



## **ASX announcement**

24 February 2017

### **Joyce Corporation Ltd – FY2017 Half Year Results**

[Joyce Corporation](#) ('Joyce' or 'the Company') (ASX:JYC) today presents its half year results for the period 30 June to 31 December 2016.

#### **Key financial highlights – FY2017 Half Year Results**

- Revenue increased to 39.1 million, up 51% on prior year;
- Net Profit After Tax (NPAT) from continuing operations was \$1.57 million, up 80% from the same period in 2015;
- Interim fully franked dividend of 5.5 cents per share, showing steady increases year-on-year;
- KBW Group revenue continues solid double-digit growth of over 21% in this reporting period;
- Strategic integration from 1 July 2016 of 51% of Lloyds Online Auction Pty Ltd, which contributed \$7.0 million in revenue in the half year; and
- Group network sales including franchisee sales and auction turnover, up 72% from 2015 for the half year.

Joyce Chairman, Mr Dan Smetana said "Joyce Corporation continues to grow in strong double digits, year-on-year, in line with our expectations and our long-term focus of creating value to our shareholders."

#### **Financial Results**

Joyce has experienced continual growth in Consolidated Revenue, up 51% on the previous year 2015 for the same period, to \$39.1 million. This led to a Net Profit after Tax (NPAT) from continuing operations of \$1.57 million, up 80% from \$0.88 million in 2015 for the same period.

Highlights for the half financial year included the integration from 1 July 2016 of 51% of Lloyds Online Auctions Pty Ltd . Lloyds Online as a business unit performed exceptionally well compared to the comparable period 2015 with auction turnover increasing to over \$39.1 million for the six months. With solid plans for expansion, Lloyds has contributed \$7.0 million in revenue in the half year.

The Company achieved total group network sales, including franchisee sales and auction sales, of \$103.6 million, up 72% from 2015 for the half year.



## **Dividends**

In line with Joyce's 2015 plan to provide strong returns to shareholders, the Directors are pleased to declare an interim fully franked dividend of 5.5 cents per share, which comprises a final dividend of 3.5 cents and a special dividend of 2 cents respectively, both fully franked.

The dividends will be paid on 3 April 2017 to shareholders and with a record date of 16 March 2017.

## **Operations**

The Company's primary businesses grew strongly, with both KWB Group and Bedshed increasing total revenue. KBW continued with solid double-digit growth of over 21% Like for Like growth achieved in this reporting period.

Bedshed has also begun a campaign to attract suitable Franchisees to NSW and Sydney, offering substantial incentives to open additional Eastern State stores.

KWB Group's wholly-owned subsidiary KWB Property Holdings Pty Ltd has managed to acquire an industrial site in Queensland. The property purchase, which became unconditional in January 2017 for \$8 million and settles in April 2017, was recently valued by independent valuers in excess of the acquisition price.

## **Outlook**

Mr Smetana said the group is poised for further growth and the underlying business units are continuing with their solid performance into the second half.

"The Company is in an enviable financial position with profitable businesses, low debt and substantial growth opportunities which provides a strong level of security for our shareholders," he said.

"We anticipate the total group network written sales for 2017, including franchisee and auction gross sales, to exceed \$200 million.

"Looking ahead, we remain focused on long-term shareholder value creation.

"The recent strategic development and execution of our plans have been extraordinarily progressive and has set the foundation for further organic growth and business partnering opportunities," Mr Smetana concluded.



**ENDS**

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