

BLACKMORES LIMITED (BKL)

28 AUGUST 2018

RESULTS	Full Year 2018	Full Year 2017	CHANGE
Invoiced sales (\$m)	746.7	692.8	+7.8%
Revenue (\$m)	601.1	552.1	+8.9%
EBIT (\$m)	101.6	86.2	+17.8%
EBIT consensus (\$m)	101.4		
Profit after tax (\$m)	70.00	59.01	+18.6%
Profit after tax consensus (\$m)	70.95		
Final Dividend (\$)	1.55	1.40	+11%

Blackmores (BKL) Asian sales lift, new expansion in weight loss products.

- **Natural health company, Blackmores Limited (BKL)** reported a record full year revenue up 9% on strong sales growth of 7.8% boosted by continued strength in Asian sales. The result was also supported by greater efficiencies and renewed contract wins helping drive a net profit after tax of \$70 million up 19%.
- As part of the result Blackmores announced it would purchase vitamin maker Probiotic Limited's, CSIRO-endorsed, weight management program Impromy for \$9 million in cash. The deal is expected to be finalised in November 2018.
- CHINA sales still make up the majority of sales and listed a 22% lift, worth \$143 million. Blackmores sited strong consumer demand is solid across all e-commerce platforms and informed the market that "The Blackmores Board visited China in June and attended the signing of a joint business plan with Alibaba".
- OTHER ASIA, excluding China, posted a 20% lift in sales to \$82 million. Singaporean sales were up 22% while Korea sales, one of its most immature markets, increased by 91%. Thailand and Malaysia delivered continued growth despite being impacted by supply constraints. Blackmores Indonesia is growing well with sales growth of 77%.
- AUSTRALIA & NEW ZEALAND sales remained flat as the retail environment remains subdued. ANZ sales contributed \$266 million and Blackmores is still the clear number one brand in Australia. BIOCEUTICALS GROUP that continues Global Therapeutics and IsoWhey delivered sales of \$109 million, up 13%, with BioCeuticals branded products lifting sales by 20%.
- Gross margins improved, driven by lower rebates, fewer inventory provisions and operational efficiencies. Supply constraints impacted sales early in the year, impacting most brands and regions.
- Blackmores said it will pay a final dividend of \$1.55, and the dividend is payable on 12 October 2018.

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