



# Stronger Foundations

Shareholders' Annual Meeting November 2016



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# Chairman Sir John Anderson

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# Annual Meeting Agenda

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- Report on the Company's activities
- Receive 2016 Annual Report
- Appointment and remuneration of auditors
- Election of Directors
- General discussion/questions
- Refreshments

# Board of Directors and Company Secretary



**Sir John Anderson**



**Dave Taylor**



**Anne Urlwin**



**Dean Pritchard**



**Rosemary Warnock**



**Janie Elrick**  
(CFO and Company Secretary)

## Chairman's Address – Performance Highlights

- Sales revenue record \$516m – up 3%
- Profit after tax \$25.8m – up 20.4%
  - Includes \$6.4 million one-off gain from building sale
- Earnings per share 28.9 cents – up 18% on last year
- Full year dividend 22.5 cents per share
- 78% pay-out ratio

## Chairman's Address – Board Refresh

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- Two new New Zealand directors to be added
- First of which is well underway
- Sir John Anderson to step down from the board during 2017
- New chairman to be selected

## Chairman's Address – Outlook

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- NZ economy remains in modest expansion
- Global steel prices have firmed
- Refreshed strategy
- Company in good shape

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# CEO Dave Taylor

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# CEO's Address – Building on stronger foundations



# CEO's Address – Quality assurance

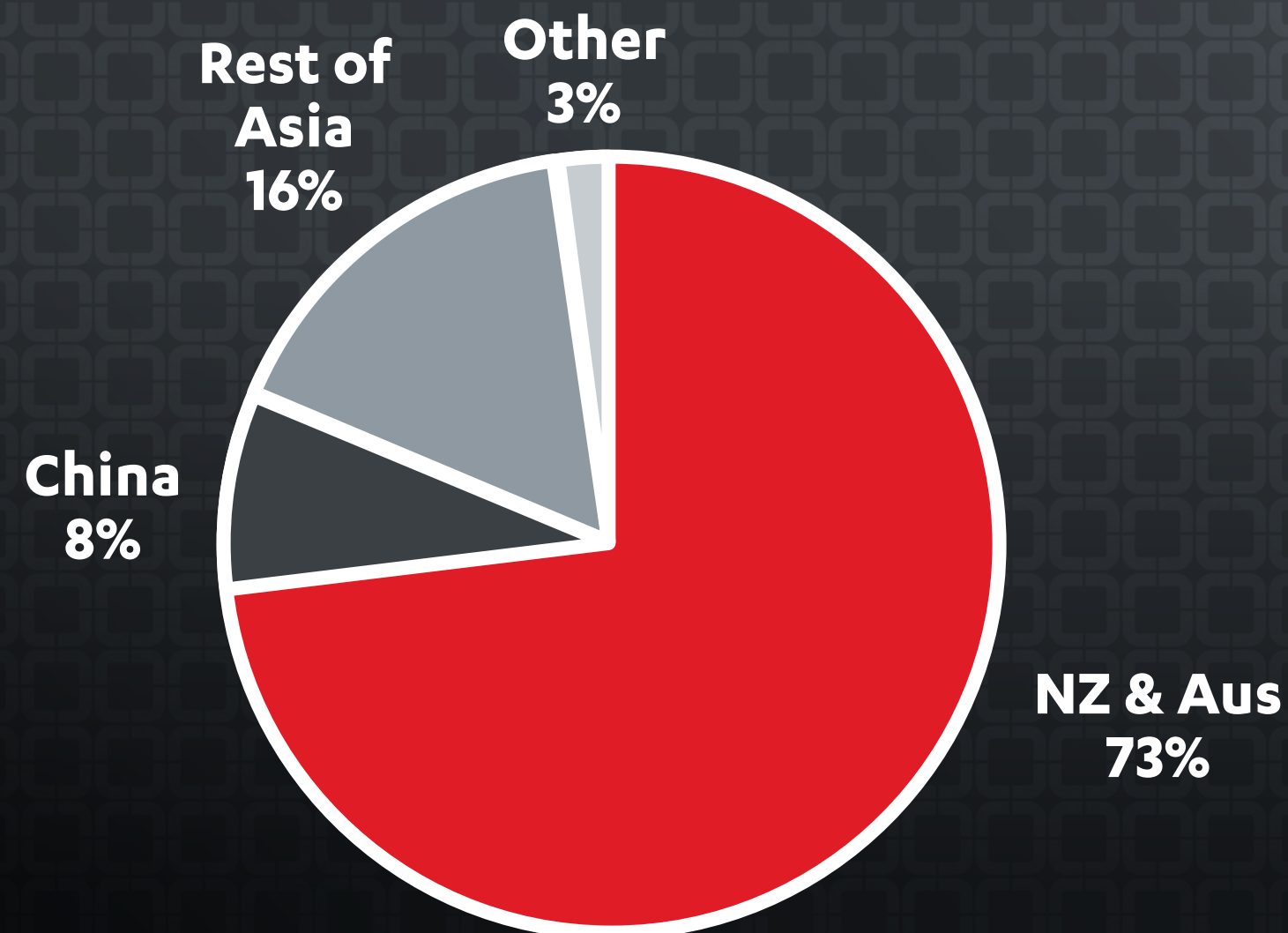


STRONGER IN EVERYWAY

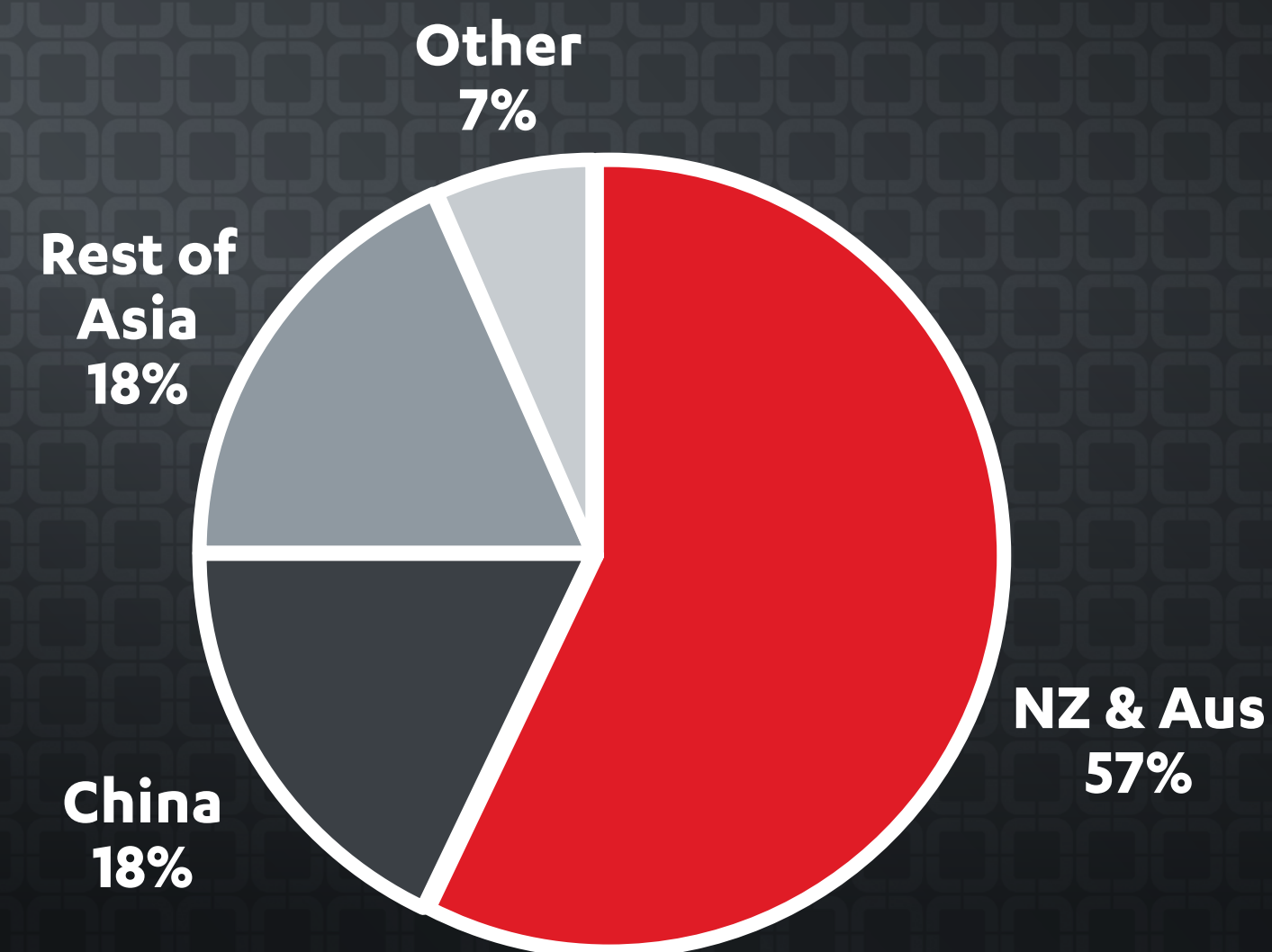
# CEO's Address – High Quality Procurement

- S&T purchases approximately \$400 million of steel products
- Over 50,000 products from all over the world
- Deliver to 56 facilities prior to dispatch to 20,000 customers
- Long-term compliance is 99.75 per cent

### S&T Source of Steel



### Others of Steel



# CEO's Address – NZ's Largest Hospital Building Project



**Burwood Hospital**

A floor area of  
**32,500sqm**

Approximately  
**15,000m<sup>3</sup>**  
of soil and sand was removed

The building footprint is  
**14,000sqm**

Approximately  
**450** pre-cast panels  
make up parts of the buildings

# CEO's Address – Sustainable School Campus



**Rototuna**

Hamilton's  
fastest growing  
community

**600** plus  
foundation students  
in Junior High

**18,000** sqm  
spread across two levels on 11 hectares

Capacity for up to  
**2,000** students

**Five**  
Green Star rating

# CEO's Address – World-Class Campus



University of Canterbury's Regional Science and Innovation Centre

Regional  
innovation hub

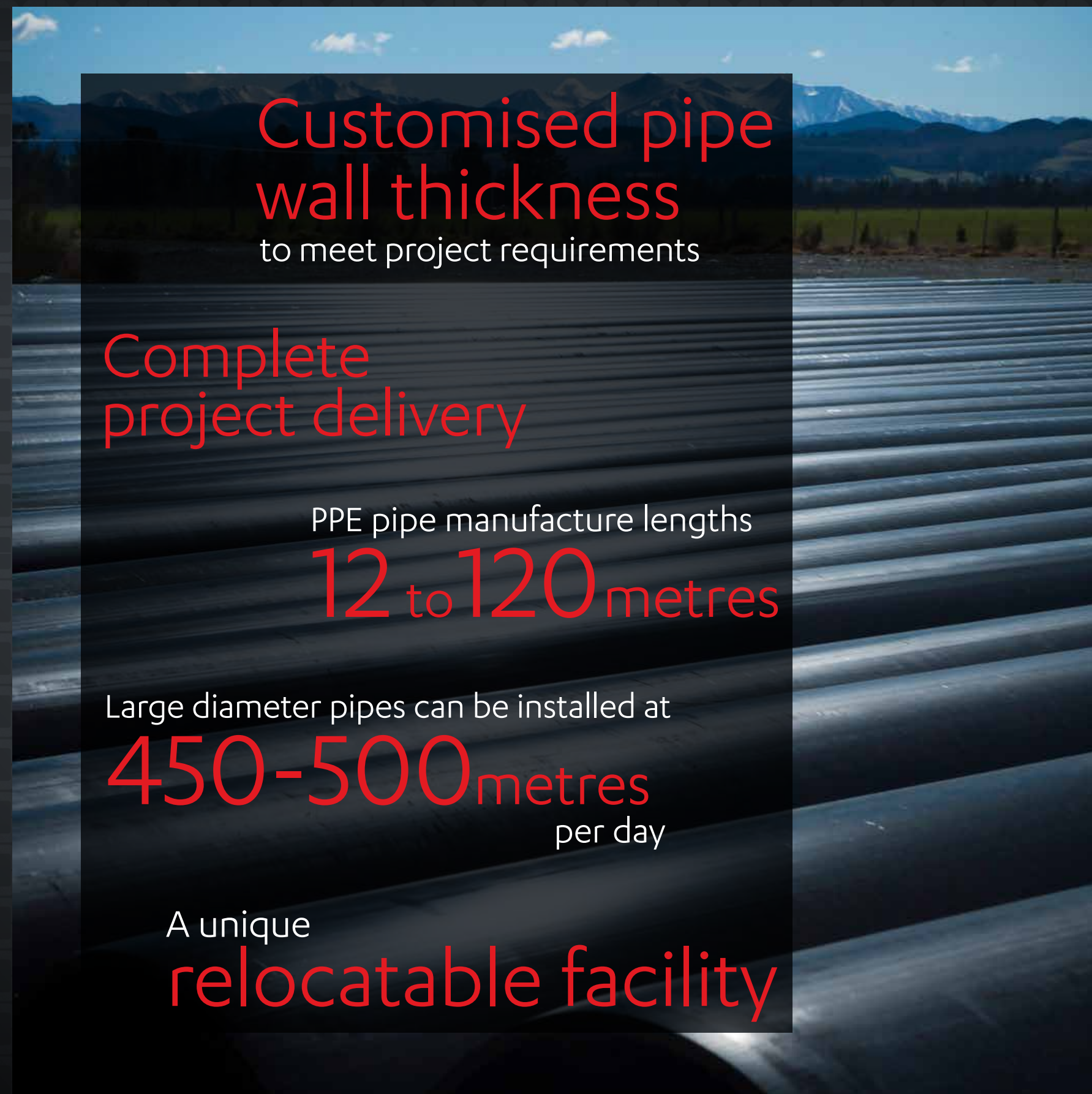
\$216 million  
project budget

25,000 sqm  
across two buildings

300  
tradespeople on-site

State-of-the-art  
facilities

# CEO's Address – Acquisitions update



Customised pipe wall thickness to meet project requirements

Complete project delivery

PPE pipe manufacture lengths **12 to 120 metres**

Large diameter pipes can be installed at **450-500 metres** per day

A unique **relocatable facility**

**Aquaduct**



**17,000** Product lines

Fully-stocked branches **300 million+** items

**9 Branches** nationwide

Fortress introduced in **1997**

Trading for **36 Years**

**MSL/Fortress**

# CEO's Address – Reinvesting for the future



Dunedin new building



Blenheim store and Trade Shop



# CEO's Address – Charities and sponsorships



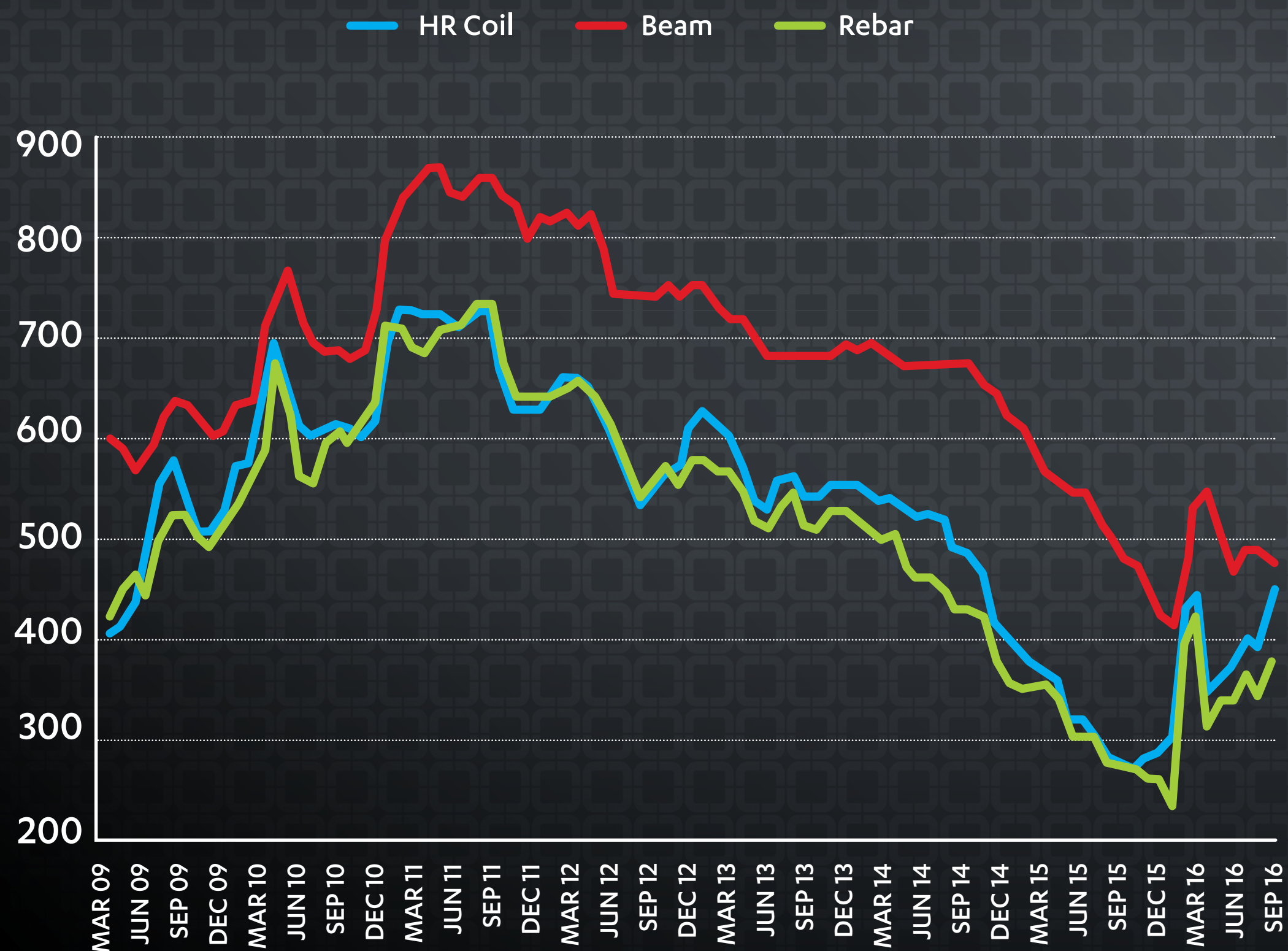
# CEO's Address – Health & Safety across the business



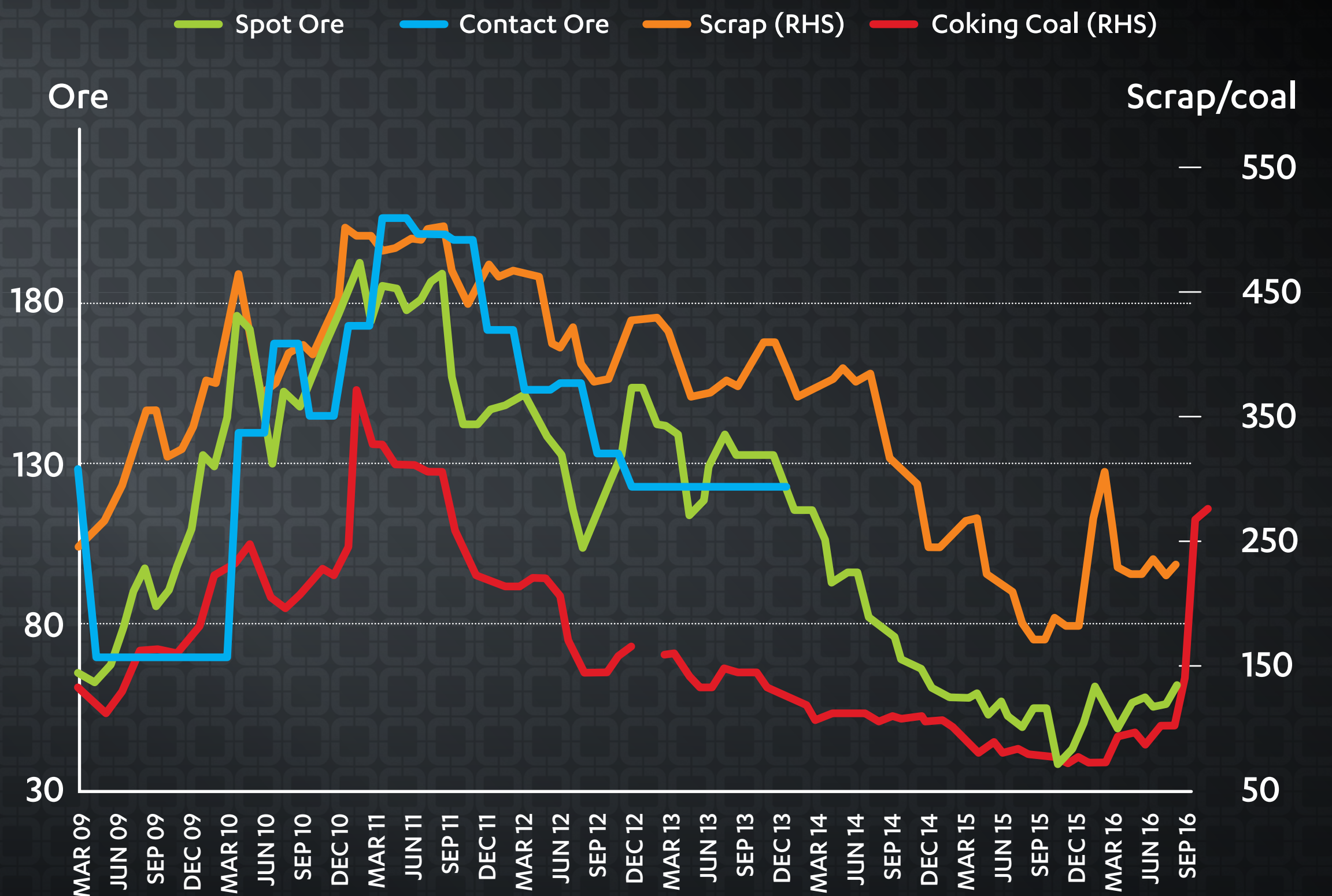
# CEO's Address – Global outlook

## Recent upswing in raw material and steel prices

### C&F USD East Asia Steel price trend



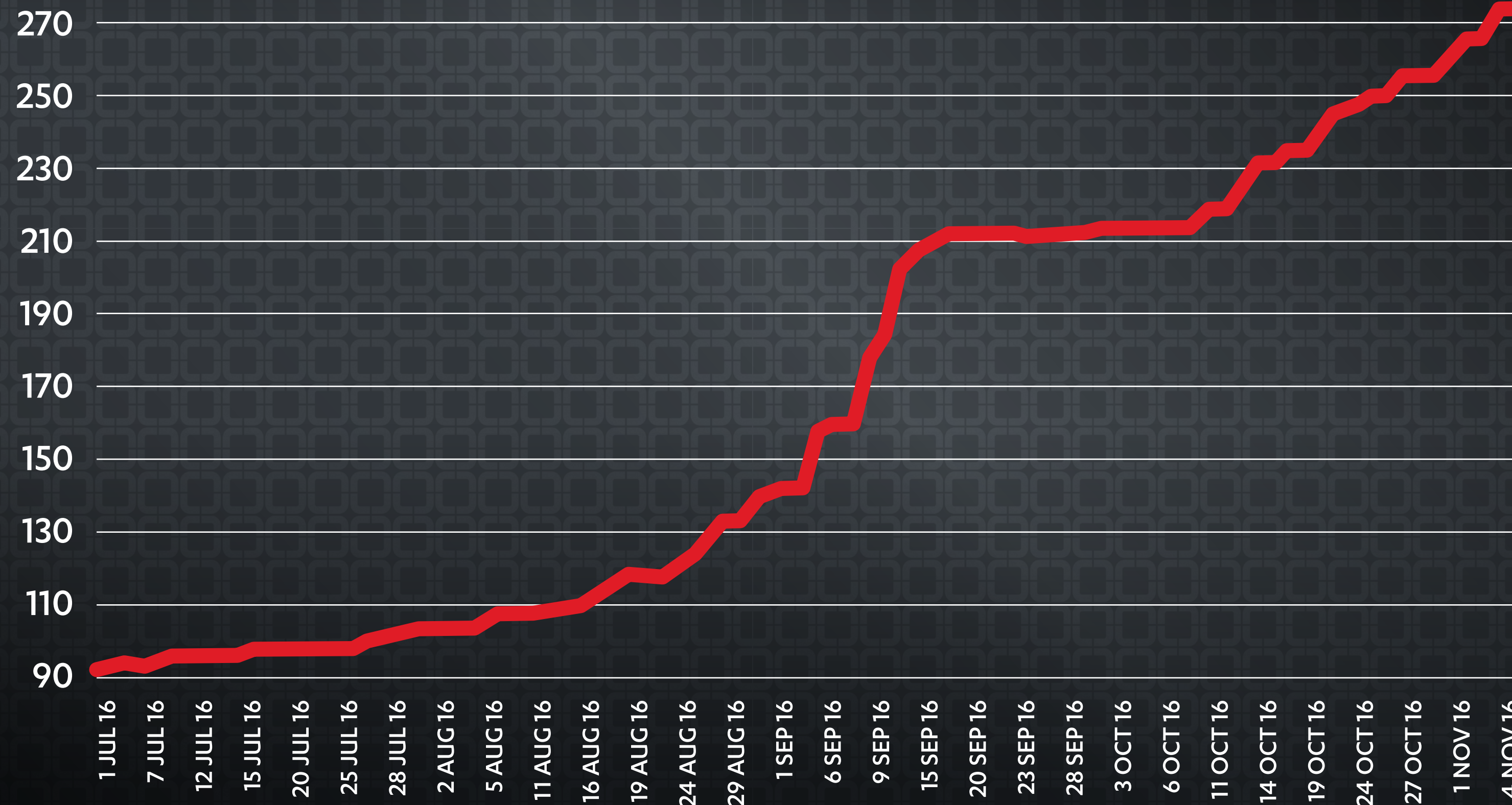
### East Asia raw material USD price trend



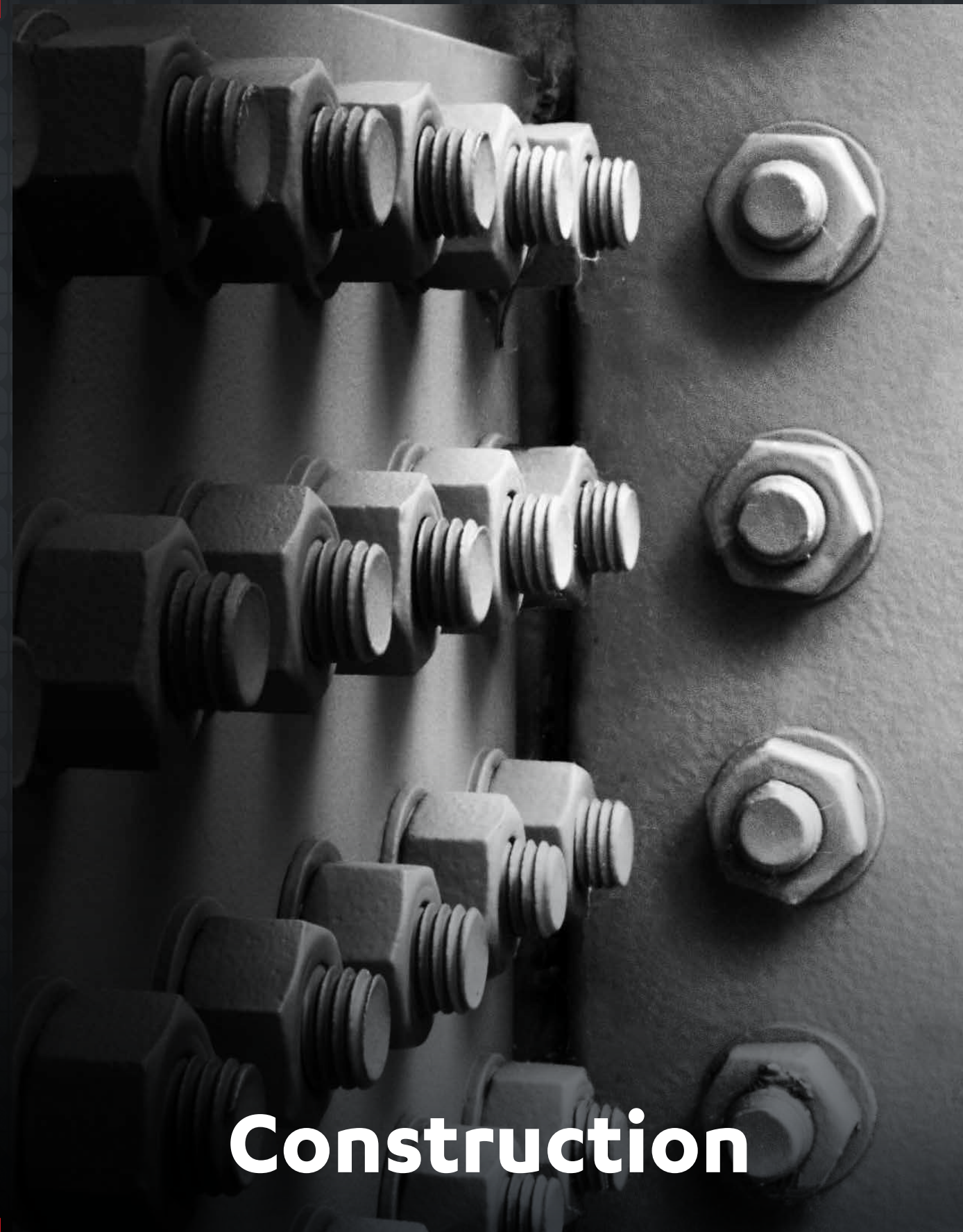
# CEO's Address – Global outlook

Coking coal prices have trebled in past 4 months  
This current Increase of USD180 PT translates to an increase of USD160 PT of steel

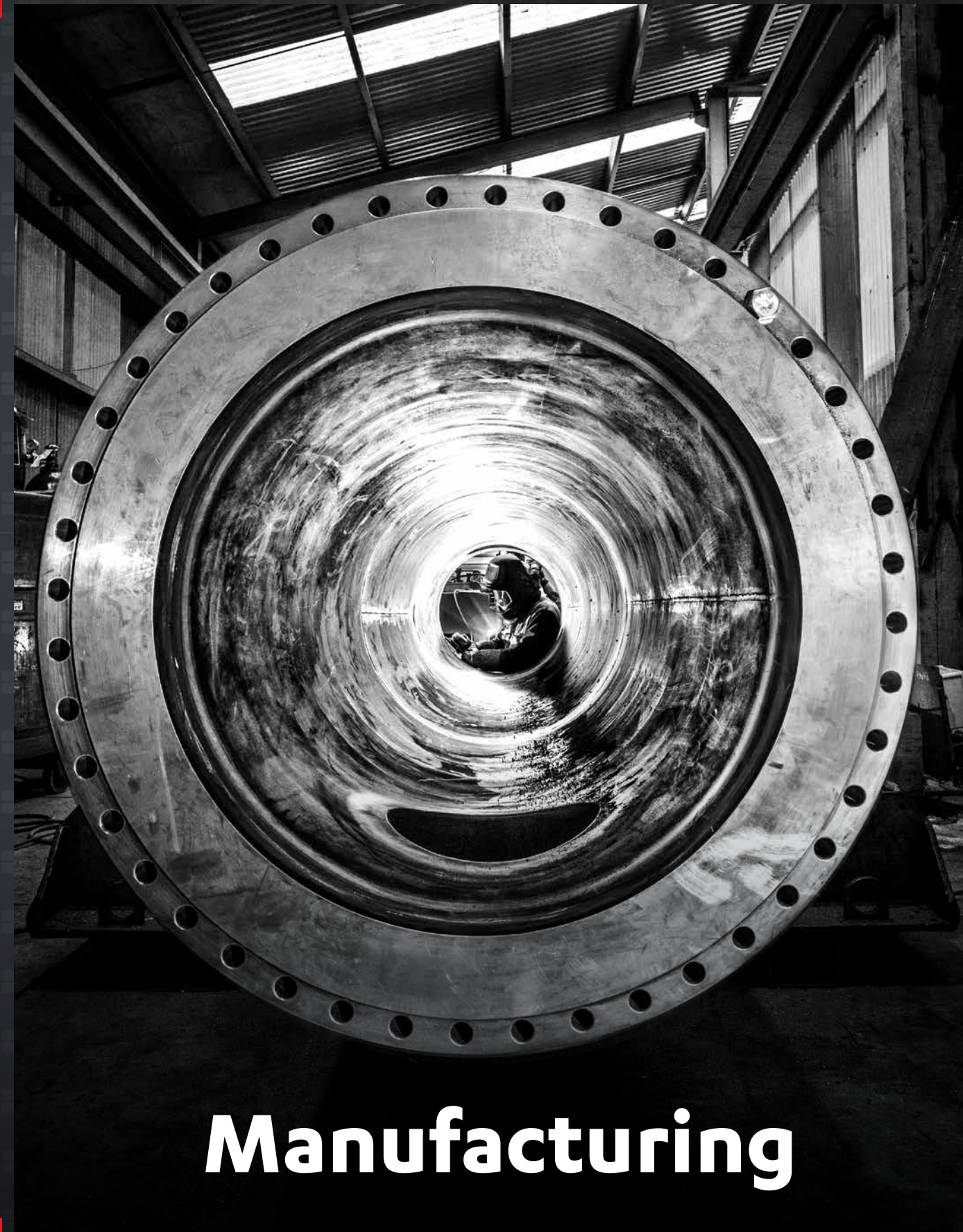
### Australian low volume hard coking coal prices FOB USD/Tonne



# CEO's Address – New Zealand Trading Environment



**Construction**



**Manufacturing**



**Rural**

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# Chairman Sir John Anderson

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# Resolutions

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- **Item 1:**  
Receive Shareholder Review and Financial Report
- **Resolution 1 (by poll):**  
Appointment and remuneration of auditors
- **Resolution 2 (by poll):**  
To re-elect Anne Urlwin
- **Resolution 3 (by poll):**  
To re-elect Sir John Anderson
- **Item 2:**  
Any other business

stc

steel&tube