



PTB GROUP LIMITED

Investor Presentation

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Who are we?

PTB Group Ltd is an integrated Aviation Services Business



Aircraft Engines

- Engine Management Programs
- Buying
- Selling
- Leasing
- Overhaul and repairs



Aircraft and Engine Parts

- Buying
- Selling
- Brokering



Aircraft

- Buying
- Selling
- Leasing

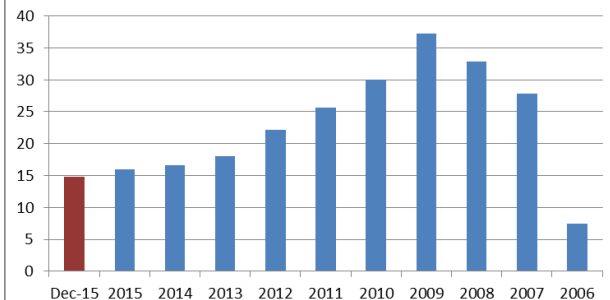


How did we get here?

2006

- Moved from NSX to ASX
- Acquired IAP Group
- Acquired Emerald
- Strong Balance Sheet

Total Debt (AU\$M)



2008

- GFC
- Sales/Leases cancelled
- Aircraft Idle
- PTB continues to grow
- IAP continues to trade
- Outlook uncertain

2016+

- US Engine Capacity
- Focus on Opportunities
- Dividends

2015

- PTB approaching capacity
- Idle Aircraft sorted out
- IAP improvements

2009-2014

- Surviving and consolidating
- PTB Strengthens via EMP's
- Idle Aircraft improvements
- Write-downs
- Significant debt repaid
- Outlook improving



Engine Business



PT6A Workshop

- Modern, purpose built facility near Brisbane Airport
- Two engine types: small PT6A and TPE331
- Small PT6A engines to continue to grow
- TPE331 - steady
- Aim to access all profit opportunities through the life cycle of the engine
- Engine management programs - **PTB EMProgram**
- Leasing engines



Pratt & Whitney PT6A



Honeywell TPE331

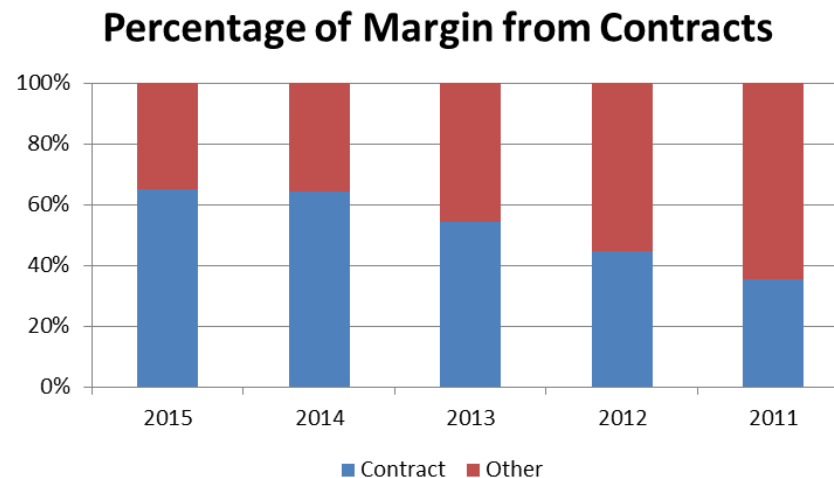


Recurring Earnings

Engine Management Programs

Branded as **PTB EMProgram** and distributed worldwide

- Power by the Hour - Complete engine support in return for an hourly fee
- Focus on long-term relationships with high level of customer service
- Over 140 engines currently managed with excellent long-term customer retention



Recurring Earnings

Why is PTB EMProgram successful?

Customer

- Customer costs are regular and in line with revenue
- Customers receive excellent support including technical advice and they soon become reliant on this service

PTB Group

- Base load of work for Workshop and Parts Sales teams
- Allows the Workshop to achieve close to 100% productivity
- No quoting for parts, repairs or engine overhauls



Parts Business (IAP)

Strategy is to continue to extract value from the massive stock of parts

Airframe Parts Sales

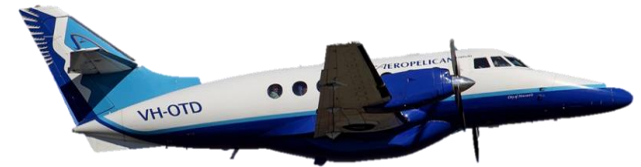
- Sales from stock – including sales to lease customers
- Brokered sales to large range of existing customers
- Purchase and breakdown of complete aircraft



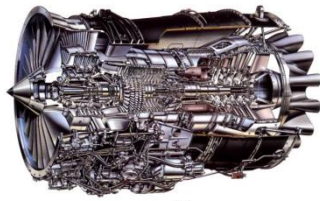
Fairchild Swearingen Metro 23

Engines

- Engine sale/overhaul/repair/parts business partnering with offshore engine shops



British Aerospace Jetstream 32



Rolls-Royce Tay-650



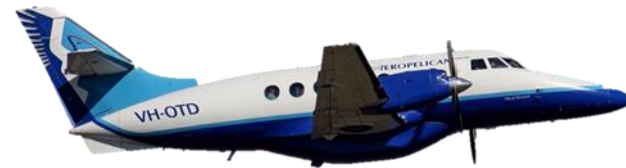
Rolls Royce Dart



Leasing Business

Receives ongoing lease returns plus additional profit opportunities through parts sales and engine works

- 2 BAe ATP aircraft on lease/management programs
- 4 BAe Jetstream 32 aircraft on lease
- 8 TPE331 engines on lease
- 2 Metro 23 aircraft available for sale/lease



British Aerospace Jetstream 32



British Aerospace ATP



British Aerospace ATP



Balance Sheet

Dec 2015
\$000

Cash	\$2,001
Receivables	\$10,792
Inventories	\$20,322
Property, Plant & Equip	\$20,516
Deferred tax assets	\$4,734 (Tax losses)
Other Assets	\$304

Total Tangible Assets **\$58,669**

Payables	\$5,230
Borrowings	\$14,859
Deferred tax liabilities	\$2,906
Other Liabilities	\$3,151 (Provisions & Deposits)
Total Liabilities	\$26,146

Net Tangible Assets **\$32,523**

Per Share \$0.774

Market Cap **\$16,803**

Per Share \$0.400

Inventories:

<i>Engines</i>	\$4,531
<i>Engine Parts</i>	\$11,849
<i>Airframe Parts</i>	\$3,942

Property, Plant & Equip:

<i>Land & Buildings</i>	\$6,971
<i>Rental Engines</i>	\$3,762
<i>Aircraft</i>	\$9,133
<i>Other</i>	\$650



Earnings

	Actual 2016 (6 months) \$'000	Actual 2015 \$'000	Actual 2014 \$'000	Actual 2013 \$'000	Actual 2012 \$'000	Actual 2011 \$'000
PTB Business	2,238	2,579	3,339	4,099	3,504	3,063
IAP Business	1,163	-2073	575	280	-205	2,098
Emerald Assets	146	3966	533	-42	-286	-53
Corporate Overheads	-639	-863	-993	-1,275	-1,443	-1,414
Net Profit Before Tax (excl abnormal items & FX)	2,908	3,609	3,454	3,062	1,570	3,694
<i>Add back</i>						
Financing Costs	522	1,286	1,540	1,703	2,208	2,690
Depreciation	962	1,445	1,619	2,070	2,071	1,491
EBITDA (excluding abnormals & FX)	4,392	6,340	6,613	6,835	5,849	7,875
Shares	42,007,656	42,007,656	36,581,727	36,581,727	32,225,168	32,225,168
Net Profit per share (ex tax, abnormal & FX)	\$0.069	\$0.086	\$0.094	\$0.084	\$0.049	\$0.115
Price @ end of year	\$0.400	\$0.300	\$0.277	\$0.438	\$0.230	\$0.251

Current profit guidance for 2015/16 (excl abnormal items & FX) is \$3.8m to \$4.2m

(Note: EBITDA in December half year accounts is \$512k lower due to the exclusion of realised FX losses above)



Pacific Turbine USA Pty Ltd

Engine Business

- Based around a strategic supply agreement with Mint Turbines LLC
- We contract with Mint to produce engines and parts on our behalf – FAA and EASA approved
- We maintain a stock of parts on site at Mint for sale and to support production
- Parts and engines will be sold and/or used in the development of engine maintenance contracts with customers in North America and the rest of the world
- All administration is currently based in Brisbane
- Group has expectation of return on assets exceeding 20% pre tax
- Funding for working capital is critical – next slide shows Group is well placed to raise additional debt to fund production



Debt

	Dec-15	2015	2014	2013	2012	2011
Debt	\$14.859M	\$15.947M	\$16.648M	\$18.035M	\$22.144M	\$25.664M
Land and Buildings:						
5A Jubilee Tce, Warriewood	\$2.550M	\$2.550M	\$2.550M	\$2.550M	\$2.550M	\$2.550M
5B Jubilee Tce, Warriewood	\$1.750M	\$1.750M	\$1.750M	\$1.750M	\$1.750M	\$1.750M
22 Orient Ave, Pinkenba	\$2.700M	\$2.700M	\$2.700M	\$2.700M	\$2.700M	\$2.700M
Total	\$7.000M	\$7.000M	\$7.000M	\$7.000M	\$7.000M	\$7.000M
80% of Total	\$5.600M	\$5.600M	\$5.600M	\$5.600M	\$5.600M	\$5.600M
Debt Net of Land & Buildings	\$9.259M	\$10.347M	\$11.048M	\$12.435M	\$16.544M	\$20.064M
2016 F/C						
EBITDA	\$6.600M	\$5.421M	(\$12.748M)	\$4.358M	\$6.051M	\$5.295M
EBITDA before abnormals	\$6.600M	\$5.711M	\$6.410M	\$6.217M	\$6.011M	\$5.295M
Ratio	1.40	1.81	1.72	2.00	2.75	3.79



Opportunities

Aircraft Leasing



de Havilland Canada DHC-6 Twin Otter



Cessna Caravan

- Group interested in leasing opportunities that provide both financing returns and PTB-EMProgram opportunities
- Focussed on newer aircraft that use the engines that we maintain
- Aim to sign up customers to lease and lock in their engines

Engine Leasing

- PTB currently has a number of engines on long term leases
- The business will continue to investigate opportunities to place more engines

Expanding the engine business in North America would enhance these opportunities



Dividend

- 5 cent DRP Dividend was paid in June 2015
- PTB Group is committed to paying both cash and DRP Dividends
- The Group holds \$10.2 million of franking credits and is keen to pass them on



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