

16 May 2017

Ms Kate Kidson  
Principal Adviser, Listings Compliance  
ASX Compliance Pty Ltd  
20 Bridge St,  
Sydney, NSW, 2000

Dear Kate

**Asaleo Care Limited ('AHY'): price query**

We refer to your letter of 15 May 2017 and respond as follows:

1. AHY is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities.
2. Not applicable
3. AHY has no other explanation for the recent trading in its securities.

On 23 February 2017, when the Company released its 2016 full year results, it gave full year guidance for 2017 of low single digit growth for EBITDA and NPAT and low to mid single digit growth for EPS. That guidance was reconfirmed at the Company's AGM on 2 May 2017, and is reconfirmed again today.

4. AHY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1
5. This response has been authorised by the Company.

Yours sincerely,

A handwritten signature in black ink, appearing to read "James Orr", with a long, sweeping horizontal stroke extending to the right.

James Orr  
Company Secretary and General Counsel



15 May 2017

James Orr  
Company Secretary  
Asaleo Care Limited

By email only

Dear Mr Orr

**Asaleo Care Limited (“AHY”): price query**

We note the change in the price of AHY’s securities from a high of \$1.79 at close on Friday, 12 May 2017 to an intraday low of \$1.58 today.

We also note an increase in the volume of AHYs securities traded today.

In light of this, ASX asks AHY to respond separately to each of the following questions and requests for information:

1. Is AHY aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

In responding to this question, please consider in particular whether AHY is aware of any information that its earnings for the 6 month period ending on 30 June 2017:

- a) are likely to differ materially (downwards or upwards) from any earnings guidance it has given for the period; or
- b) if AHY has not given any earnings guidance for the period, are otherwise likely to come as a surprise to the market (by reference to analyst forecasts for the period or, if AHY is not covered by analysts, its earnings for the prior corresponding period)?

2. If the answer to question 1 is “yes”:

- a) Is AHY relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in AHY’s securities would suggest to ASX that such information may have ceased to be confidential and therefore AHY may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

- b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

- c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that AHY may have for the recent trading in its securities?
4. Please confirm that AHY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that AHY’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AHY with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 am AEDT) on Tuesday, 16 May 2017. If we do not have your response by then, ASX will have no choice but to consider suspending trading in AHY’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AHY’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [kate.kidson@asx.com.au](mailto:kate.kidson@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to AHY’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that AHY’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in AHY’s securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;

- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Kate Kidson  
**Principal Adviser, Listings Compliance (Melbourne)**