- Commentary on operational highlights for the half year ended 31 December 2011.

Don Mackenzie
Company Secretary

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Silver Chef Limited
ABN 28 011 045 828

Appendix 4D
Half Year Announcement
31 December 2011

Lodged with the ASX under Listing Rule 4.2A

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**Appendix 4D
 ASX Preliminary Half Year Announcement
 31 December 2011**

Results for Announcement to the Market

	six months ended 31-Dec- 2011 \$000's	six months ended 31-Dec- 2010 \$000's	Movement \$000's	Movement %
2.1 Revenue from ordinary activities	39,234	30,155	9,079	30.11%
2.2/2.3 Net profit after income tax	4,212	3,058	1,154	37.74%

2.4 Dividends

Final dividend

The Directors declared a fully franked final dividend of 11 cents per share which was paid on 30 September 2011.

Interim dividend

The Directors have declared a fully franked interim dividend of 9.5 cents per share (2011: 9 cents) payable on 5 April 2012.

2.5 Record date for payment of dividend

The record date for the payment of the dividend will be for those shareholders registered as at 7.00pm on 2 March 2012.

2.6 Commentary on Results for the Half-year

Please refer to the accompanying interim financial statements.

	31-Dec-2011	31-Dec-2010
3.0 Net tangible assets per share	139.1 cents	122.3 cents

4. Details of entities over which control has been gained or lost during the period – Not applicable.

5. The 2011 final dividend of \$2.553 million was paid on 30 September 2011.

6. Details of any dividend or distribution reinvestment plans in operation – Not applicable

7. Details of Associates

Refer to note 14 in the accompanying interim financial statements.

8. Foreign entities – accounting standards

IFRS have been used in the preparation of the financial statements of all entities.

9. Review Status

This report is based on financial statements that have been reviewed. A Copy of the Auditor's Independence Declaration is attached to the accompanying Directors' Report. A copy of the independent auditor's review report is attached to the accompanying consolidated interim Financial Statements.

By order of the Board



Don Mackenzie
 Company Secretary

22nd February 2012

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**SILVER CHEF LIMITED AND
CONTROLLED ENTITIES**

ABN 28 011 045 828



*silver***chef**

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CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED

31 December 2011

Silver Chef Limited and its controlled entities

Directors' Report

The Directors present their report together with the condensed consolidated half-year financial report of Silver Chef Limited ("the Company") and its controlled entities for the half-year ended 31 December 2011 and the independent auditor's review report thereon.

Directors

The Directors of the Company at any time during or since the end of the half-year are:

Name	Position	Period of appointment
Allan English	Non-Executive Chairman	Appointed 31 July 1990
Andrew Kemp	Non-Executive Director	Appointed 24 February 2005
Bede King	Non-Executive Director	Appointed 7 March 2005
Sophie Mitchell	Non-Executive Director	Appointed 14 September 2011
Karen Penrose	Non-Executive Director	Appointed 14 September 2011
Donald Mackenzie	Alternate Director	Appointed alternate Director 21 October 2005

Result of Operations

The consolidated profit for the half-year after providing for income tax was \$4.212 million (2010: \$3.058 million).

The 2011 final dividend of \$2.553 million was paid on 30 September 2011.

Review of Operations

The Company's pretax profit from operations for the six months to December 2011 was \$5.939 million. This compared to the result for the previous corresponding half-year of \$4.231 million.

Rental revenue grew from \$30.037 million for the six months ended 31 December 2010 to \$39.133 million for the half-year under review.

The business model's strong recurring annuity style income stream contributed significantly to the rental revenue increase and profit performance.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the half-year ended 31 December 2011.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors



Allan English
Chairman
22nd February 2012



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Silver Chef Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2011 there have been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Simon Crane
Partner

Brisbane
22 February 2012

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Silver Chef Limited
Condensed consolidated statement of comprehensive income
For the six months ended 31 December 2011

	Note	31-Dec-11 \$000's	31-Dec-10 \$000's
Revenue		39,234	30,155
Expenses from ordinary activities		(28,212)	(22,288)
Finance costs		(2,418)	(2,142)
Change in fair value of derivative financial instruments		(396)	(57)
Change in fair value of investment properties		26	(248)
Loss on sale of plant and equipment		(2,295)	(1,189)
Profit before income tax		5,939	4,231
Income tax expense		(1,727)	(1,173)
Profit attributable to members of the Company		4,212	3,058
Other comprehensive income			
Foreign currency translation reserve – foreign operations		(19)	-
Total comprehensive income attributable to members of the Company		4,193	3,058
Earnings per share			
Basic earnings per share	11	18.17 cents	13.80 cents
Diluted earnings per share	11	18.02 cents	13.72 cents

The condensed consolidated statement of comprehensive income is to be read in conjunction with the attached notes.

Silver Chef Limited
Condensed consolidated statement of changes in equity
For the six months ended 31 December 2011

	Number of shares on issue 000's	Share capital \$000's	Retained earnings \$000's	Translation reserve \$000's	Total equity \$000's
Balance at 1 July 2010 (Restated*)	21,757	16,940	7,470	-	24,410
Total comprehensive income for the half-year					
Profit for the period	-	-	3,058	-	3,058
Total comprehensive income for the period	-	-	3,058	-	3,058
Transactions with owners recorded directly in equity					
Shares issued exercise of options	40	76	-	-	76
Shares issued under dividend reinvestment plan	160	460	-	-	460
Shares issued under shortfall agreement	599	1,717	-	-	1,717
Dividends to equity holders	-	-	(2,177)	-	(2,177)
Share issue costs	-	(34)	-	-	(34)
Total contributions by and distributions to owners of the Company	799	2,219	(2,177)	-	42
Balance at 31 December 2010	22,556	19,159	8,351	-	27,510
Balance at 1 January 2011	22,556	19,159	8,351	-	27,510
Total comprehensive income for the half-year					
Profit for the period	-	-	3,633	-	3,633
Total comprehensive income for the period	-	-	3,633	-	3,633
Transactions with owners recorded directly in equity					
Shares issued under dividend reinvestment plan	112	379	-	-	379
Shares issued under shortfall agreement	489	1,656	-	-	1,656
Share issue costs	-	(37)	-	-	(37)
Dividends to equity holders	-	-	(2,030)	-	(2,030)
Total contributions by and distributions to owners of the Company	601	1,998	(2,030)	-	(32)
Balance at 30 June 2011	23,157	21,157	9,954	-	31,111
Balance at 1 July 2011	23,157	21,157	9,954	-	31,111
Total comprehensive income for the half-year					
Profit for the period	-	-	4,212	-	4,212
Foreign currency translation reserve	-	-	-	(19)	(19)
Total comprehensive income for the period	-	-	4,212	(19)	4,193
Transactions with owners recorded directly in equity					
Shares issued on exercise of options	25	72	-	-	72
Shares issued under employee share scheme	25	71	-	-	71
Dividends to equity holders	-	-	(2,553)	-	(2,553)
Total contributions by and distributions to owners of the Company	50	143	(2,553)	-	(2,410)
Balance at 31 December 2011	23,207	21,300	11,613	(19)	32,894

*Refer note 4 correction of error

The condensed consolidated statement of changes in equity is to be read in conjunction with the attached notes.

Silver Chef Limited
Condensed consolidated statement of financial position
As at 31 December 2011

	Note	31-Dec-11 \$000's	30-Jun-11 \$000's
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		3,828	1,523
Trade and other receivables		3,109	3,384
Investment properties held for sale		1,035	1,464
Derivative financial instruments		-	10
Other assets		609	290
Total current assets		8,581	6,671
NON-CURRENT ASSETS			
Property, plant and equipment	9	116,630	95,750
Investment properties		1,515	1,590
Intangibles		605	384
Deferred tax assets		2,955	2,277
Total non-current assets		121,705	100,001
TOTAL ASSETS		130,286	106,672
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		24,333	21,066
Loans and borrowings	10	1,412	1,777
Tax liabilities		1,357	1,825
Derivative financial instruments		465	77
Employee benefits		481	561
Total current liabilities		28,048	25,306
NON-CURRENT LIABILITIES			
Loans and borrowings	10	69,120	50,062
Derivative financial instruments		112	113
Employee benefits		112	80
Total non-current liabilities		69,344	50,255
TOTAL LIABILITIES		97,392	75,561
NET ASSETS		32,894	31,111
EQUITY			
Share capital	12	21,300	21,157
Retained earnings		11,613	9,954
Foreign currency translation reserve		(19)	-
TOTAL EQUITY		32,894	31,111

The condensed consolidated statement of financial position is to be read in conjunction with the attached notes.

Silver Chef Limited
Condensed consolidated cash flow statement
For the six months ended 31 December 2011

	31-Dec-11 \$000's	31-Dec-10 \$000's
Cash flows from operating activities		
Receipts from customers	48,536	37,057
Payments to suppliers and employees	(17,985)	(13,514)
Finance costs including interest and other costs paid	(2,339)	(1,807)
Interest received	37	27
GST recovered	346	432
Income taxes paid	(2,873)	(2,240)
Net cash flows from operating activities	25,722	19,955
Cash flows from investing activities		
Payments for property, plant and equipment	(48,754)	(36,794)
Proceeds from sale of property plant and equipment	8,986	7,508
Proceeds from sale of investment properties	356	384
Net cash flows used in investing activities	(39,412)	(28,902)
Cash flows from financing activities		
Proceeds from borrowings	19,000	52,800
Repayment of borrowings	(515)	(43,101)
Proceeds from issue of ordinary shares	63	1,793
Share issue costs	-	(34)
Payment of dividends	(2,553)	(1,718)
Net cash flows from financing activities	15,995	9,740
Net increase (decrease) in cash held	2,305	793
Cash and cash equivalents at 1 July	1,523	1,446
Cash and cash equivalents at 31 December	3,828	2,239

The condensed consolidated cash flow statement is to be read in conjunction with the attached notes.

Silver Chef Limited

Notes to the condensed consolidated interim financial statements

1 Reporting entity

Silver Chef Limited (the "Company") is a company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 December 2011 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is involved in financing business critical assets in the hospitality and other select industries.

2 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2011.

These condensed consolidated interim financial statements were approved by the Board of Directors on 22 February 2012.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2011 is available at www.silverchef.com.au.

3 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2011.

4 Correction of error in prior period

At 30 June 2010 the deferred tax asset balance incorrectly included deferred tax assets arising from the unrealised loss on the decline in value of properties recognised at fair value, the realised loss on sale of properties and the write-off of an investment in a joint venture. As per note 3 to the Group's consolidated financial statements as at and for the year ended 30 June 2011, this error was corrected and the comparative information in these financial statements restated.

5 Current asset-current liability deficiency

At half-year end there existed a deficiency of current assets to current liabilities, which is summarised below.

	31-Dec-11 \$000's	30-Jun-11 \$000's
Current assets	8,581	6,671
Current liabilities	(28,048)	(25,306)
	<u>(19,467)</u>	<u>(18,635)</u>

Included in the consolidated current liabilities at 31 December 2011 is an amount of \$20.0 million of customer deposits (30 June 2011 \$17.1 million). Due to the continual growth of the rental contract portfolio and the average length of each contract, there is not expected to be any net cash requirements to repay security bonds in the next twelve months.

Silver Chef Limited

Notes to the condensed consolidated interim financial statements

5 Current asset-current liability deficiency (cont'd)

The Group is trading profitably with strong operating cash flows. Subsequent to 31 December 2011, the Group has negotiated an increase to its banking facilities with the CBA from \$70.0m to \$110.0m with an expiry date of 31 October 2013.

After considering the above and all available current information, the directors have concluded there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due and payable and the basis of preparation of the financial report on a going concern basis is appropriate.

6 Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2011.

7 Risk management

The Group's risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 June 2011.

8 Operating segments

The principal activities of the Group comprised of the following operating segments. There were no changes in the nature of the principal activities during the period, however Silver Chef Rentals has commenced operating in New Zealand this financial year.

Silver Chef Rentals - operations comprise providing equipment rental finance predominantly to the hospitality industry.

GoGetta - operations comprise providing equipment rental finance to industries outside of the hospitality sector.

	Silver Chef Rentals \$'000	GoGetta \$'000	Total \$'000
31 December 2011			
Revenue			
External	27,927	10,468	38,395
Segment result			
Reportable segment profit before tax	10,823	2,884	13,707
Segment assets			
Property plant and equipment acquired during period	96,184 28,219	38,487 18,522	134,671 46,741

Silver Chef Limited

Notes to the condensed consolidated interim financial statements

8 Operating segments (cont'd)

	Silver Chef Rentals \$'000	GoGetta \$'000	Total \$'000
31 December 2010			
Revenue			
External	23,519	5,850	29,369
Segment result			
Reportable segment profit before tax	9,081	1,162	10,243
30 June 2011			
Segment assets			
Property plant and equipment acquired during period	42,632	24,113	66,745
		31-Dec-11 \$'000	31-Jun-10 \$'000
Reconciliation of reportable segment revenues and profits			
Revenue			
Total revenue for reportable segments		38,395	29,369
Other revenue		839	786
Consolidated revenue		39,234	30,155
Profit or loss			
Total profit for reportable segments		13,707	10,243
Other profit or loss		(7,768)	(6,012)
Consolidated profit before income tax		5,939	4,231

9 Property plant and equipment

	31-Dec-11 \$000's	30-Jun-11 \$000's
Plant and equipment		
At cost	3,502	2,127
Less accumulated depreciation	(1,297)	(1,161)
Total	2,205	966
<i>Movements during the period:</i>		
	6 months ended 31 Dec 11	12 months ended 30 Jun 11
Plant & equipment		
Beginning of period	966	705
Additions	1,376	550
Depreciation expense	(137)	(244)
Disposals	-	(45)
End of the period	2,205	966
Rental assets		
At cost	167,800	141,936
Less accumulated depreciation	(52,170)	(46,076)
Less provision for impairment	(1,205)	(1,076)
Total	114,425	94,784

Silver Chef Limited
Notes to the condensed consolidated interim financial statements

9 Property plant and equipment (cont'd)

Movements during the period:

	6 months ended 31 Dec 11	12 months ended 30 Jun 11
Rental assets		
Beginning of period	94,784	73,382
Additions	46,741	66,743
Depreciation expense	(15,844)	(26,159)
Disposals	(11,654)	(18,218)
Impairment loss (i)	398	(964)
End of the period	114,425	94,784
Total property plant and equipment	116,630	95,750

(i) Impairment of rental assets.

Assessments are made monthly on the recoverable amount of idle rental assets. As a result impairment losses of \$307,000 (2010: \$347,000) were recognised throughout the half year.

10 Loans and borrowings

	31-Dec-11 \$000's	30-Jun-11 \$000's
Current Liabilities		
Property bank loans	1,365	1,724
Hire purchase liabilities	47	53
	1,412	1,777
Non-current Liabilities		
Hire purchase liabilities	83	104
Secured bank loans	69,037	49,958
	69,120	50,062

The facility provided by CBA at reporting date has an approved limit of \$70.0 million, excluding the property and other transactional facilities. Subsequent to 31 December 2011, the Group has renegotiated the terms of the CBA banking facilities which includes an increase in the facility limit to \$110.0m. Refer Note 15 for further details.

Silver Chef Limited
Notes to the condensed consolidated interim financial statements

11 Earnings per share

Details of basic and diluted EPS reported separately in accordance with AASB 133: *Earnings per Share* is as follows:

	31-Dec-11 \$000's	31-Dec-10 \$000's
<i>Earnings Reconciliation</i>		
Basic earnings	4,212	3,058
Diluted earnings	4,212	3,058
	No. '000	No. '000
<i>Weighted average number of shares used as the denominator</i>		
Number for basic earnings per share	23,186	22,165
Number for diluted earnings per share		
Ordinary shares	23,186	22,165
Effect of employee share option plan	125	120
	23,311	22,285

12 Share capital

Issuance of ordinary shares

As part of the Employee Share Scheme, 24,708 ordinary shares were issued to employees at \$2.87. In addition 25,000 ordinary shares were issued as a result of the exercise of options. Options were exercised at an average price of \$1.26.

Dividends

The following dividends were declared and paid by the Company:

For the six months ended 31 December	2011 \$000's	2010 \$000's
2011 Final dividend - 11 cents fully franked paid 30 September 2011	2,553	-
2010 Final dividend - 10 cents fully franked paid 30 September 2010	-	2,177
	2,553	2,177

13 Commitments

At December 2011 the Group had the following commitments in relation to operating leases:

Rental of premises

	31-Dec-11 \$000's	30-Jun-11 \$000's
Minimum lease payments under non-cancelable operating leases according to the time expected to elapse to the expected date of payment:		
Not later than one year	668	401
Later than one year not later than five years	2,601	667
Later than five years	3,219	-
	6,488	1,068

Silver Chef Limited
Notes to the condensed consolidated interim financial statements

13 Commitments (cont'd)

Other (office equipment)

	31-Dec-11	30-Jun-11
	\$000's	\$000's
Not later than one year	35	36
Later than one year not later than five years	33	50
	<u>68</u>	<u>86</u>

The significant change in the Group's commitments during the period relate to the Group entering into an operating lease for new office premises.

14 Associated entities

Medical Technology Financing Pty Ltd - holding 50% (2010: 50%). There was no contribution to the Group's results for the period (2010: nil).

15 Subsequent events

A dividend of 9.5 cents per share, 100% fully franked has been declared by the directors. The dividend has not been provided for in the 31 December 2011 financial report.

On 21 February 2012, the Group completed renegotiation of its banking facilities with the CBA. Under the terms of the renegotiation, the facility limit has been increased from \$70.0 million to \$110.0 million and the maturity date has been extended to 31 October 2013.

Silver Chef Limited Directors' Declaration

In the opinion of the directors of Silver Chef Limited ("the Company"):

1. the financial statements and notes set out on pages 5 to 14, are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the six month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Allan English
Chairman

Dated at Brisbane this 22nd day of February 2012



Independent auditor's review report to the members of Silver Chef Limited

We have reviewed the accompanying half-year financial report of Silver Chef Limited (the Company), which comprises the condensed consolidated statement of financial position as at 31 December 2011 and the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 15 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year period.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2011 and its performance for the half-year period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Silver Chef Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Silver Chef Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half-year period ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



KPMG



Simon Crane
Partner

Brisbane
22 February 2011



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ASX ANNOUNCEMENT

22 February 2012

Silver Chef delivers another solid profit result for the six months to 31 December 2011

Highlights

- Rental revenues for the six months to 31 December up 30% to \$39.1 million
- Growth in rental assets (at cost) up 32% to \$167.8 million
- EDITDA¹ up 30% to \$24.9 million
- NPAT up 38% to \$4.2 million
- Net operating cash flows up 29% to \$25.7 million
- Basic EPS up 32% to 18.17 cents
- Interim fully franked dividend of 9.5 cents per share
- Full year guidance maintained.

Leading Australian business equipment financier **Silver Chef Limited (ASX Code: SIV)** has delivered a solid profit result as the underlying business continues to grow through funding small business in Australia and New Zealand.

Silver Chef's Chief Executive Officer Charles Gregory said "Continued solid organic growth in equipment funding to small businesses had resulted in rental revenues increasing by 30% to \$39.1 million from \$30.0 million while NPAT increased by 38% to \$4.2 million from \$ 3.1 million over the same period last year."

Operational Highlights

Franchise Sector

The franchise sector has performed well with rental asset purchases of more than \$5.0 million (at cost) in the first six months of the financial year.

"Silver Chef's accreditation of franchisors has helped many start-up and established franchisees get access to equipment funding," said Mr Gregory.

"The franchise market is strong and our franchisee client base is growing as they become more aware of Silver Chef's partnership with many well-known brands," he said.

¹ EBITDA is a non-IFRS measure and it is unaudited/not reviewed, however it is derived from the Company's interim financial statements which have been reviewed by the Company's auditor in accordance with Australian Auditing Standards. EBITDA is defined as the Group's consolidated profit before tax and before finance costs, depreciation and amortisation. The directors have disclosed this non-IFRS measure as they believe it assists users in understanding the company's profitability before the large depreciation charge on its rental and other fixed assets.



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New Zealand expansion

In November, Silver Chef launched its Rent-Try-Buy® product to the New Zealand hospitality industry.

“There has been good initial interest in the rental product,” said Mr Gregory.

GoGetta launches go.Own.plus

Silver Chef’s GoGetta division caters for a wide range of industries. In November, the business launched go.Own.plus, a product which was developed in response to strong feedback from business owners wanting greater flexibility and affordability in the rent-to-own equipment market. Unlike the original 12 month rental product, go.Own.plus gives customers a choice of switching from a 12 month rental contract to a 36 month rental contract at the end of the first year. go.Own.plus, along with a blend of other strategies, has resulted in lengthening the average GoGetta contract.

Credit Risk Management

Mr Gregory credited Silver Chef’s low bad debts of less than 1% of total revenue to the high importance the Company places on ongoing risk management improvement.

There are more than 12,900 rental agreements in place with a rental security bond held on every rental contract. All weekly rentals are debited in advance from the client’s bank account. In addition over the last 12 months the credit and recoveries area of the Company has been up-skilled and sufficiently resourced to manage the business through the current economic environment and growth phase.

“With these procedures in place and no client representing more than 1% of total assets under management, the Company is well positioned to manage credit risk in the current economic environment,” said Mr Gregory.

“Good risk management has played a very important part in the Silver Chef success story,” he said. “The lessons learned are those we can share with the small business community that we support.”

“Helping small businesses be successful is the reason for our ongoing success,” he said.

Hospitality

Silver Chef’s hospitality division is Australia’s leading supplier of Rent-Try-Buy® equipment finance to the hospitality sector.

Hospitality achieved a 19% increase in first-half revenues of \$27.9 million compared with \$23.5 million in the previous corresponding period.

Assets under management were \$122.5 million (at cost), up from \$99.5 million at 31 December 2010.

GoGetta

The GoGetta equipment funding division achieved further strong growth. GoGetta continues to expand its product offering into the Australian SME equipment financing market utilising the skills, systems and disciplines developed over many years in the hospitality sector.

The division’s revenues increased 79% to \$10.5 million in December 2011 from \$5.9 million in December 2010.

Assets under management were \$45.3 million (at cost) up from \$19.1 million at 31 December 2010.

Dividend

The Board has declared a dividend of 9.5 cents per share payable on Monday 5 April 2012. The board intends to maintain a 60% to 70% of NPAT payout ratio for the full year. The record date for the dividend will be 7.00pm on Friday, 2 March 2012.

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Results summary for the half year ended 31 December 2011

Item	31 December 2011	31 December 2010	Change
Rental revenue	\$39.1m	\$30.0m	+30%
Rental assets (at cost)	\$167.8m	\$127.2m	+32%
EBITDA	\$24.9m	\$19.1m	+30%
NPBT	\$5.9m	\$4.2m	+40%
NPAT	\$4.2m	\$3.1m	+38%
Net operating cash flows	\$25.7m	\$20.0m	+29%
Basic EPS	18.17cps	13.80cps	+32%
Dividend (fully franked)	9.5 cps	9.0cps	+6%

Outlook

Mr Gregory said Silver Chef was maintaining its full-year guidance of earnings per share of approximately 35 cents for the full financial year which equates to a net profit after tax of \$8.3 million. This represents a 24% improvement on the prior year.

Silver Chef intends to continue to maintain appropriate levels of debt and equity capital funding to support ongoing EPS growth. The limit of its CBA facility has recently been increased to \$110 million.

“Silver Chef and GoGetta are well positioned for the second half of the year. We have strong operating cash flows, a demonstrated capacity to access capital markets, an excellent growth strategy which has the Company investigating new markets in Australia and growth opportunities in New Zealand,” he said.

“We recognise the need for continuous improvement, to identify efficiencies, improve our market position and meet the growing needs and expectations of our customers.”

For more information please visit our website www.silverchef.com.au or contact:

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About Silver Chef

Silver Chef was established in 1986 to help businesses fund their equipment needs through our 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 long term rentals of commercial equipment to small-to-medium enterprise.

The Company has nation-wide operations and operates under two brands: Silver Chef – hospitality assets and GoGetta – broader commercial equipment.

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