



6<sup>th</sup> May 2019

## LandMark White (ASX: LMW) Financial Impact of Cyber Incident

On 19<sup>th</sup> February 2019 LMW requested, and the ASX granted, a temporary suspension from official quotation of its securities on the ASX.

The suspension was requested to allow LMW to assess the financial impact of the cyber incident first announced on 5<sup>th</sup> February 2019.

The Company is very pleased to announce that it has rectified all issues related to the cyber security incident, and subsequently implemented a system with significantly enhanced digital security measures and is working towards achieving ISO27001 (International Information Security Standard) certification in the medium term.

As a result of this work, LMW has been reinstated as a panel valuer by three of the four major banks and expects to be reinstated by the final one soon. Additionally, many other lenders have also reinstated LMW as a panel valuer.

### Financial Impact

As a result of the suspension from bank panels, LMW estimates that this has resulted in a loss of revenue of approximately \$5-6 million, with approximately a further \$1 million of revenue likely to be lost between now and the date of full reinstatement by the remaining financial institutions and restoration of more normal revenues.

In addition to the loss of revenue, LMW incurred significant costs upgrading cyber security measures. These new security measures will incur higher ongoing maintenance costs but are critical to ensure we maintain an appropriately high level of data security.

Taking into account the lost revenues, expected date of reinstatement of the remaining institutions and additional costs incurred, LMW provides the following FY2019 guidance:

	1 <sup>st</sup> Half Actual	2 <sup>nd</sup> Half Forecast	Full Year Forecast	Previous Guidance
Revenue	\$23.9 M	\$19.6 M	\$43.5 M	\$55.0 M
EBITDA	\$0.9 M	- \$2.4 M	- \$1.5 M	\$5.3 M
NPAT	\$0.2 M	- \$2.5 M	- \$2.3 M	\$2.8 M

In order to enable LMW to rebuild its cash reserves, the Board of LMW do not expect to declare a dividend for FY2019. The Company will be reviewing its position for the re-commencement of dividends at the appropriate time.

LMW has secured further support from its corporate bankers to enable the company to trade through its monthly receipt and payment cycles whilst its cash reserves rebuild.



Provided that LMW is reinstated to all key former clients, the board of LMW anticipates that FY2020 will see a return to more normal levels of revenue and profit and will provide further guidance to the market following the close of FY2019.

As at 30 June 2019, the Board of LMW will be critically reviewing the carrying value of intangible assets, this may result in an impairment charge in FY2019. Any such impairment charge is non-cash and has not been reflected in the guidance above.

The Companies Chairman, Mr Keith Perret, stated:

"I would like to thank our loyal staff who have remained with LMW over this extremely difficult period, a time where the integration of LMW and Taylor Byrne has continued and developed into a cohesive group working to ensure LMW has the capacity to provide our clients with the best possible service with property valuations and advice to our clients.

I would also like to thank Timothy Rabbitt, ex CEO of Taylor Byrne, who stepped in as LMW's Acting CEO at this most difficult time.

I look forward to the normalisation of revenue streams after this incident and particularly the opportunity that has stemmed from our building a more robust security framework which has put LMW in a good position to develop and seize further growth opportunities."

### Reinstatement to Quotation on ASX

The securities of LMW are expected to be reinstated to official quotation as from the commencement of trading on Tuesday 7 May 2019.

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### **About LMW**

*Founded in 1982 and listed on the Australian Stock Exchange in 2003, LMW has a long and proud heritage of providing independent professional property services to people and companies across Australia.*

*LMW has over 400 highly-skilled people and offers a wide range of services which includes commercial and residential valuations, research, and property advice with a focus in providing unrivalled property services that minimise the risks to our clients.*