



# ITL Annual General Meeting Chairmans Presentation

A webcast of this presentation will be available from 3.00pm at the following web address.

[www.brr.com.au/event/89544?popup=true](http://www.brr.com.au/event/89544?popup=true)



Innovating Technologies for Life

# ITL LIMITED 2011 ANNUAL GENERAL MEETING



18 November 2011



Innovating Technologies for Life



# AGENDA

- 30 June 2011 Results
- Cash and Debt Management
- Divisional Reports
- Capital Management
- Financial Year 2012.....



# 2010 / 2011 Full Year Results

<b>Profit and Loss Statement</b>	<b>30 June 2010</b>	<b>30 June 2011</b>
Revenue	\$40.0m	\$40.7m
EBITDA*	\$1.1m	\$4.2m
EBIT*	\$(1.6)m	\$2.5m
PBT	\$(14.0)m	\$1.2m
NPAT	\$(12.9)m	\$0.9m

\* Before asset impairment, restructuring expenses and property loss (2010: \$11.6m; 2011 \$0.7m)



# Full Year Results

## 30 June 2011 Financial Position

Balance Sheet	30 June 2010	30 June 2011
Net Assets	\$14.6m	\$15.0m
Cash	\$3.1m	\$2.4m
Borrowings	\$10.0m	\$5.0m
Net Debt	\$6.9m	\$2.6m
Gearing (Net Debt / (Net Debt + Equity))	32%	15%
Unused Loan Facilities	\$1.3m	\$3.1m
Net Asset Backing per share	11.1 cents	11.4 cents
Net Tangible Asset Backing per share	8.2 cents	9.4 cents



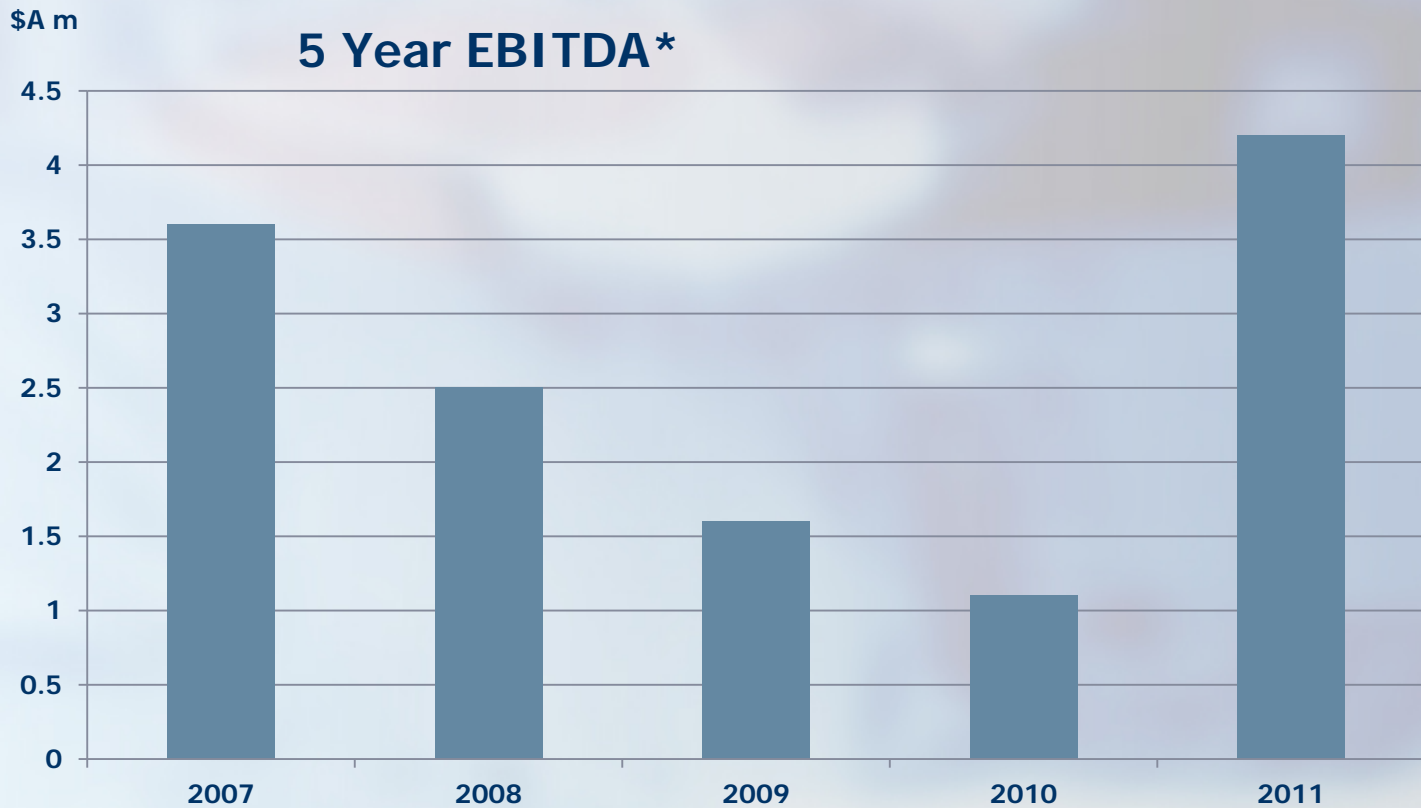
# FY11 Highlights

- Net profit after tax of \$0.9m  
Turnaround from prior year loss of (\$12.9)m
- Profit before tax of \$1.2m  
Turnaround from prior year loss of (\$14.0)m
- EBITDA\* up from \$1.1m to \$4.2m
- Positive operating cash flow of \$3.3m
- Net debt reduced by \$4.3m (from \$6.9m to \$2.6m)
- Inventories reduced by \$4.7m (from \$11.3m to \$6.6m)

\* Before asset impairment, restructuring expenses and property loss



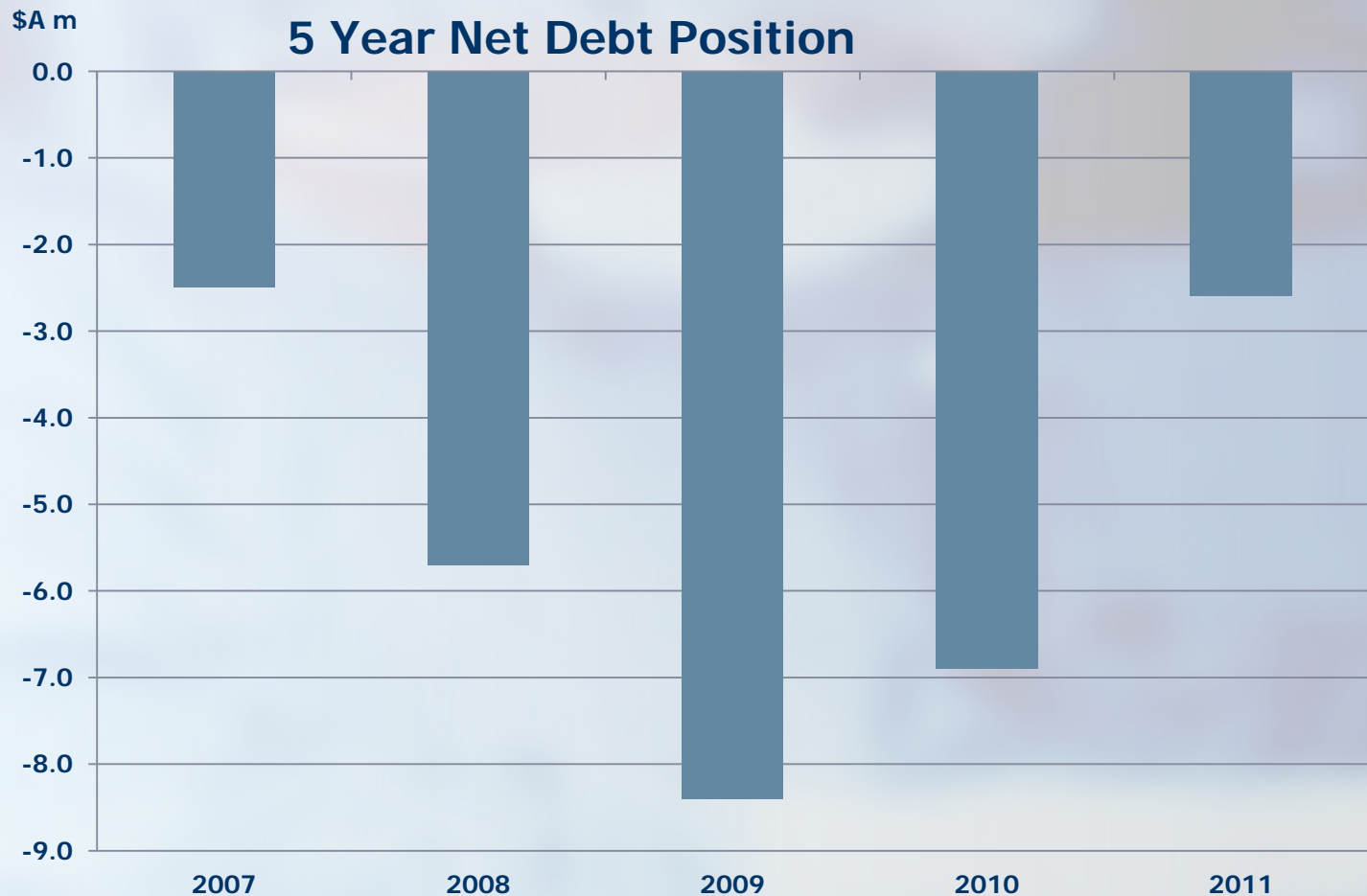
# EBITDA\* Reaches 5 Year High



\* Before asset impairment, restructuring expenses and property loss



# Net Debt Returns to 2007 Levels



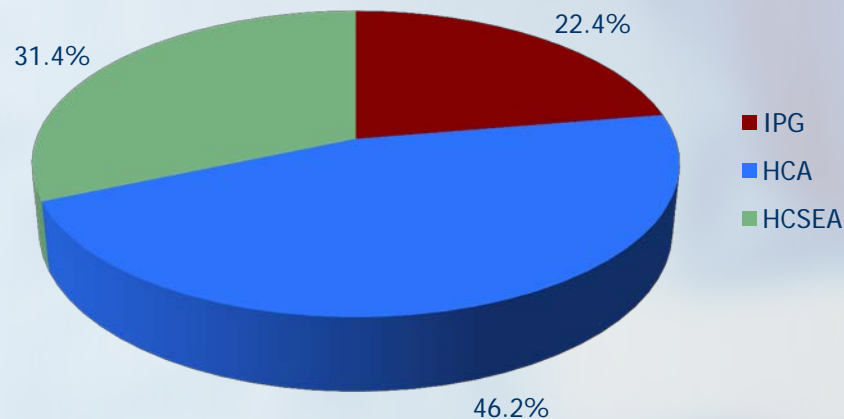


# Performance by Segment 2011

	IPG	HCA	HCSEA	Other	TOTAL
Revenue	\$9.1m	\$18.8m	\$12.8m	-	\$40.7m
EBITDA*	\$2.1m	\$1.1m	\$0.7m	\$0.3m	\$4.2m
EBIT*	\$1.5m	\$0.7m	\$0.1m	\$0.2m	\$2.5m

\* Before restructuring expenses

## Revenue % by Segment





# ITL Business Divisions

## Healthcare Australia



### Medical Devices & Procedure Packs

- In-house Steriliser
- Class 3500 Clean Room
- Gowns & Drapes

## Innovative Products



### Biological Safety Sampling Devices

- Human Sample Collection and Processing
- Animal Sample Collection
- New Product Development

## Healthcare SE Asia



### Medical Equipment Distribution

- Surgical Instruments
- Medical Product Representation



# Healthcare Australia

## ACHIEVEMENTS

- New General Manager and Management Team Revitalized
- Re-establishing HCA reputation and brand
- Strategy refocused to meet challenging market with major new competitors
- New business investment to increase Sterilisation capacity
- Met and exceeded new TGA EO residual regulations
- Improved inventory management has reduced stock by 20%

## IN PROGRESS

- Further rationalization of inventory holdings
- Increased focus on profitability
- Currently bidding for \$17m of business



# Innovative Products

## ACHIEVEMENTS

- Division restructured under one General Manager
- Return to profitability of \$1.5m EBIT  
Improved by \$3.5m from prior year loss of \$(2.0m)
- Delivering consistent monthly profits and strong cash flow
- Divisional bank debt substantially repaid
- Major 3 year contract won in UK

## IN PROGRESS

- Animal Healthcare gaining momentum
- Development of new products and markets
- Currently bidding for \$15m of business in the US



# Healthcare SE Asia

## ACHIEVEMENTS

- Renewed Siemens Technical/Distribution agreement for 2 yrs
- Renewed Hillrom Agency
- Restructured Stryker Inventory and Maintained Dealership 2 yrs
- Reduced Borrowings and Improved Accounts Payable and Receivables
- Restructured Sales divisions
- Reduced Total Inventory with Innovative Solutions

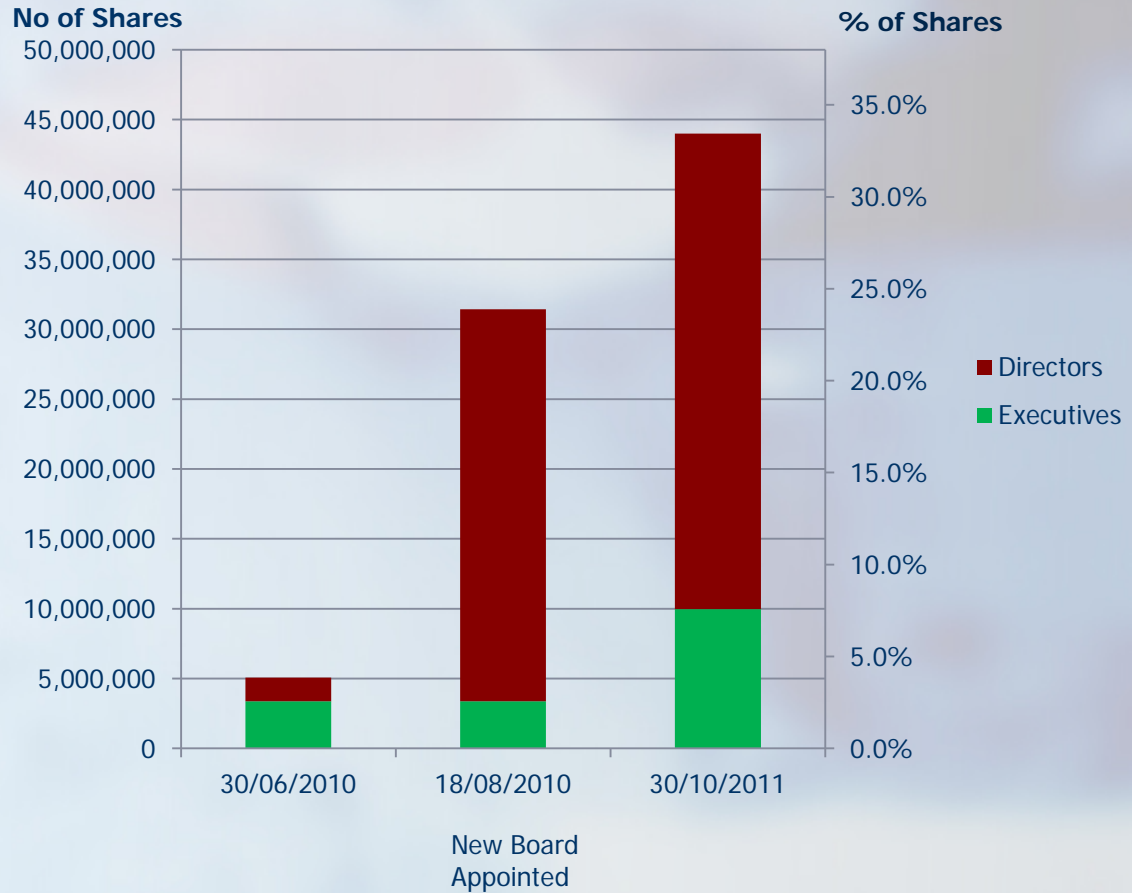
## IN PROGRESS

- Downsizing and restructuring due to depressed Malaysian Market
- Out sourcing Warehousing and Logistics
- Disposing office cum warehouse



# Capital Management

## Shares Held by Directors & Executives



Total Number of Shares on Issue – 131,645,386



# Capital Management

## Unmarketable Share Sale

The company introduced a Sale Facility in December 2010 to enable holders of unmarketable parcels of shares, valued at less than \$500, to sell their shares without incurring brokerage or broker handling costs.

The sale also enabled the company to reduce the costs associated with having a significant number of shareholders with unmarketable parcels on the register.

- Shares Sold - 1,441,480
- 298 Shareholders took up the offer
- Reducing number of shareholders to 741 as at 29/08/11



# Capital Management

## Establishing On-Going Share Buyback Scheme

The Directors believe that the Company's progress has not been reflected in the market capitalisation of the company, therefore we will establish an ongoing share buyback as we believe this is one of the best value investments available to the company at this time.

ITL may buy-back up to 10% of Ordinary Shares (13.1m shares) in the next 12 month period.



**Financial Year 2012.....**



# Financial Year 2012.....

## Performance to 31 October

<b>Unaudited Management Accounts</b>	<b>4 months to 31/10/2011</b>
Revenue	\$11.6m
EBITDA	\$1.3m
EBIT	\$0.8m
Profit Before Tax	\$0.75m



# Continuing Balance Sheet Improvements

	30 June 2010	30 June 2011	31 October 2011
Cash & Equivalents	\$3.1m	\$2.4m	\$2.2m
Borrowings	\$10.0m	\$5.0m	\$4.0m
Net Debt	\$6.9m	\$2.6m	\$1.8m
Inventory	\$11.3m	\$6.6m	\$5.9m

- Continued positive cash flow and reducing net debt position
- Restructure of HCSEA and tighter controls have led to inventory reductions



# Financial Year 2012.....

## Financial Goals

- Generate cash to reduce net debt to Zero
- Improve the profitability
- Create value for shareholders by earning 1.5 cents  
(Which is double the prior year)



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