

**28 November 2014**

### **Chairman's Address**

The financial year ended 30 June 2014 resulted in an after tax profit of \$5.051 million with an EPS at 19.76 cents.

The Board believes this is an excellent result considering the prior year sales in 2013, and will pay 13 cents fully franked final dividend next week (21 cents for the year).

The Group remains debt free with in excess of \$6.3 million in reserves as at 26 November 2014 reducing to \$3 million after final dividend is paid next week.

### **2014 Highlights**

- 37% increase in sales in South East Queensland
- The establishment of Sydney franchise which is 75% owned by Tamawood made a small contribution to the Group's result in 2014.
- An increase in the number of new franchises of 18.75% (4) and a sales increase of 14%.

### **Outlook**

Current enquiry levels indicate that sales in South East Queensland will be maintained or may in fact increase.

The Board reaffirms the 25% increase in the interim dividend to 10 cents fully franked. The Board reaffirms its intention to restore its dividend payout ratio to approximately 80%. The strong growth in sales is having a positive impact on the earnings for the first half. As a result of this growth, the Board is happy to provide guidance of a 15 cent fully franked final dividend bringing the total dividend for 2015 to 25 cents, an increase of 19%. This guidance is subject to no adverse changes in the current market conditions or any other external factors which may impact building activity.

The Board expects we will have 22 franchises in Australia and New Zealand, a 15% increase since the end of the financial year.

Despite difficulties in land supply and land registration in Sydney, the Sydney operations are performing well with a further 28 sales this financial year.

The Melbourne operations have commenced with the sales office currently under construction. We have commenced initial investigations with the view to opening the operations in Adelaide similar to Sydney and Melbourne.

**ENDS**

Robert Lynch  
Chairman