

ASX Announcement

DATE: 26.08.2013

TRINITY FULL YEAR RESULTS TO 30 JUNE 2013

Trinity Limited (ASX: TCQ) announces the following results for Trinity Group ('Trinity') for the year ended 30 June 2013:

	30 June 2013 Audited Result	30 June 2012 Audited Result
Net Profit/(Loss)	(\$4.4 million)	\$18.7 million
Total Comprehensive Income/(Loss) (allowing for movements in reserves)	(\$4.4 million)	\$18.6 million
Net Tangible Assets ('NTA') per Security	35.0 cents	38.4 cents

RESULTS IN LINE WITH PREVIOUS GUIDANCE

The results are in line with Trinity's 30 June 2013 guidance announcement of 18 July 2013.

RESULTS COMMENTARY

The 2013 loss has resulted primarily from a net write down, and net loss on disposals, during the year relating to Trinity's investment in assets at Cumberland Lorne Resort ('Lorne') in Lorne, Victoria which totalled \$4.0 million and comprised:

- a significant write down of \$3.1 million of Trinity's investment in Lorne which was included in the \$3.67 million loss for the half year ended 31 December 2012 and which write down was based on market conditions and Trinity's strategy to sell these assets in a one-line sale at that time;
- the resulting loss of \$1.9 million on the partial sale of Trinity's investment in Lorne which occurred in April 2013 and included the disposal of 23 apartments, conference centre, manager's apartment and the resort management company which owned the management rights to the Lorne resort; and
- a \$1.0 million reversal at 30 June 2013 of the write down at half year of \$3.1 million which reflects Trinity's revised plan for Lorne which is to sell the remaining 15 apartments individually and not in one-line.

Trinity's Chief Executive Officer, Chris Morton, noted that "Whilst the disposal of the major component of the Lorne assets realised a loss for Trinity during the period, it was a positive development in the rationalisation of non-core assets. The Trinity Board had previously determined that Lorne was not the type of asset which fitted the long-term strategy of Trinity and that the sale would produce the best net present value outcome for securityholders."

Mr Morton added, "Assets of the tourism / lifestyle residential nature are highly prone to price volatility and the Lorne assets were of that category."

During the year Trinity also sold a commercial building at 15 Compark Circuit in Mulgrave, Victoria for \$7.7 million. This sale was in line with book value at the time. Trinity's remaining Victorian commercial building at 13 Compark Circuit in Mulgrave is currently being marketed for sale.

The sale of the Lorne and Compark assets provided significant cash to Trinity to fund capital management initiatives as well as enabling debt levels to be reduced.

COMMENTS ON COMPARISON WITH PRIOR YEAR RESULTS

Comparatively, the prior year audited result of \$18.7 million net profit primarily arose from a one-off gain of \$18.4 million during that period due to the release of a mezzanine debt facility provided to San Remo Project Pty Ltd, a subsidiary of Trinity Limited.

Mr Morton said, "The last 2 years' financial results had been subject to transactions which were one-off in nature. One was a gain (2012) and the other a loss (2013). We would expect a more stable financial platform and less volatility moving forward."

NTA

Trinity's NTA of 35 cents per security as at 30 June 2013 reflects the trading results for the reporting period, property sale transactions, the impact of capital management initiatives undertaken during the year (including the December 2012 off-market buyback and the recent capital distribution of 3 cents per security) and movement in property values to 30 June 2013. Mr Morton commented, "If not for the recent capital distribution of 3 cents per security the NTA at 30 June 2013 would have been essentially the same as that at 30 June 2012."

CAPITAL MANAGEMENT INITIATIVES

Trinity returned \$19.5 million to securityholders during the year through capital management initiatives comprising:

- an off-market buyback for \$15 million completed in December 2012; and
- a 3 cents per security capital distribution (for a total amount of \$4.5 million) paid from Trinity Stapled Trust in June 2013.

In addition, an on-market buyback (of up to 10% of issued capital) was approved by securityholders in June 2013 and commenced after 30 June 2013.

Securityholder participation in the on-market buyback (since it commenced in July 2013 to date) has resulted in 4.3% of securities on issue being bought back at a cost to Trinity of \$1.6 million. Trinity is able to carry out the on-market buyback until November 2013.

The combination of the off-market and the on-market buybacks which have been carried out since 30 June 2012, have reduced Trinity's issued capital by approximately 26% to date.

STRATEGY UPDATE

Having now largely completed the business rationalisation, asset sale and capital management program the Trinity Board will make an announcement in respect of the future strategic direction of Trinity Group by the end of September 2013.

ENDS

For further information, contact:

Chris Morton
Deputy Chairman / CEO

T +61 7 3370 4800

Level 1, 88 Creek Street, GPO Box 5083 Brisbane QLD 4001 Australia
P: (07) 3370 4800 F: (07) 3041 6125 ABN 11 110 831 288 AFSL No. 33 86 88
More information on Trinity can be found on our website www.trinity.com.au
