

ASX LISTED COMPANY BREAKFAST
8 November 2016

Donald McGurk
Managing Director & CEO



Important Notice and Disclaimer

Disclaimer

This presentation has been prepared by Codan Limited (ABN 77 007 590 605) (Codan). The information contained in this presentation is for information purposes only and is not investment, financial product, legal or tax advice.

This presentation contains summary information about the current activities of Codan and its subsidiaries. The information in this presentation does not purport to be complete nor does it purport to contain all the information that a prospective investor may require in evaluating a possible investment in Codan. This presentation should be read in conjunction with Codan's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at www.asx.com.au.

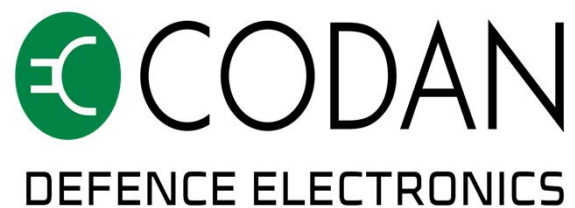
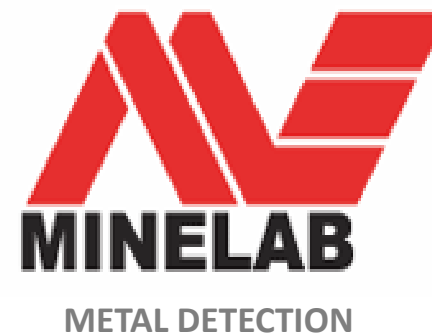
Statements in this presentation are made only as of the date of this presentation unless otherwise stated and the information in this presentation remains subject to change without notice. Codan is not responsible for providing updated information to any prospective investors.

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this presentation is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

This presentation may contain forward-looking statements with respect to the financial condition, results of operations, business of Codan and certain plans and objectives of the management of Codan. Actual outcomes may differ materially from forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are likely to involve uncertainties, assumptions, contingencies and other factors. As a result, unknown risks may arise, many of which are outside the control of Codan. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Codan disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Should you have any specific queries in respect of this disclaimer please contact Codan directly.

CODAN LIMITED



DELIVERING SHAREHOLDER VALUE OVER THE LONG TERM

Shareholder value

We succeed by:

- Developing unique, high value technologies
- Delivering superior product performance in the harshest conditions
- Solving customers' productivity, safety and security problems
- Creating multiple revenue streams from globally diversified markets

Core values



Can-Do



High Performing



Customer Driven

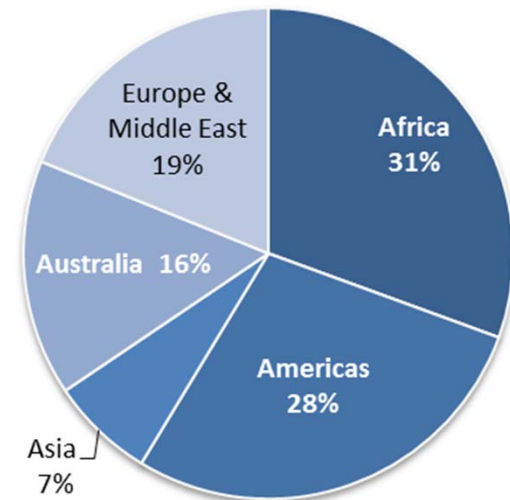


Openness & Integrity

GLOBAL FOOTPRINT – 85% OF SALES EXPORTED

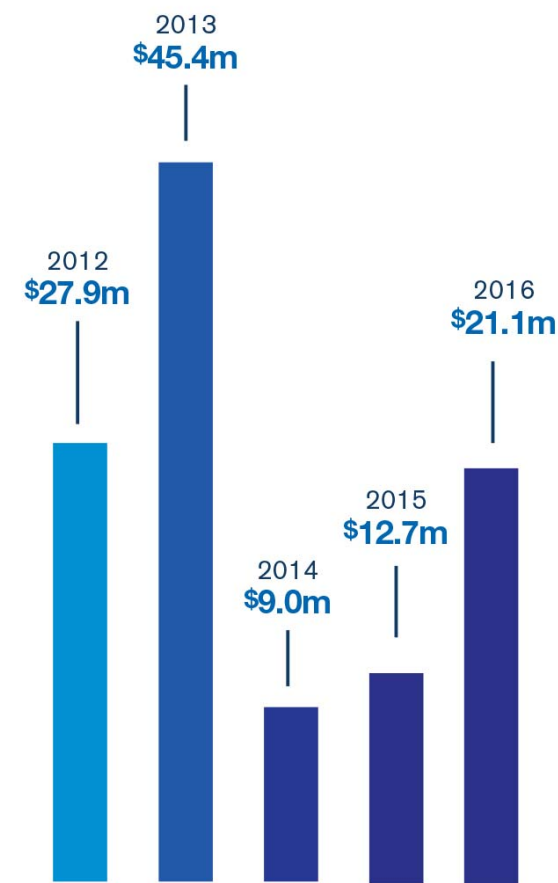


FY16 sales by location



FINANCIAL SNAPSHOT

ASX Code	CDA
Shares on issue	177.2 million
Market capitalisation	\$270 million
FY16 NPAT (underlying)	\$21.1 million
FY17 NPAT (consensus)	\$23.5 million
Debt free	
FY16 dividend – 50% payout ratio	6.0 cents



Underlying NPAT

SIGNIFICANT INVESTMENT IN R&D

- Invested 9% of sales in FY16 (\$15.3 million)
- More than 150 engineers across the globe
- World class facilities
- Teams in Adelaide, Perth, New Zealand and Canada
- Working collaboratively with industry experts and research institutions
- Supported by advanced manufacturing and supply chain management



NEW ADELAIDE FACILITIES



- Consolidated Adelaide operations onto one site - December 2015
- Located in the SA Defence Hub at Technology Park, Mawson Lakes
- Capacity for future growth
- Employer of choice

RADIO COMMUNICATIONS

Best in class, reliable, user friendly and cost-effective solutions



Technology platforms

Long Range Digital Radio (HF)

- Infrastructure free, long range radio
- Used by security, peacekeeping, humanitarian and military organisations
- Used extensively in Africa, Middle East and Asia

Land Mobile Radio (VHF, UHF)

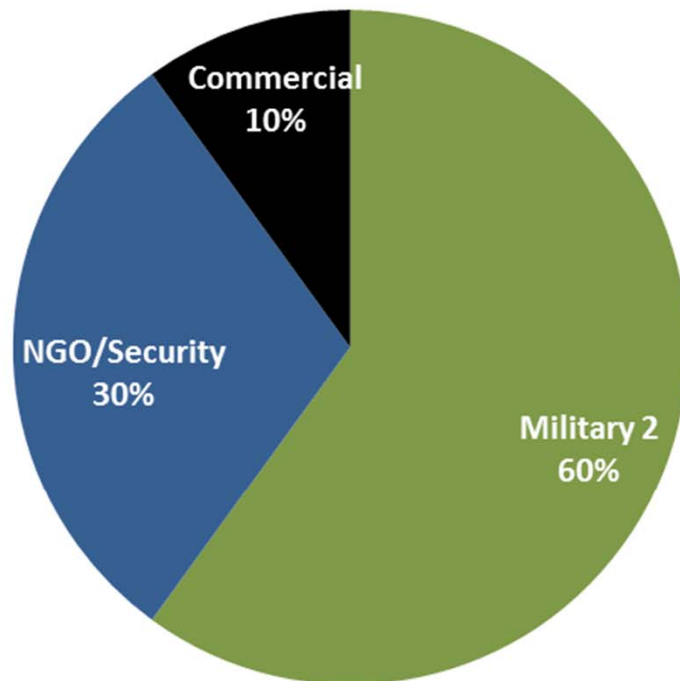
- Land based wireless systems
- Used by emergency responders for mission-critical communications
- Predominantly in North America and Australia

RADIO COMMUNICATIONS

Becoming more relevant in large global markets

Long range digital radio (HF)

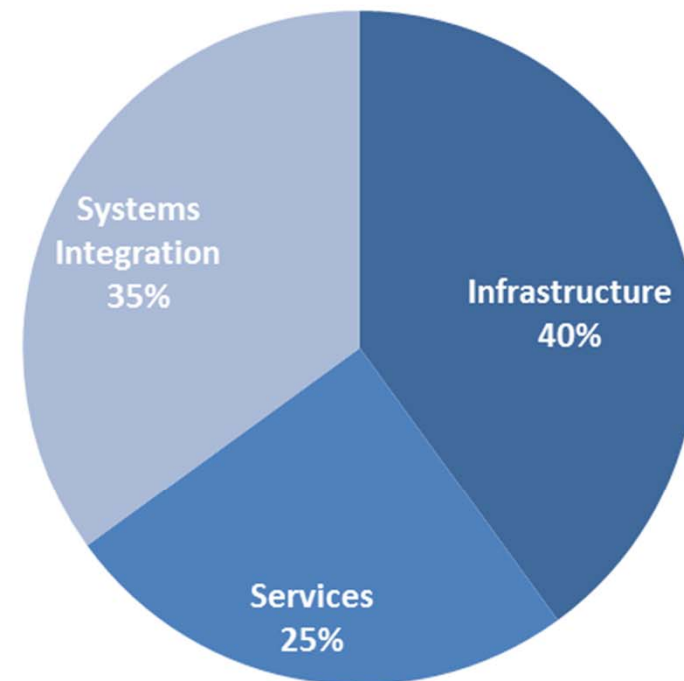
- New product development directed at Military 2 segment



US\$500 million market

Land mobile radio (VHF, UHF)

- New LMR product suite will address this broader market in FY18



US\$1B market

METAL DETECTION

The world's best hand-held metal detection technology



Entry level

Coin & Treasure

Gold



US\$179-309

GO-FIND 150



US\$399-799

X-TERRA 705



US\$1,099-1,700

B-TRAC 625



US\$2,749

CTX 3030



US\$4,125

SUC 23000



US\$6,375

GPX 5000



US\$8,800

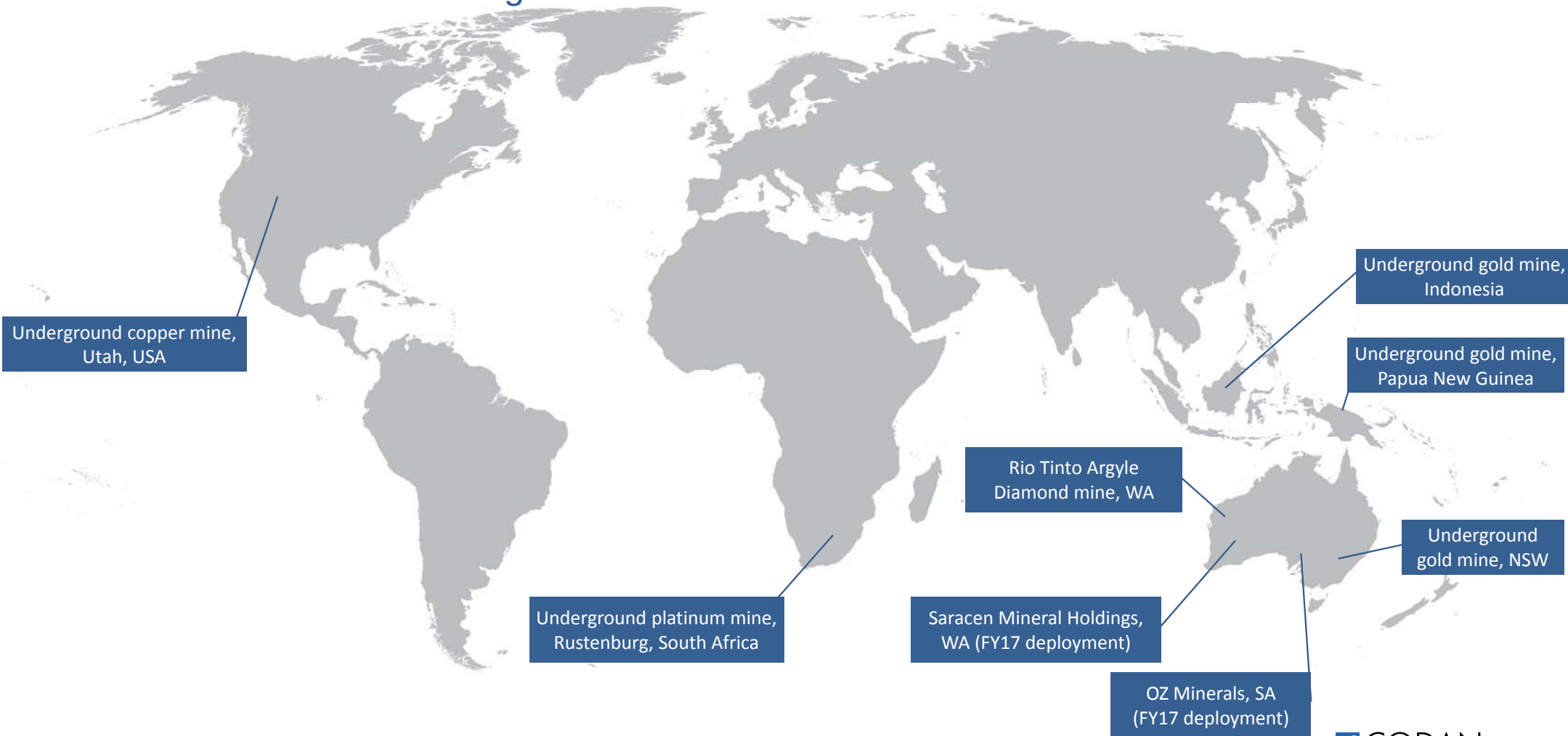
GP 7000

TRACKING SOLUTIONS

Minetec products deployed in operating mines



The world's most accurate underground tracking system with integrated software for efficient and safe mine management

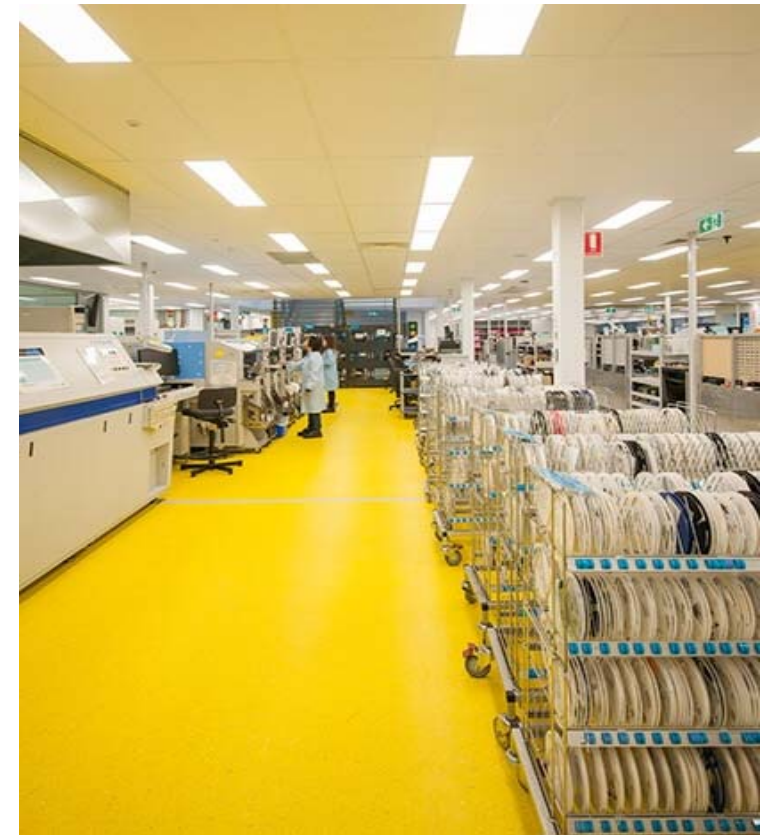


CODAN DEFENCE ELECTRONICS

Leveraging our Defence capability



- A new initiative capitalising on our long history of supplying the defence sector
- Core technical competence in RF sub-system design
- Significant opportunity but early days



FINANCIALS

- FY16 delivered continued profit and dividend growth:

Revenue \$169.5 million



18%

Underlying NPAT \$21.1 million



67%

Fully franked dividend 6.0 cents



71%

- Strong cash flow generation over the last 12 months
- Codan is now debt free
- Focus on reducing earnings volatility and increasing profitability



THANK YOU