

EBOS Group Ltd

Results for the year ended 30 June 2013

21 August 2013

Symbion Transaction Overview

- Symbion transaction positions EBOS as mainstream player of significant scale in Australian and New Zealand healthcare and animal care.
 - No1 in combined pharmacy and hospital pharmaceutical wholesale distribution in NZ and Australia
 - No1 pharmacy wholesaler in NZ
 - No2 pharmacy wholesaler in Australia
 - No1 hospital pharmaceutical distribution in NZ
 - No1 hospital pharmaceutical distribution in Australia
 - No1 and 2 in pre-wholesale and 3PL in New Zealand and Australia
- Well placed to adapt to Australian healthcare reform by leveraging NZ experience.
- Symbion management has demonstrated capability to grow business – 15.2% CAGR in EBITDA 2007-12.
- Increased capabilities to take advantage of new and existing opportunities
 - 3PL in Australia
 - Animal care
 - Quality brand and product offering across all channels
 - Leverage Symbion expertise in veterinary wholesale
- Increased scale allows operational efficiencies
 - Optimise use of premises, operations and back office functions

Reported Consolidated Income Statement for the Financial Year Ended 30 June 2013

	<u>2013</u>	<u>2012</u>	
	NZ\$ million	NZ\$ million	
REVENUE	1,823.20	1,428.70	+27.6%
EBITDA	58.2	46.9	+24.1%
EBIT	51.8	43.0	+20.5%
EBT	42.2	36.1	+16.9%
(TAX)	(14.0)	(8.2)	
NPAT	28.2	27.9	

Income Statement Excluding Symbion Acquisition # for the Financial Year Ended 30 June 2013

	<u>2013</u>	<u>2012</u>	
	NZ\$ million	NZ\$ million	
REVENUE	1,482.20	1,428.70	+ 3.7%
EBITDA	53.6	46.9	+14.4%
EBIT	49.2	43.0	+14.4%
EBT	41.1	36.1	+13.9%
(TAX)	(11.6)	(8.2)	
NPAT	29.5	27.9	+ 5.5%

(# Excludes Symbion results for June 2013 and associated one-off transaction costs)

30 June 2013 Segment Results Summary

	HEALTHCARE		ANIMAL CARE	
	2013	2012	2013	2012
	NZ\$ million	NZ\$ million	NZ\$ million	NZ\$ million
REVENUE	1,652	1,341	169.5	86.3
EBITDA	49.1	39.6	18.7	10.2
EBIT	44.1	36.4	17.2	9.5
NPAT	30.9	26.1	12.6	8.9

* Also included in the Group result are net funding costs and central administration expenses (including acquisition costs of \$6m) which are allocated to the non-trading 'Corporate' segment.

30 June 2013

Net debt summary – key movements

	NZ\$ million
Net debt at 1 July 2012	(88.9)
Operating cash flows for 2013	26.4
Symbion net debt acquired	(177.2)
Institutional placement	93.3
Acquisition costs	(6.0)
Dividends	(21.3)
Net other	0.2
Net debt at 30 June 2013	(173.5)
Comprising:	
Cash for settlement	93.0
Remaining cash reserves	105.0
Borrowings	(367.1)
Other	(4.4)

Prospective Information 6 months ended 31 December 2013

- Six weeks performance in 2014 fy on target to meet first half forecasts in PFI
 - Revenue \$3.17b
 - Ebitda \$103.6m
 - Earnings per share 33c (based on 147.3 million shares) [up 13% cf first half 2013]
 - Net debt (\$383m)
 - Net cash surplus from operations \$42.7m
 - Reported performance may be affected by NZD/AUD exchange rate
- EBOS proven track record of performance
 - 18 successful acquisitions in 10 years
 - EBITDA CAGR of 8.7% 2007-12; 14.4% in 2013
- Benefits of Symbion acquisition expected to flow in 2015/16
- HBL preferred bidder status and finalisation of contract with Ministry of Health creates platform for step-up in logistics expertise
- Further acquisitions possible to extend offering.