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17 October 2016

Company Announcements
ASX

Via ASX Online

CTI Logistics Limited is pleased to attach an updated copy of its corporate presentation used in the promotion of the Company's activities to investors and other interested parties.

A handwritten signature in black ink, appearing to read 'Owen Venter', is positioned above the printed name and title.

Owen Venter
Company Secretary



2016 Full-year Results Briefing Presentation



CTI Logistics Limited

- ▶ CTI Logistics Limited is a transport and logistics provider in couriers, parcels, taxi trucks, fleet management, general and contracted warehousing, specialised flooring logistics and security services
- ▶ CTI has been a listed public company since **1987** with its transport and logistics origins dating back to **1972**
- ▶ CTI has more than **700 vehicles** on the road ranging from courier vehicles to triple road train combinations

Refer to page 17 for Disclaimer Statement



**2016 Full-year Results
Briefing Presentation**

Building a national transport and logistics company

CTI is one of a small number of listed transport and logistics companies

CTI branded businesses operate in Western Australia and more recently South Australia - the aim is to continue to expand CTI's presence on the Eastern Seaboard in the transport and logistics disciplines in which we are experienced

CTI operates a national specialised floor covering transport and logistics network through GMK Logistics



* GMK Logistics locations included

What we do - Transport

Couriers

- ▶ On demand express services
- ▶ Technical courier services (eftpos and computer swap outs)
- ▶ Vehicles range from pushbikes in the CBD to two tonne capacity

Parcels

- ▶ Same day and overnight distribution covering the Perth metropolitan area
- ▶ E-commerce "last mile" home delivery system
- ▶ Two and four runs a day services

Taxi Trucks

- ▶ On demand express services
- ▶ Exclusive hourly hire services
- ▶ Vehicles range from two tonne capacity through to semi-trailers

Fleet Management

- ▶ Provision of dedicated trucks and trailers on permanent hire

Specialised Transport

- ▶ Rail and wharf container transport
- ▶ Truck mounted cranes
- ▶ Tail lift vehicles
- ▶ Hot shot services

Freight Forwarding

- ▶ Intrastate road freight
- ▶ Interstate freight
- ▶ International freight

Regional Freight

- ▶ Scheduled line haul services to the South West and North West of Western Australia
- ▶ Vehicles range from rigid to triple road trains

What we do - Logistics

WAREHOUSING AND DISTRIBUTION

- ▶ Third party and overflow warehousing
- ▶ Contracted distribution centre services
- ▶ Pick and pack handling
- ▶ Bulk products storage
- ▶ Temperature controlled storage and distribution
 - ▶ Wine storage and stock management
 - ▶ Food product storage
 - ▶ Temperature controlled delivery

MINERALS AND ENERGY LOGISTICS

- ▶ Supply base warehousing and asset management
- ▶ Labour hire
- ▶ Plant and equipment hire
- ▶ Quarantine cleaning and fumigation
- ▶ Pest control
- ▶ Plant and equipment preservation wrapping



What we do – Security Services

SECURITY

- ▼ Installation and servicing of monitored alarms, CCTV and access control products for residential and commercial markets
- ▼ ASIAL graded A1 **24/7** control room monitoring of alarms, lone worker, medical alerts and CCTV video verification for own clients and third party security businesses

DOCUMENT STORAGE AND DESTRUCTION

- ▼ Secure storage of confidential documents and computer media
- ▼ Cataloguing of documents
- ▼ Supervised destruction of confidential documents

FY16 Key Financials



Revenue ⁽¹⁾	EBITDA ⁽²⁾	NPBT ⁽²⁾	EPS ⁽²⁾	Dividend	Dividend Yield
\$150.6 M	\$32.0 M	\$22.1 M	30.2 c	4.0 c	5.4%

Note:

(1) Includes full 12 months of GMK revenue

(2) After excluding the pre-tax profit on sale of Bibra Lake property \$18.9m (\$18.8m post tax) and non-cash impairment of properties of \$2.5m, EBITDA is \$14.2m, NPBT is \$5.7m, and EPS is 5.9c



FY16 Key Operational Achievements

- Executed (Q4) sustainable cost - saving and productivity initiatives generating in excess of \$2.5 million annualised savings
- Completed stage three expansion of the Hazelmere (WA) distribution centre doubling the capacity to 26,500m² at this site
- Commissioned a new “tier 1” level warehousing and distribution software system at Hazelmere for the group’s largest client
- Relocated GMK Logistics (NSW) to a new purpose built 3PL facility increasing Sydney storage footprint from 9,000m² to 16,000m²
- Committed to introducing a “best of breed” integrated transport and warehousing ERP system for GMK Logistics that will be fully operational February 2017
- Rolled out a state of art security software platform to cater for current and emerging technologies in the monitored alarm, CCTV video verification and home automation sectors
- Sold and leased back a long term property at Bibra Lake (WA) with the proceeds used to fund the acquisition of GMK Logistics
- Sold two non-core properties with the proceeds directed to debt reduction
- Significantly reduced gearing to more normal levels

Financials by Segment – Key Financials

■ 2016 ■ 2015

Revenue - \$150.6M

▲ 21.7% (1)



EBITDA - \$14.2M

▼ 13.6% (2)



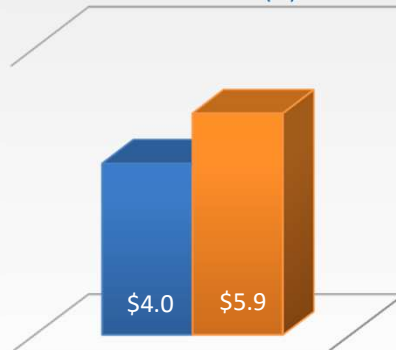
EBIT - \$8.1M

▼ 25.4% (2)



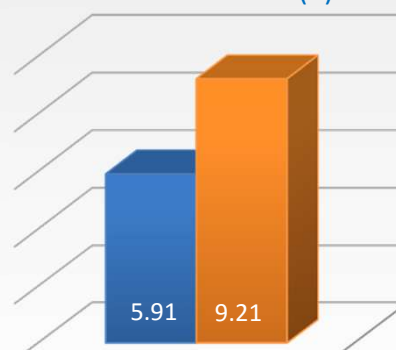
NPAT - \$4M

▼ 33% (2)



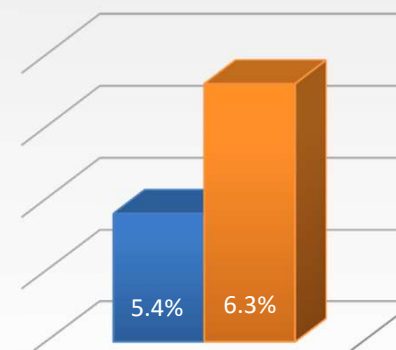
EPS – 5.91 cps

▼ 35.8% (2)



Dividend yield – 5.4%

▼ 14.3%



Note:

(1) 2016 includes full 12 months of GMK revenue

(2) 2016 excludes the pre-tax profit on sale of Bibra Lake property \$18.9m (\$18.8m post tax) and non-cash impairment of properties of \$2.5m



Financials by Segment - Revenue

■ 2016 ■ 2015

Transport - \$62.8M ▼ 14.4%

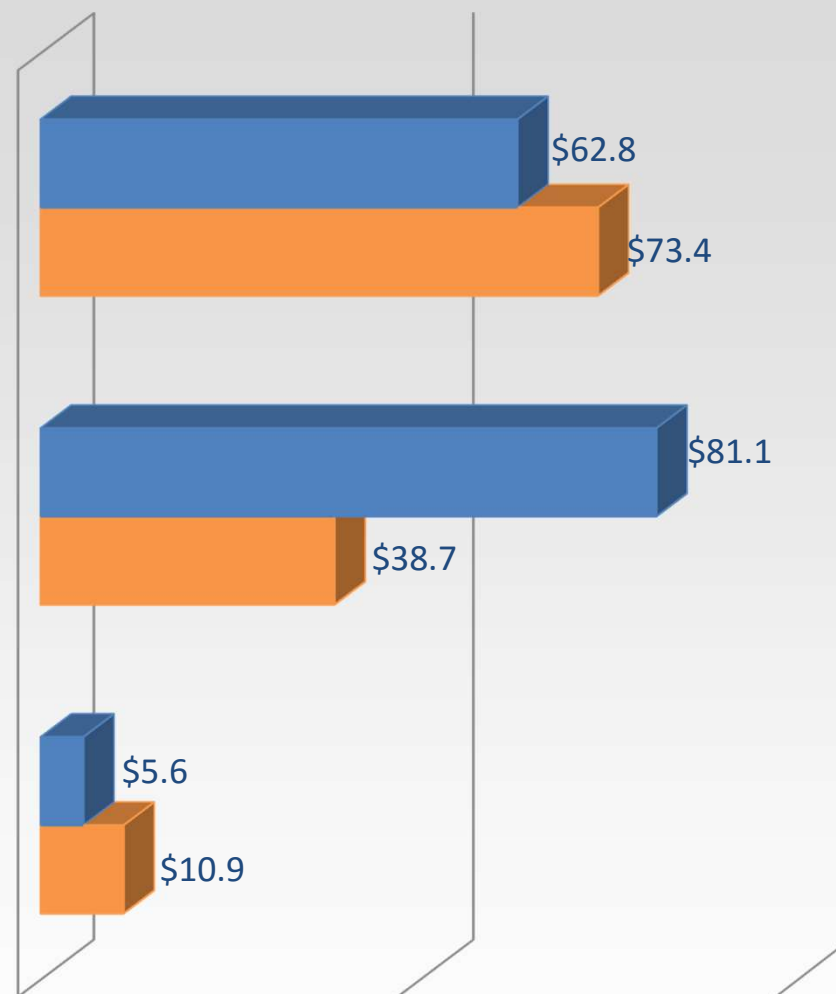
- Continued downturn in business activity, mainly in Western Australia
- Decline in courier, truck and freight volumes reflecting difficult market conditions
- Moderate growth in parcel volume

Logistics - \$81.1M ▲ 109.5%

- Full 12 months of GMK revenue and additional revenue from the new Gregory Hills site in NSW
- Revenue growth from expansion in South Australia and contracted warehouses at Hazelmere and Carlisle in Western Australia
- Decline in revenue in Minerals and Energy activity from previous year in line with expectations
- Growth in records management

Other - \$5.6M ▼ 48.8%

- FY15 includes revenue from the plastics business sold in May 2015
- Security monitoring revenue consistent with the previous year and installation revenue down in line with downturn in Western Australia
- Internal equipment hire revenue down in line with Western Australia activity



Financials by Segment – Net Profit Before Tax ■ 2016 ■ 2015

Transport - \$2.3M

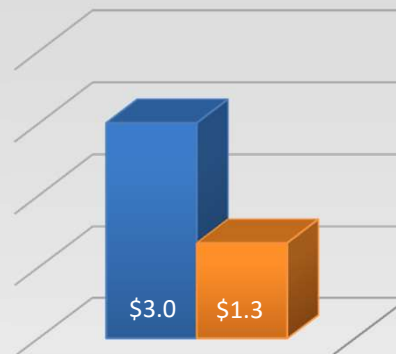
▼ 50.5%



- ▼ Continued downturn in business activity and increased pressure on margins, mainly in Western Australia
- ▼ Higher proportion of fixed costs as a result of lower volumes significantly impacting profit
- ▼ Implementation of sustainable cost saving initiatives in Q4 in Western Australia

Logistics - \$3M

▲ 124%



- ▼ Full 12 months of GMK results offset by costs incurred in relocating the New South Wales operations
- ▼ Costs associated with the implementation of a new distribution model and warehouse management system for the group's largest client
- ▼ Decline in Minerals and Energy activity and profit margin when compared to previous year
- ▼ Implementation of sustainable cost saving initiatives in Q4 in Western Australia

Other - \$1M

▼ 25.7%



- ▼ Security margins down in line with downturn in Western Australia
- ▼ Internal equipment hire margin down in line with Western Australia activity

Financials by Segment - Property

■ 2016 ■ 2015

Profit - \$18.5M

▲ 499%



- ▼ Sale and leaseback of Bibra Lake property in the period. Profit on sale of \$18.9m (\$18.8m after tax)
- ▼ Impairment of \$2.5m relating to investment and operating properties to reflect market conditions in Western Australia
- ▼ The acceptance of an offer to sell two non-core properties, crystallising prior period capital losses to offset capital gains

Assets - \$79.7M

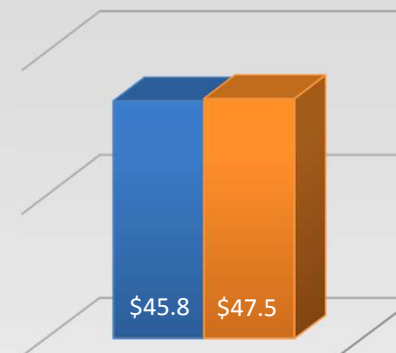
▲ 0.9%



- ▼ Completed stage three expansion of the Hazelmere distribution centre doubling the capacity to 26,500m² at this site
- ▼ Two non-core properties held for sale excluded from property segment assets

Liabilities - \$45.8M

▼ 3.5%



- ▼ Proceeds from property sales used to fund the GMK Logistics acquisition and Hazelmere stage 3 expansion
- ▼ Proceeds on sale of non-core properties has been used to repay bank debt since the year end

Balance Sheet

	30 June 2016 AU\$(000's)	30 June 2015 AU\$(000's)
Assets		
Cash and cash equivalents	2,162	6,101
Receivables and prepayments (1)	19,987	21,086
Inventories	134	365
Income tax receivable (2)	1,730	976
Property held-for-sale (3)	2,301	6,749
Current assets	26,314	35,277
Other	89	92
Property, plant & equipment (4)	97,985	89,318
Investment properties (5)	3,567	6,080
Intangibles (6)	29,934	31,121
Non-current assets	131,575	126,610
Total assets	157,889	161,888
Liabilities		
Trade and other payables (7)	10,892	25,213
Borrowings (8)	1,700	2,575
Provisions	3,886	3,853
Current liabilities	16,478	31,641
Borrowings (9)	58,321	65,590
Deferred tax liabilities (10)	1,567	1,482
Provisions and other liabilities	1,150	1,015
Non-current liabilities	61,038	68,087
Total liabilities	77,516	99,728
Total net assets (11)	80,373	62,160
NTA per share at valuation (12)	\$0.97	\$1.02

Comments:

- 1) Reduction in line with continued tight controls over receivables in place and reduction in other receivables
- 2) Refund expected following payments in excess of actual tax liability
- 3) Sale of two non-core properties
- 4) Expansion of Hazelmere distribution facility net of impairment of two operating properties
- 5) Transfer of property to held for sale and impairment of two non-core investment properties
- 6) Final acquisition accounting for GMK Logistics intangible assets and related amortisation
- 7) Reduction in line with repayment of vendor loan of \$14.2m paid in September 2015
- 8) Current portion of financed assets
- 9) Interest bearing debt reduced from proceeds of sale of property and underwriting of the November 2015 dividend after allowing for cost of plant, equipment and motor vehicles
- 10) Arising on the acquisition of GMK Intangible assets
- 11) 29% increase in net assets over the previous year
- 12) NTA per share at directors' valuation at 30 June 2016 of \$96,899,644 of Freehold Land and Buildings

Corporate Dashboard

Fully Paid Ordinary Shares (FPO)

	Shareholders at 30 September 2016	Number of FPO	Percentage of Issued Capital (%)
1	David R Watson	28,395,458	40.14%
2	HSBC Custody Nominees Ltd	4,404,619	6.23%
3	Simon D Kenworthy	3,946,399	5.58%
4	David A Mellor	3,694,319	5.22%
5	Bruce E Saxild	3,329,793	4.71%
6	Parmelia Pty Ltd	3,154,615	4.46%
7	Dixson Trust Pty Ltd	1,686,633	2.38%
8	JP Morgan Nominees Australia Ltd	880,469	1.24%
9	Timeoff Super Pty Ltd	521,000	0.74%
10	Dewver Pty Ltd	500,000	0.71%
	Other	20,222,630	28.59%
	Total	70,735,935	100.00%

CTI Logistics Limited – share price trading volume



Corporate Information

		Movement in Share Capital	Movement	Total
ASX Code	CLX	At 30 June 2015		68.0M
Shares on Issue	70.7M	November 2015 – BSP and DRP	0.5M	68.5M
Options on Issue	Nil	November 2015 – Share issue	1.7M	70.2M
Share Price at 12 October 2016	\$0.83	April 2016 – BSB and DRP	0.5M	70.7M
Market Capitalisation	\$58.7M	At 30 June 2016		70.7M



FY17 Initiatives

- ▶ Continue cost saving and productivity initiatives across all business units
- ▶ Divest some of remaining non-core properties (approximate value \$4.7 million) and channel proceeds to debt reduction
- ▶ Launch new national online delivery platform in Q3 or before
- ▶ Continue to expand transport and logistics services in the Eastern Seaboard to reduce the dependency on the Western Australian economy
- ▶ Commission new integrated transport and warehousing ERP system nationally for GMK Logistics in Q3
- ▶ Develop stage two of GMK's Gregory Hills (NSW) 3PL facility - adding an additional 6,000m² of warehousing capacity to accommodate growth, taking the site to 22,000m² of storage area
- ▶ Further expand and strengthen Western Australian regional freight network by seeking out small bolt on acquisitions that can be rolled into the network

Transport



Logistics



Security Services



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