

GALE PACIFIC LIMITED

(ASX: GAP)

ASX and Media Release

11 January 2019

GALE Pacific Announces Updated Earnings Guidance

GALE Pacific Limited (the **Company**) anticipates pre-tax profit for the six months ended 31 December 2018 to be between \$1.25 - \$1.35 million, compared to \$1.73 million for the previous corresponding period. This estimate is based on unaudited management accounts and is subject to final review.

The result was impacted principally by lower than expected sales in the Australian retail channel during November and December due, in part, to cooler weather conditions.

Consistent with prior periods, the second half result is anticipated to be considerably more profitable than the first half. The Company remains confident in delivering earnings per share growth for the 2019 financial year. The full year outlook is underpinned by anticipation of continued strong growth in the Americas region, momentum of which manifested in the first half. This growth has come from a number of the Company's key retail partners, including Home Depot and Lowes, as well as a broadening of the Company's category store representation.

Capital management will continue to be a focus for the Company, with the current on-market share buyback program remaining active.

The Company anticipates releasing its financial report for the six months ended 31 December 2018 on or around 15th February 2019.

-Ends

Contacts:

Matt Parker	Chief Financial Officer	(03) 9518 3312
Nick Pritchard	Group Managing Director	(03) 9518 3312
Adrian Mulcahy	Investor Relations	0438 630 422