

Blackmores delivers 10th consecutive year of record sales and profits



Image: Keith Dunne, Blackmores Commercial Manager

HIGHLIGHTS

- Record Group sales of \$261 million up 11%
- Net profit after tax of \$27.8 million up 2%, earnings per share up 2%
- 20% net profit growth and 20% sales growth from Asia
- Acquisition of BioCeuticals for up to \$40 million
- Final dividend of 83 cents, delivers full year dividend of 127 cents – up 2%
- Board announces reactivation of the Dividend Reinvestment Plan at a 5% discount

DEAR SHAREHOLDER

Blackmores Limited (ASX: BKL) has announced its tenth consecutive year of record sales and profits overcoming a challenging retail environment in Australia while continuing to invest in growth opportunities.

Blackmores achieved an 11% increase in Group invoiced sales of \$261 million and a 2% increase in full year profit with \$27.8 million net profit after tax (NPAT) compared to the previous corresponding period.

This is a solid result considering Australian market conditions, our increased investment in growth initiatives in Australia and Asia, and given that we have incurred a number of one-off expenses during the year.

The fourth quarter was particularly strong with record sales from Blackmores Australia, Blackmores Asia and Pure Animal Wellbeing resulting in 19% Group sales growth compared to the prior corresponding quarter.

Blackmores' success in Asia continues and is evident in the 23% sales growth (in constant currency) compared to the previous corresponding period. All markets across the region performed well throughout the year with sales from Blackmores Thailand up by 26% in local currency, compared to the previous year, even with severe flooding through a significant part of the country.

We have tripled our points of distribution in Asia throughout the year and recently began our launch into China through a number of retail channels including China's biggest e-commerce platform which will be followed by the introduction of our range into China's biggest pharmacy retailer.

The additional stock volumes required to support our growing business were well supported by the purpose-built Blackmores Campus at Warriewood which every product passes through before being released for sale. A record 1.75 million units of product moved through the facility in March alone.

The Group's strategic sourcing program has enabled an improvement in Blackmores' sustainability performance. Blackmores launched Eco Krill in the latter months of the financial year using krill sourced only from sustainable fisheries.

We are proud that Blackmores Eco Krill is the only truly sustainably sourced krill certified by the Marine Stewardship Council which is supported by WWF.

Eco Krill was among the 102 new products launched by the Group in the year with over forty renovations to existing products.

BLACKMORES INSTITUTE

The Company has announced its intention to establish the Blackmores Institute with the purpose of creating a centre of excellence in the field of natural health research and education. It will bring together the best minds, knowledge and evidence and is dedicated to sharing this knowledge with the wider community of healthcare professionals, researchers, industry and consumers.

It is a reinstatement of the Maurice Blackmore Research Foundation which was established in 1982 as a research and education institute.

DIVIDEND

The Board has declared a final dividend of 83 cents per share fully franked, bringing the full year dividend to 127 cents fully franked, a 2% increase on last year. The record date is 2 October 2012 and the dividend is payable on 16 October 2012.

Directors have reactivated the Dividend Reinvestment Plan (DRP). Shareholders' current DRP election choice has been maintained by Computershare Investor Services Limited, the Company's registry manager, and Shareholders are not required to notify Computershare if their previous election to participate remains unchanged.

Shareholders can check their current election by contacting Computershare on 1300 555 159 or online at: www.computershare.com.au/investors

Shareholders are able to change their election or register to participate by either:

- Visiting the Computershare Investor Centre website: www.computershare.com.au/investors
- Contacting Computershare for assistance on 1300 555 159.
- Completing the form enclosed

Shareholders who elect to participate in the DRP will benefit from a 5% discount.

OUTLOOK

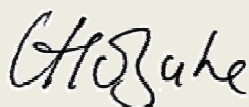
At the close of the financial year, Blackmores reached an agreement to acquire 100% of the share capital of FIT-BioCeuticals Limited, the leading brand of practitioner-only supplements in Australia. In the year to June 2011 BioCeuticals delivered \$38m in invoiced sales and earned \$4.6m earnings before income tax, depreciation and amortisation.

The purchase price was up to \$40 million and the fully debt-funded acquisition successfully completed on 2 July 2012, though the majority of costs associated with the transaction were expensed in the 2011/2012 financial year.

Effective participation in the practitioner market allows Blackmores to grow profitably close to our core. Being the number one brand in the retail dietary supplements market and acquiring the leading brand in the practitioner market affirms Blackmores as the clear leader in natural health in Australia.

We have invested responsibly in recent months in initiatives that will drive future growth and our base business remains solid. Though we note the continued challenges presented by the Australian retail market, we are on track in the delivery of our strategic plan which we will continue to implement to drive growth and deliver improved returns to our shareholders.

Yours faithfully



CHRISTINE HOLGATE
CHIEF EXECUTIVE OFFICER

Results at a Glance – Year Ended 30 June 2012

Results (\$000s) Full Year	This Year	Last Year	% Change
Revenue	261,567	235,267	11.2
Sales	260,832	234,423	11.3
Earnings before interest, tax, depreciation and amortisation (EBITDA)	46,879	46,857	0.6
Earnings before interest and tax (EBIT)	41,957	42,058	-0.2
Profit before tax	39,196	39,322	-0.3
Income tax expense	11,390	12,017	-5.2
Profit for the period	27,806	27,305	1.8

Results (\$000s) Quarter 4	This Year	Last Year	% Change
Revenue	74,632	62,819	18.8
Sales	74,551	62,600	19.1
Earnings before interest, tax, depreciation and amortisation (EBITDA)	13,225	12,117	9.1
Earnings before interest and tax (EBIT)	11,977	10,961	9.3
Net interest expense	643	703	-8.5
Profit before tax	11,334	10,258	10.5
Income tax expense	3,485	3,161	10.2
Profit for the period	7,849	7,097	10.6

Other Key Items	30/06/2012	30/06/2011	
EBIT/Sales	%	16.1	17.9
Interest cover (net)	times	15.2	15.4
Total assets	\$m	174.8	153.1
Shareholder's equity	\$m	86.3	79.1
Net debt	\$m	33.0	29.8
Net debt / (Net debt + equity)	%	27.7	27.4
Net tangible assets per share	\$	4.75	4.43
Share Price (28 Aug 2012)	\$	28.89	26.70
Shares on issue	m	16.8	16.7



ANNUAL REPORT 2012

If you would like to view our results in greater detail, you can access our 2012 Annual Report by visiting the Investor Centre at blackmores.com.au.

SHAREHOLDER DISCOUNT PLAN

Our shareholder discount on the Blackmores range of products is 30%. You will now have received a new shareholder discount card, a price list and details of product ordering for your convenience.

INVESTOR CONTACT:

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