

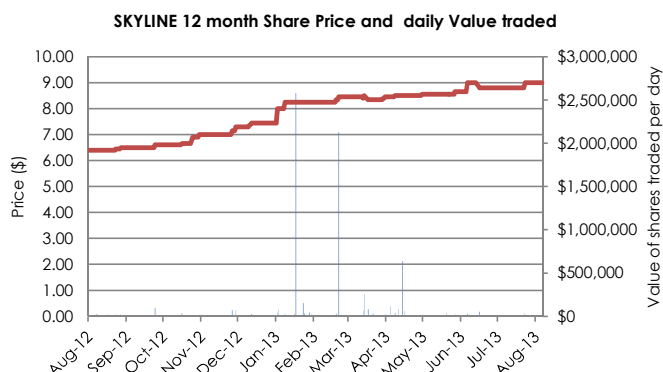
Issuer Profile



Skyline Enterprises Limited



Code	SKYLINE
Last Price	\$9.00
Issuer Profile Date	28/08/2013
Market	Unlisted
Listed	Dec-03
Year End	31-Mar
Shares issued	34,093,879
Market Cap	\$306,844,911
Dividend yield (Gross)	4.5%
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 a three season (Spring, Summer and Fall) operation at Mont Tremblant in Quebec, Canada. Construction begun in June 2013 on a third international luge operation in Calgary, Canada. A fourth international luge operation is in the consenting process, planned to open in Tonyeong, South Korea. 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 and Dunedin Casinos. SKYLINE owns 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. SKYLINE also owns a portfolio of eight commercial properties located in Queenstown's CBD with seventy five tenants.

Financial Summary (NZ\$000's)

Financial Performance	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12	31-Mar-13
Total Revenue	52,495	55,980	58,147	76,241	103,380
EBITDA	23,811	27,105	26,254	31,267	38,906
EBIT	20,639	23,417	22,545	26,392	31,299
EBIT Margin	39.3%	41.8%	38.8%	34.6%	30.3%
Net Profit/Comprehensive Income	3,751	13,930	12,069	19,821	64,783
Financial Position					
Current Assets (ex cash)	1,897	2,423	2,284	4,037	7,480
Current Liabilities (ex debt)	(5,495)	(8,773)	(6,673)	(10,866)	(21,624)
Net Working Capital	(3,598)	(6,350)	(4,389)	(6,829)	(14,144)
Non-Current Assets	160,700	159,569	154,315	182,186	312,101
Non-Current Liabilities (ex debt)	(1,548)	(1,688)	(5,456)	(8,797)	(23,915)
Total Net Assets (ex cash/debt)	155,554	151,531	144,470	166,560	274,042
(Cash)	(3,108)	(2,855)	(8,491)	(6,220)	(14,616)
Debt	13,803	2,885	87	10,242	72,733
Net Debt	10,695	30	(8,404)	4,022	58,117
Shareholder Funds	144,859	151,501	152,873	162,537	215,925
Total Capital Employed	155,554	151,531	144,470	166,560	274,042
Total Assets (incl cash)	165,705	164,847	165,089	192,443	334,196
Cash Flows					
Operating Cash Flows	21,113	24,483	21,112	27,954	39,118
Investing Cash Flows	373	(6,262)	(2,032)	(29,975)	(80,981)
Financing Cash Flows	(20,029)	(18,226)	(13,499)	(176)	50,295
Net Increase/(Decrease) in Cash	1,458	(6)	5,581	(2,197)	8,432

Disclaimer

The information contained in this Issuer Profile has been prepared by Armillary Private Capital ('Armillary'), on behalf of Efficient Market Services Limited ('Unlisted'). While the intention is to provide accurate information based on historical performance and market information, Armillary and Unlisted accept no liability for any errors or inaccuracies in this Issuer Profile. The reader is advised to perform their own research to confirm the accuracy of the information contained in this Issuer Profile before relying on it for any investment decision making. This Issuer Profile has been prepared as a 'class service' as defined by the Financial Advisers Act and is general in nature.

Analysis

	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12	31-Mar-13
Investment Performance					
Closing Share Price (\$)	4.10	5.40	5.51	6.15	8.45
Annual Total Return (including net dividends)	(20.0%)	39.5%	8.0%	17.8%	43.4%
A Profitability (EBIT/Revenue)	39.3%	41.8%	38.8%	34.6%	30.3%
B Activity (Rev/Average Total Net Assets)	0.31	0.35	0.38	0.47	0.45
Return on Capital Employed (A x B)	12.3%	14.8%	14.7%	16.4%	13.6%
Return on Equity (NPAT/Average Shareholders Funds)	2.5%	9.4%	7.9%	12.6%	34.2%
Shares on Issue (m)	33.9	33.9	33.9	34.0	34.1
Reported Net Profit / Comprehensive Income (\$m)	3.8	13.9	12.1	19.8	64.8
Payout Ratio	198.4%	77.8%	89.8%	58.4%	19.4%
Net Dividend Yield	5.4%	5.9%	5.8%	5.5%	4.4%
Imputation Credits	100.0%	100.0%	100.0%	30.0%	28.0%
Gross Dividend Yield	7.7%	8.5%	8.3%	6.0%	4.8%
Per Share (cents)					
EBITDA	70.3	80.0	77.4	91.8	114.1
EPS - Basic	11.1	41.1	35.6	58.2	190.0
EPS - Diluted	11.0	41.0	35.5	58.1	189.8
Net Dividend	22.0	32.0	32.0	34.0	37.0
Net Tangible Assets	427.9	447.1	450.7	467.5	359.6
Cash Flow from Operations	62.4	72.2	62.2	82.1	114.7
Valuation (as at year end)					
Trailing P/E (multiple)	37.0	13.1	15.5	10.6	4.4
Market Value (\$m)	138.8	183.0	186.9	209.4	288.1
Net (Cash)/Debt (\$m)	10.7	0.0	(8.4)	4.0	58.1
Enterprise Value 'EV' (\$m)	149.5	183.0	178.5	213.4	346.2
EV/EBITDA (multiple)	6.3	6.8	6.8	6.8	8.9
Price/Net Tangible Assets (multiple)	1.0	1.2	1.2	1.3	2.3
Operating Ratios					
EBIT Margin	39.3%	41.8%	38.8%	34.6%	30.3%
NPAT Margin	7.1%	24.9%	20.8%	26.0%	62.7%
Net Capex to Sales	14.8%	13.1%	5.0%	32.3%	66.6%
Annual Growth Rates					
Revenue	1.3%	6.6%	3.9%	31.1%	35.6%
EBITDA	0.8%	13.8%	(3.1%)	19.1%	24.4%
NPAT	(85.1%)	271.3%	(13.4%)	64.2%	226.8%
Net Assets	(10.4%)	(2.6%)	(4.7%)	15.3%	64.5%
Equity	(3.7%)	4.6%	0.9%	6.3%	32.8%
Capital Structure					
Equity to Total Assets	87.4%	91.9%	92.6%	84.5%	64.6%
Net Debt/(Net Debt+Equity)	6.9%	0.0%	(5.8%)	2.4%	21.2%
Net Debt to Equity	7.4%	0.0%	(5.5%)	2.5%	26.9%
Interest Cover (multiple)	9.7	45.0	298.4	81.8	26.5

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	8.68%
Barry Thomas, Sharon Thomas	1,996,049	5.85%
Lois Gill, McCulloch Trustees Limited	1,500,000	4.40%
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	1.98%
NZ Guardian Trust	654,103	1.92%
Total	12,501,958	36.67%

* As at 28 August 2013