



**Tassal Group Limited**  
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20 August 2015

The Manager Listings  
ASX Market Announcements  
Australian Securities Exchange  
Level 4, Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

**Via e-lodgement**

**Tassal delivers a strong full year result with net profit after tax up 21.8%**

Tassal Group Limited (ASX: TGR) is pleased to announce its results for the full year ended 30 June 2015 (FY15), delivering 21.8% growth in statutory net profit after tax to \$49.99 million, and 14.8% growth in operating net profit after tax to \$35.03 million.

**Results overview**

(\$ million)	FY15	FY14	Change
<b>Statutory results</b>			
Revenue	309.79	266.33	16.3%
EBITDA	93.97	78.60	19.5%
NPAT	49.99	41.06	21.8%
<b>Operating results</b>			
EBITDA	72.59	63.55	14.2%
NPAT	35.03	30.52	14.8%
Operating cash flow	42.70	50.63	(15.7%)
Gearing (net debt/equity)	17.60%	15.41%	
Total dividend	14.00	11.50	21.7%

Commenting on the company's FY15 results, Tassal Managing Director & CEO Mr Mark Ryan said:

"Tassal's domestic market strategy continues to deliver long term sustainable returns as Salmon per capita consumption continues to grow. Our focus on ensuring more efficient operations underpinned our performance this year as we streamlined processes right across our supply value chain. The company further strengthened its balance sheet with strong asset performance, and we declared a 50% franked total dividend of 14.0 cents per share, up 21.7 per cent on last year.

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“Pleasingly, the focus on operational performance right across our supply value chain, from growing and processing to logistics and distribution, not only enabled us to mitigate the negative impact of lower pricing in the wholesale and export markets over FY2015, it has also put the company in a strong position to continue to sustainably grow the business going forward.

“Our balance sheet continues to strengthen to support our future growth aspirations. Cash flows have been prudently utilised to ensure appropriate investment in fish growth, both numbers of fish and weight, and a responsible capital spend has been undertaken to underpin sustainable growth in returns over the long term.

“Importantly, we evolved our corporate growth strategy from Salmon only to Salmon and Seafood. This will underpin further growth for the business from this year on. Following the acquisition of De Costi Seafoods, Tassal's total addressable market opportunity has grown from \$700 million to \$4.3 billion annually, and we expect the benefits from the acquisition to flow immediately with the acquisition being EPS accretive pre-synergies.”

### **Continued growth in earnings**

Revenue was up 16.3% to \$309.79 million as Tassal benefited from increasing per capita consumption and strong growth in domestic wholesale market sales, which grew 33.6%. Domestic retail market revenue grew 7.7%.

EBITDA was up 14.2% to \$72.59 million, reflecting operational efficiencies and sustainable contribution margins generated from domestic market sales.

### **Strong cash flows**

Tassal continued to generate strong operating cash flows of \$42.70 million over FY15. While this amount was lower than the previous year (FY14: \$50.63 million), supportive fish growing conditions saw the company utilise its strong cash flow to grow its fish to support future growth in long term earnings.

As a result of this investment in fish, the value of biological assets, a key forward indicator of earnings, was up 18.1%, or \$34.13 million, to \$222.91 million. Supporting increasing fish size provides operational and financial benefits to the company and is important in terms of long term sustainable growth in shareholder value.

### **Conservative gearing and growing dividend**

Tassal's gearing remained conservative at 17.6% and the company's funding ratio was stable at 34.9%.

Reflecting the company's sustainable earnings, strong cash flows, and attractive growth outlook, the Board of directors declared a final FY15 dividend of 7.00 cents per share 50% franked. This brings the total dividend for FY15 to 14.00 cps 50% franked, up 21.1% (FY14: 11.50 cps). The record date for the final FY15 dividend is 11 September 2015, and payment date is 30 September 2015.

### **Now focused on growing in both Salmon and Seafood**

Commenting on Tassal's new strategy of growing in both Salmon and Seafood, Mr Ryan said:

“We are confident that Tassal has the right foundations in place in its existing business and within De Costi Seafoods to successfully pursue the company's next growth phase.

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“We are now looking to further optimise the entire Salmon and Seafood value chain, driving further economies of scale from a cost perspective and maximising domestic consumption in Seafood. The De Costi acquisition will be pivotal in delivering efficiencies across the Salmon and Seafood supply value chain for Tassal.

“We are excited about our Salmon and Seafood growth strategy and the company’s ability to grow sustainable earnings, cash flows and dividends.”

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**Media / analyst queries:**

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**About Tassal**

Tassal Group Limited (ASX: TGR) is a vertically integrated salmon grower and salmon and seafood processor, seller and marketer. The Company produces and sells premium salmon and seafood products for both the Australian domestic and export markets. Tassal grows delicious, fresh and healthy Atlantic salmon in Tasmania’s fresh waters and through its De Costi Seafood business sources and processes a wide range of seafood. Tassal is committed to taking a leadership role in sustainability in aquaculture and seafood sourcing. The company employs over 1,100 people. Visit [www.tassal.com.au](http://www.tassal.com.au) for more information.

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