



SHAREHOLDER BRIEFING

21 MAY 2015

BLACKMORES[®]

Marcus C Blackmore AM, Chairman



Agenda

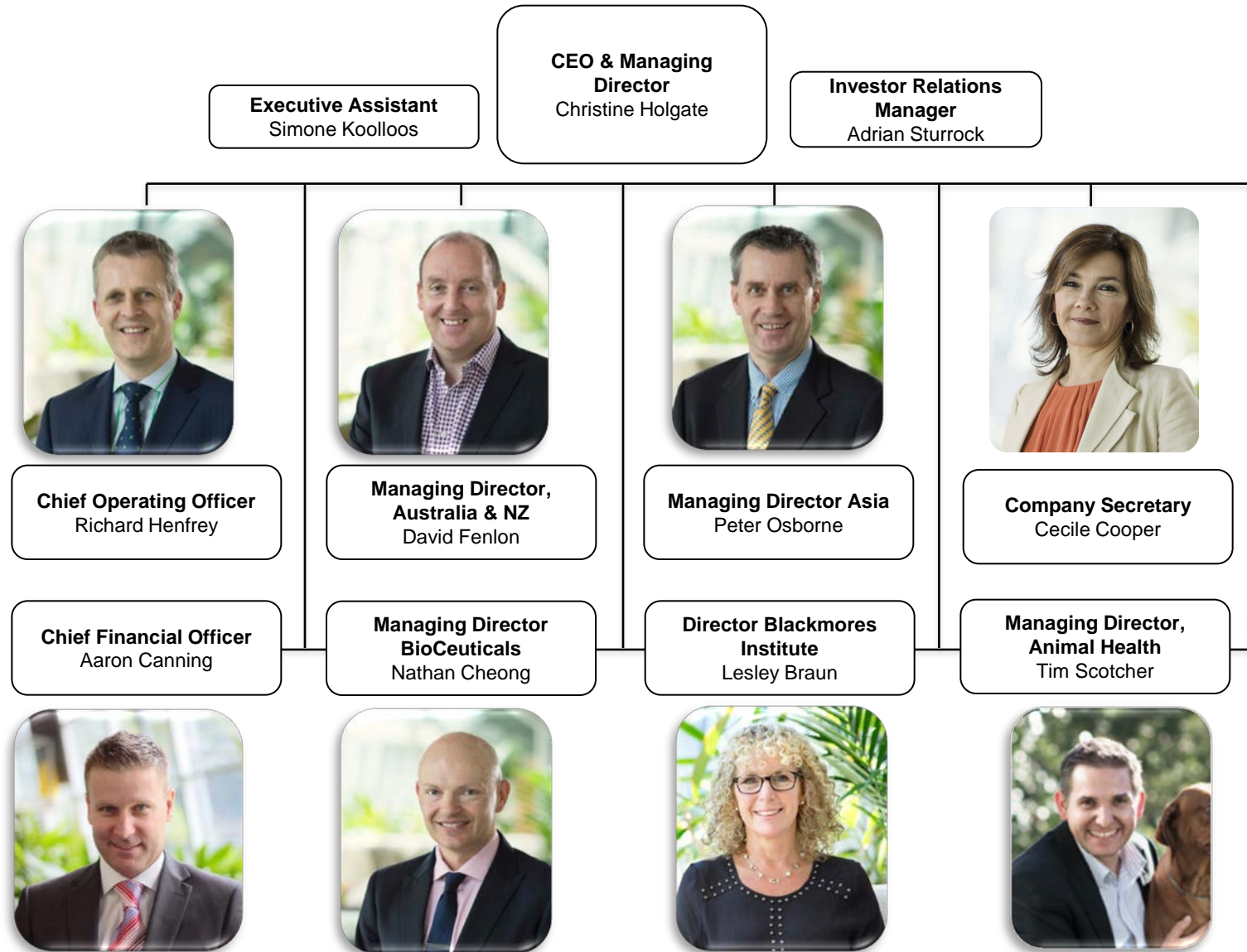
Welcome Overview of Blackmores 9-month performance	Christine Holgate Chief Executive Officer
Consumer Centricity	David Fenlon Managing Director, ANZ
Asia Growth	Peter Osborne Managing Director, Asia
Product Leadership	Dr Lesley Braun Director, Blackmores Institute Nathan Cheong Managing Director, BioCeuticals
Operational Effectiveness	Richard Henfrey Chief Operating Officer
	Aaron Canning Chief Financial Officer
Celebrating 30 years on the ASX Questions, light lunch and Campus tours	Christine Holgate

Overview of Business Performance

Christine Holgate
Chief Executive Officer



Blackmores Executive Team





Who We are : Blackmores

- Market leading Natural Healthcare Company, operating with three core brands - Blackmores, BioCeuticals and Pure Animal Wellbeing (PAW).
- Circa \$450m in revenues, strong balance sheet and have a market capitalisation of \$1.2Bn.
- Public Company for 30 Years.
- 80+ years of heritage; our founder's son is our Chairman.
- We operate in 14 countries including Australia, New Zealand, Thailand, Malaysia, Korea, Hong Kong, Singapore, Taiwan, China, Macau and Cambodia.

Each year we release 35 million products to more than 25,000 points of distribution.

Almost 40% of our revenues will be generated from outside our core market.

Most trusted Brand in Australia & SE Asia.

In 2014 we trained 10,000+ health care professionals (HCPs), offering accredited training to Doctors, Nurses, Pharmacists & Pharmacy Assistants.

35 years in Asia, first language for 65% of staff, 350 employees in Asia and all our markets have strong local management.

We are committed to Quality and have a team of over 40 technical experts.

20%+ of our workforce are qualified HCPs.

Almost 1 million online members & friends.



Famous for the
Blackmores
Brand in
Australia



Our Purpose defines who we are, what we stand for and where we are going

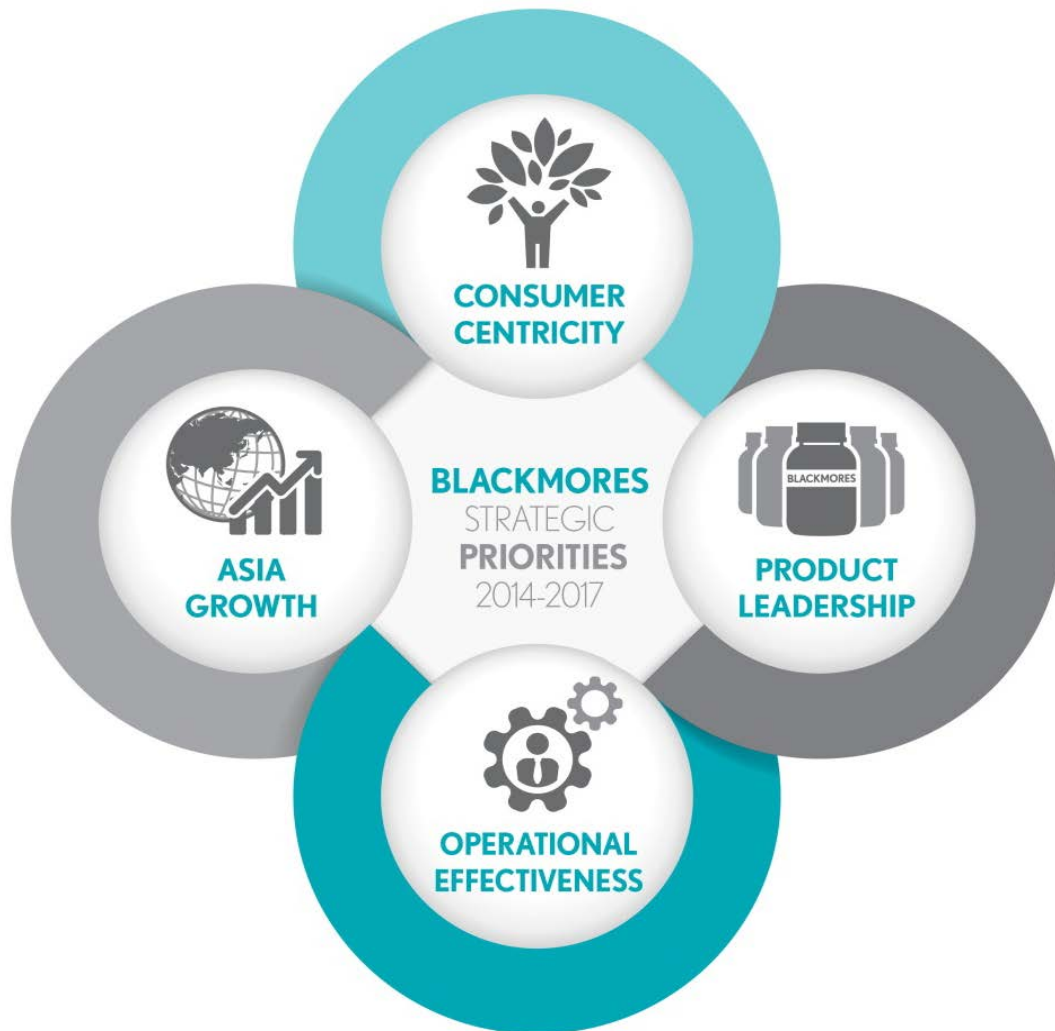
Blackmores improves people's lives by delivering the world's best natural health solutions. We achieve this by translating our unrivalled heritage and knowledge into innovative, quality, branded natural healthcare solutions that work.

Changing market dynamics opens up opportunities and requires focus:

- Ageing population & rising healthcare costs
- Pharmacy is facing significant change
- Consumers demand personalised approach
- Commitment to Sustainability, Traceability, Proven Efficacy & Natural ingredients
- An increasingly Asian world
- ‘Brand Australia’ matched with heritage and quality has significant potential in Asia
- China Free Trade Zone is open
- Evolution of Food



Blackmores Strategic Priorities:



In the last 6 years we have more than doubled our business.

We aim to do so again for our shareholders by creating focus on four strategic pillars and collaborating with strategic partners to enable our vision of a healthier world, naturally.

Consumer Centricity

Putting the Consumer at the heart of our business



Linda Redfearn and Lizzie Grant from HR

Deepening our relationships with consumers:

- Investing in a direct dialogue with consumers & understanding their needs
- Developing innovative products and services
- Investing in digital platforms – 1 million consumers connected

Improving our retail offering as category captains:

- Launched six flagship stores
- Over 200 in-store advisors
- Strong channel support including merchandising units



Asia

Building a sustainable future

Raymond Chan, Asia

Growing our presence and brand

- Most Trusted Brand SE Asia, Market Leader in Thailand, Malaysia & Singapore
- 15,000 distribution points, 500k digital friends, 350 employees, established relationships with Universities & Hospitals
- Announced Partnership with Li Na – tennis champion and most respected sports ambassador

Strengthened infrastructure in the region

- Driving innovation for Asia from the region
- Operating structure in place: Blackmores International in Singapore
- China is a significant growth opportunity - WFOE in place, licence to trade in FTZ



Dr Lesley Braun, Director of Blackmores Institute and
Michael Evans, Head of Product Development.

Product Leadership

Authoritative Voice in Natural Health

Blackmores Institute is the research and academic arm

- Partnering with universities & medical bodies on accredited education in Aust and Asia
- More than 10,000 healthcare professionals (HCPs) trained last year
- Research and education symposia held in Australia and Asia
- Blackmores' commitment to sustainability, product efficacy and supply chain traceability sets us apart

BioCeuticals has a powerful partnership with HCPs

- Greenhouse for innovation, extensive technical expertise
- Investing & collaborating in research to build future pipeline

Operational Effectiveness

Working smarter, together.

Improve efficiency and build capacity

- One sourcing and negotiating team for the Group
- Strong partnerships with our suppliers
- Investing in expertise to ensure high quality standards, leverage ingredient innovation and support expansion
- Investing in Blackmores Campus at Warriewood

Financial management

- Strengthened inventory management
- Treasury strategy to reduce exposure to currency volatility and improve cash management
- New banking arrangements



Mark Schultz, Service Delivery Manager and Mark Wilson, Distribution Manager.

9 month Performance Update Continued Strong Financial Trajectory

- **9 months to 31/03/15: Group Invoiced Sales \$326m, up 28%**
 - **Australia up 35%; Asia up 18%; BioCeuticals up 19%; Animal Health up 34%**
- **Improved COGS and Good Expense Management delivered further EBIT Margin improvement to 14.4% from 11.1%**
- **Expenses YTD include \$8m of Incentives not included in previous year**
- **9 month NPAT at \$31m, up 76% - Up 22% from full year F14**
- **Strong underlying Cash, H1 Net Debt \$37m down 48%, operating cashflow up 118% and cash conversion ratio of 118%**



Quarter 3 Performance Record Quarter = Record Profit Year

- **Quarter 3 Record Sales with improved trajectory**
 - Q1 \$98m up 17%; Q2 \$108m up 26%; Q3 \$119m up 42%
 - Australia up 48%, Asia up 44% Asia (ex Thailand up 90%+), BioCeuticals up 23%
- **Another strong EBIT Performance; EBIT Margin at 17% up from 11%**
- **Strong Cash & Debt Management delivered a 38% fall in Interest**
- **Quarter 3 Record Profit Performance up 125% at \$12.2m**
 - Q1 \$8.7m up 61%; Q2 \$10m up 48%; Q3 \$12.2m up 125%
- **Q3 confirms record performance year – Analysts expect FY profit circa \$40-44m**
- **Results as indicated to investors in March**

Consumer Centricity

David Fenlon

Managing Director, Blackmores Australia
& New Zealand



How we have progressed since we last met?

Strategic Priorities FY15

- Grow our business while returning to profit growth
- Be recognised by consumers as the preferred brand
- Product innovative new health solutions, get closer to our consumers and successfully execute our channel strategy to drive our business

Progress

- ✓ End of Q3 growth in sales is 29% and profit performance strong
- ✓ Winning market share with growth in all channels including traditional market share
- ✓ Launched our Big Brand Idea that builds brand loyalty
- ✓ Most Trusted Brand for the 6th year



How we are winning

3 Things remain 1st amongst equals...



Innovation



Deep Consumer understanding that leads the market



A channel strategy that supports our partners with our knowledge

We are continuing to invest to grow...



55 sales reps
20 naturopaths
2500 pharmacists trained
7500 points of presence

A winning STAND out Big Brand Idea
All year 360° support campaign
\$160m investment power to drive growth
No. 1 VDS Brand
No. 1 Most Trusted Brand



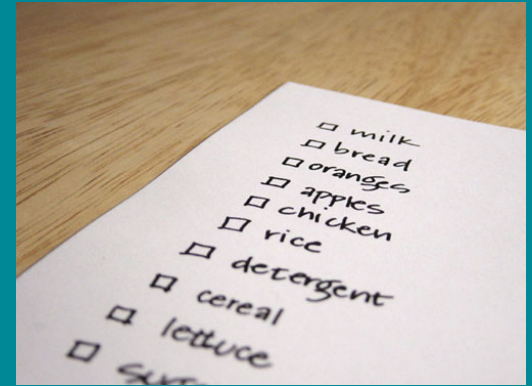
We have a deep understanding of the consumer & shopper



38% of consumers don't take their vitamins every day



The average consumer takes 1.4 different vitamins



80% of purchases are planned at home before the store



56% of shoppers see saving money as the most important factor in the vitamins category



Vitamins is the #1 category that shoppers want to be easier to shop



41% of shoppers will walk away & buy nothing if their product isn't available

We can deliver growth in each channel by understanding the shopper's journey

Shopping Mission :

I buy VDS for my family as part of my regular grocery trips when I need them. I'll decide where to shop based on the offer I see in catalogue, and I don't want to spend much more than \$25 on any individual item in my trolley.

Implication :

- Get the basics right
- Small range of top-selling, mainstream products
- No price-point over \$25
- Simplify planogram and ensure products available

Initiatives :

- Frequency: The right pack size, POS, Catalogue, Shopper Targeted Marketing, and under lid pack
- Repertoire: Improve shelf layout and signage, multi buy
- Loyalty: Loyalty program, and shopper targeted marketing

Asia Growth

Peter Osborne
Managing Director, Blackmores Asia





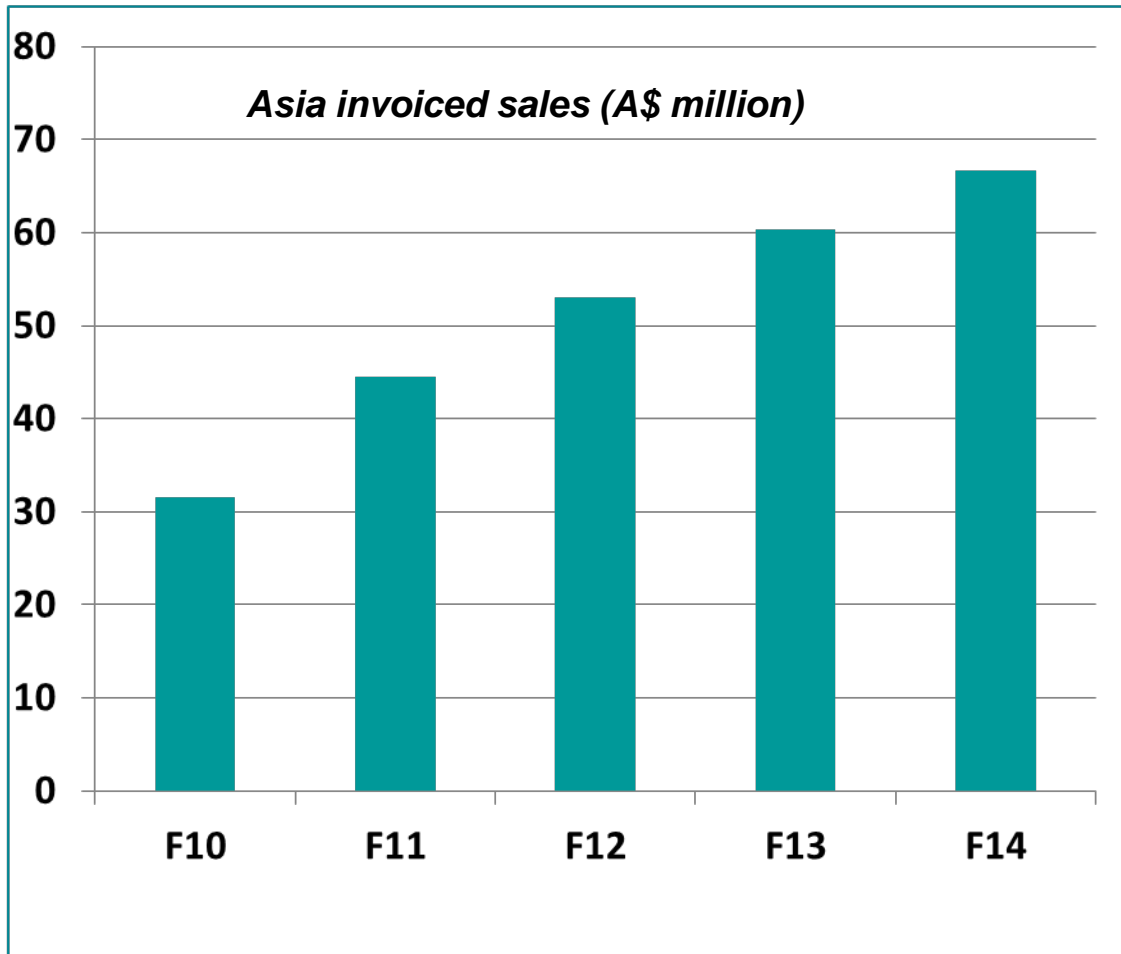
Why we're on an Asia journey ...

“Don't stand by the water & long for fish; go home & weave a net.” Chinese proverb

- Building a platform for future growth
- Build new channels of revenue growth, diversify our risk profile & exposure to dependence on the Australian market
- Build a “cash base” of US\$ to support our strategic sourcing strategy, reduce our foreign exchange exposure and protect our gross margins for all the group
- Volume growth underpins accelerated recoveries through our fixed infrastructure
- Increased purchasing power to deliver raw material unit price benefits which also deliver benefits to Australia
- To develop innovative products and new channels and act as a testing ground for other markets – e.g. flagship stores, online sales, medicinal foods

“A journey of a thousand miles begins with a single step.”

Chinese proverb



Our Asia strategic priorities

- Growth & expansion:
 - Products
 - Channels
 - Markets
 - Talent
- Drive innovation and new product development
 - Increase ideation, product pipeline and speed-to-market
- Continue expansion of depth & breadth of channels in current markets
 - Increase points of distribution & sales value per distribution point
 - Enter new channels – “bricks & mortar”, online, TV, corporate sales
- Geographic expansion
 - Continuously assess new market opportunities & route-to-market models
- Established our Asian operating base in Singapore
 - “Asia for Asia”- be closer to our consumers & customers & drive operational efficiencies
- Enhance our digital presence in Asia including e-commerce platforms



Success amid complexity

- Asian markets are complex & evolving with differing levels of economic & VDS category development
- We have a deep understanding of Asia & operating in highly regulated environments
- Our Asia strategy is on track & delivering sales and profit growth
 - New concepts for the group tested
 - Flagship stores in Malaysia, Singapore, Hong Kong
 - “Store-in-store” naturopathic consultation
 - E-commerce & online sales – China leads Asia
 - Leveraging the power of social media
 - New markets & models
 - Macau, Cambodia, Kazakhstan, Mongolia
 - Strategic alliances & partnerships
 - New products to meet specific Asian consumer needs
- Local management – “foreign oil only floats on top of the water”



New channels

LOTTE
Homeshopping
LIVE

최유라 SHOW

BLACKMORES
THE BEST OF HEALTH

BLACKMORES
THE BEST OF HEALTH

BLACKMORES

멀티액션큐텐 9+3병

- 4 In 1! 하나로 OK!
- 코엔자임 Q10 90mg
- + 오메가 3 500mg
- + 비타민 7종
- + 미네랄 2종

건강기능식품
일시불 1만원 + 자동주문 1천원

187,000원

BLACKMORES

☎ 자동 080-320-5252 | 📱 바로TV 앱 스마트한 쇼핑 | 종료 25:35

(주)노바렉스/한국

죄송합니다. 자동주문전화나 바로TV 앱을 이용해 주십시오.

최유라 SHOW

New products – critical for success



Excellence in execution

going green starts with the little things

Make your eco-pledge online and be part of the movement. As responsible owners of Minter Earth, we should all play our role in making a brighter future for our planet. Blackmores Group is making it easy and rewarding to do just that. Head to our Facebook page to release a simple green pledge and help us reach our goal of 100,000 pledges to 100,000 owners of Blackmores products. Help us achieve 1000 tonnes and we will release 1000 trees for our planet. We want to go green together - it's 100,000 tonnes, and 100,000 owners committed to taking action now for a greener tomorrow!

BLACKMORES

1 GO ONLINE 2 SORT YOUR ECO-pledge 3 WIN GREAT PRIZES & MAKE A BIG DIFFERENCE

FREE HEALTH ADVISORY SERVICE
0275 3923 8844 or 1800 888 888

GO GREEN IN STORE PROMOTIONS
Sustainable Tech Packs up to 70% OFF
FREE Shipping (over \$100)
50% OFF (on selected products)

BLACKMORES 澳佳寶
Omega-3 養生魚油系列
無腥味。高濃縮
100% 澳洲原裝進口

BLACKMORES
濃縮深海魚油
OMEGA DAILY

各大藥房均有代售
各大藥房均有代售
各大藥房均有代售

BLACKMORES 澳佳寶
澳洲最受信賴天然健康品牌

澳佳寶™ 兒童魚油富含海洋之寶 Omega-3 脂肪酸，精選自深海可持續優質魚類，有助眼腦及腦部功能的發育，對孩童時期的腦部發展及功能頗具益處，並有助穩定兒童的情緒和行為。對於兒童的學習非常重要，而且，Omega-3 脂肪酸對維持眼睛健康及良好的視力亦相當益處。

消費者購買澳佳寶指定產品，滿 499 元，
可以免費贈送 澳佳寶 兒童魚油膠囊 60 粒
一瓶或 澳佳寶 兒童魚油軟糖 60 粒
或 葡萄籽 60 粒一瓶。

- 最新兒童魚油 Omega-3 脂肪酸 243 mg，
葡萄籽 40 mg (BHT 100 mg)
- 提供自然可吸收性魚油類
(來自鱈魚肝油、沙丁魚)
- 全澳洲最佳兒童及青少年營養
和天然產品。
- 全澳洲最佳兒童及青少年營養
和天然產品。

12 歲以下兒童，每日服用 1 瓶。
(每瓶內附 1 瓶小藥丸、果汁糖漿片)

促進兒童眼睛及腦部發育
富含 Omega-3 脂肪酸



天貓 TMALL.COM blackmores 官方旗艦店 澳洲原裝進口 4.8 分 4.8 分 4.7 分

BLACKMORES 澳佳寶
澳洲製造 卓越品質
Proudly Made in Australia

首頁 | 店舖介紹 | 品牌授權 | 購物須知 | 女性專欄 | 健康知識 | 會員专享 | 手机专享 | 收藏本店

健康出游新攻略

全家培養養生魚油 ¥229 限量搶
隨身攜帶小藥盒 滿349元免費送
游前瘦身用補藻 ¥379 90粒
孩子备好兒童魚油 ¥269 30粒2瓶

澳洲製造品質



The growth of our brand – Blackmores & Li Na



Thank you !

I choose
to be happy
because it's good
for my health.
- Voltaire

BLACKMORES

Keep
and
rewire

Product Leadership

Dr Lesley Braun

Director, Blackmores Institute





BLACKMORES
INSTITUTE
RESEARCH | EDUCATION | INNOVATION

RESEARCH

- Research facilitation & funding
- Systematic reviews & published articles
- BI Scholars Program of PhD & honours project grants



Why?

To build the CM evidence base
To establish ingredient efficacy and safety
Claims

EDUCATION

- Pharmacists, pharmacy assistants, GPs, naturopaths and others
- Education online programs
- Symposia, conferences and workshops



To improve healthcare professional education & CM integration with conventional medicine

INNOVATION

- Pharmacy advisory group
- Discovery program
- Weekly research Updates



To be at the forefront of emerging CM research and trends
To evaluate & promote findings for the benefit of the industry

RESEARCH

Coordinating 25 research and academic projects across the group.



- China Discovery Program – unlocking therapeutic potential of TCM (NICM)
- Work-related stress with Executive B (Swinburne University)
- CoQ10, fish oils, magnesium, alpha Integrative Cardiac Wellness Group – (Monash/Alfred)
- Personalised medicine – nutrigenomic research: MTHFR genotype and migraines (QUT)
- Asian Pharmacy Practice Grants

Eur J Nutr
DOI 10.1007/s00394-014-0827-4

SUPPLEMENT

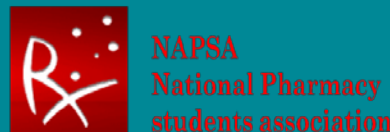
A quality dietary supplement: before you start and after it's marketed—a conference report

Mark A. LeDoux · Kristy R. Appelhans · Lesley A. Braun · Darren Dziedzicak · Sam Jennings · Laura Liu · Henry Osiecki · Edward Wyszumiala · James C. Griffiths



EDUCATION

Over 17,000 education interactions with Healthcare Professionals, their staff and pharmacy students



TRANSLATING EVIDENCE INTO PRACTICE



We share a lot of things online via social media but when it comes to health advice, how do you know what to believe?

These days, we can share any information we come across quickly and easily thanks to social media. All it takes is a click of the mouse or a flick of the finger. While it's good to be aware of health issues and natural remedies, not everything you come across on the internet can be trusted, even if your best friend swears by it.

To separate fact from fiction, Urban Health speaks to Dr. Lesley Braun, the Director of the Blackmore Institute to shed light on why consumers should be wary of the information they come across on social media and how it can be potentially harmful to their health.

the article and its credibility. Then, you can talk to family members for advice and recommendations. However, ultimately, to make the smartest choice, you should seek advice from a healthcare professional. A healthcare professional will be able to review your medical history, understand your symptoms and health needs. If you are taking medication, your healthcare professional will be able to double check to ensure that there are no drug interactions.

UH: Why do you think people turn to social media for information and advice?

DLB: I think it's because it's accessible. I do think, however, that it's good for people to actively try to find health information on social media. In the past, before we had social media, people had to rely on pharmacists or doctors to educate them on health and medication. Patients were being fed the information. Today with social media, you're able to access much more information, which is a good thing. But you should be aware that some of this information is potentially problematic.

UH: What about the information obtained from social media groups that are medically based?

DLB: I think that again, if you're going into a source which is supported by people who are scientifically trained or from healthcare professionals, that's absolutely a better start. Also, like I said, asking friends and family might help as well. Consulting social media groups should be a start but it shouldn't be an end point. The Blackmore Institute has a website with all the research information supporting our website content. That's for the doctors and the pharmacists. However, consumers are not disregarded. Blackmore also has a website for consumers as well. They can go there if they're not sure about the products or have a general complaint.

UH: So, am I doing the right thing if I share information on health, with others on social media?

DLB: I think it's just human nature - that if we find something very good and interesting, we want to share it with others. However, people on the receiving end need to take a step back and think, "Is this the right thing for me?" You should also get advice from a healthcare expert.

UH: In your opinion, which age group is most vulnerable to bogus healthcare posts on social media?

DLB: Well, it will probably be younger people who spend more time on social media, as they might believe any information they come across.

UH: Is there a way to avoid this?

DLB: It is difficult to stop social media trends. What you can do is tell your healthcare provider what you came across and ask for his or her opinion. I also think it is a good idea that parents guide their children. You can't stop them entirely but you can advise them on how to take advice and once again, seek further advice from a medical expert. **o**



Urban Health: It is widely believed that it's alright to try herbal or natural remedies because they are from "natural sources". Is this true?

Dr. Lesley Braun: I think that when people use natural medicine the right way, it can make a big difference to their health. There can be a lot of different good effects - it can relieve symptoms, be used as preventative medicine and it can even reduce the side effects of drugs. However, there are also some that have potential safety issues.

UH: What are the potential safety issues?

DLB: One possible safety issue is the interaction between medicine and natural sources. For example, probably one of the most investigated types of herbal medicine is St. John's Wort (scientifically known as Hypericum perforatum). St. John's Wort is available on pharmacy shelves here in Malaysia and is known to potentially help with depression. It also has anti-inflammatory properties. However, it interacts with a lot of pharmaceutical medication, such as oral contraceptive pills and blood thinning medication. While there's not a lot of herbal medicine that interact with pharmaceutical medication, there is a handful of them. If an interaction occurs, you won't get the same effect of the drug as you should.

UH: So what should a consumer do to avoid drug interaction?

DLB: If you come across an interesting article on natural or herbal medicine on social media, you should first consider the source of

Review | COMPLEMENTARY MEDICINE



The evidence is food for thought

ARTICLES THAT PROCLAIM THERE IS NO EVIDENCE BEHIND COMPLEMENTARY MEDICINE ARE NOT ONLY WRONG BUT ALSO CONFUSING, ESPECIALLY WHEN THEY ARE WRITTEN BY ACADEMICS THAT HAVE ACCESS TO MANY SCIENTIFIC DATABASES, WRITES DR LESLEY BRAUN, DIRECTOR OF THE BLACKMORES INSTITUTE.

The new concept of complementary medicine is a relatively new phenomenon. It is a term used to describe a range of practices that are used alongside conventional medicine. The new concept aims to provide a more holistic approach to healthcare, one that takes into account the physical, mental, and emotional aspects of a person's health. This approach is based on the idea that the body, mind, and spirit are all interconnected and that treating one aspect of a person's health can affect the others. Complementary medicine is a broad term that encompasses a wide range of practices, including acupuncture, yoga, meditation, and herbal medicine. While there is a growing interest in complementary medicine, there is also a growing concern that it is being marketed as a cure-all for a wide range of conditions. This is a dangerous trend that needs to be stopped. Complementary medicine should be used as a complement to conventional medicine, not as a replacement. Patients should always consult with their healthcare provider before starting any complementary medicine. The Blackmore Institute is a leading research organization in the field of complementary medicine. We are committed to providing high-quality, evidence-based information to help consumers make informed decisions about their health. For more information, visit our website at www.blackmoreinstitute.com.

Latest Updates



Low iodine levels remain an issue in Australian women: ABS survey

Almost two thirds of Australian women of child bearing age have iodine levels below what is recommended for safe pregnancy, according to the latest data from The Australian Bureau of Statistics. [Read More](#)



Iron supplements boost exercise performance in young women: review

Women who are still of childbearing age and who take a daily iron supplementation, experience a marked improvement in their exercise performance, a combined Australian and Canadian review shows. [Read More](#)

great health. However, natural medicine may not be a cure-all for a wide range of conditions. It is important to consult with a healthcare professional before starting any natural medicine. The Blackmore Institute is a leading research organization in the field of complementary medicine. We are committed to providing high-quality, evidence-based information to help consumers make informed decisions about their health. For more information, visit our website at www.blackmoreinstitute.com.

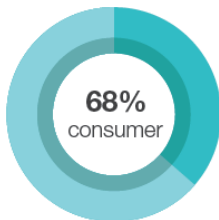
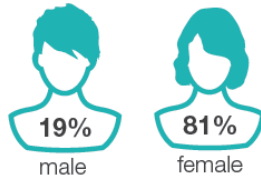
ADVISORY SERVICE



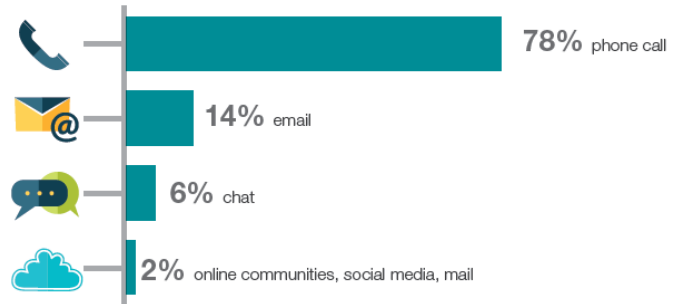
Advisory Service snapshot

The advisory team has earned a trusted regard with both consumers and healthcare professionals alike. This snapshot helps to explain how the Advisory Service engages with its enquirers.

Our callers are:



They reach the advisory service through:



The **main reason** for contacting the advisory service is:

For professional opinion and technical expertise

Other reasons include:

Expectation of a consultation, often for a serious condition – referrals are provided.

Requesting a second opinion following a recommendation by their healthcare practitioner.

To comment on or request advice on a non - Blackmores product.

Of the types of enquires received, the most popular enquires include:



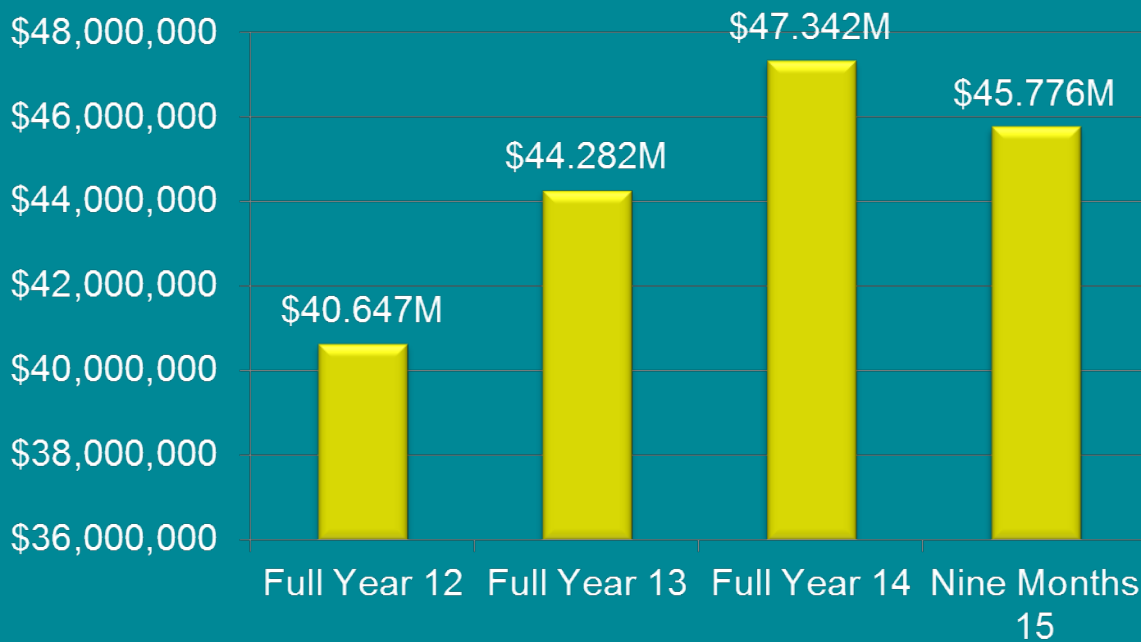
Product Leadership

Nathan Cheong

Managing Director, BioCeuticals



BioCeuticals Financial Performance since acquisition



- Year to date (YTD) sales growth is +20% above last year.

Consistent sales growth over the last four years.

BioCeuticals Channel Strategy

Allied Health				Health Food Stores			Pharmacy		
Naturopaths Herbalists Nutritionists	Physios Chiros Osteos TCM Dietitians	GPs Hospitals		Traditional	Discounters	Clinic	Discount	Traditional	Health Orientated (Patient outcomes focused)
		Integrative	CM Aware						



Leaders in Education and Innovation



- Third Annual BioCeuticals Research Symposium
- Pharmacy Masterclasses
- The Business of Adrenal Fatigue
- Natural Fertility Webinar Series (Train the practitioner)
- 11 Clinical Trials Ongoing

- Redefining Practitioner dispensing
- Future-proofing the BioCeuticals brand
- Driving innovation
- Engaging with our practitioners at a deeper level



A man in a dark blue suit and light blue striped shirt is smiling and holding a jar of capsules. The background is a modern building with large windows and green plants. A large teal graphic element is overlaid on the bottom right of the image.

Operational Effectiveness

Richard Henfrey
Chief Operating Officer

Highest quality products:

- Our ingredients are natural resources – need dedicated processes to remove variation and to ensure responsible and sustainable practices throughout supply chain.
- All products manufactured to meet the TGA mandated pharmaceutical level of Good Manufacturing Practice.
- We go above and beyond:
 - Ingredient selection
 - Vendor assurance
 - Method and process validation
 - Testing – raw material, finished product, stability
 - In-house stability program
- Ultimately the goal is products that work consistently batch to batch and throughout shelf life.



Continuous improvements in process and efficiency:

- Working smarter with our manufacturing partners - consolidating like products with volume commitments to allow them to invest
 - Delivers cost improvements through the chain
 - Consolidates group raw material volumes
 - Closer, operational relationships
- Investing in technology to support consistent and efficient operational processes across the group
- Constantly seeking small improvements to work practices that deliver operational benefits
 - \$1.9M factory efficiencies in F15
 - Reduced time to market for new products



New Capacity to support our growth:

- Year on year revenue and volume growth of 28% (year to date) and 46% growth in Q3
- Warriewood facility has been able to accommodate increased volumes
- Moving to 24 hr operation from June
- Investment in new plant to increase throughput of our packing lines
- Relocating some distribution activities to our Eastern Creek DC
- Total impact of these initiatives will be a 100% increase in operational capacity





World class talent:

- Values-led organisation with a strong culture and shared objectives
- Investing to build the skills we need for future growth and operational excellence
- Building leadership competencies – particularly our ability to deliver transformational change
- Identifying and developing the highest potential team members from across the group
- Rewarding success
- Use of technology to manage our human capital more consistently and effectively across a much more complex and diverse group

Operational Effectiveness

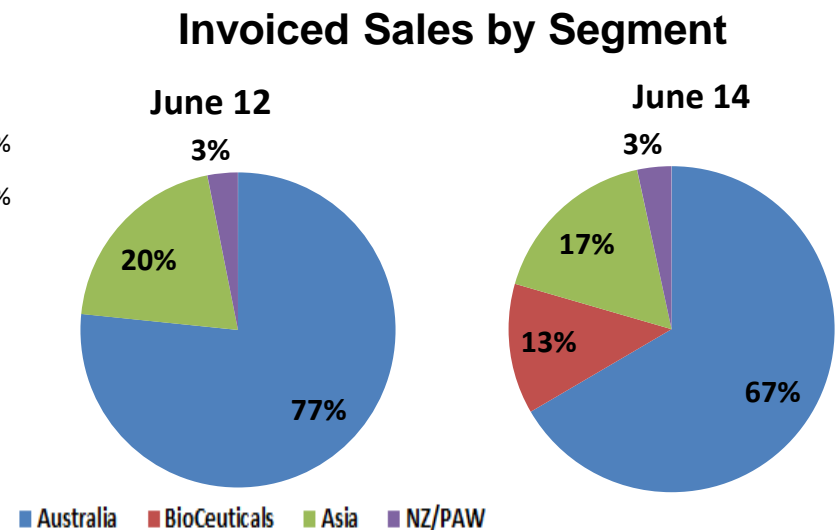
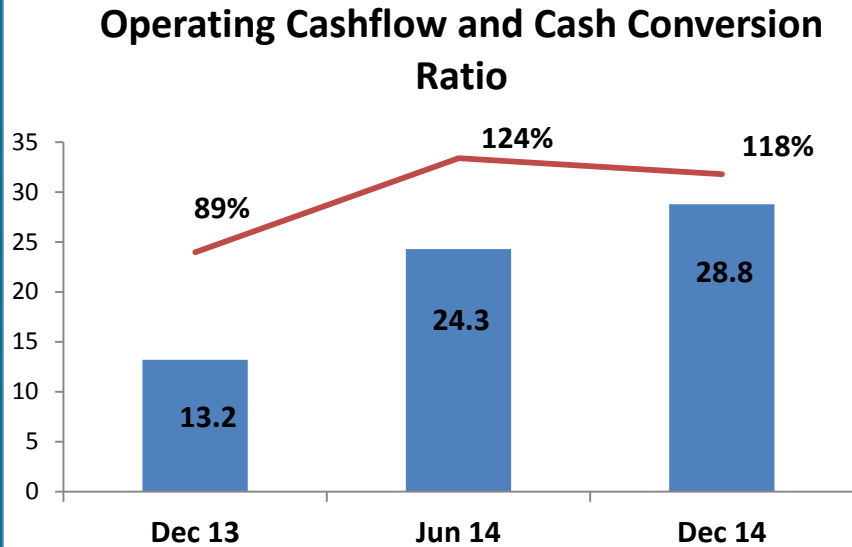
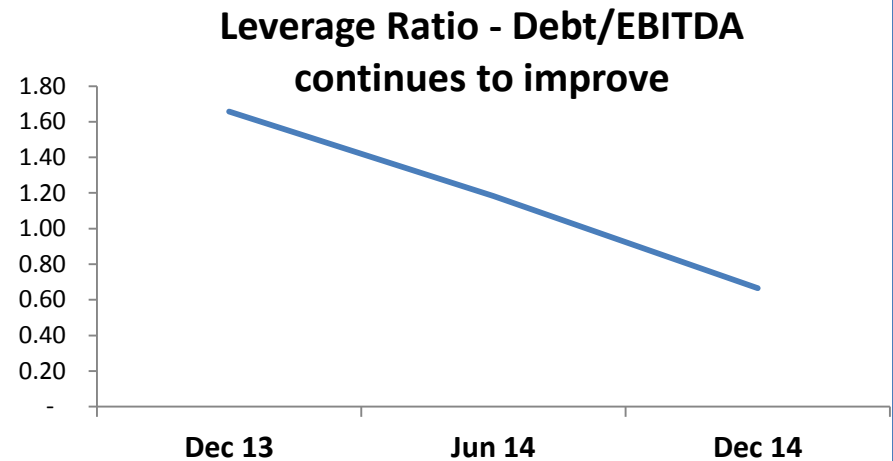
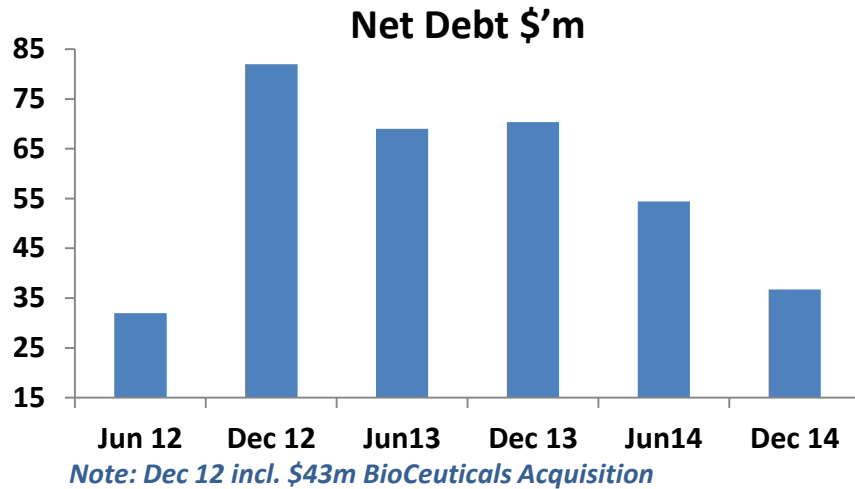
Aaron Canning
Chief Financial Officer



Blackmores Financial Health – how your company is evolving

- Building a track record of consecutive quarters of Sales and Profit growth
- Operating leverage continues to improve – turning size into scale
- Consistent and sustainable cash generation has significantly reduced debt levels
- Strengthen balance sheet with improved return on investment metrics
- New banking relationships with access to a broader range of facilities.
- Improved Treasury Strategy to reduce exposure to currency volatility and improve cash management.

Strong balance sheet and cash generation



Progress made on Blackmores' 'Asia for Asia' plan

Blackmores International established in Singapore



Developed key functions in Blackmores International to assist in executing our Asia Strategy



Our "Asia for Asia" Strategy will enable:

- Enhanced understanding of the needs of our Asian customers and consumers.
- Shorten supply chain distance between Asia distribution centres and markets.
- Strengthened management closer to markets to support Asia growth agenda.
- Drive improved Asia product innovation and deepen R&D linkages.
- Implementation of Asia Digital strategy including e-commerce platform.
- Improved treasury, financial management and management of foreign currency earnings.



- Leading Austral-Asian Natural Health Group - ambitious goals with strong resources
- Significant expertise and resources operating in Asia
- De-risked Profits: Earnings streams from multiple currencies
- We have deep connectivity with & understanding of consumers
- Blackmores Institute committed to research & education
- Our scale of distribution gives us both an opportunity to innovate and test
- Relentless about maintaining high quality & efficacy
- We believe we have the foundation for a healthy and prosperous future



Thank You

*Blackmores Annual General Meeting
will be held at the Blackmores Campus
on 29 October 2015*