



Royal Wolf Holdings Limited

Presentation to Macquarie Securities

2012 Australian Emerging Leaders Conference

Robert Allan, Chief Executive Officer

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Solutions that Deliver



AGENDA

1. Royal Wolf's Business
2. Our markets at a glance
3. Strong financial profile with leading returns underpinned by long asset lives
4. Future Growth Strategy
5. Consolidated Profit and Loss
6. Summary
7. Attachments – Historical financial and operational data, lease revenue per employee, revenue by sector and industry, Disclaimer



ROYAL WOLF





THE BUSINESS

- ✓ Annual revenue from hire and sales of \$130M delivering 26% EBITDA: Revenue Margin
- ✓ Over 230 employees
- ✓ 24 Customer Service Centres in Australia and New Zealand – a branch near you.
- ✓ 7 Container modification locations within the Customer Service Centres
- ✓ 2 fit out facilities, one in Shanghai for bulk manufacturing runs, one in Brisbane for bespoke projects.
- ✓ 21,000 customers, 35,700 hire containers; sales inventory or new hire containers awaiting first delivery of 5,600 units
- ✓ A data base of 180,000 who know about containers being a solution.
- ✓ A team that constantly creates amazing solutions with our customers using the principles of the container design – strength, portability, security, stackability, speed of deployment, low maintenance, long life.



OUR MARKET AT A GLANCE

Portable storage



- Portable containers for on-site storage of goods
- Lease fleet believed to be the largest in the industry with ~23,300 containers as at 31 March 2012 and annual sales of in excess of 15,000 containers
- Key end markets include:
 - Construction
 - Retail
 - General public

YTD2012A Revenue: \$76.8m
YTD 2011A Revenue: \$70.7m

Portable buildings



- Purpose built buildings and structures based on shipping container design
- Lease fleet believed to be the largest in the industry with ~3,000 container-based portable buildings as at 31 March 2012
- Key end markets include:
 - Construction
 - Resources
 - Government

YTD2012A Revenue: \$13.7m
YTD 2011A Revenue: \$15.1m

Freight



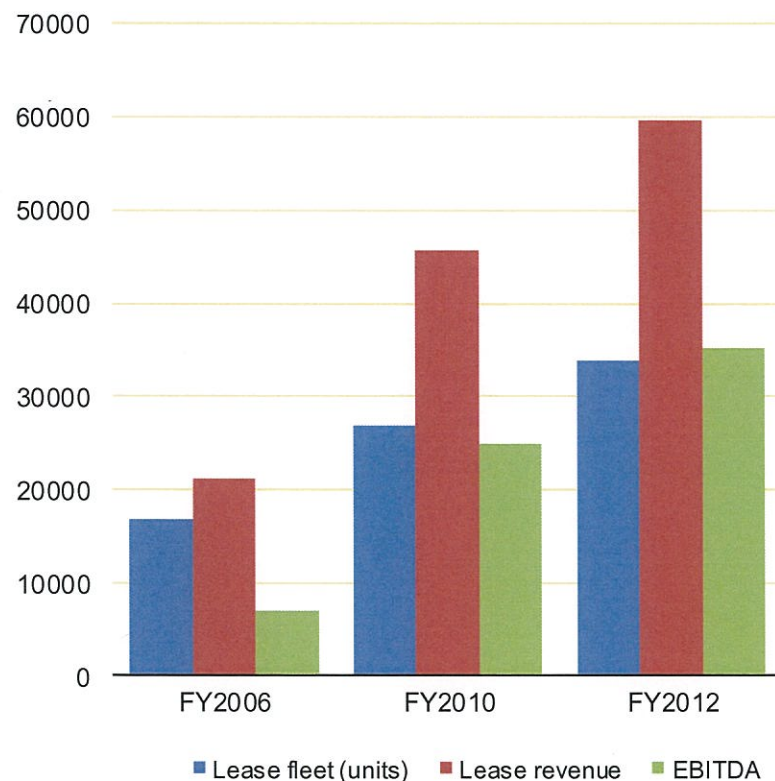
- Containers for use in freight and logistics
- believed to be one of the largest unaligned lease fleets in the industry with ~9,000 freight containers as at 31 March 2012
- Key end markets include:
 - Freight and logistics
 - Removals

YTD2012A Revenue: \$10.2m
YTD 2011A Revenue: \$7.9m

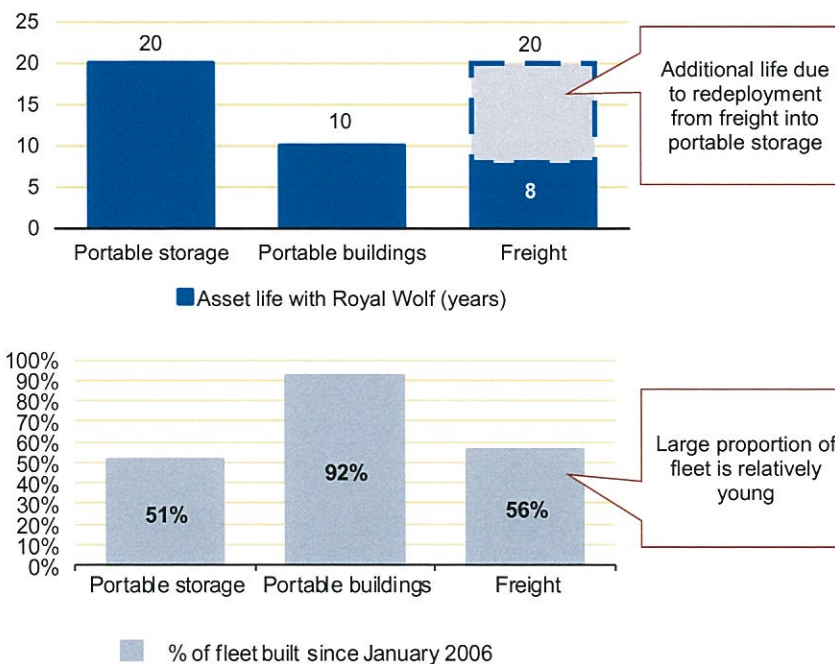


STRONG FINANCIAL PROFILE WITH LEADING RETURNS UNDERPINNED BY LONG ASSET LIVES

Strong growth outlook supported by solid track record



Long asset lives drive strong returns



2012 ROIC: 14.5%

Note: ROIC calculated as 2012E EBITA / (2012E Net debt + 2012E Book equity)





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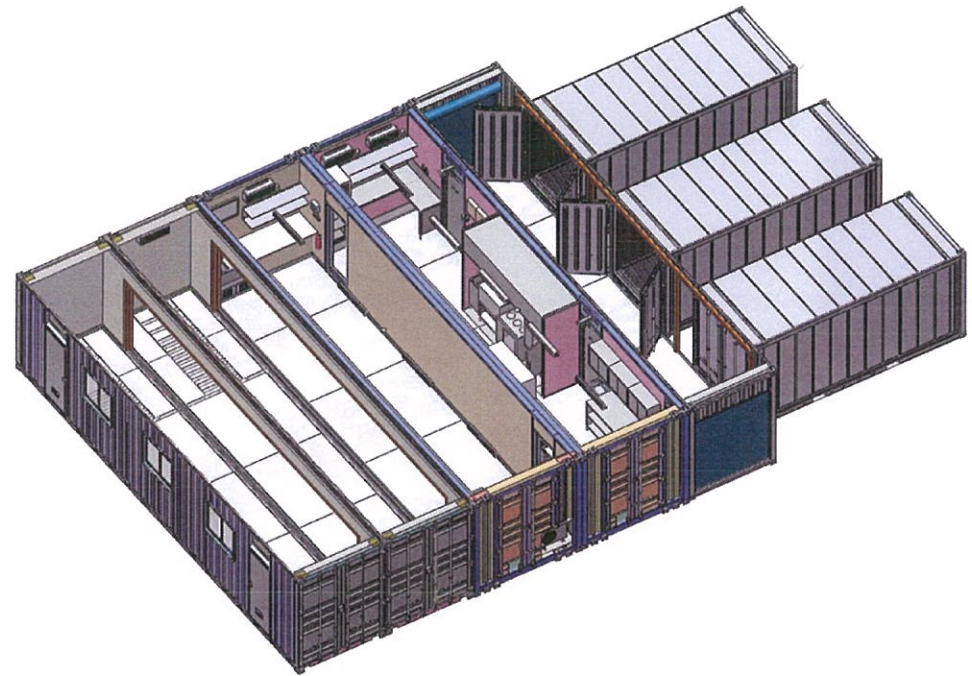






FUTURE GROWTH STRATEGY

- ✓ **Product Expansion** – 44 products in 2005, 94 products in 2011, now regenerated R&D functions that were put on lower profile through the Global Financial Crisis.
- ✓ **Organic Growth** – use the improved balance sheet capacity to expand the offering within target utilisation and rates of return, and expand contact methods with the customer data base.
- ✓ **Network Expansion** – 23 Customer Service Centres at IPO, a new facility opened in Palmerston North, more new locations in plan.
- ✓ **Sector focus** – Target growth in areas and industries with strong demand profiles – for example portable buildings and freight sectors.
- ✓ **Market Penetration** – add product suite to existing customers e.g. resources or infrastructure companies can use camps, explosive storage containers, liquid storage containers, general and temperature controlled storage containers and, for logistics requirements, freight containers
- ✓ **Acquisitions** – pipeline in place.



YTD MARCH 31 2012 CONSOLIDATED PROFIT & LOSS

(A\$ in millions, FYE 30 June)

Pro forma	YTD11A	YTD12A	Prospectus FY12E
Revenue from sales	54.7	55.9	76.3
<i>Growth %</i>	<i>n.a.</i>	<i>2.2%</i>	<i>1.0%</i>
Revenue from leasing	39.1	44.7	59.7
<i>Growth %</i>	<i>n.a.</i>	<i>14.2%</i>	<i>14.8%</i>
Total revenue	93.8	100.6	136.0
<i>Growth %</i>	<i>n.a.</i>	<i>7.2%</i>	<i>6.6%</i>
Trading EBITDA	21.7	27.1	35.2
<i>Margin %</i>	<i>23.1%</i>	<i>26.9%</i>	<i>25.9%</i>
Depreciation	6.7	6.5	8.2
EBITA	14.6	20.4	26.9
<i>Margin %</i>	<i>15.6%</i>	<i>20.3%</i>	<i>19.8%</i>
NPAT		9.0	12.0
NPATA		12.0	16.0

Key drivers

Revenue

- Increasing revenue from sales associated with resources end market exposure
- Leasing revenue growth of 14.26% YOY as a result of an increase in leasing volume, continued penetration of the Australian and New Zealand markets, entirely organic growth
- Five container-based mining camps on lease in the resources support or infrastructure development sectors at 31 March 2012

EBITDA

- EBITDA margins have increased, primarily driven by the increased leasing revenues and their greater contribution to EBITDA
- EBITDA 23.1% ahead of FY 11 YTD

Note: Unaudited YTD March 31 financials.



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SUMMARY – CREDENTIALS FOR SUCCESS

Positive performance and an ability to execute the agenda to increase shareholder value:

- ✓ strong growth in products availability, range, scale
- ✓ depth of management and a team that shares the vision of our Brand
- ✓ excellent organic growth in the leasing revenue stream
- ✓ leverage of scale to meet the opportunities of growth
- ✓ capacity to take in acquisitions regionally and not distract the business
- ✓ well connected to mining resource sector and infrastructure development



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ATTACHMENTS



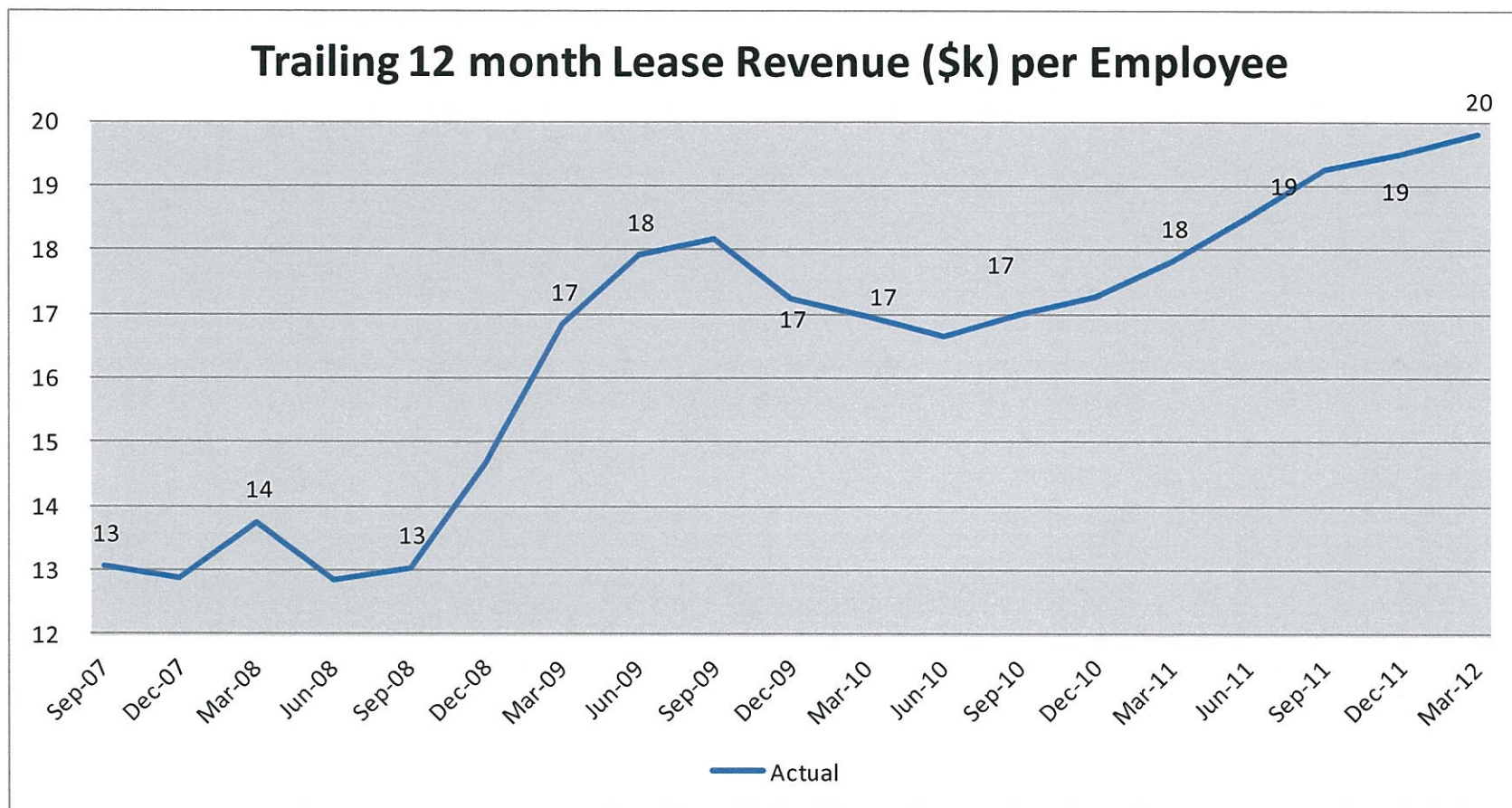


HISTORICAL FINANCIAL & OPERATIONAL DATA

	1Q/11A	2Q/11A	3Q/11A	1Q/12A	2Q/12A	3Q/12A	YTD/11A	YTD/12A		1Q/11A	2Q/11A	3Q/11A	1Q/12A	2Q/12A	3Q/12A	YTD/11A	YTD/12A
Profit & Loss									Cash Flow								
Sales revenue	19.7	16.8	18.1	20.6	18.2	17.1	54.7	55.9	EBITDA	5.8	8.3	7.1	9.3	7.4	10.2	21.3	26.9
Lease revenue	11.8	13.7	13.7	13.5	15.0	16.2	39.1	44.7	Change in net working capital	1.1	(5.2)	6.1	(3.4)	(7.9)	(6.4)	1.9	(17.6)
Total revenue	31.5	30.5	31.8	34.1	33.2	33.3	93.8	100.6	Other non-cash items	0.1	0.1	0.1	(0.7)	2.3	0.1	0.3	1.7
EBITDA	5.8	8.3	7.1	9.3	7.4	10.2	21.3	26.9	Capital expenditure	(2.7)	(4.7)	(5.7)	(6.8)	(9.9)	(16.7)	(13.1)	(33.3)
Trading EBITDA (excluding unrealised and derivate FX)	6.5	7.6	7.6	8.4	9.0	9.7	21.7	27.1	Operating cash flow	4.2	(1.5)	7.6	(1.5)	(8.0)	(12.9)	10.4	(22.4)
Depreciation	2.3	2.3	2.1	2.0	2.2	2.3	6.7	6.5	Net interest received / (paid)				(1.4)	(1.4)	(1.4)		(4.2)
EBITA	3.5	6.1	5.0	7.4	5.2	7.9	14.6	20.4	Proceeds from sale of PPE				0.2	0.0	0.0		0.2
Amortisation	1.3	1.2	1.1	1.0	1.0	1.0	3.7	3.0	Deferred consideration for trademark acquisition				(0.5)	(0.5)	(0.5)		(1.4)
EBIT	2.2	4.8	3.9	6.4	4.2	6.9	10.9	17.4	Income tax paid				(0.2)	(0.2)	(0.1)		(0.5)
Interest				1.9	1.5	1.2		4.6	Free cash flow				(3.4)	(10.0)	(14.7)		(28.2)
Tax				1.4	0.8	1.7		3.9	Net proceeds from / (repayment) of borrowings				3.4	10.2	15.5		29.1
NPAT				3.1	1.9	4.0		9.0	Net cash flow before dividends				(0.0)	0.2	0.7		0.9
NPATA				4.1	2.9	5.0		12.0	Dividends paid				-	-	-		-
									Net cash flow				(0.0)	0.2	0.7		0.9
Balance Sheet									Selected cash flow items								
Cash & equivalents				0.5	0.7	0.6		0.6	Capital expenditure on PPE / Int	0.4	0.5	0.4	0.7	0.2	0.5	1.4	1.4
Inventories				20.9	28.9	27.4		27.4	Fleet capital expenditure	2.3	4.2	5.3	6.1	9.6	16.2	11.8	31.9
Receivables				21.5	21.5	25.3		25.3	Acquisition capital expenditure	-	-	-	-	-	-	-	-
Current assets				43.0	51.1	53.3		53.3	Total capital expenditure	2.7	4.7	5.7	6.8	9.9	16.7	13.1	33.3
Property plant & equip.				8.1	7.8	7.7		7.7	Ratios								
Container hire fleet				114.4	121.8	136.9		136.9	EBITDA margin	18.5%	27.4%	22.5%	27.4%	22.4%	30.5%	22.7%	26.8%
Intangibles				63.6	62.6	61.7		61.7	EBITA margin	11.2%	19.9%	15.8%	21.6%	15.7%	23.7%	15.6%	20.3%
Other non-current assets				0.7	0.8	0.2		0.2	Net debt / EBITDA				3.4x	4.9x	4.4x		4.4x
Non-current assets				186.8	192.9	206.5		206.5	Gearing (Net debt/Net debt + Equity)				32.4%	35.4%	39.9%		39.9%
Total assets				229.7	244.1	259.8		259.8	EBITA / Net interest				3.8x	3.4x	6.8x		4.4x
Payables				34.3	36.7	36.0		36.0	EPS				3.1	1.9	4.0		8.9
Interest bearing debt				63.6	73.8	89.5		89.5	DPS								3.5
Total liabilities				97.9	110.5	125.5		125.5	Segment Information								
Net assets				131.8	133.6	134.2		134.2	Fleet size								
									Portable Storage	18,886	19,279	20,301	20,817	21,698	23,299	20,301	23,299
									Portable Buildings	1,941	2,007	2,076	2,277	2,689	3,039	2,076	3,039
									Freight	6,610	7,687	7,300	7,921	9,068	9,002	7,300	9,002
									Total fleet	27,437	28,973	29,677	31,015	33,455	35,340	29,677	35,340
									Operating Statistics								
									Units on lease (at period end)	22,749	25,910	24,835	26,532	29,573	28,944	24,835	28,944
									Utilisation %	82.9%	89.4%	83.7%	85.5%	88.4%	81.9%	83.7%	81.9%
									Average units on lease	22,170	24,606	25,616	25,805	28,226	29,402	24,131	27,811
									Lease revenue as % of total revenue	37.3%	44.8%	43.1%	39.6%	45.2%	48.7%	41.7%	44.4%
									Sales revenue as % of total revenue	62.7%	55.2%	56.9%	60.4%	54.8%	51.3%	58.3%	55.6%
									Average utilisation	81.8%	86.8%	86.5%	84.6%	86.8%	84.7%	85.0%	85.4%



LEASE REVEUE PER EMPLOYEE



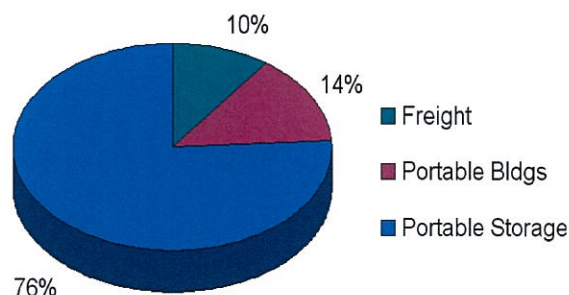
As at 31/03/12

REVENUE (YTD) BY CUSTOMER SEGMENT

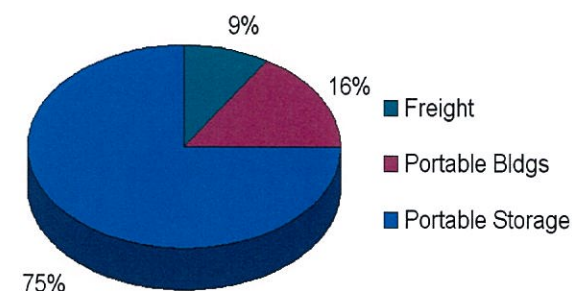
(AU \$m)	2012	2011	Var
Sector			
Freight	10.2	7.9	2.2
Portable Storage	76.8	70.7	6.0
Portable Buildings	13.7	15.1	(1.5)
Total revenue	100.6	93.8	6.8
Industry			
Road & Rail	12.4	12.3	0.0
Removals & Storage	6.3	4.9	1.4
Building & Construction	18.8	15.6	3.2
General Public	17.7	18.4	(0.7)
Retail	8.7	8.3	0.4
Manufacturing	9.6	7.4	2.2
Resources	12.3	12.6	(0.4)
Other	33.5	31.4	2.1
Total revenue	100.6	93.8	6.8

Portable Buildings and Resources includes a one-off \$4m sale in March 2011

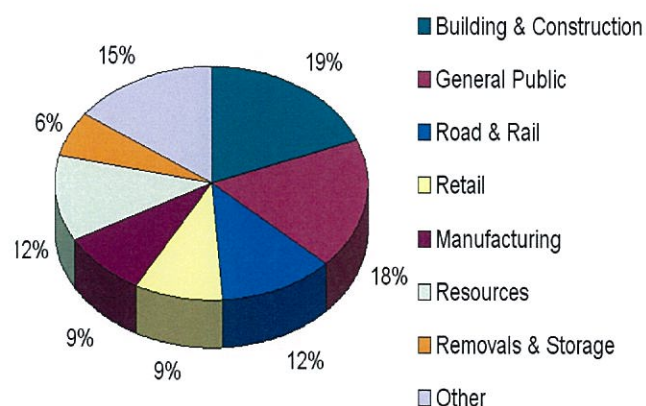
FY 2012



FY 2011



FY 2012



FY 2011





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