

## MEDIA RELEASE

### ASALEO CARE results reaffirm 'defensive yield' attributes

#### HIGHLIGHTS

##### Solid FY15 Financial Performance:

- Underlying NPAT growth +5.3% to \$76.1m delivered in highly competitive environment
- Underlying EPS growth +12% to 13.4cps including impact of on-market buy-back
- Underlying EBITDA growth of + 3.1% to \$145.2m with increases in both Tissue and Personal Care

##### Delivering Capital Management:

- Unfranked dividend of 6cps for 2H15, up 11% on 2H14
- On-market buy-back of up to 10% of issued capital (up to \$100m) more than 60% complete

##### FY16 Outlook:

- Steady underlying EBITDA and NPAT due to significant headwinds from weaker A\$ and NZ\$ impacting pulp costs
- Low to mid-single digit underlying EPS growth

Asaleo Care today announced a solid underlying Net Profit After Tax (NPAT) of \$76.1 million for the 12-months ended 31 December 2015. This was an increase of 5.3% on FY14 Pro Forma NPAT. Statutory NPAT for the 12-months ended 31 December 2015 increased to \$75.6 million, compared to \$3.0 million in FY14, which was impacted by one-off costs primarily relating to the 2014 IPO and business transformation.

Chief Executive Officer and Managing Director, Peter Diplaris, said "The Company delivered a solid improvement in profit in FY15, in line with guidance from 12 months ago. This profit result was achieved despite challenges in the trading environment encountered during the first half intensifying during the second half. Both the Personal Care and Tissue segments profits grew this year, despite facing the impacts of cost headwinds from adverse exchange rates and inflation, price pressures in certain segments and increased competition. Our 'Business-to-Business' channels of Incontinence Healthcare and Professional Hygiene performed strongly in FY15"

The profit improvement in FY15 for both the Personal Care and Tissue segments continued the trend of growth each year since 2011. The EBITDA Compound Annual Growth Rates between 2011 and 2015 have been 9% for Personal Care and 20% for Tissue. In FY15, Personal Care EBITDA increased to \$72.0 million and Tissue EBITDA increased to \$73.2 million.

"We continued to deliver on the key strategic initiatives to help build the right platform for the Company's future growth. These initiatives are based around product innovation and differentiation, range and coverage, distribution innovation and cost reduction and efficiency."

The Directors declared an unfranked dividend of 6 cents per share for the second half of 2015. The on-market buy-back of up to 10% of issued capital (up to \$100m) that commenced on 1 October 2015 is already more than 60% complete with 37 million shares purchased and cancelled to date at a cost of \$62.1 million. The completion of the on-market buy back will involve either buying up to a further 23.35 million shares or spending up to a further \$37.9m (whichever comes first). As SCA has not participated in the buy-back, its shareholding has increased to 34.7% from 32.5%. Given SCA's stated intent of not participating in the buy-back, if another 23.35 million shares are purchased by Asaleo Care then SCA's shareholding will increase to 36.2%.



Mr Diplaris said “The growth in FY15 in Earnings Per Share, Return on Equity and Return on Invested Capital are evidence of the delivery of value to shareholders. Following the completion of the buy-back, Asaleo Care Limited will have an efficient capital structure and sufficient capacity to pursue our strategy while also taking advantage of any growth opportunities that are identified.”

## FY15 Key Financials

	Underlying FY15 (A\$m)	Pro Forma FY14 (A\$m)	Change*
Revenue	622.2	629.9	-1.2%
Gross Profit	265.8	263.7	+0.8%
EBITDA	145.2	140.8	+3.1%
EBIT	116.7	113.2	+3.0%
NPAT	76.1	72.3	+5.3%
Statutory FY15 NPAT (vs Statutory FY14)	75.6	3.0	n/a
Leverage (Net Debt/EBITDA)	1.8x	1.7x	0.1x
Earnings Per Share (EPS)	13.4cps	12.0cps	+12%
Return on Equity (ROE)	22.6%	18.6%	+4.0pp
Return on Invested Capital (ROIC)	13.9%	13.1%	+0.8pp
Dividend (unfranked)	4cps (1H15) and 6cps (2H15)	5.4cps (2H14)	+11% (2H15)

\* ‘pp’ means percentage points

### About Asaleo Care Limited (ASX:AHY)

Asaleo Care is a leading Personal Care and Hygiene Company that manufactures, markets, distributes and sells essential everyday consumer products. The Company’s portfolio of market leading brands includes Sorbent, Handee, Purex, Libra, Treasures, Deeko, Viti, Orchid, TENA and Tork. Some of these brands have been in the market for over 60 years and its products are used daily in households and businesses across Australia, New Zealand, Fiji and a number of countries in the Pacific. Asaleo Care has eleven manufacturing and distribution facilities and employs about 1,000 people across Australia, New Zealand and Fiji.

For more information about Asaleo Care visit [www.asaleocare.com](http://www.asaleocare.com)

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