

# LandMark White Limited

A.C.N. 102 320 329

Results for announcement to the market

ASX Preliminary Final Report

Appendix 4E

30 June 2014

Lodged with the ASX under Listing Rule 4.3A

## **ASX Announcement – LandMark White Limited – Full year Results**

### **Financial Results for 2013 - 14**

- Net Profit After Tax up 61% to \$1.17 million
- Gross revenues including franchised offices increased 4.4% to \$22.4 million
- Earnings per share improved to 4.2cents from 2.6 cents in FY2013
- Fully franked Final Dividend of 2.5 cents to be paid 2 October 2014

The Board of LandMark White announced today a 61% increase on Net Profit after Tax to \$1.17 million (2013: \$0.72m) on the back of increasing market share and increased property market activity. Revenues were down 7% to \$18.28m, reflecting the first full year of franchising the Sydney Commercial office and 9 months of Sunshine Coast office. With the inclusion of the revenues from these franchised offices, Gross Revenues rose 4.4% to \$22.4m.

Net Profit before Tax rose 57% to \$1.68m (2013: \$1.07m). The improved results reflected improved focus on costs and business management across all areas of the Group.

### **Dividends**

The Board has declared a final fully franked dividend of 2.5 cents per share payable on 2 October 2014. This brings the total dividend for the year to 3.75 cents per share, which is an increase of 0.5 cents per share over last year. LandMark White has continued to maintain a consistent level of fully franked dividends since listing in 2003. With significant surplus franking credits dividends should continue to be fully franked for the foreseeable future.

### **Cash at Bank**

Throughout the year LandMark White continued to have strong cash balances and had cash funds of \$1.7m at 30 June 2014 and continues to carry no debt.

### **Outlook**

Property market conditions continue to improve. With the recent appointment of a new CEO in Chris Nicholl, the company undertook a strategic review. The review highlighted a number of strengths and opportunities that exist for LandMark White. With our national structure, investment in our people, client engagement and continued investment in IT systems, our focus is on re-building a strong business. A number of profit improvement initiatives are being implemented. However at this point we believe that the profit increase for the 2015 financial year will be a modest one.

**LandMark White Limited and Controlled Entities**  
**ACN 102 320 329**

**Summary Results for the year to 30 June 2014**

The following is a summary of the financial results for the year ended 30 June 2014 (previous corresponding period 30 June 2013).

**Results for announcement to the market**

	Year ended 30 June 2014 \$000s	Year ended 30 June 2013 \$000s	Increase/ (Decrease) \$000s	% Change
Revenue from Continuing Operations	18,279	19,638	(1,359)	Down 7%
Profit before tax from continuing operations	1,677	1,069	608	Up 57%
Income tax expense	510	345	165	Up 48%
Net Profit after tax from continuing operations	1,167	724	443	Up 61%
Net (loss) from discontinued operations	-	-	-	-
Net Profit attributable to members	1,167	724	443	Up 61%

<b>Comparison of Half-Year Profits</b>	<b>Current Period \$000s</b>	<b>Previous Period \$000s</b>
Consolidated Profit after tax attributable to members reported for the 1 <sup>st</sup> Half yearly report	613	172
Consolidated Profit after tax attributable to members reported for the 2 <sup>nd</sup> Half year	554	552

<b>Dividends</b>	<b>Amount per security</b>	<b>Franked amount per security</b>
Interim dividend	1.25 cents	1.25 cents
Final dividend	2.5 cents	2.5 cents
	3.75 cents	3.75 cents

Dividend payment date 2 October 2014

Record date for determining entitlement to final dividend 18 September 2014

Ex dividend date 16 September 2014

**Annual Report and Annual General Meeting**

LandMark White expects to send its Annual Report and Notice of Annual General Meeting to shareholders during the week commencing 13 October 2014.

1. LandMark White expects to hold its 2014 Annual General Meeting in Sydney on 25 November 2014.

**LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES**  
**ACN 102 320 329**

**PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT & LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	Notes	30 June 2014 \$000s	30 June 2013 \$000s
<b>Revenue from continuing operations</b>		18,279	19,638
<b>Expenses from continuing operations</b>			
Employment expenses		12,472	13,224
Report presentation expenses		844	1,144
Marketing expenses		130	149
Communication expenses		270	326
Administration expenses		1,605	2,441
Occupancy expenses		843	835
Depreciation and amortisation expenses		157	187
Other expenses from ordinary activities		308	295
<b>Results from operating activities</b>		<b>1,650</b>	<b>1,037</b>
Finance income		28	35
Finance expense		1	3
<b>Profit before tax</b>		<b>1,677</b>	<b>1,069</b>
Income tax expense	4	510	345
<b>Profit from continuing operations after Income Tax Expense</b>		<b>1,167</b>	<b>724</b>
<b>Total comprehensive income for the year</b>		<b>1,167</b>	<b>724</b>
<b>Profit attributable to:</b>			
Owners of the parent		1,167	724
Non-controlling interest		-	-
		1,167	724
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		1,167	724
Non-controlling interest		-	-
		1,167	724
Basic earnings per share (cents per share) from continuing operations	2	4.2	2.6
Basic earnings per share (cents per share)	2	4.2	2.6
Diluted earnings per share (cents per share) from continuing operations	2	4.2	2.6
Diluted earnings per share (cents per share)	2	4.2	2.6

*The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.*

**LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES**  
**ACN 102 320 329**

**PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2014**

	30 June 2014 \$000s	30 June 2013 \$000s
<b>Current Assets</b>		
Cash and cash equivalents	1,716	1,584
Term deposits	-	5
Trade and other receivables	2,080	1,955
Inventories	83	65
Other assets	409	290
<b>Total Current Assets</b>	<b>4,288</b>	<b>3,899</b>
Deferred tax assets	436	496
Term deposits	288	283
Plant & equipment	220	311
Intangible assets	5,076	5,070
<b>Total Non Current Assets</b>	<b>6,020</b>	<b>6,160</b>
<b>Total Assets</b>	<b>10,308</b>	<b>10,059</b>
<b>Current Liabilities</b>		
Trade and other payables	815	1,009
Current tax liabilities	269	78
Employee benefits	2,010	1,828
<b>Total Current Liabilities</b>	<b>3,094</b>	<b>2,915</b>
<b>Non Current Liabilities</b>		
Deferred tax liabilities	25	20
Employee benefits	106	239
Provisions	206	220
<b>Total Non Current Liabilities</b>	<b>337</b>	<b>479</b>
<b>Total Liabilities</b>	<b>3,431</b>	<b>3,394</b>
<b>Net Assets</b>	<b>6,877</b>	<b>6,665</b>
<b>Equity</b>		
Contributed equity	6,008	6,008
Retained Earnings	860	657
Reserves	9	-
<b>Total Equity</b>	<b>6,877</b>	<b>6,665</b>

*The above Statement of Financial Position should be read in conjunction with the accompanying notes.*

**LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES**  
**ACN 102 320 329**

**PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>\$000s</b>	<b>\$000s</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	19,955	22,365
Payments to suppliers and employees	(18,558)	(21,494)
Interest received	28	35
Interest paid	(1)	(3)
Proceeds from return of security deposits	-	118
Income tax (paid)	(254)	(187)
<b>Net cash flows provided by Operating Activities</b>	<b>1,170</b>	<b>834</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of plant & equipment	(43)	(192)
Purchase of intangible assets	(29)	(144)
<b>Net cashflows used in Investing Activities</b>	<b>(72)</b>	<b>(336)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of borrowings	-	-
Dividends paid	(966)	(828)
<b>Net cashflows used in Financing activities</b>	<b>(966)</b>	<b>(828)</b>
<b>Net increase / (decrease) in cash held</b>	132	(330)
Cash at beginning of financial period	1,584	1,914
<b>Cash at end of financial period</b>	<b>1,716</b>	<b>1,584</b>

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.*

**LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES**  
**ACN 102 320 329**

**PRELIMINARY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2014**  
**STATEMENT OF CHANGES IN EQUITY**

	<b>Share Capital \$000's</b>	<b>Share Option Reserve \$000's</b>	<b>Retained Earnings \$000's</b>	<b>Total \$000's</b>	<b>Non- controlling Interest \$000's</b>	<b>Total Equity \$000's</b>
<b><i>Consolidated</i></b>						
Balance at 1 July 2012	6,008	-	761	6,769	-	6,769
Total comprehensive income attributable to members of the parent entity	-	-	724	724	-	724
Dividends to shareholders	-	-	(828)	(828)	-	(828)
Balance at 30 June 2013	6,008	-	657	6,665	-	6,665
Total comprehensive income attributable to members of the parent entity	-	-	1,169	1,169	-	1,169
Net share based compensation benefit	-	9	-	9	-	9
Dividends to shareholders	-	-	(966)	(966)	-	(966)
Balance at 30 June 2014	6,008	9	860	6,877	-	6,877

*The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

**LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES**  
**ACN 102 320 329**

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

**1. DIVIDENDS**

Final dividend resolved to be paid	2.5 cents per share fully franked
Date the dividend is payable	2 October 2014
Record date	18 September 2014
Ex dividend date	16 September 2014

	<u>Current Year</u>	<u>Prior Year</u>
Interim dividend	1.25 cents	1.0 cents
Final dividend	2.5 cents	2.25 cents
	-----	-----
	3.75 cents	3.25 cents

**2. EARNINGS PER SHARE**

	<b>30 June 2014</b>	<b>30 June 2013</b>
	¢	¢
Basic earnings per share	4.2	2.6
Diluted earnings per share	4.2	2.6
Weighted average number of shares used in the		
- calculation of basic EPS	27,588,781	27,588,781
- calculation of diluted EPS	27,588,781	27,588,781

The amount used in the numerator in calculating basic and diluted EPS is the total comprehensive income attributable to owners of the parent reported in the Consolidated Statement of Comprehensive Income.

**3. NET TANGIBLE ASSET BACKING**

	<b>30 June 2014</b>	<b>30 June 2013</b>
Net Tangible Asset Backing Per Share	\$0.065	\$0.058

**4. INCOME TAX**

Income tax expense for the year consists of the following;

	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>\$000s</b>	<b>\$000s</b>
Profit from continuing operations before tax	1,677	1,069
Prima facie income tax calculated at 30% on profit	503	321
Effect of non deductible expenses	20	16
Prior Year adjustments	(13)	8
Net income tax expense	510	345

**LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES**  
**ACN 102 320 329**

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	30 June 2014 \$000s	30 June 2013 \$000s
<b>5. CONTRIBUTED EQUITY</b>		
<b>Issued and paid-up capital</b>		
27,588,781 (June 2013 : 27,588,781) ordinary shares, fully paid	6,008	6,008
<b>Movements during the period:</b>	Nil	Nil

**6. SUBSEQUENT EVENTS**

There have been no events subsequent to reporting date which affect the results contained in this financial report or the continuing operations of the Group.

**7. COMPLIANCE STATEMENT**

This report is based on financial statements to which the following applies:

The financial statements have been audited.

The financial statements have been subject to review.

The financial statements are in the process of being audited or subject to review.

The financial statements have not yet been audited or reviewed.

The Company has a formally constituted Audit Committee.