

HELLABY  
HOLDINGS  
LIMITED



**Autolign**  
THE STEERING & SUSPENSION SPECIALISTS

**EURO LIFT**  
NZ LIMITED



**DIESEL DISTRIBUTORS**

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**ELLDEX**  
PACKAGING

**Hush Puppies®**



*NZ Brake Co*



**Hannahs**

**Traded  
Equipment.com**



**John Williamson  
Chief Executive Officer**

**Summary of the year to June 2008**

**30 October 2008**

## Clear objectives last year

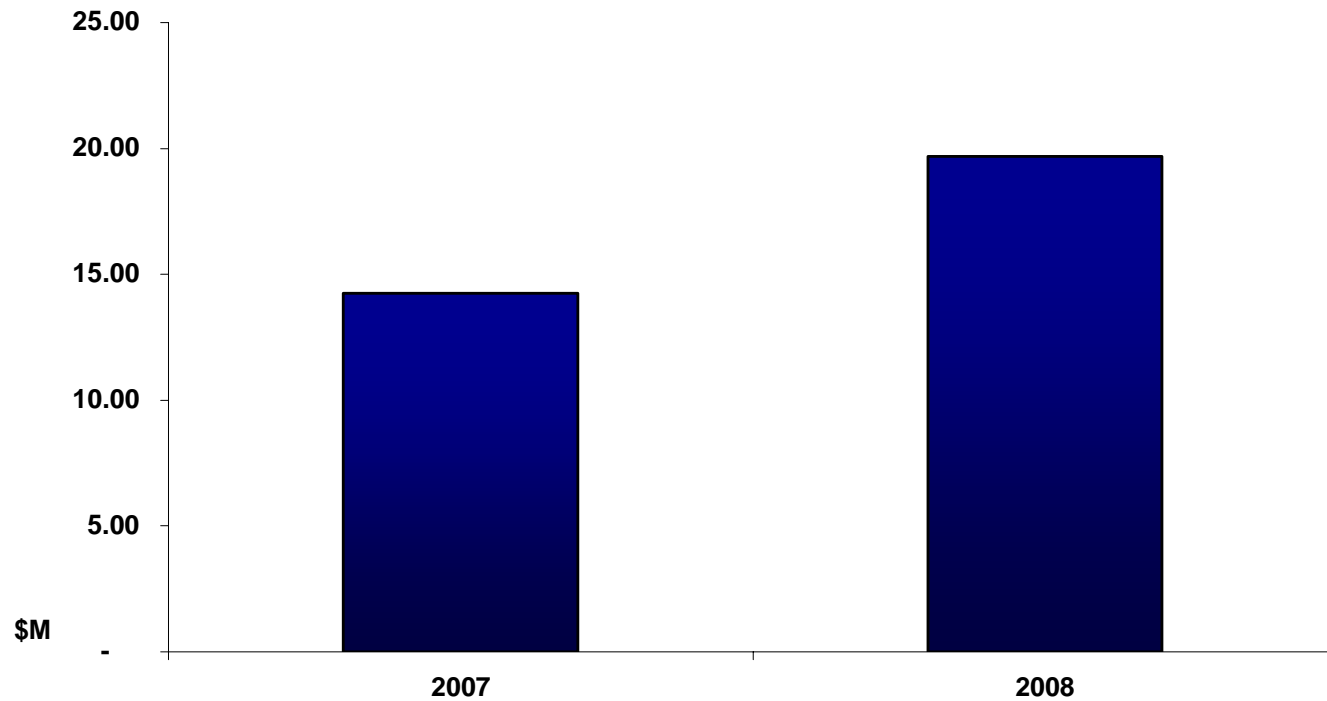
- operational performance improvement
- reduce high debt levels
- develop clear portfolio strategy
- fix or exit BBQ Factory
- improve stakeholder communication
- board succession

# Operational performance

- operational focus: performance and growth
- hands-on oversight of businesses and improvement programmes
- major cultural turnaround
- clear KPIs and review processes

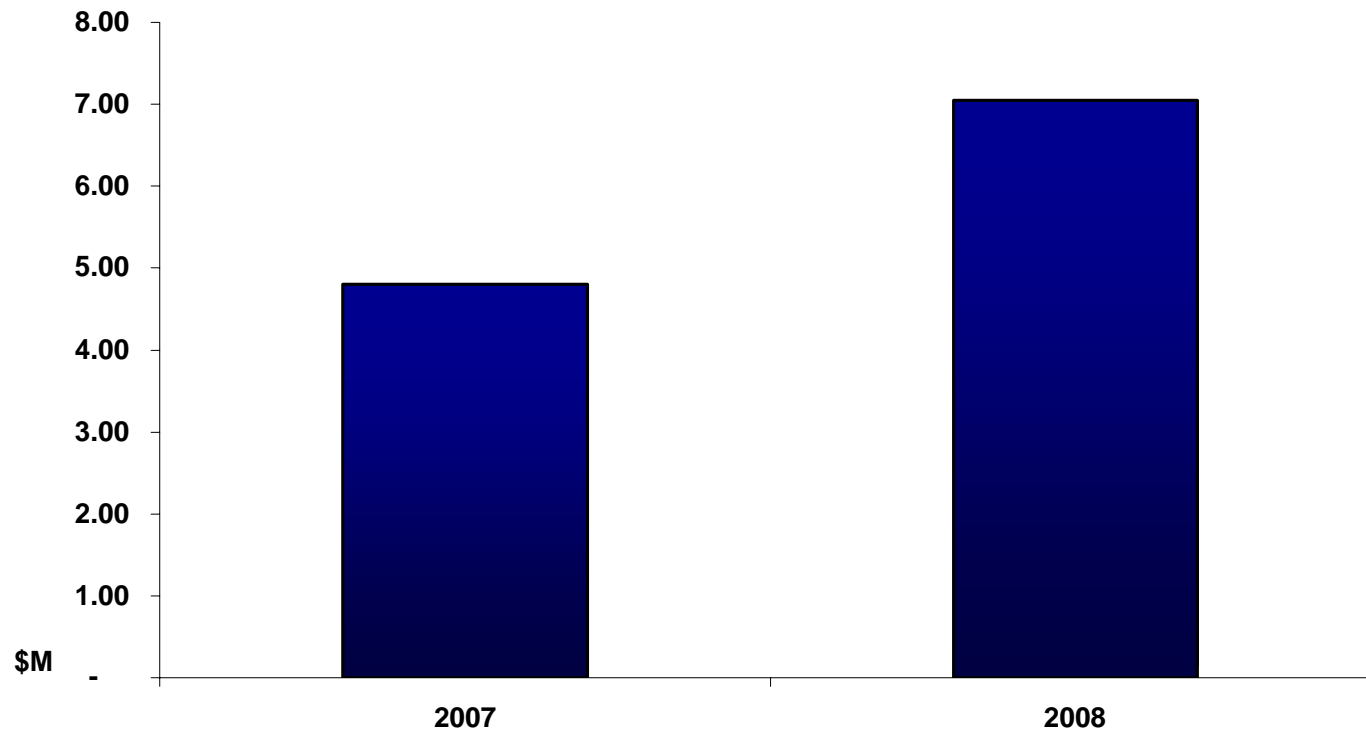
# Automotive division

– EBIT improved by 39%

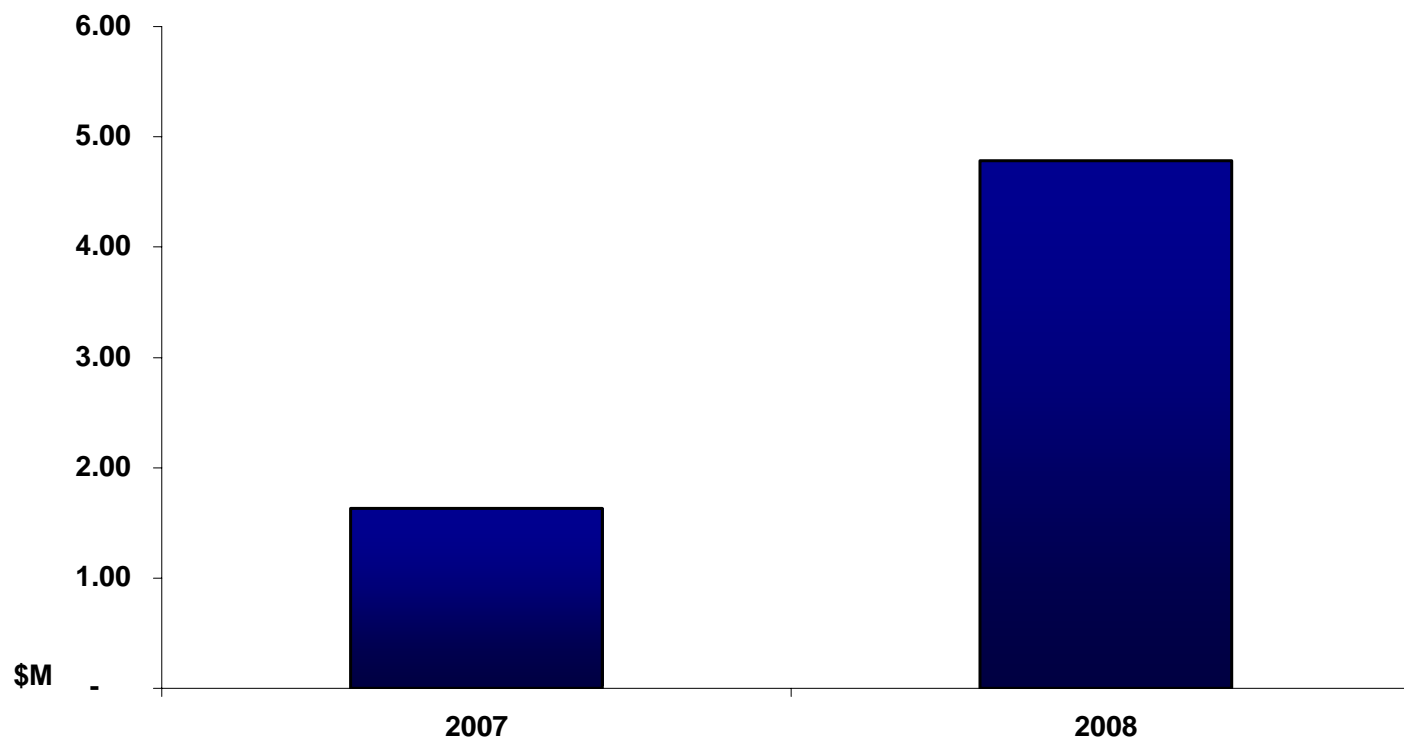


# Equipment division

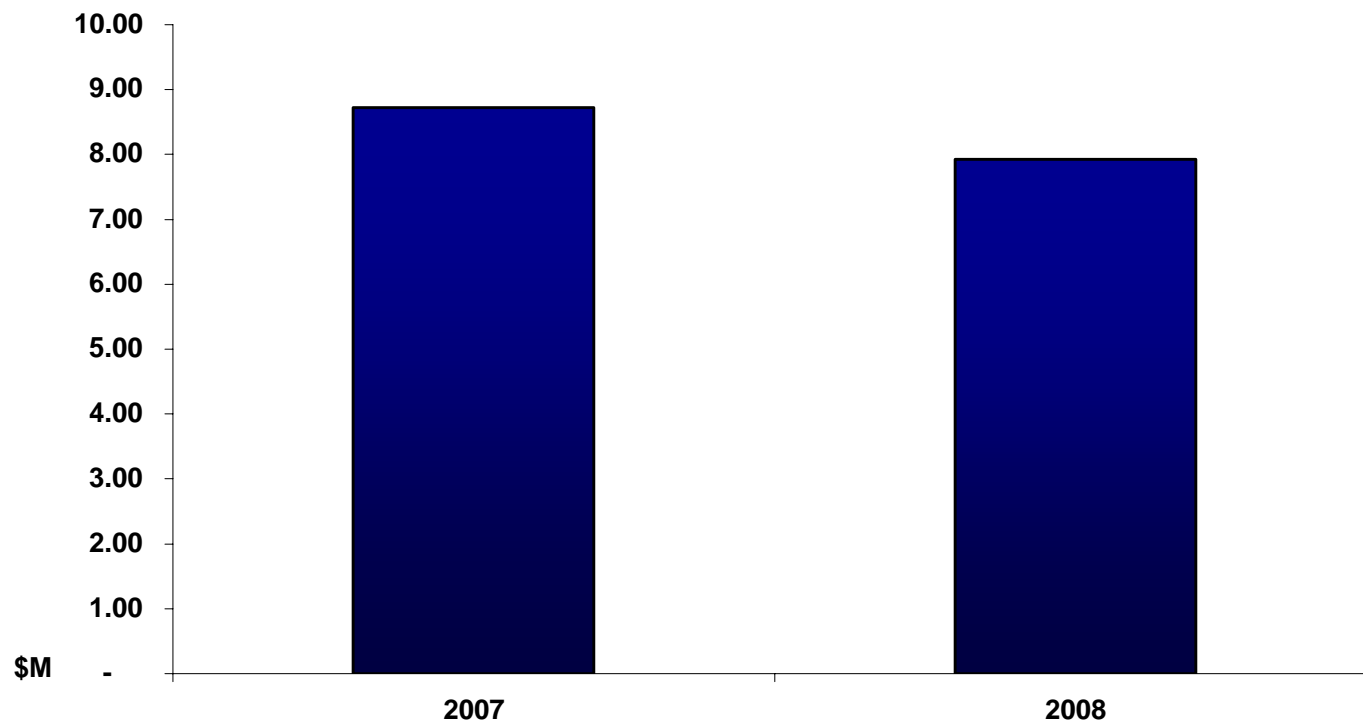
– EBIT improved by 48%



## Packaging division – EBIT improved by 200%



## Footwear division – EBIT declined by 9%



## Debt reduction and balance sheet

- new focus on return on investment, working capital and debt reduction
- significant bank debt reduction during second half
- ...due to improved working capital efficiencies
- \$30.8 million free cash flow – 74% improvement
- more realistic dividend policy – 50% of operational NPAT

## Portfolio strategy

- introduction of clear portfolio strategy
- ... resulting in divestment of several non-core assets
- divestment of Levana Textiles, Bombay Petfoods & BBQ Factory
- creation of new packaging division – acquisition of Chequer and PPL
- four clear investment divisions
- future investment in targeted industrial and distribution segments

## BBQ Factory divestment

- ongoing value destruction from BBQ Factory investment
- preparation for sale – downsizing of store numbers and inventory
- trading EBIT loss of (\$7.1) million
- (\$12.6) million write down on sale of BBQ Factory business and assets
- elimination of distraction for management and shareholders

## Stakeholder communications

- proactive communication with stakeholders
- keen to attract institutional investors
- clear portfolio strategy
- clear performance criteria

## Board and management

- board succession plan
- strengthened Hellaby senior management team
- clear reward targets implemented for subsidiary CEOs
- EBIT and return on funds employed (ROFE)

## Looking forward

- new beginning for Hellaby... turnaround is on track
- tough economic conditions in mid / late 2008 – the eye of the storm ?
- major group focus on working capital improvement
- targeting further bank debt reduction to <\$70 million, excluding acquisitions

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