



Henry Morgan

Announcement

Henry Morgan Limited

ACN 602 041 770

26 May 2017

Update on dividend guidance

Henry Morgan Limited (ASX: HML) refers to its market announcements of 28 February 2017 and 8 May 2017 outlining the Company's intentions at that time with respect to the declaration of dividends.

Following receipt of the offer from the John Bridgeman Group to acquire Henry Morgan Limited's stake in JB Financial Group Ltd as announced to the market earlier today (**Offer**), Henry Morgan Limited advises that if the proposed Offer is approved by shareholders and implemented, it would not be possible to give effect to the proposed in-specie distribution to Henry Morgan shareholders of the Company's shareholding in JB Financial Group Ltd which was announced to the market on 28 February 2017.

However, the Board anticipates that if the Offer is approved and implemented, Henry Morgan Limited would realise its investment in JB Financial Group Ltd and have sufficient cash reserves to pay a special dividend of between 20 to 23 cents franked to the extent possible. This would be in addition to the proposed dividend of 18 to 22 cents per share announced to the market on 8 May 2017.

The formal declaration and payment of both of these special dividends is likely to occur in the second half of CY2017.

Stuart McAuliffe, Managing Director, said, "While our objective is that the dividends be fully franked, the level of franking will be advised in due course."

Any dividends declared will be subject to the Company having sufficient profit reserves and franking credits and the payment being within prudent business practices. Shareholders should only rely on the official declaration for confirmation of the amount, dates and level of franking for any dividend, which will be provided when details become more certain.

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