



**Full Year 2008
Results Presentation**

CY08 Highlights



Key Points:

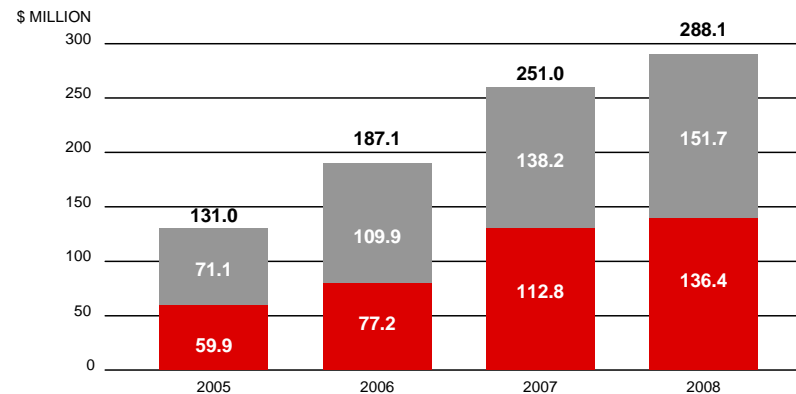
- Revenue up 15% to \$288m from \$251m
- Strong sales performance by Industrial Australia
- Capital investments in Asia and NZ completed
- Restructuring initiated in Commercial

- Operating cash flow at \$18.4m vs \$11.6m up 59%
- Strong focus on working capital management
- Gearing levels improved to 45% from 49% (net debt/net debt+ equity)

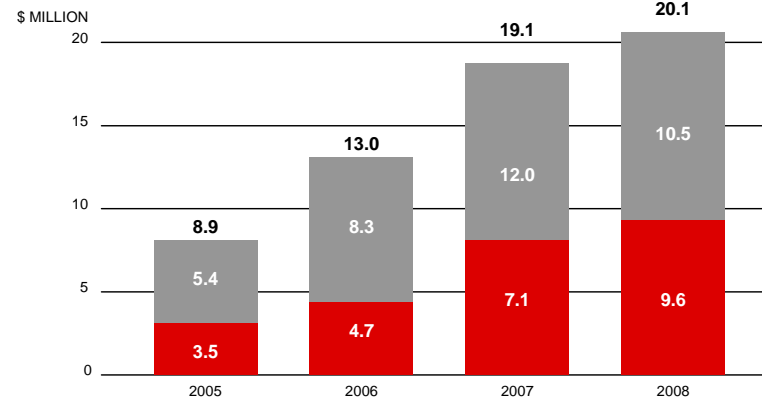
- Normalised EBITA at \$20.1m, up 5%
- Normalised NPAT at \$11.5m, down 2%
- Profit impacted by bad debt

- Normalised EPS down 6% to 17.8 cents from 18.8 cents
- Dividend reduced to 8.0 cents from 9.0 cents

Sales revenue



EBITA Normalised

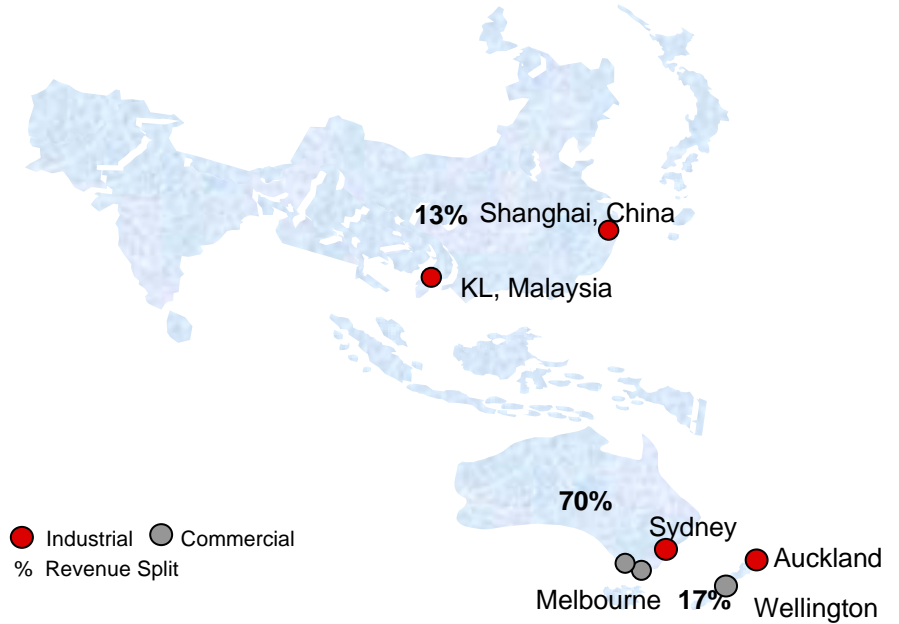


Overview



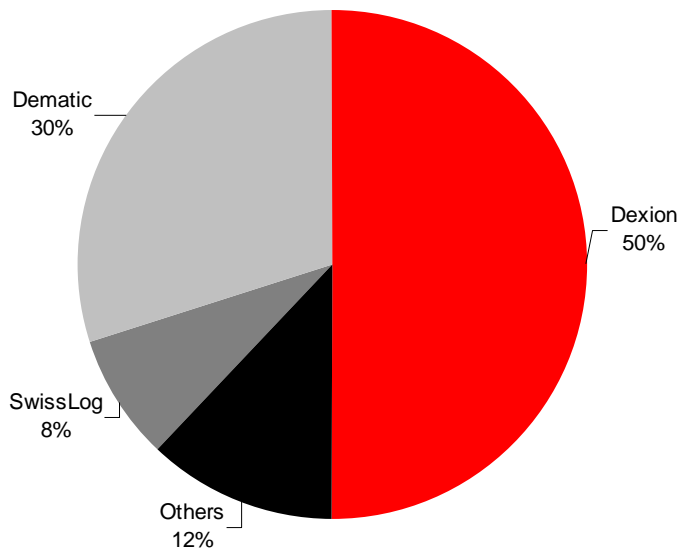
Key Facts

- Comprehensive provider of industrial and commercial storage solutions
- Employee base is approximately 900
- Seven manufacturing plants in the region
- Strong channel coverage through direct sales force and dealer networks
- Strong positions in attractive geographic markets with leading brand positions

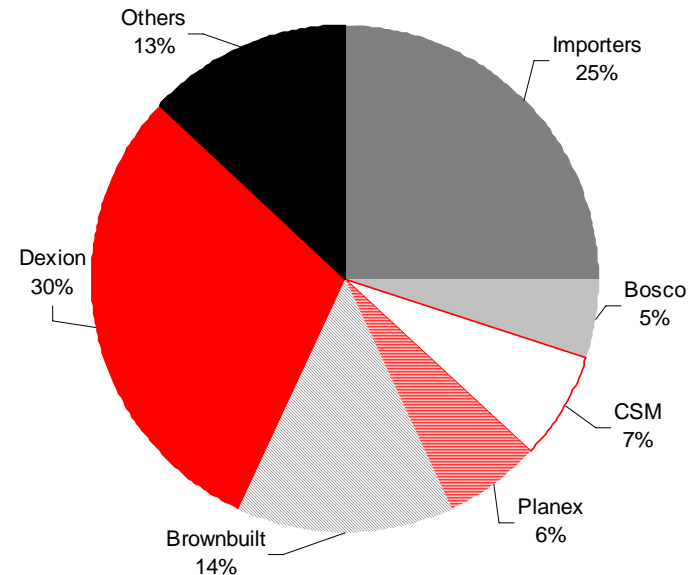


ANZ Market Shares *(company estimates)*

Industrial Storage ~ \$400m



Commercial Storage ~ \$250m



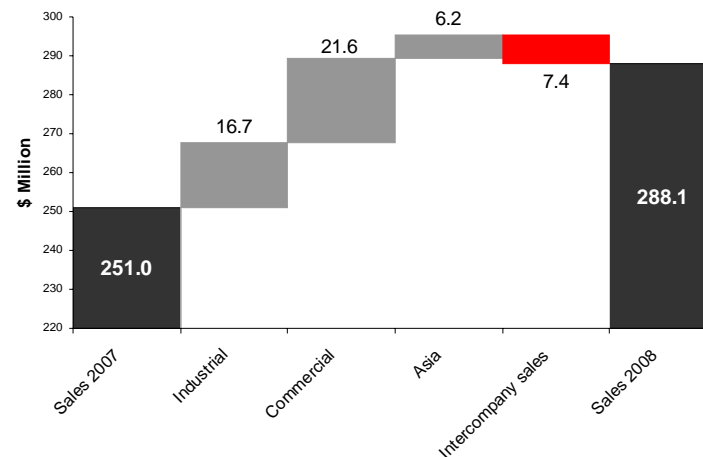
Earnings



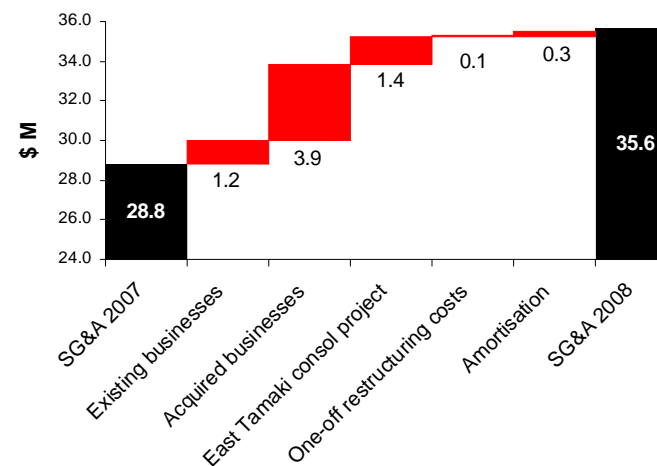
Key earnings drivers were:

- Strong sales growth in Industrial
- Commercial Division performance poor as a result of manufacturing issues, higher freight and steel costs
- Full year impact of acquisitions adds \$22m to revenue

Sales by Segment (\$M) 2008 v 2007



Expenses (\$M) 2008 v 2007



Y/End 31 Dec (\$m)	2008	2007	Change
Sales revenue	288.1	251.0	15%
Cost of sales	(237.6)	(205.1)	
Gross profit	50.5	45.8	10%
Other income	1.7	0.5	
Expenses	(35.6)	(28.8)	
EBIT	16.5	17.5	-6%
Net interest/financing costs	(5.0)	(3.3)	
Profit before tax	11.6	14.3	
Taxation	(2.6)	(3.7)	
NPAT	9.0	10.6	-14%
Add: Amortisation	1.1	0.9	
Add: East Tamaki restructuring costs	1.0		
Add: Other one-off costs	0.4	0.3	
NPAT (Normalised)	11.5	11.7	-2%
EBITA (Normalised)	20.1	19.1	5%
Gross margin	17.5%	18.3%	
Effective tax rate	22.8%	26.0%	
EBITA margin (normalised)	7.0%	7.6%	

Cash Flow



Key Points:

- Operating cash flow improves to \$18.4m
- Capital expenditure of \$6.5m including:
 - IT platform upgrade in Industrial and Commercial businesses
 - Spacesaver commercial project in Asia
 - Expansion of East Tamaki factory in New Zealand
- Cash flow will be protected through:
 - Capex not to exceed depreciation
 - Lower interest expense
 - Reduction of working capital

Y/End 31 Dec (\$m)	2008	2007
EBITA	18.2	18.7
Depreciation	3.6	3.5
Net interest	(4.9)	(3.2)
Tax paid	(2.8)	(5.8)
Working capital / other	4.2	(1.6)
Operating Cash Flow	18.4	11.6
Capital expenditure	(6.5)	(7.7)
Proceeds from disposals	0.4	0.1
Acquisitions	(3.1)	(44.0)
Investing Cash Flow	(9.2)	(51.6)
Equity proceeds (net)		20.2
Borrowings	(1.2)	24.6
Dividends	(5.8)	(5.1)
Financing Cash Flow	(7.0)	39.6
Net Cash Flow	2.2	(0.4)

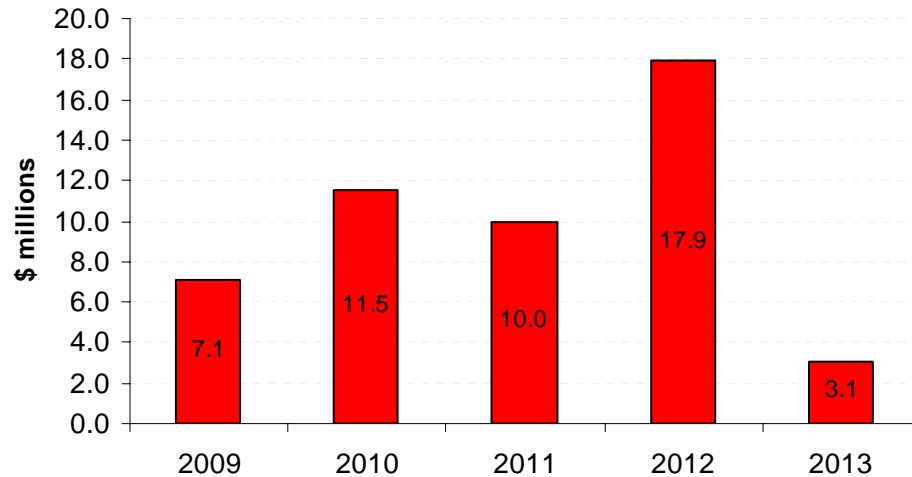
Balance Sheet



Key Points:

- Gearing reduced to 45% with net debt of \$46m and shareholders funds of \$55m.
- EBITA (normalised)/Interest cover 4.0 times.
- Unutilised banking facilities of \$23m

Dexion Limited - Debt Maturity Profile as at Dec 2008



Y/End 31 Dec (\$m)	2008	2007
Cash	5.1	2.5
Receivables	51.5	49.3
Inventories	33.8	22.0
Other current assets	1.8	1.6
Fixed assets	26.2	25.8
Intangibles	52.7	48.1
Deferred tax assets	2.8	2.2
Total Assets	173.9	151.5
Borrowings	51.0	51.8
Trade Creditors	36.3	28.4
Other Payables	21.4	12.1
Current tax payable	0.7	0.1
Deferred tax liability	3.1	2.3
Provisions	6.3	5.8
Total Liabilities	118.8	100.4
Net Assets	55.1	51.0
Net debt (cash)	45.9	49.3
Net debt/net debt + equity	45%	49%
Working capital	27.5	30.8

Segment Analysis

Key Points:

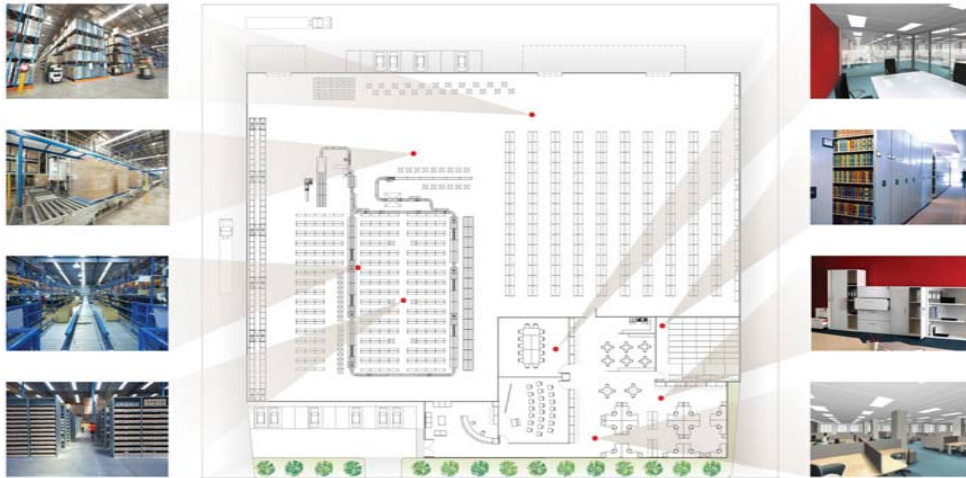
- Industrial delivers a strong result, via key projects & good organic growth via Distributors
- NZ impacted by macro-economic issues and plant delays
- Commercial impacted by strong dollar and high steel costs
- Precision NZ strong performance with key contract wins
- Malaysia performance improved in second half
- China suffered from steel price squeeze and bad debt

Segment EBITA Normalised

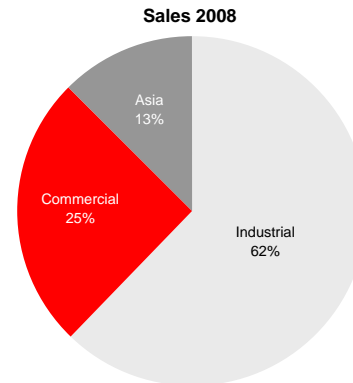
Y/End 31 Dec (\$m)	2008	2007	Change
Industrial	23.2	19.8	17%
Commercial	1.3	3.5	-63%
Asia	0.8	1.2	-31%
Total segment EBITA	25.3	24.4	4%
Unallocated HO costs	(5.1)	(5.3)	-3%
Total Group EBITA	20.1	19.1	5%

Sales by Segment - 2008 vs 2007

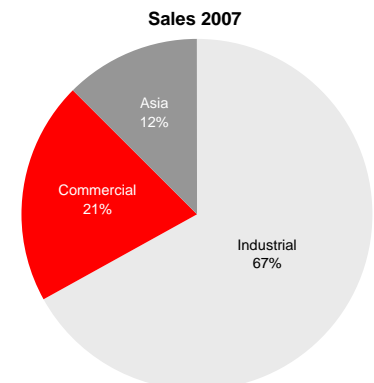
INDUSTRIAL



COMMERCIAL

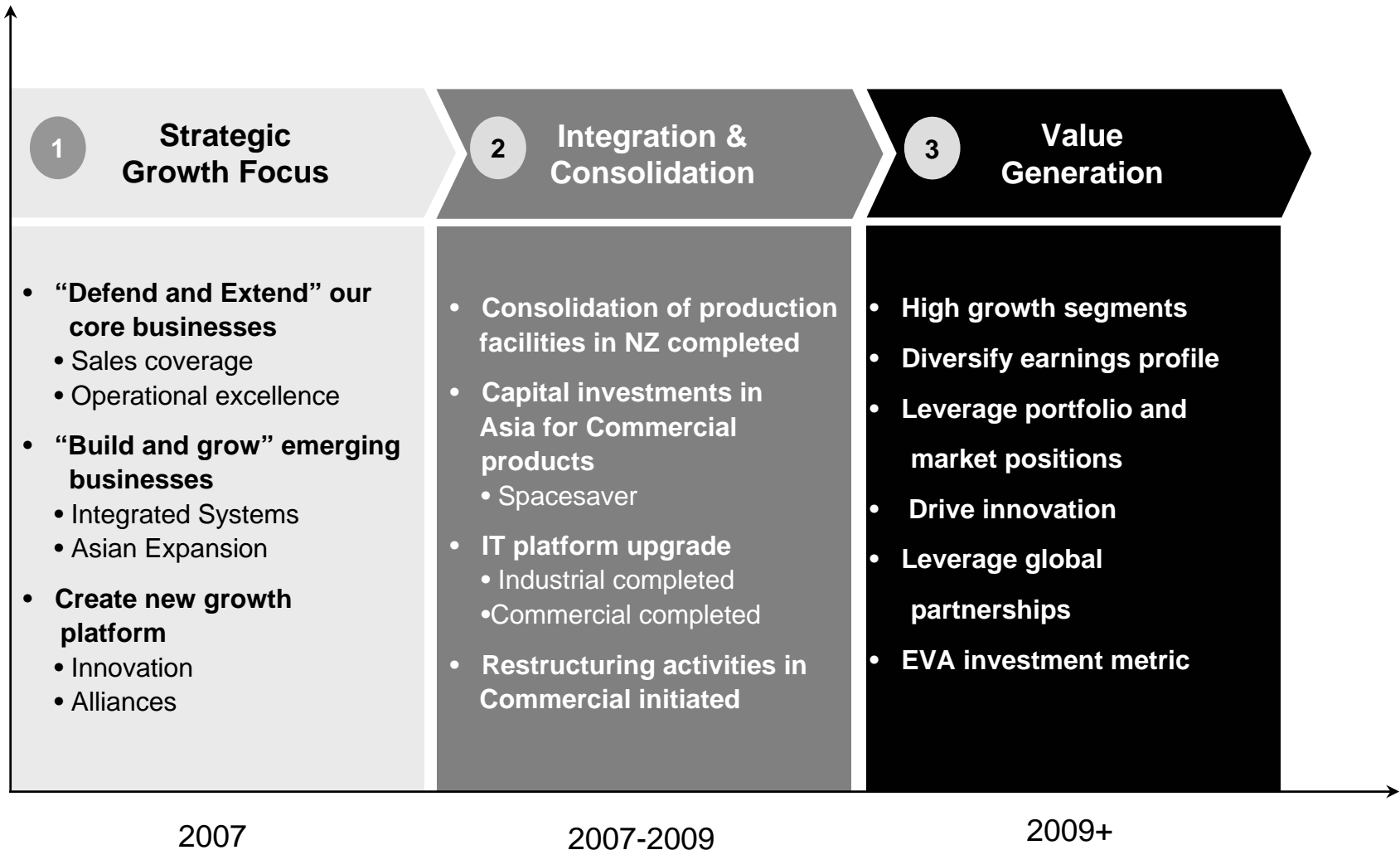


Total Sales \$288.1 million



Total Sales \$251.0 million

Our Strategy – Execution Roadmap



Industrial

- Australia demand expected to soften and margins will come under pressure
- NZ will improve on CY08 performance on the back of key project wins
- Enquiry rate remains high, with most companies looking for “cost out” solutions
- Benefit from Govt incentive plan which provides a one off additional 30% tax deduction

Commercial

- Manufacturing issues have been resolved
- Commercial will benefit from restructuring effort in 2H'09
- Cost reduction plan in place to improve performance
- Focus is on Government sector & enhancing our customer service levels

Asia

- Major contract secured with global FMCG player in China & Retailer in ME
- “A-Line” product launch initiated in late 2008 (Spacesaver alliance)
- In principle agreement with Indian partner to distribute product line in India
- Solid order book and positive sales outlook for 2009

Outlook

- Current order book value is similar to prior year
- Steel pricing expected to ease
- Weak \$AUD/NZD to impact importers
- Trading update to be provided at AGM in April 2009