

THE YEAR'S PERFORMANCE

- Net profit after tax (and after non-recurring items) of \$19.5 million, representing earnings of 30.2 cents per share.
- Underlying pre-tax profit of \$29.6 million compared with the previous year's \$38.2 million.
- Gearing (net debt to shareholders' funds) reducing to 67% at year end from 69% last year.
- No dividends declared in 2008-09 with the focus on debt reduction.
- Revenue growth of 9% from McPherson's Consumer Products despite the volatile trading environment during the year.
- Earnings before interest and tax (EBIT) of \$38.5 million from McPherson's Consumer Products compared with \$47.0 million last year.
- Implementation of profit improvement initiatives at McPherson's Consumer Products.
- Successful integration of the Australian operations of McPherson's Consumer Products by year end, with resultant productivity improvements and overhead reductions benefiting 2009-10.
- Additional share capital of \$15 million (before issue costs) raised since 30 June 2009, reducing bank debt and significantly strengthening the balance sheet.
- Dividends expected to be reinstated in 2009-10.

Group Financial Summary 2009

	Note		2009	2008
Sales	1	\$000's	356,847	333,941
Operating profit before tax and amortisation of intangibles	2	\$000's	30,406	38,800
Operating profit before tax	2	\$000's	29,619	38,207
Income tax expense	2	\$000's	(8,430)	(10,614)
Operating profit after tax	2	\$000's	21,189	27,593
Profit after tax and before amortisation of intangibles	2	\$000's	21,976	28,186
Profit after tax and after non-recurring items		\$000's	19,473	26,496
Operating cash flow	3	\$000's	26,279	37,913
Shareholders' funds	4	\$000's	154,834	153,535
Return on average shareholders' funds (ROSF)	5	%	13.7	18.8
ROSF before amortisation of intangibles		%	14.3	19.2
Earnings per share (EPS)	5	Cents	32.8	42.7
EPS before amortisation of intangibles		Cents	34.1	43.7
Dividends per share (fully franked)		Cents	–	25.0
Net debt		\$000's	104,156	106,383

Note 1: Sales are net of customer allowances.

Note 2: Excludes non-recurring items.

Note 3: Pre-tax cash flow before capital expenditure and dividend payments.

Note 4: Shareholders' funds at the end of the financial year.

Note 5: Calculated using operating profit after tax.