



25 July 2016

Productivity Efficiencies from Project Software

The Tamawood Board confirms today that the unaudited result for the financial year ended 2016 is in the range previously announced of 20 – 25% increase in after tax profit. The total franked dividends for 2016 will be 25 cents. This result includes the expensing of all costs associated with the opening of offices in Sydney, Coffs Harbour and Ballina and moving offices in Toowoomba during the FY16 year. It also includes expenses associated with the closure of Adelaide and Melbourne offices as Tamawood considered these areas were better suited to franchising operations.

Project Software Efficiencies

The highlight in the unaudited result is the approximate increase in revenue of 12%, further increases are expected in line with a 30% increase in sales expected to take full effect on revenue during FY17, this occurred while costs have been reducing as a percentage of total revenue, the estimated reduction was in the range of 10 – 11%. Tamawood's competitive advantage in part was achieved through the use of the Resiweb enterprise software and in particular further improvements to the software that were integrated during the FY16. Mr Mizikovskiy is the Chairman of Resiweb Limited, an unlisted public company.

New Software

During FY16 Tamawood increased its investment in Resiweb to 23.44%. The software is based on in house software that has been developed by Tamawood over the 20 year period prior to the creation of Resiweb Limited five years ago and now is 90% complete and live testing has commenced. It is anticipated that the product will be commercially available sometime in FY17 and that this will also have a positive impact on Tamawood through the growth of the franchising business and further improvements to productivity within Tamawood's operations.

Robert Lynch

Chairman

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