

ASX RELEASE
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Clarification of Segment Information
FY18 Annual Report

Bellamy's Australia Limited (ASX: BAL) (**Bellamy's**) today provides additional information of the segment note included in its 2018 Annual Report.

The segment information reflects internal management reporting which predominantly follows a statutory format. To provide improved insight into segment financial performance, Bellamy's has reallocated the inter-company dividend included in the elimination column into the Australian segment. The impact of this adjustment is reflected as follows:

	Australia Sales	Overseas Sales	Australia Manufacturing	Elims	Group Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2018					
Underlying segment EBITDA*	74,669	31,315	(1,408)	(26,458)	78,118
Adjustment	(25,300)	-	-	25,300	-
Revised Underlying segment EBITDA*	49,369	31,315	(1,408)	(1,158)	78,118

*Underlying EBITDA excludes unallocated corporate costs, significant non-recurring items and intercompany dividends

The comparative has also been updated. Bellamy's considers this improves the understanding of underlying segment financial performance.

Page 54 of the 2018 Annual Report is updated as follows:

	Australia Sales	Overseas Sales	Australia Manufacturing	Elims	Group Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2018					
Segment revenues	248,252	95,887	13,090	(28,525)	328,704
Underlying segment EBITDA *	49,369	31,315	(1,408)	(1,158)	78,118
Segment EBITDA %	19.9%	32.7%	(10.8)%		23.8%
Total segment assets	181,486	10,145	43,300	(48,551)	186,380
Total segment liabilities	60,345	7,961	49,430	(47,528)	70,208
Other disclosures					
Depreciation & amortisation	963	15	3,320	-	4,298
Income Tax	19,700	638	(1,933)	(25)	18,380
2017					
Segment revenue	189,859	77,708	-	(27,385)	240,182
Underlying segment EBITDA *	29,512	18,827	-	(700)	47,639
Segment EBITDA %	15.5%	24.2%	-		19.8%
Total segment assets	130,838	7,980	-	(3,467)	135,351
Total segment liabilities	38,198	4,955	-	(3,428)	39,725
Other disclosures					
Depreciation & amortisation	731	56	-	-	787
Income Tax	(606)	737	-	-	131

Reconciliation of the underlying segment EBITDA to profit before tax

	2018 \$'000	2017 \$'000
Underlying segment EBITDA	78,118	47,639
Unallocated corporate costs *	(7,578)	(4,845)
	70,540	42,794
Significant items /non-recurring:		
Inventory provisions and write-down	(5,973)	(6,838)
Restructuring costs	-	(1,449)
Fonterra payment for supply chain reset	-	(27,500)
Costs associated with the acquisition of Camperdown Powder and indirect capital raising costs	-	(1,083)
Professional fees of a non-recurring nature	-	(2,980)
Ineffective foreign exchanges hedge losses	-	(1,564)
	64,567	1,380
Net interest revenue/(expense)	927	(1,270)
Depreciation & Amortisation	(4,298)	(787)
Profit/(loss) before tax	61,196	(677)

*Excludes unallocated corporate costs, significant non-recurring items and intercompany dividends