

Adairs Limited

Appendix 4E

Preliminary final report

52 weeks ending 30 June 2019

1. Details of the reporting period and the prior corresponding period

Current Period: 2 July 2018 to 30 June 2019 (52 weeks)

Prior corresponding period: 3 July 2017 to 1 July 2018 (52 weeks)

2. Results for announcement to the market

Comparison to previous corresponding period	Increase/(Decrease)	Change %	\$'000
Revenue from continuing operations	Increase	9.4%	344,430
Profit after tax from continuing operations attributable to members	Decrease	3.0%	29,643
Net profit after tax for the period attributable to members	Decrease	3.0%	29,643

Dividends/distributions	Amount per ordinary share	Franked Amount per ordinary share
2019 Interim dividend	6.5 cents	6.5 cents
2019 Final dividend (resolved, not yet provided for at 30 June 2019)	8.0 cents	8.0 cents

Record date for determining entitlements to the dividend:	11th September 2019
Payment date of Final dividend	25th September 2019

2.6 Brief explanation of the figures reported above

The figures above represent the statutory results of the company.

From 2 July 2018, the Group transitioned to the new revenue standard, AASB 15 *Revenue from Contracts with Customers*. The transition to AASB 15 resulted in a number of impacts to the Group's financial performance, including:

- (i) Linen Lover membership revenue is now recognised over the 2-year membership period (previously recognised solely in the year of joining);
- (ii) postage costs of online sales, now included in our cost of goods sold, and therefore gross margin (previously recognised as Other Expense); and
- (iii) other adjustments not considered material.



The Group's comparative FY2018 results remain presented under the previous revenue standard, AASB 118 *Revenue*. The below table presents the FY2019 results of the Group had AASB 118 been applied consistently during FY2019 and FY2018:

Comparison to previous corresponding period	Increase/(Decrease)	Change %	\$'000
Revenue from continuing operations	Increase	9.5%	344,799
Profit after tax from continuing operations attributable to members	Decrease	2.1%	29,916
Net profit after tax for the period attributable to members	Decrease	2.1%	29,916

For further explanation please refer to the attached financial statements and Investor Presentation accompanying this preliminary final report.

3. Income Statement

Please refer to the attached financial statements for the 52 weeks ended 30 June 2019.

4. Balance Sheet

Please refer to the attached financial statements for the 52 weeks ended 30 June 2019.

5. Cash Flow Statement

Please refer to the attached financial statements for the 52 weeks ended 30 June 2019.

6. Dividend Details

Please refer to Note 23 of the attached financial statements for details of dividends paid in the financial year ended 30 June 2019.

7. Dividend or distribution reinvestment plan details

Not applicable

8. Statement of Changes in Equity

Please refer to the attached financial statements for the 52 weeks ended 30 June 2019.

9. Net tangible asset backing per ordinary security as at 30 June 2019

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.06	\$0.06

10. Control gained or lost over entities in the financial year

Not applicable

11. Details of aggregate share of profits (losses) of associates and joint venture entities

Not applicable

12. Other significant information

Refer to the commentary in Section 2.6

13. Foreign Entities

All entities comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

14. Commentary

For further explanation please refer to the Investor Presentation accompanying this preliminary final report.

15. Audited Report

The report should be read in conjunction with the attached audited financial statements for the 52 weeks ended 30 June 2019. The audit opinion is unqualified.