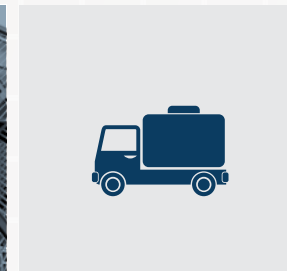
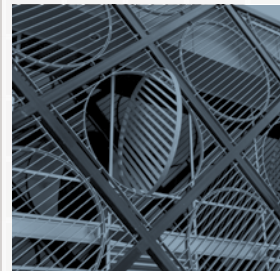
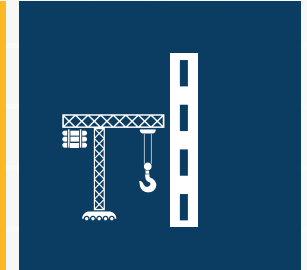
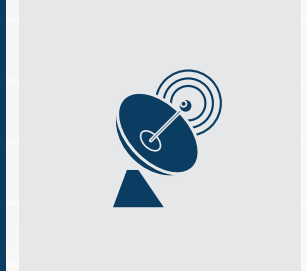


HALF YEAR 2015 RESULTS

Alexander Kachellek | Steven McGregor

KORVEST LTD

- Korvest (ASX:KOV) is headquartered in South Australia and provides cable and pipe supports, access systems for large mobile equipment, hydraulic tools and wrenches, and galvanising services.
- Listed in September 1970
- Korvest has sales offices warehouses in Adelaide, Melbourne, Sydney, Brisbane, and Perth, with distributors in Darwin, Townsville, Hobart and New Zealand.
- Manufacturing and galvanising in Adelaide
- Power Step and Titan Technologies in Brisbane
- Overseas supply chain provides make vs buy flexibility
- Korvest business sell to a wide variety of industry sectors



AGENDA

1H FY15 KEY POINTS

FINANCIAL RESULTS

ITEMS OF NOTE

COMPANY OVERVIEW



1H FY15 KEY POINTS

- Underlying profit within 2014 AGM Guidance range
- Strong operating cashflows
- 17c interim dividend
- Difficult day-to-day trading conditions
- Revenue down by 5.9%
- Power Step & Titan Technologies goodwill impaired by \$1.7 million



AGENDA

1H FY15 KEY POINTS

FINANCIAL RESULTS

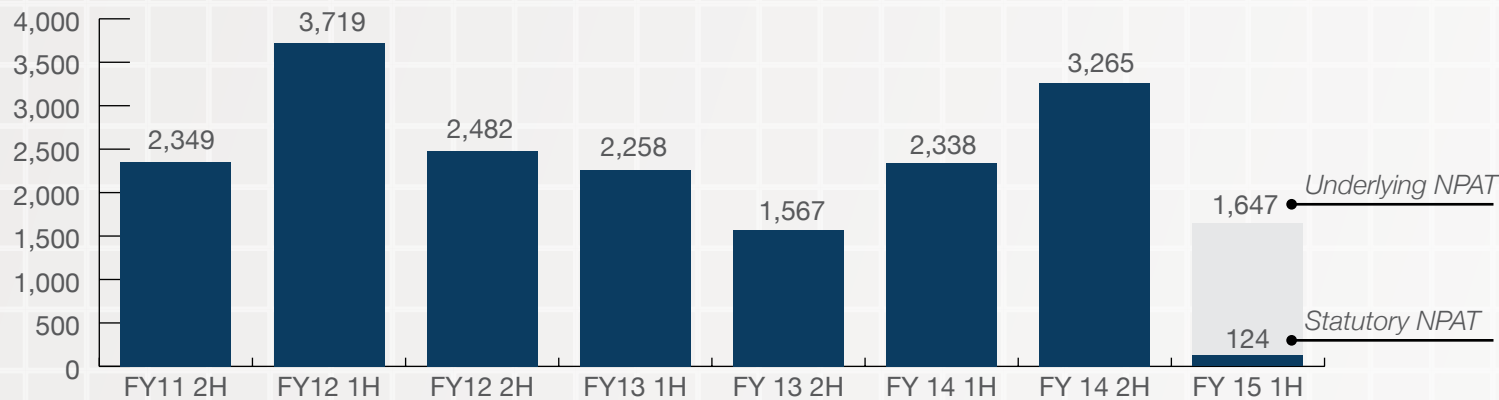
ITEMS OF NOTE

COMPANY OVERVIEW



HEADLINE NUMBERS

	DEC 2014 (1H)	JUNE 2014 (2H)	DEC 2013 (1H)	% CHANGE VS DEC 2013
SALES	\$32.06m	\$39.68m	\$34.07m	(5.9%)
UNDERLYING EBIT¹	\$2.34m	\$4.30m	\$3.35m	(30.1%)
OPERATING CASHFLOW	\$5.65m	\$0.29m	\$3.99m	41.6%
UNDERLYING EPS²	15.7c	37.3c	26.8c	(41.4%)
DIVIDEND PER SHARE ADJUSTED DPS³	17c 20c	31c	26c	(34.6%) (23.1%)



¹ Underlying EBIT is a Non-IFRS measure calculated as statutory EBIT (\$821k) adjusted for the goodwill impairment and the consequential impact on Executive Share Plan expense as set out in the Review of Operations in the ASX Appendix 4D. Only the Dec 2014 underlying EBIT differs from the statutory EBIT.

² Underlying EPS is a non-IFRS measure calculated as statutory EPS (1.2c) adjusted for the goodwill impairment and the consequential impact on Executive Share Plan expense as set out in the Review of Operations in the ASX Appendix 4D.

³ Adjusted DPS adjusts for the impact of the June 2014 share issue of 1.6 million shares to provide a more meaningful comparison with the Dec 13 Dividend.

INDUSTRIAL PRODUCTS

	DEC 2014 (1H)	JUNE 2014 (2H)	DEC 2013 (1H)	% CHANGE VS DEC 2013
SALES	\$29.51m	\$36.99m	\$30.21m	(2.3%)
EBIT	\$2.52m	\$4.21m	\$2.40m	(5.0%)
EBIT %	8.5%	11.5%	7.9%	-

TRADING UPDATE

EZYSTRUT

- Large oil & gas projects remained significant
- Day-to-day remains difficult
- Reduced demand in NSW and QLD offset by improvements in other regions
- Export activities commenced

INDAX

- Only trading was sales of inventory
- Approx \$150k of inventory remaining, down from \$870k at June 2014
- All plant and equipment sold

POWER STEP & TITAN

- Demand for mining equipment remains subdued
- Plans to diversify into new markets are progressing

PRODUCTION SERVICES

	DEC 2014 (1H)	JUNE 2014 (2H)	DEC 2013 (1H)	% CHANGE VS DEC 2013
SALES	\$2.56m	\$2.70m	\$3.86m	(33.7%)
EBIT	\$0.49m	\$0.65m	\$1.44m	(66.0%)
EBIT %	19.1%	27.1%	37.3%	-

TRADING UPDATE KORVEST GALVANISERS

- External & Internal volumes decreased
- Reduced demand for project work in SA
- Demand from SA fabricators on interstate projects softened

BALANCE SHEET

	A\$M	DEC 2014	JUNE 2014	DEC 2013
ASSETS				
CASH		2.5	0.5	3.9
RECEIVABLES		11.0	17.7	12.5
INVENTORIES		11.8	11.3	10.9
ASSETS HELD FOR SALE		0.1	1.5	-
PROPERTY, PLANT AND EQUIPMENT		16.0	15.9	17.4
GOODWILL AND INTANGIBLES		-	1.8	2.1
TOTAL ASSETS		41.6	48.8	47.1
LIABILITIES				
PAYABLES		(4.9)	(8.2)	(7.3)
OTHER LIABILITIES		(3.3)	(4.0)	(3.7)
TOTAL LIABILITIES		(8.2)	(12.2)	(11.0)
NET ASSETS		33.4	36.6	36.1

DIVIDENDS

	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
INTERIM	17c	26c	26c	18c	11c
SPECIAL INTERIM		100c		5c	
FINAL DIVIDEND		31c	20c	30c	15c
TOTAL DIVIDEND		157c	46c	53c	26c
FRANKING	100%	100%	100%	100%	100%

- DRP remains suspended
- FY15 Interim dividend set having regard for underlying profit due to non-cash nature of goodwill impairment

Key dates

Record Date: 27 February 2015

Payment Date: 13 March 2015

AGENDA

1H FY15 KEY POINTS

FINANCIAL RESULTS

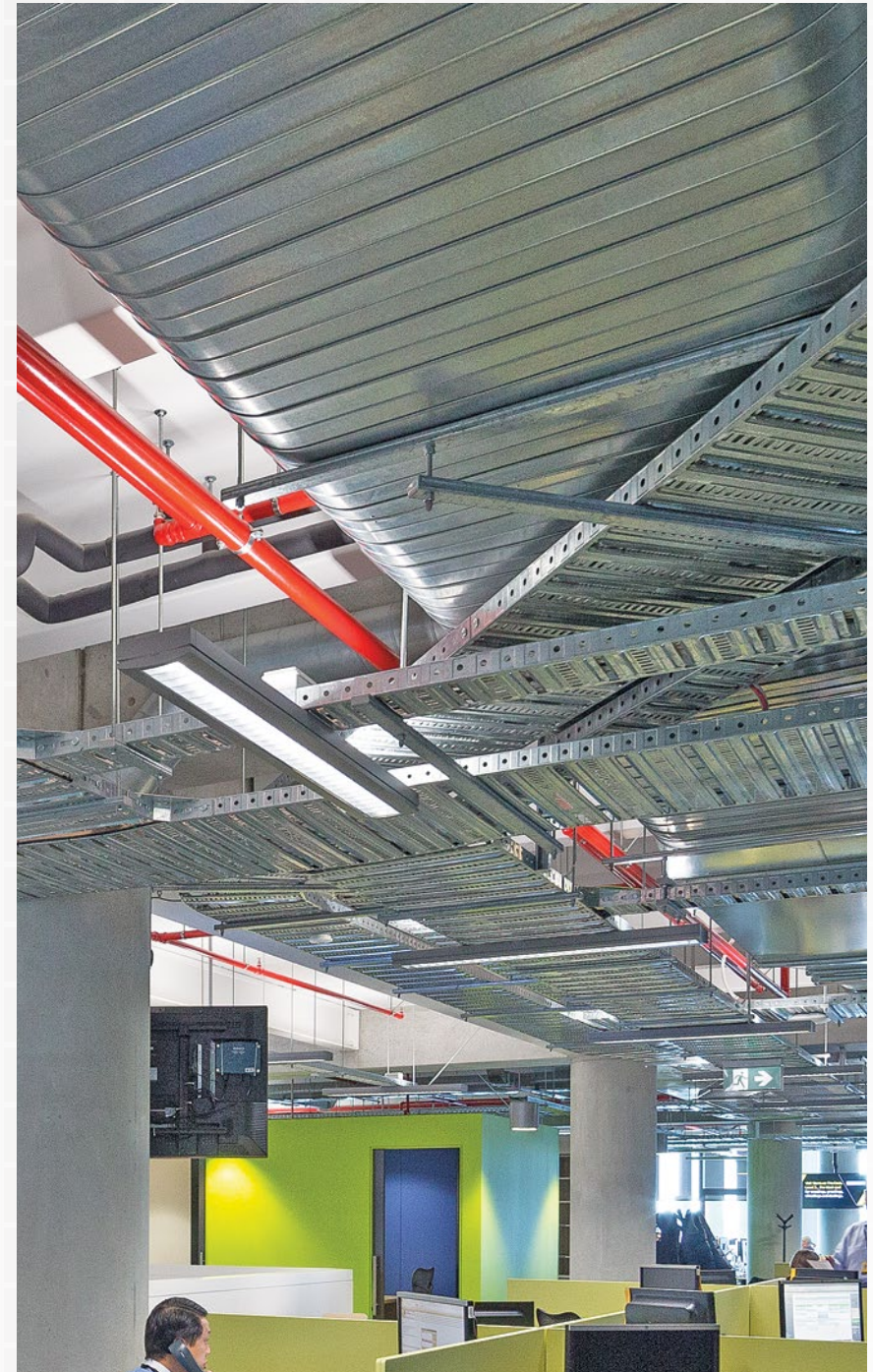
ITEMS OF NOTE

COMPANY OVERVIEW



ITEMS OF NOTE

- Graeme Billings elected as Chairman in September 2014
- Gerard Hutchinson appointed as director in November 2014
- Continuing acquisition search
- Market conditions remain challenging
- Uncertainty surrounding timing of future projects
- Little change in 2H trading conditions



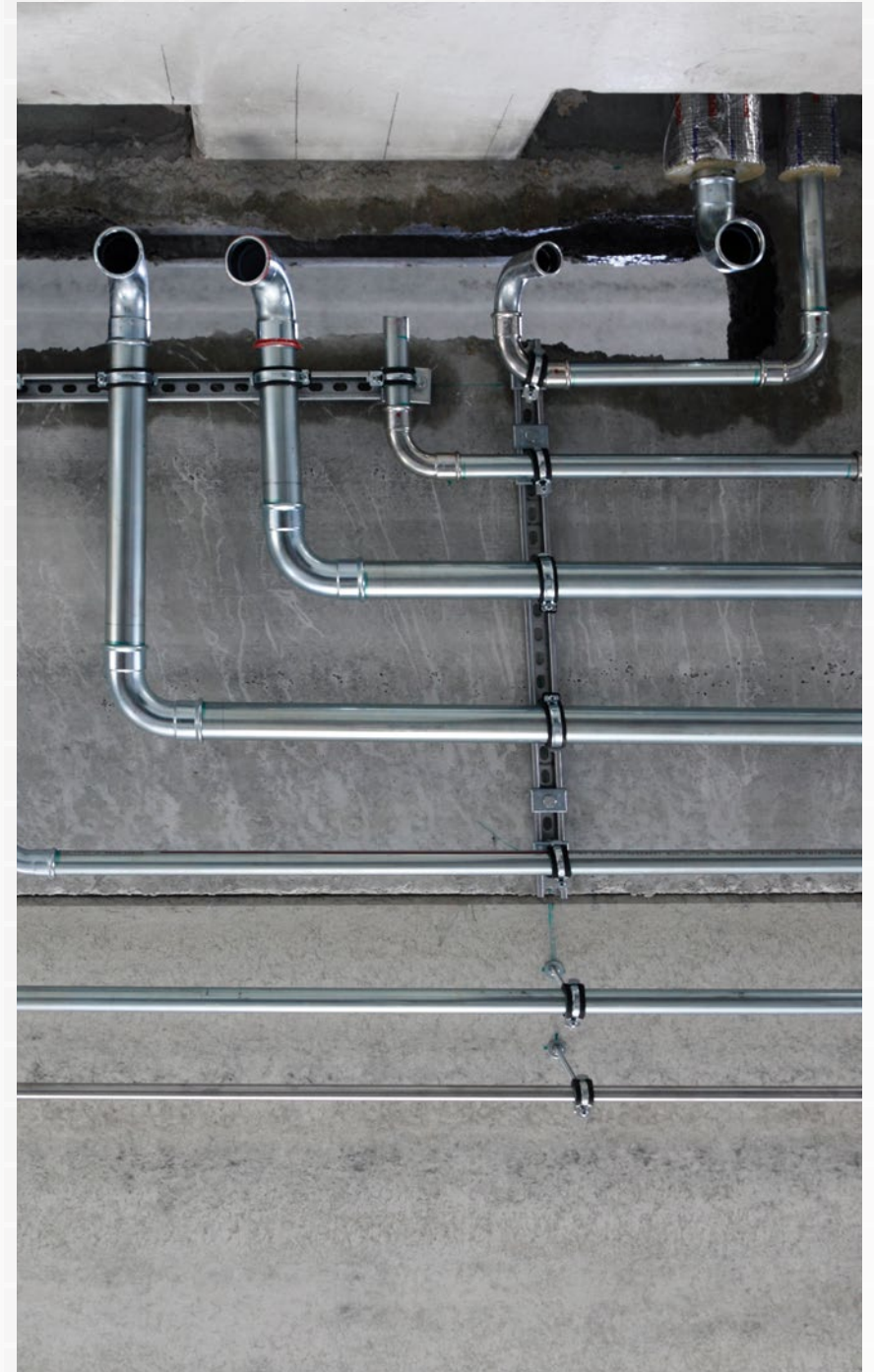
AGENDA

1H FY15 KEY POINTS

FINANCIAL RESULTS

ITEMS OF NOTE

COMPANY OVERVIEW



INDUSTRIAL PRODUCTS

- Cable and pipe supports
- Market leader in cable supports
- Manufacturing facility in Kilburn, SA
- Overseas supply chain
- Sells to EPCMs, Wholesalers, and direct to project contractors and trade
- Local manufacture allows quick response time and ability to manufacture specials – a differentiator to overseas competition
- National sales and warehouse network
- Vertical integration with Korvest Galvanisers



INDUSTRIAL PRODUCTS

- Hydraulic/Electric Safety Access Systems
- Design/Manufacture
- Safety Lighting
- Filter Crushers
- Hydraulic tools and wrenches
- Markets include: large scale construction, power stations, industrial sites, mines, wind towers, etc.



PRODUCTION SERVICES

- Longest galvanising kettle in Australia (14m)
- South Australia's only centrifuge plant (national market)
- Predominantly structural work for SA projects or fabrications
- In-house work for EzyStrut





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