



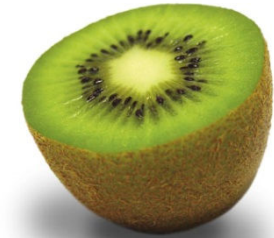
Seeka Kiwifruit Industries Limited

Analyst briefing – 6 months ended 30 June 2016

The Premier Produce People



Overview



1. Financial results
2. Division performance
3. Dividend
4. Share price
5. Capital expenditure
6. Safety and compliance



Group financial summary

Unaudited financial results



\$7.1m NPAT

- Up 92% on pcp

\$134.2m revenue

- Up 39% on pcp

\$15.8m EBITDA

- Up 39% on pcp

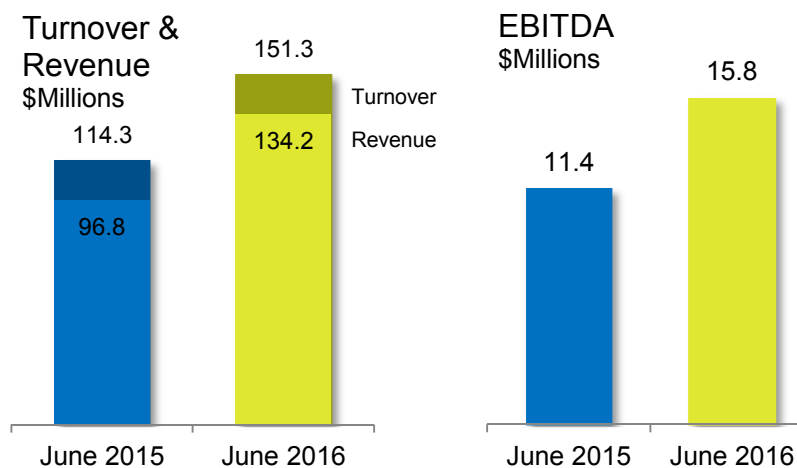
45 cents EPS

- Up 80% on pcp

10 cents dividend

- Up 11 % on pcp

| \$Millions | 6 months unaudited | | Year end |
|-----------------------|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Turnover ¹ | 151.3 | 114.3 | 184.7 |
| Revenue | 134.2 | 96.8 | 142.1 |
| EBITDA ² | 15.8 | 11.4 | 13.9 |
| Net profit before tax | 10.4 | 5.4 | 5.2 |
| NPAT | 7.1 | 3.7 | 4.3 |



1. Turnover is revenue plus the value of fruit sold as an agent.
2. EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

Normalised EBITDA

Up 57%



EBITDA includes

- \$0.5m gain from discontinuing long term orchard leases

\$18.2m normalised EBITDA

- Up 57% on pcp

| \$Millions | 6 months unaudited | | Year end |
|---|--------------------|-------------|-------------|
| | June 2016 | June 2015 | Dec 2015 |
| EBITDA ² | 15.8 | 11.4 | 13.9 |
| <i>Add back</i> | | | |
| Australian acquisition costs & stamp duty | - | - | 1.1 |
| Grower relationship payment ¹ | - | - | 4.0 |
| Grower share scheme | 2.9 | 2.5 | 2.5 |
| <i>Deduct</i> | | | |
| Insurance proceeds | - | 2.3 | 5.5 |
| Gain on sale of investments | 0.5 | - | 0.1 |
| Normalised EBITDA³ | 18.2 | 11.6 | 15.9 |

1. Seeka and its growers suffered extraordinary fruit loss as a result of the Oakside fire. The associated financial loss is subject to ongoing insurance claims.

Seeka advanced \$4.0m to growers to maintain goodwill. This advance is to be repaid from any further insurance proceeds.

2. EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

3. Normalised EBITDA removes both extraordinary and short-term gains and losses from Group EBITDA, such as the 3-year grower share scheme.

Earnings, net debt and net asset backing

Earnings up 80%



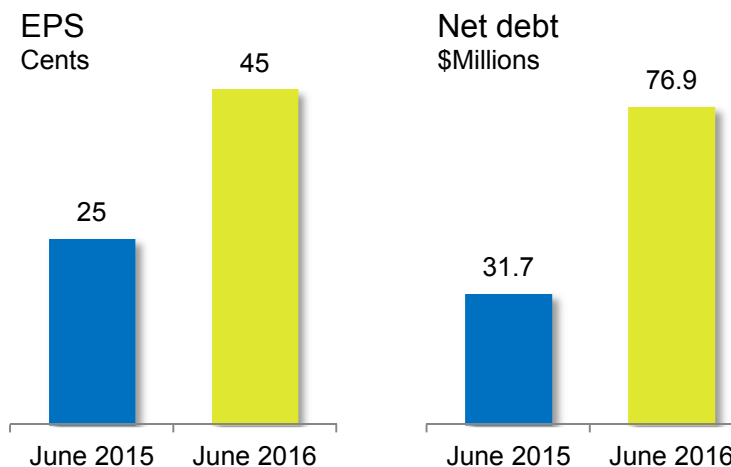
45 cents basic earnings per share

- Up 80% on pcp

\$76.9m net debt

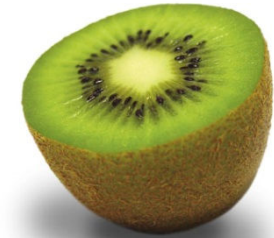
- Increase of \$23.9 in the period
> See capital expenditure slide

| | 6 months unaudited | | Year end |
|-----------------------------|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Earnings per share (cents) | 45 | 25 | 29 |
| Net debt (\$m) | 76.9 | 31.7 | 53.0 |
| Net asset backing per share | \$ 4.71 | \$ 3.79 | \$ 4.34 |



Operating cash flow

Solid operating performance



\$3.3m operating cash flow

- \$5.8m up on pcp

| \$Millions | 6 months unaudited | | Year end |
|--|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Operating cash flow | 3.3 | (2.4) | 1.8 |
| <i>Add back</i> | | | |
| Australian acquisition costs | - | - | 0.6 |
| Australian operating costs | - | - | 4.5 |
| Grower relationship payment ¹ | - | - | 4.0 |
| Normalised cash flow | 3.3 | (2.4) | 15.9 |

1. Seeka and its growers suffered extraordinary fruit loss as a result of the Oakside fire. The associated financial loss is subject to ongoing insurance claims. In order to protect Seeka's growers from the potential impact on income and cash flow, and to maintain goodwill, Seeka paid them \$4.04m ahead of any insurance outcome. The \$4.04m has been expensed in 2015 and recovery from insurance, if any, will be recorded as income in 2016.

New Zealand orchard operations



Record yields and volumes

Gold fruit returns remain high

- Forecast \$8 per tray / \$100k per hectare

Green fruit returns forecast to fall

- Factored in record volumes and China access issues
- Forecast \$4.26 per tray (2015 : \$4.97)
- Partially offset by record yields
> \$54,100 per hectare (2015 : \$60,500)

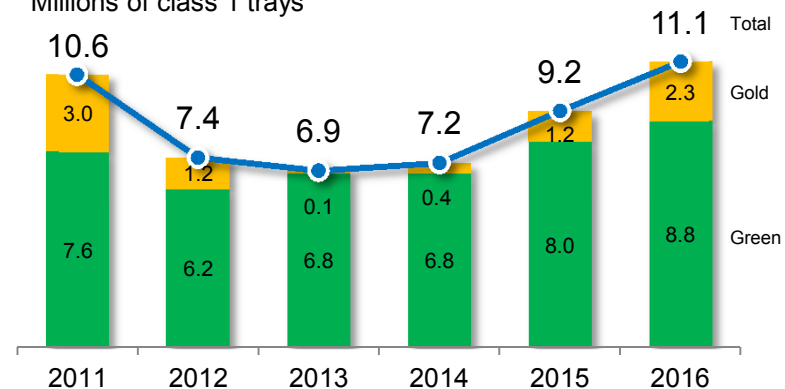
40.3 hectares discontinued after harvest 2016

- Gold orchards developed on leased land

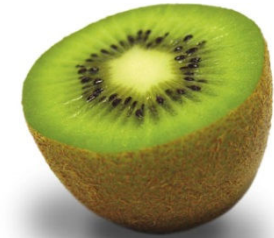
\$5.5m EBITDA, up 22%

| | 6 months unaudited | | Year end |
|----------------------------|--------------------|------------|------------|
| | June 2016 | June 2015 | Dec 2015 |
| Millions of trays | | | |
| Green cultivars (Hayward) | 8.8 | 8.0 | 8.0 |
| Gold cultivars | 2.3 | 1.2 | 1.2 |
| Total | 11.1 | 9.2 | 9.2 |
| Turnover / Revenue (\$m) | 37.7 | 32.9 | 42.3 |
| EBITDA (\$m) | 5.5 | 4.5 | 4.0 |

Seeka New Zealand kiwifruit grown
Millions of class 1 trays



New Zealand post harvest operations



32.3m trays handled, up 17%

\$13.8m EBITDA

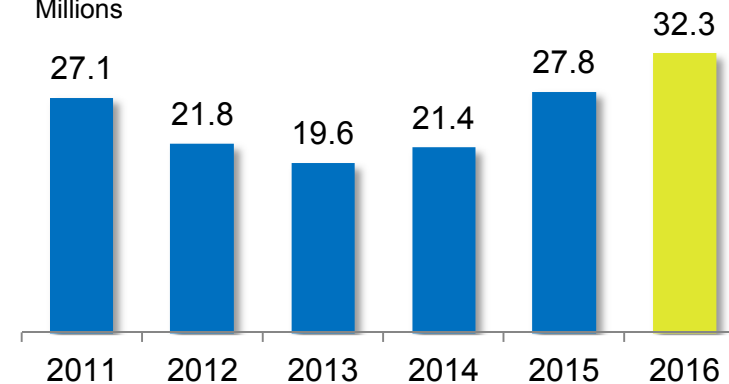
- Up from \$11.0m

\$108m in assets

- Up \$21m

| | 6 months unaudited | | Year end |
|-----------------------------------|--------------------|-------------|-------------|
| | June 2016 | June 2015 | Dec 2015 |
| Millions of trays [class 1 & 2] | | | |
| Green cultivars packed | 23.7 | 22.1 | 23.4 |
| Gold cultivars packed | 7.6 | 4.4 | 4.4 |
| Green cultivars UFI storage | 1.0 | 1.2 | - |
| Total trays | 32.3 | 27.8 | 27.8 |
| Percent loaded ¹ | 50% | 49% | 100% |
| Turnover / Revenue (\$m) | 78.0 | 59.8 | 88.3 |
| EBITDA (\$m) | 13.8 | 11.0 | 13.3 |

Class 1 & 2 kiwifruit trays
Millions



1. Percentage of fruit loaded for sale or disposed.

New Zealand retail services



Flat earnings

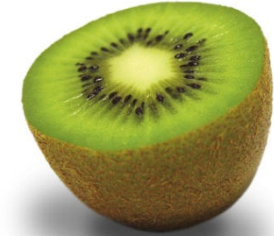
Lower prices for New Zealand kiwifruit in Australia

Competitive banana market

| \$Millions | 6 months unaudited | | Year end |
|------------|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Turnover | 22.1 | 21.5 | 52.2 |
| Revenue | 5.1 | 4.1 | 9.6 |
| EBITDA | 0.5 | 0.5 | 1.7 |



Seeka Australia



First harvest

- 580k trays kiwifruit
- 1,432 tonnes Nashi
- 1,791 tonnes European pears

Earnings positive

Challenging growing period

- Major hail event
- Dry growing season

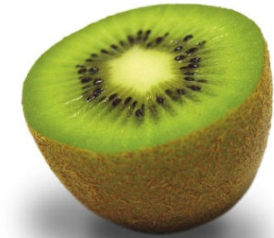
\$1.6m invested in growth

- New packing machine and coolstores

| \$Millions | 6 months unaudited | | Year end |
|--------------------|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Turnover / Revenue | 13.3 | - | 1.2 |
| EBITDA | 1.5 | - | (1.4) |

Dividend announcement

10 cents per share to be paid 29 September 2016

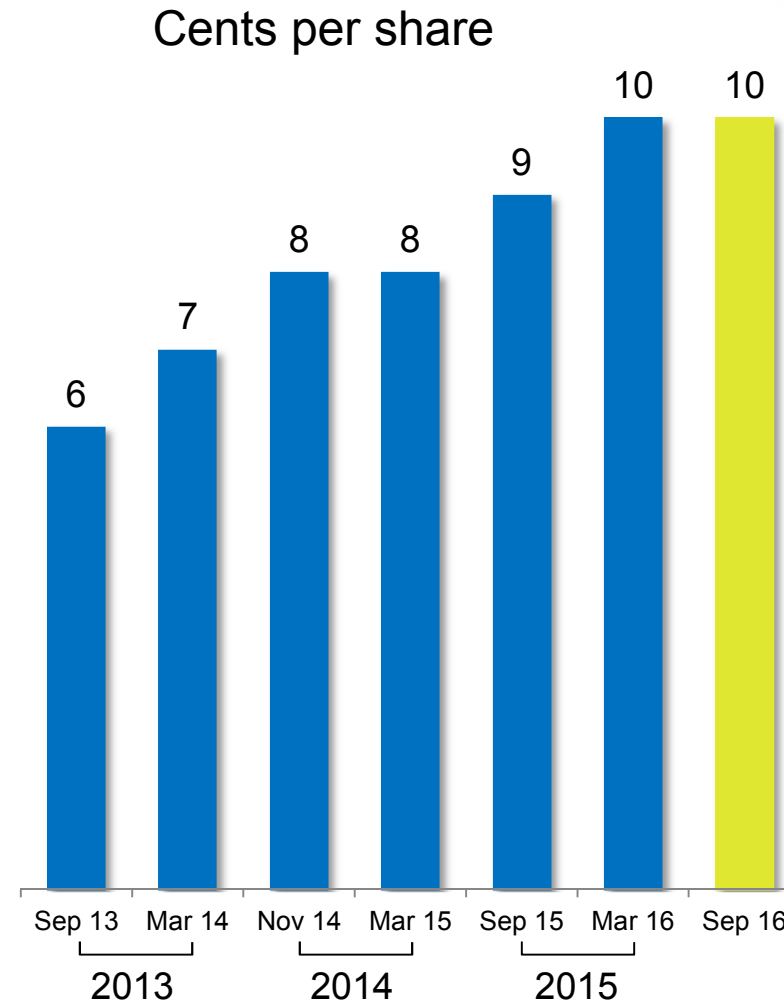


10 cents per share

- Fully imputed
- Payment date: 29 September
- Record date: 22 September

Dividend reinvestment plan applies

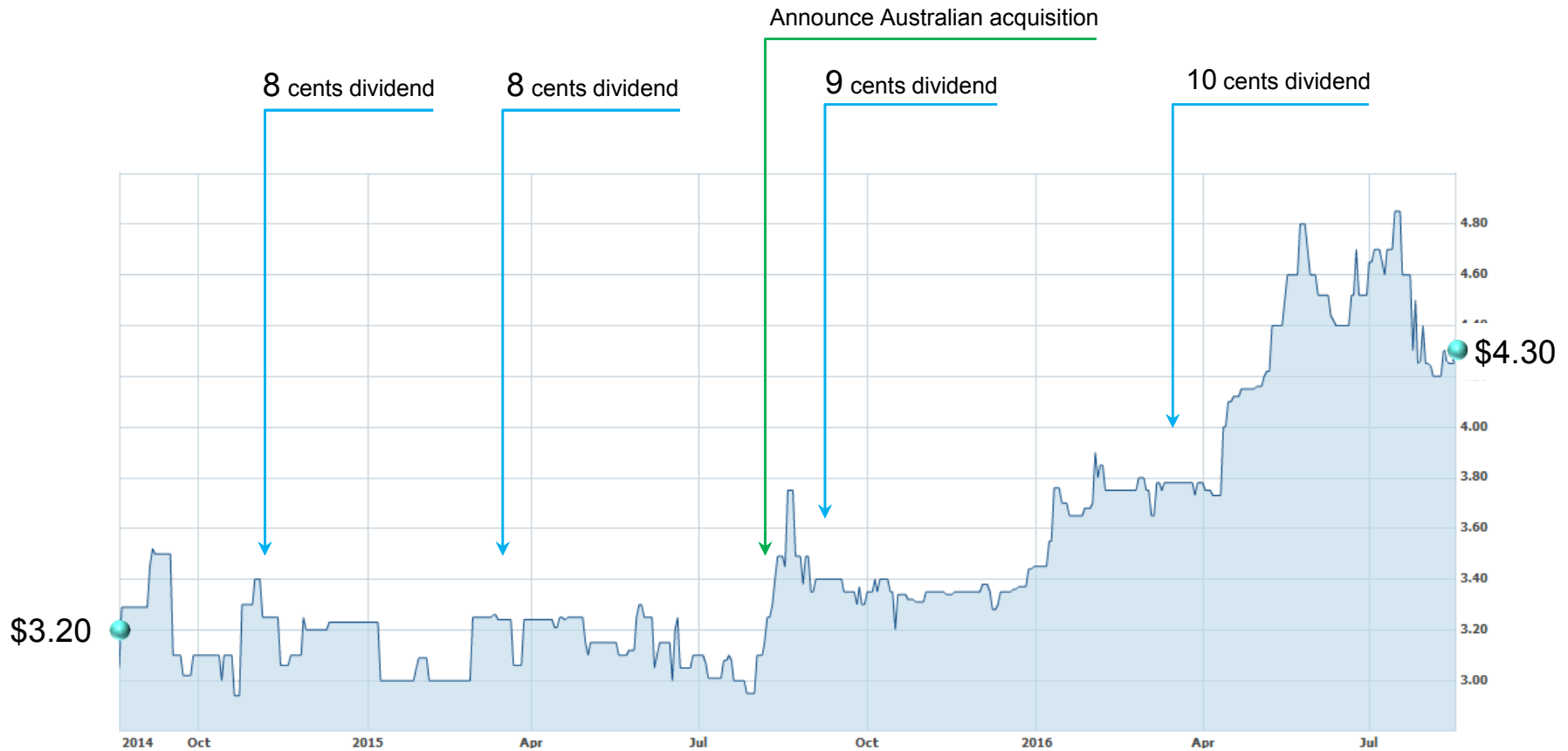
11% dividend increase on pcp



Share price

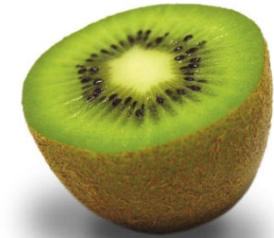
45% total shareholder return over 2-year period

\$1.10 cents lift in price + 35 cents paid in dividends



Capital expenditure

Expanding New Zealand infrastructure to handle growth

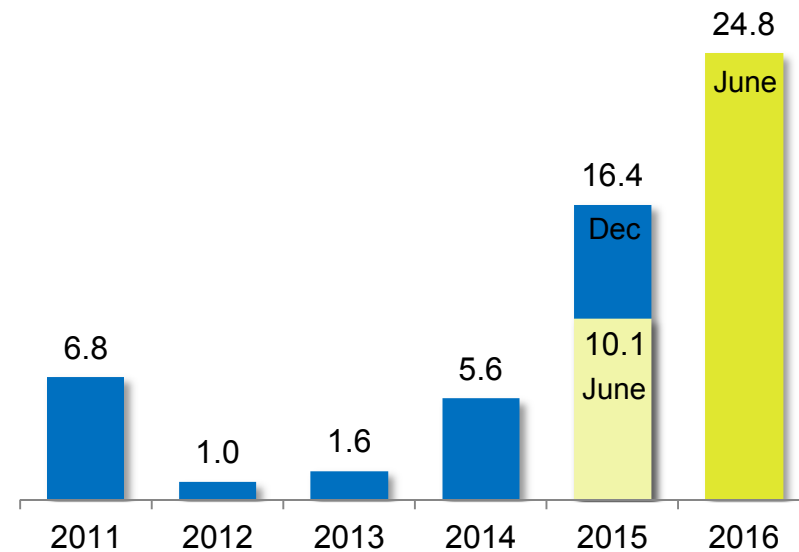


2016 further investment

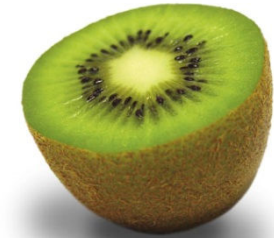
- \$13.4m NZ coolstores and packing infrastructure
- \$4.2m strategic property investments
- \$1.5m plastic bins
- \$3.2m NZ plant, property and equipment
- \$1.6m developing Australian orchards and post harvest equipment

| \$Millions | 6 months unaudited | | Year end |
|---|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Purchase of property, plant and equipment | 24.8 | 10.1 | 16.4 |

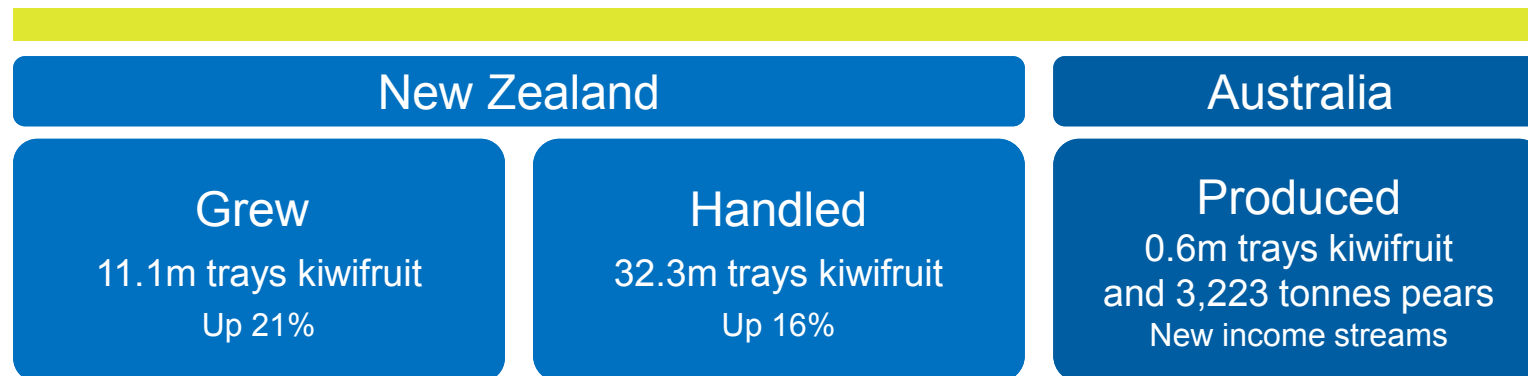
Capital expenditure
\$Millions



Seeka's volume metrics

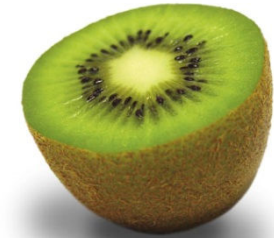


| New Zealand | Green kiwifruit trays | Gold kiwifruit trays | 2016 total | 2015 total | Change |
|--|-----------------------|----------------------|-------------------|------------|----------------|
| Orcharding ¹ | 8.8 m | 2.3 m | 11.1 m | 9.2 m | + 1.9 m trays |
| Post harvest ² | 24.7 m | 7.6 m | 32.3 m | 27.8 m | + 4.5 m trays |
| Australia We grow, handle and market all produce from our Australian orchards | | | 2016 total | | Change |
| Kiwifruit | 0.6 m trays | | 0.6 m trays | - | + 0.6 m trays |
| Nashi pears | 1,432 tonnes | | 1,432 tonnes | - | + 1,432 tonnes |
| European pears | 1,791 tonnes | | 1,791 tonnes | | + 1,791 tonnes |



Safety and compliance

Making safety a primary focus delivers results



Reinforce safety as a feature of normal work practice

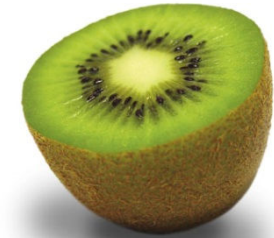
- For employees and contractors



| | 6 months unaudited | | Year end |
|------------------------------------|--------------------|-----------|----------|
| | June 2016 | June 2015 | Dec 2015 |
| Notifiable injuries | 1 | 2 | 2 |
| Lost time injuries | 11 | 15 | 20 |
| Total injuries | 55 | 54 | 102 |
| Lost time injury rate ¹ | 0.56 | 1.04 | 0.90 |

1. Lost time injury rate = lost time hours x 100,000 / total hours worked

Key Highlights



EBITDA up ▲

NPAT up ▲

EPS up ▲

Dividend up ▲

Australian business profitable



Stakeholders will be updated on Seeka's performance on 21 October



END