

25 August 2014

## TANDOU REPORTS FULL YEAR RESULTS

- Total Comprehensive Income up 45% to \$8.7 million. Net Profit After Tax \$0.2 million.
- Normalised Net Profit After Tax \$1.1 million excluding start-up and finance costs relating to “Bundygoola” acquisition (\$0.7 million after tax), and impairment loss adjustments during the period (\$0.2 million after tax).
- Increased water entitlement holdings by 148% to \$78.0 million (at valuation). Year on year valuation gains of \$8.7 million.
- Land and property valuation gains of \$8.5 million (net of tax and excluding water entitlements). Total value of farming land, improvements and related assets is now \$64.8 million.
- Expansion of the Riverina (Hay) operations with the acquisition of “Bundygoola” irrigation property and water entitlements. Company land holdings now total approximately 142,000 hectares including 19,500 hectares developed for row crop irrigation.
- Investment base of income producing assets increased 76% from \$81.2 million to \$142.8 million (at market value). Core debt levels maintained at \$12.1 million.
- Successful completion of Entitlement Offer raising \$23.8 million net of costs.
- Announcement of 1 cent per share interim dividend payable 26 September 2014.

Listed water investment and agribusiness company Tandou Limited (ASX:TAN) today reported a \$8.7 million Total Comprehensive Income for the year ended 30 June 2014, and Net Profit After Tax of \$0.2 million.

Announcing the result, Tandou CEO Guy Kingwill said “today’s comprehensive income result clearly demonstrates the significant and growing value of the Company’s asset base, with land and property improvements valuation gains of \$8.5 million after tax brought to account this financial year”.

“Due to accounting requirements we remain unable to recognise the fair value of our water entitlements in the accounts. The Company has seen strong growth in its water entitlements during the period with unrealised valuation gains of \$8.7 million before tax. This trend has continued post balance date and we will continue to manage our water portfolio to take advantage of future market opportunities.”

“The Board continues to reflect on the Company’s share price discount to asset values at independent valuation and has determined that it wishes to consider structural and other capital management strategies to deliver increased shareholder value”, Mr Kingwill said.

Enquiries:

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**CEO/MANAGING DIRECTOR**

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**TANDOU LIMITED**

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### **About Tandou Limited:**

*Tandou Limited (ASX:TAN) was established in 1972 and has evolved into a modern Australian water investment and agribusiness company that owns a significant and diversified portfolio of water entitlements, along with its large scale irrigated cropping and pastoral operations. Over time Tandou has invested in water entitlements strategically held across various river systems in the Murray Darling Basin. In addition to investing in entitlements and trading water allocations Tandou combines traditional farming knowledge with the latest technological advancements throughout its enterprises to minimise risk and produce high value returns. Tandou’s land holdings cover approximately 127,000 hectares near Menindee, NSW and 15,000 hectares near Hay, NSW with approximately 19,500 hectares (in total) developed for irrigation. The Company is a major producer of cotton and cereal, along with organic lamb on its pastoral operations. Its corporate office is located in Mildura, Victoria.*