

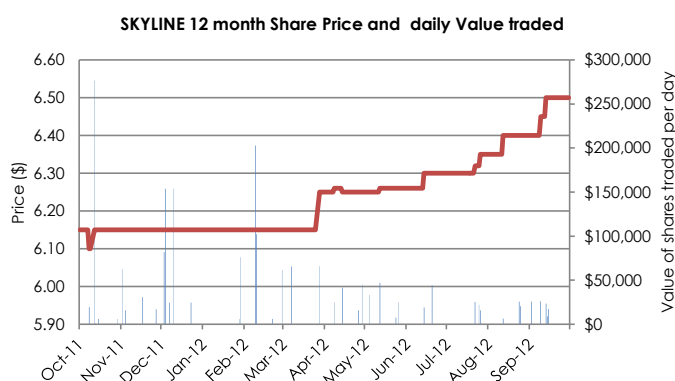
Issuer Profile



Skyline Enterprises Limited



Code	SKYLINE
Last Price	\$6.50
Issuer Profile Date	8/10/2012
Market	Unlisted
Listed	Dec-03
Year End	31-Mar
Shares issued	34,047,779
Market Cap	\$221,310,564
Dividend yield (Gross)	5.7%
Website	www.skyline.co.nz



Company Overview

SKYLINE provides leisure and entertainment products and services in New Zealand and overseas. SKYLINE owns and operates two fully integrated gondola, restaurant, luge and other entertainment facilities in Queenstown and Rotorua. Internationally SKYLINE owns and operates two luge only properties one on Sentosa Island in Singapore and three season (Spring, Summer and Fall) operation at Mont Tremblant in Quebec, Canada. In spring 2013, a third international luge operation is planned to open in Calgary, Canada. It owns and operates two accommodation properties in New Zealand being Blue Peaks Lodge in Queenstown and Mercure Leisure Lodge in Dunedin. SKYLINE owns substantial shareholdings in the Christchurch, Queenstown and Dunedin Casinos. SKYLINE also owns a portfolio of eight commercial properties located in Queenstown's CBD with seventy five tenants.

In September 2011 SKYLINE acquired the following tourism businesses, Totally Tourism, The Helicopter Line, Glacier Helicopters, Mitre Peaks Cruises, Milford Sound Scenic Flights, Wanaka Flightseeing, Air Fiordland, Milford Sound Flights (50%), Harris Mountain Heliski, Challenge Rafting and Queenstown Combos.

Financial Summary (NZ\$000's)

Financial Performance

	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12
Total Revenue	51,801	52,495	55,980	58,147	76,241
EBITDA	23,612	23,811	27,105	26,254	31,267
EBIT	20,901	20,639	23,417	22,545	26,392
EBIT Margin	40.3%	39.3%	41.8%	38.8%	34.6%
Net Profit/Comprehensive Income	25,133	3,751	13,930	12,069	19,821

Financial Position

Current Assets (ex cash)	2,132	1,897	2,423	2,284	4,037
Current Liabilities (ex debt)	(4,793)	(5,495)	(8,773)	(6,673)	(10,866)
Net Working Capital	(2,661)	(3,598)	(6,350)	(4,389)	(6,829)
Non-Current Assets	177,769	160,700	159,569	154,315	182,186
Non-Current Liabilities (ex debt)	(1,522)	(1,548)	(1,688)	(5,456)	(8,797)
Total Net Assets (ex cash/debt)	173,586	155,554	151,531	144,470	166,560
(Cash)	(1,488)	(3,108)	(2,855)	(8,491)	(6,220)
Debt	24,609	13,803	2,885	87	10,242
Net Debt	23,121	10,695	30	(8,404)	4,022
Shareholder Funds	150,465	144,859	151,501	152,873	162,537
Total Capital Employed	173,586	155,554	151,531	144,470	166,560
Total Assets (incl cash)	181,389	165,705	164,847	165,089	192,443

Cash Flows

Operating Cash Flows	19,612	21,113	24,483	21,112	27,954
Investing Cash Flows	(1,804)	373	(6,262)	(2,032)	(29,975)
Financing Cash Flows	(18,033)	(20,029)	(18,226)	(13,499)	(176)
Net Increase/(Decrease) in Cash	(225)	1,458	(6)	5,581	(2,197)

Disclaimer

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Analysis

	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12
Investment Performance					
Closing Share Price (\$)	5.40	4.10	5.40	5.51	6.15
Annual Total Return (including net dividends)	(2.1%)	(20.0%)	39.5%	8.0%	17.8%
A Profitability (EBIT/Revenue)	40.3%	39.3%	41.8%	38.8%	34.6%
B Activity (Rev/Average Total Net Assets)	0.30	0.31	0.35	0.38	0.47
Return on Capital Employed (A x B)	12.1%	12.3%	14.8%	14.7%	16.4%
Return on Equity (NPAT/Average Shareholders Funds)	17.7%	2.5%	9.4%	7.9%	12.6%
Shares on Issue (m)	33.8	33.9	33.9	33.9	34.0
Reported Net Profit / Comprehensive Income (\$m)	25.1	3.8	13.9	12.1	19.8
Payout Ratio	37.6%	198.4%	77.8%	89.8%	58.4%
Net Dividend Yield	5.2%	5.4%	5.9%	5.8%	5.5%
Imputation Credits	100.0%	100.0%	100.0%	100.0%	30.0%
Gross Dividend Yield	7.7%	7.7%	8.5%	8.3%	6.0%
Per Share (cents)					
EBITDA	69.8	70.3	80.0	77.4	91.8
EPS - Basic	74.3	11.1	41.1	35.6	58.2
EPS - Diluted	74.1	11.0	41.0	35.5	58.1
Net Dividend	28.0	22.0	32.0	32.0	34.0
Net Tangible Assets	444.8	427.9	447.1	450.7	467.5
Cash Flow from Operations	58.0	62.4	72.2	62.2	82.1
Valuation (as at year end)					
Trailing P/E (multiple)	7.3	37.0	13.1	15.5	10.6
Market Value (\$m)	182.7	138.8	183.0	186.9	209.4
Net (Cash)/Debt (\$m)	23.1	10.7	0.0	(8.4)	4.0
Enterprise Value 'EV' (\$m)	205.8	149.5	183.0	178.5	213.4
EV/EBITDA (multiple)	8.7	6.3	6.8	6.8	6.8
Price/Net Tangible Assets (multiple)	1.2	1.0	1.2	1.2	1.3
Operating Ratios					
EBIT Margin	40.3%	39.3%	41.8%	38.8%	34.6%
NPAT Margin	48.5%	7.1%	24.9%	20.8%	26.0%
Net Capex to Sales	4.8%	14.8%	13.1%	5.0%	32.3%
Annual Growth Rates					
Revenue	8.5%	1.3%	6.6%	3.9%	31.1%
EBITDA	9.5%	0.8%	13.8%	(3.1%)	19.1%
NPAT	3.5%	(85.1%)	271.3%	(13.4%)	64.2%
Net Assets	4.5%	(10.4%)	(2.6%)	(4.7%)	15.3%
Equity	12.6%	(3.7%)	4.6%	0.9%	6.3%
Capital Structure					
Equity to Total Assets	83.0%	87.4%	91.9%	92.6%	84.5%
Net Debt/(Net Debt+Equity)	13.3%	6.9%	0.0%	(5.8%)	2.4%
Net Debt to Equity	15.4%	7.4%	0.0%	(5.5%)	2.5%
Interest Cover (multiple)	7.4	9.7	45.0	298.4	81.8

Directors	Position	Appointed
Kenneth Matthews (Chairman)	Chair	14-Apr-00
Bill Walker	Director	18-Oct-84
Phillip Hensman	Director	18-Oct-84
Grant Hensman	Director	7-Aug-93
Richard Thomas	Director	21-May-07
Jan Hunt	Director	23-May-08
Mark Quickfall	Director	20-Apr-12

Top Ten Shareholders *	Shares	Ownership
Phillip Hensman, Grant Hensman	2,959,333	8.69%
Barry Thomas, Sharon Thomas	1,996,049	5.86%
Lois Gill, McCulloch Trustees Limited	1,500,000	4.41%
Hensman-Macdonald Limited	1,155,147	3.39%
Elizabeth Luke, David Luke, Grant Hensman	1,032,355	3.03%
Marion Meehan, Robert Cooper	917,269	2.69%
Grant Hensman	811,539	2.38%
Lynda Hensman, Phillip Hensman	800,000	2.35%
NZ Guardian Trust	676,163	1.99%
NZ Guardian Trust	654,103	1.92%
Total	12,501,958	36.72%

* As at 10 September 2012