

ASX LISTED COMPANY BREAKFAST
8 November 2016

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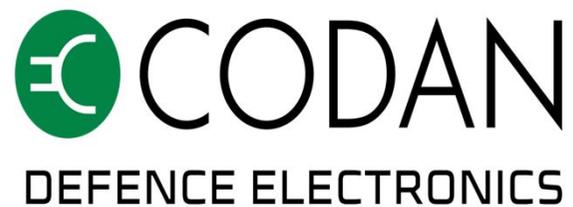
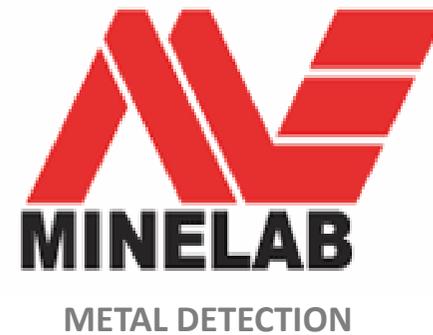
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CODAN LIMITED



DELIVERING SHAREHOLDER VALUE OVER THE LONG TERM

Shareholder value

We succeed by:

- Developing unique, high value technologies
- Delivering superior product performance in the harshest conditions
- Solving customers' productivity, safety and security problems
- Creating multiple revenue streams from globally diversified markets

Core values



Can-Do



High Performing



Customer Driven

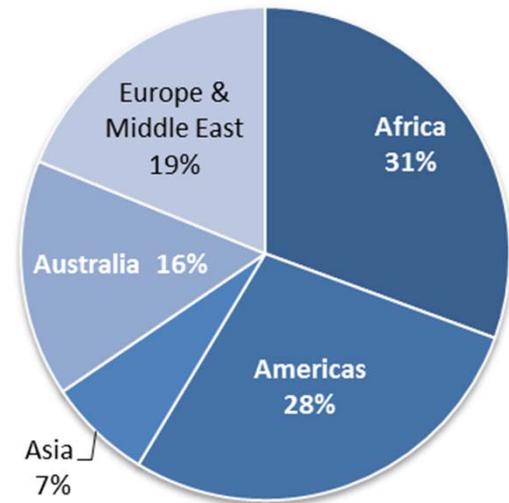


Openness & Integrity

GLOBAL FOOTPRINT – 85% OF SALES EXPORTED

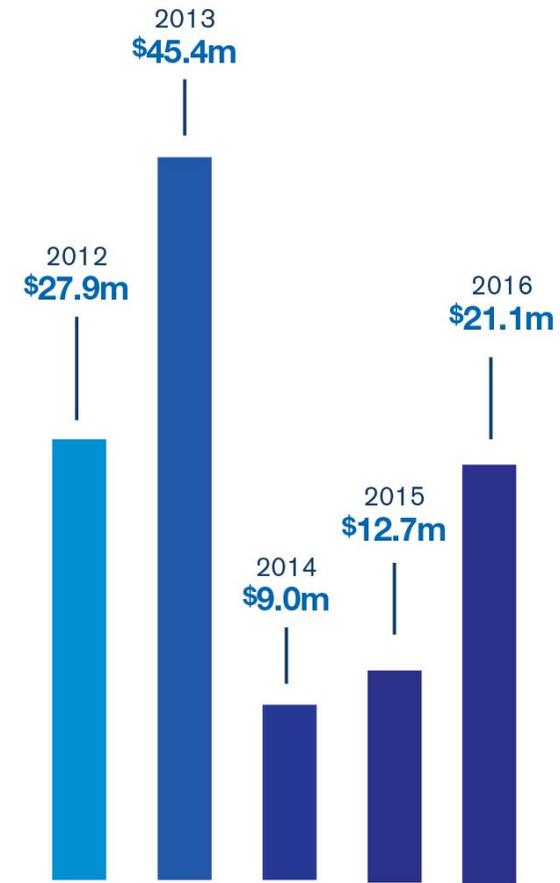


FY16 sales by location



FINANCIAL SNAPSHOT

ASX Code	CDA
Shares on issue	177.2 million
Market capitalisation	\$270 million
FY16 NPAT (underlying)	\$21.1 million
FY17 NPAT (consensus)	\$23.5 million
Debt free	
FY16 dividend – 50% payout ratio	6.0 cents



Underlying NPAT

SIGNIFICANT INVESTMENT IN R&D

- Invested 9% of sales in FY16 (\$15.3 million)
- More than 150 engineers across the globe
- World class facilities
- Teams in Adelaide, Perth, New Zealand and Canada
- Working collaboratively with industry experts and research institutions
- Supported by advanced manufacturing and supply chain management



NEW ADELAIDE FACILITIES



- Consolidated Adelaide operations onto one site - December 2015
- Located in the SA Defence Hub at Technology Park, Mawson Lakes
- Capacity for future growth
- Employer of choice

RADIO COMMUNICATIONS

Best in class, reliable, user friendly and cost-effective solutions

CODAN
RADIO COMMUNICATIONS



Technology platforms

Long Range Digital Radio (HF)

- Infrastructure free, long range radio
- Used by security, peacekeeping, humanitarian and military organisations
- Used extensively in Africa, Middle East and Asia

Land Mobile Radio (VHF, UHF)

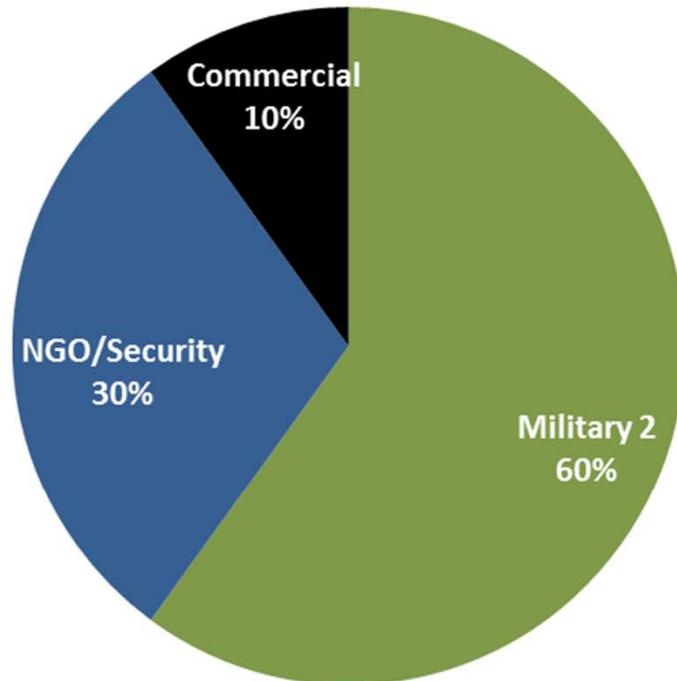
- Land based wireless systems
- Used by emergency responders for mission-critical communications
- Predominantly in North America and Australia

RADIO COMMUNICATIONS

Becoming more relevant in large global markets

Long range digital radio (HF)

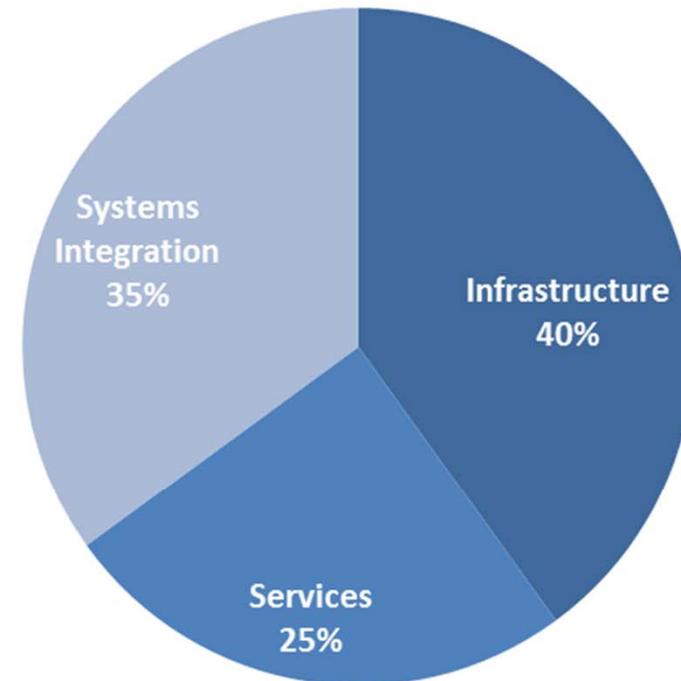
- New product development directed at Military 2 segment



US\$500 million market

Land mobile radio (VHF, UHF)

- New LMR product suite will address this broader market in FY18



US\$1B market

METAL DETECTION

The world's best hand-held metal detection technology



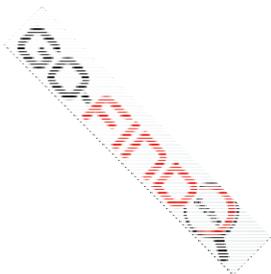
Entry level

Coin & Treasure

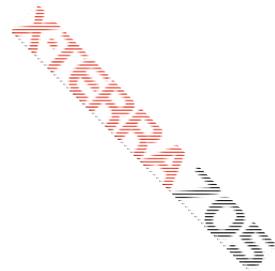
Gold



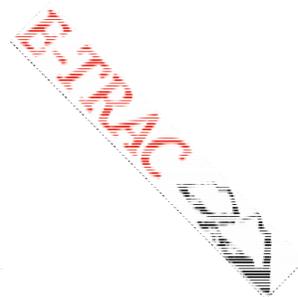
US\$179-309



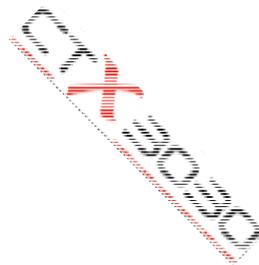
US\$399-799



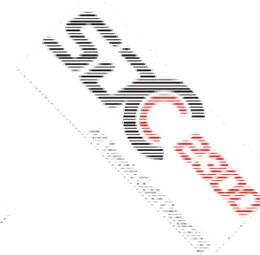
US\$1,099-1,700



US\$2,749



US\$4,125



US\$6,375



US\$8,800

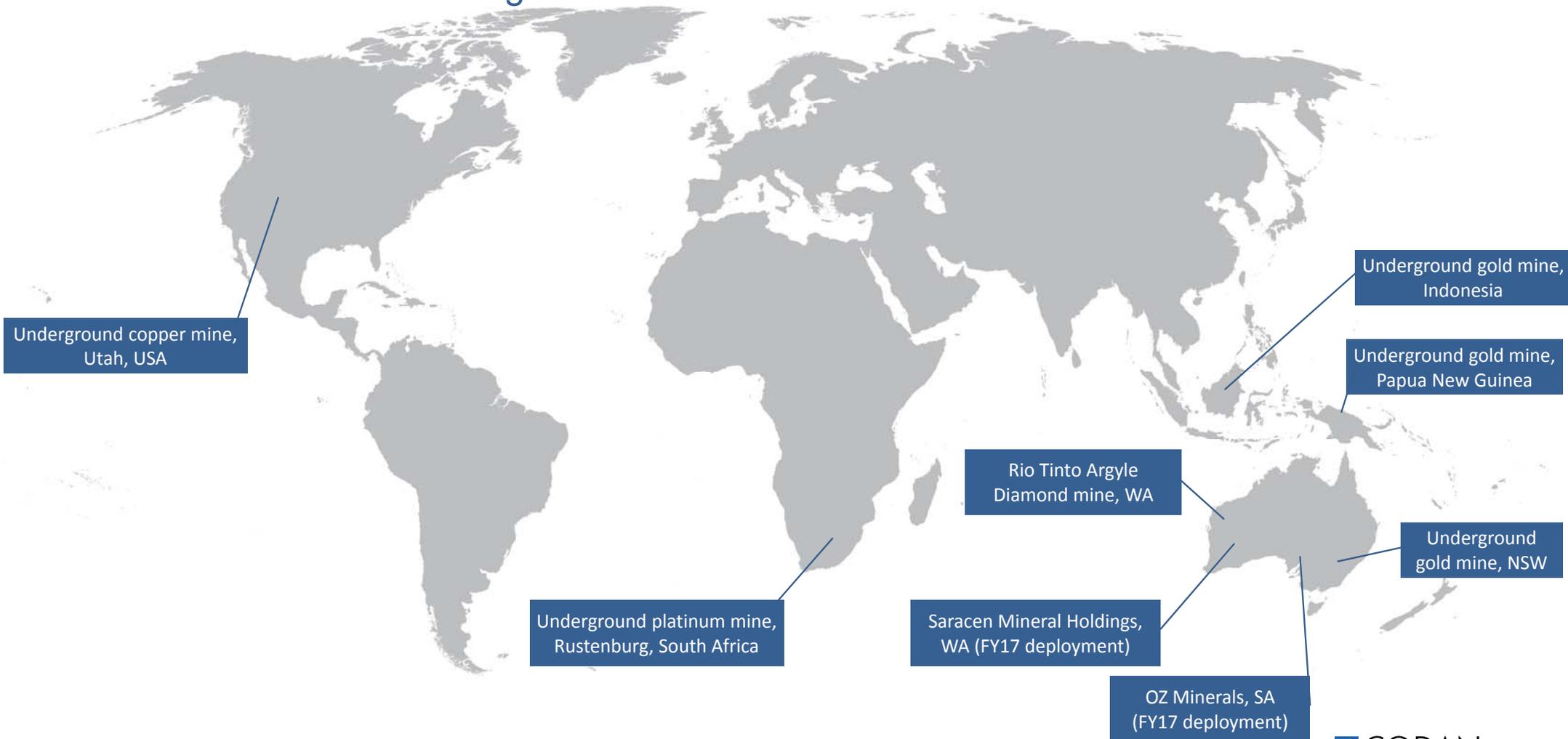


TRACKING SOLUTIONS

Minetec products deployed in operating mines



The world's most accurate underground tracking system with integrated software for efficient and safe mine management

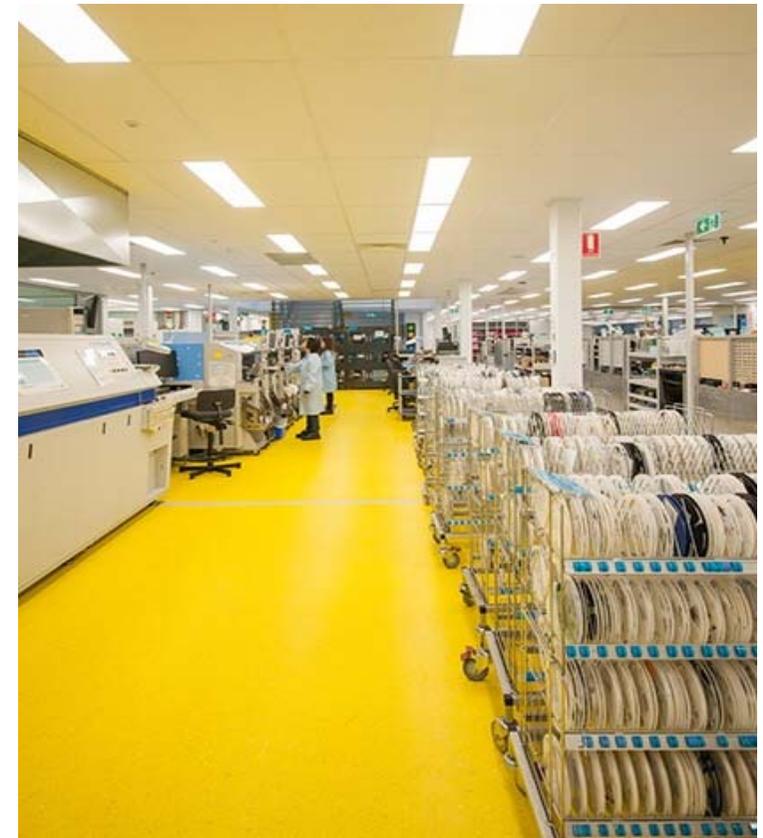


CODAN DEFENCE ELECTRONICS

Leveraging our Defence capability



- A new initiative capitalising on our long history of supplying the defence sector
- Core technical competence in RF sub-system design
- Significant opportunity but early days



FINANCIALS

- FY16 delivered continued profit and dividend growth:

Revenue \$169.5 million



18%

Underlying NPAT \$21.1 million



67%

Fully franked dividend 6.0 cents



71%

- Strong cash flow generation over the last 12 months
- Codan is now debt free
- Focus on reducing earnings volatility and increasing profitability



THANK YOU