



## **ASX Release**

29 April 2015

### **Further progress on institutional sales and update on Benzac® marketing campaign**

#### **Highlights:**

- Execution of investment agreements with Church Commissioners for England
- Sale to US institutional investor becomes unconditional
- Galderma commences social media advertising campaign for Benzac® products
- New TFS corporate website to be launched on 1 May 2015
- Reaffirmation of guidance for FY15 NPAT and Cash EBITDA

TFS Corporation Limited ("TFS", ASX: TFC) is pleased to provide an update on its plantation sales to institutional investors and the launch of a new marketing campaign for the Benzac® Acne Solutions products, which include TFS's Indian sandalwood oil.

#### **Update on plantations sales to institutional investors**

TFS advises that a UK institutional investor, the Church Commissioners for England, has today signed an Investment Management Agreement relating to an investment in 119ha of new Indian sandalwood plantations. These plantations will be established in the Northern Territory and planting is expected to complete by the end of May 2015.

Completion and the settlement of the land and establishment fees are expected in June 2015. The sale will be recorded in TFS's results for Q4 FY15 and was foreshadowed in TFS's half-year results release on 26 February 2015.

Further, on 2 January 2015, TFS announced that a respected US institutional investor had exercised options to invest in 399ha of new Indian sandalwood plantations in the Northern Territory, subject to certain conditions. TFS is pleased to announce that this transaction is now unconditional. Settlement is expected in two tranches – with the final payment to be made following the completion of planting, expected by the end of May 2015.

TFS reaffirms its guidance for FY15 of at least \$90 million NPAT and a 10% year-on-year increase in Cash EBITDA.

#### **Launch of social media campaign for Benzac®**

Nestle-owned Galderma, a global pharmaceutical company, is supporting its Benzac® acne products with a social media campaign on Instagram featuring 15-second Instagram videos and more than 80 images and short

videos. The campaign launched this month and is designed to build awareness among teenagers of the Benzac® products, which include TFS's Indian sandalwood oil.

Galderma has also confirmed that the Benzac® products are now stocked in over 23,000 stores in the US, including leading retail chains such as Target, Walmart and Walgreens.

**New corporate website**

TFS will launch a new and enhanced corporate website [www.tfsltd.com.au](http://www.tfsltd.com.au) on 1 May 2015.

**END**

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## **Galderma Press Release, April 2015**

### **Benzac Acne Solutions Premieres Its First-Ever “Insta-Dramedy” Webseries**

Galderma Laboratories, L.P., a leader in skin health and the maker of Cetaphil®, today announced the launch of its first-ever webisode series, “The Benzacs,” an engaging teen insta-dramedy told through 15-second Instagram videos and more than 80 images and short videos. The webseries features the new over-the-counter (OTC) acne treatment Benzac® Acne Solutions, which combines tough acne fighting medicine with soothing East Indian Sandalwood Oil to treat stubborn acne and unclog pores while preventing new breakouts from forming.

“As the most popular social platform for teens, Instagram was the ideal medium for this innovative webseries, which is one of the first on the platform to target teens. With relatable, entertaining content, Benzac’s webseries will engage and capture the imagination of our teen audience.”

Debuting on the @BenzacAcne Instagram handle, the series – inspired by classic teen high school movies – will air a total of 22 episodes over the course of three weeks. Viewers will be able to follow the angst, hilarity, breakups and breakouts of four teen archetypes – Ivy, Cam, Oak and Essy – who, like many teens, are dealing with a common enemy called acne.

“The Benzacs” encourages teens to ditch the acne drama by providing entertaining content on a platform where they are already engaging. More than three-quarters of teens use Instagram, the most popular social platform among this age group, and millennials spend an average of 439 minutes a month on the platform.

Brought to life through a collaboration with Galderma’s advertising agency, Deutsch New York, Benzac Acne Solutions is among the first brands to create an Instagram-friendly webseries and the first webseries on Instagram to target teens specifically.

“Benzac Acne Solutions aims to break the mold of traditional OTC acne marketing to reach the nearly 100% of teens who experience acne,” said Miles Harrison, VP & General Manager US Self Medication at Galderma. “As the most popular social platform for teens, Instagram was the ideal medium for this innovative webseries, which is one of the first on the platform to target teens. With relatable, entertaining content, Benzac’s webseries will engage and capture the imagination of our teen audience.”

Visit [www.instagram/BenzacAcne](http://www.instagram/BenzacAcne) to watch the story unfold.

## **ABOUT TFS**

TFS Corporation Ltd ("TFS", ASX: TFC) is an owner and manager of Indian sandalwood plantations in northern Australia. As part of its vision to be a vertically integrated producer of sandalwood products, TFS owns a significant proportion of the plantations in its own right. TFS also operates sandalwood processing and oil distribution facilities from Albany, Western Australia.

TFS was originally founded to exploit the success of government trials into the plantation growth of Indian sandalwood in the Ord River Irrigation Area (ORIA) of north-east Western Australia.

TFS now manages the largest area of Indian sandalwood plantations in the world, with approximately 9,000 hectares planted of which TFS owns directly and indirectly nearly 3,200 hectares. TFS plantations are managed on behalf of both institutional, high net worth and MIS investors.

In 2014, TFS completed its first commercial harvest of its Indian sandalwood plantations and, via its 50% subsidiary Santalis Pharmaceuticals Inc., entered into a supply agreement for pharmaceutical grade oil with Galderma, a leading global dermatology company.

The company listed on the Australian Stock Exchange in December 2004. Since March 2014, TFS has been an ASX300 company.

TFS is committed to adopting and maintaining the highest environmental and ethical standards in all aspects of its business.

## **ABOUT INDIAN SANDALWOOD**

Indian sandalwood has a history as a tradeable commodity spanning thousands of years, but is now endangered due to the illegal harvest of wild trees throughout the world. As a result, Indian sandalwood is the world's most expensive tropical hardwood and continues to increase in price each year.

Indian sandalwood oil is a globally important ingredient in fine fragrances, cosmetics and toiletries, Indian consumer products and for medicinal purposes (Ayurvedic and Chinese medicine) and the wood is used for high quality carvings and artefacts and religious worship in the Hindu and Buddhist faiths. The efficacy of Indian sandalwood is being tested by US dermatology companies and the global pharmaceutical market has the potential to be a significant consumer of Indian sandalwood oil.