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EBOS ON TARGET AFTER TRANSFORMATIONAL DEAL

Year's highlights

- First full year of trading for the Symbion business acquired in June 2013
- Total revenues of \$5.8 billion up 216% on the prior year
- Net Profit of \$92.1 million
- 34% increase in Earnings per Share
- Cash from Operating Activities of \$114.2 million
- HBL contract to supply all District Health Boards in New Zealand now executed
- Dual listing on ASX completed in December 2013

The EBOS Group today reported annual financial results reflective of the true Trans-Tasman business it has become following last year's acquisition of Australia's Symbion business. In reporting on today's results, Managing Director, Mark Waller stated that he was delighted with the financial performance of the Group and the success of the Symbion acquisition which was the largest ever undertaken by the Company.

"The last financial year has been one of immense positive change for the company. We have created a business that is Australasia's leading diversified marketer, distributor of healthcare, medical and pharmaceutical products and a leading marketer of Animal care products. The results today provide a benchmark for what we can achieve in the future. We now have the platform for further growth opportunities that will provide value to our customers and shareholders."

Group financial performance

The financial results for EBOS include a full 12 months performance from the Symbion business acquired in June 2013. The prior year results only included 18 days trading for Symbion and, therefore, year on year comparisons for our key performance indicators have been favourably impacted by the acquisition.

Given that approximately 80% of the Group's earnings are generated in Australia, the appreciation of the NZD over the course of the financial year has had a significant impact on NZD reported earnings. Mark Waller commented that "despite these currency headwinds we have been able to deliver a net profit of \$92.1 million which is in line with market expectations".

"The benefits of the Symbion acquisition can be seen by the company's 34% increase in earnings per share and the record cash flow generated from operating activities of \$114.2 million" Mark Waller said. The breadth of Symbion's healthcare businesses has enabled the company to further grow its profitability even after allowing for the impact of the Australian Government's PBS price reforms.

EBITDA of \$178.2m grew by \$120 million on the prior year representing growth of 206%.

The excellent cash flow result for the business has resulted in a significant reduction in its Net Debt. The Net Debt/EBITDA ratio was 1.8x at 30 June 2014 (3.0x at 30 June 2013). Gearing or net interest bearing debt to net interest bearing debt plus equity was 24.4% (2013-36.3%). The company's focus on working capital management and its cash conversion cycle will provide the strength for the company to continue to grow both organically and through appropriately priced acquisitions that improve shareholder value.

Debt Refinancing

In August 2014, the Company took advantage of favourable credit markets and successfully refinanced its banking facilities incorporating both an extension of term and reduced margins.

Dividends

The Board declared a final dividend of 20.5 cents a share payable on 17th October 2014 imputed to 35%. This follows an interim dividend of 20.5 cents paid in April 2014 and takes full year dividends to 41 cents a share. The dividend reinvestment plan will operate for the final dividend, enabling shareholders to elect to take shares in lieu of a dividend at a discount of 2.5% to VWAP. The Record Date for the final dividend is 3 October 2014.

Leadership and Management changes

The management transition plan that the Board announced in February 2014 is now in place. On what is Mark Waller's final profit announcement as Managing Director; Chairman, Rick Christie said: "the Company has been extremely fortunate to have had the leadership and expertise of Mark for 30 years and through his skills the business has grown to what it is today".

"The company is delighted to have Patrick Davies assume the role of Chief Executive Officer and looked forward to Patrick continuing the EBOS growth story."

Outlook

Management are focused on leveraging the strengths of the business to capture the long term value that on-going demand in our healthcare and animal care markets provide. Whilst we face on-going regulatory challenges in our pharmacy markets we have always demonstrated innovative ways to generate earnings growth and we are confident that our management team can continue the company's strong track record of growth into FY15.



Mark Waller
Managing Director
EBOS Group Limited



Rick Christie
Chairman of Directors

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