

# Blackmores Third Quarter Financial Results

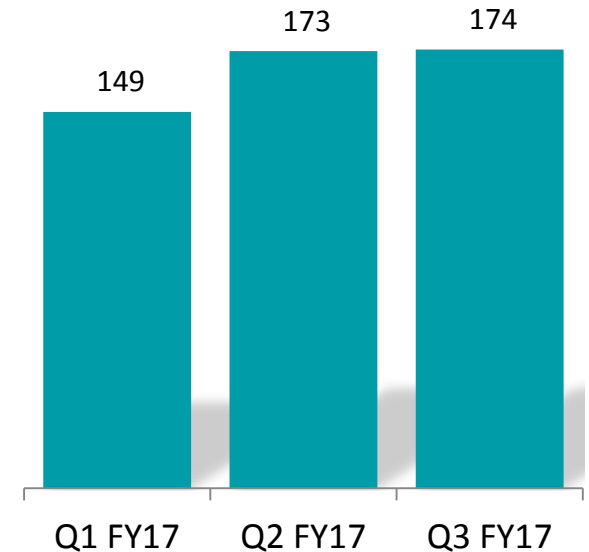
Nine months ended March 2017



# Blackmores optimistic about future growth

- Group sales of \$496 million for the first nine months, 6.7% down compared to previous corresponding period
- Net profit after tax of \$43 million for the first nine months, down 42.8% compared to the previous corresponding period
- Sales trend encouraging with moderate increase in quarter 3 despite fewer trading days than quarter 2
- Invested in increased marketing, new markets in Indonesia and Vietnam and new distribution facility in Western Sydney to underpin future growth

**Invoiced Sales By Quarter  
FY17 (\$m)**



# Nine months sales results

## Blackmores

- Blackmores sales in Australia and NZ of \$264 million for the nine months, down 26%
- The changed patterns of Chinese buyers impacted sales in Australia
- China in-country and export sales up 60% to \$92 million compared to prior corresponding period
- Ministry of Commerce announcement in late March reinforced China's commitment to the free trade zones and cross border e-commerce
- Greater Asia sales (excluding China) generated \$62 million in sales, in line with last year. Excluding Korea sales increased 14%
- Korea continues transition to new distribution model

## BioCeuticals Group

- BioCeuticals and Global Therapeutics combined contribution for the first nine months of \$76 million, up 53% compared to prior. Every brand in this portfolio is in growth
- Excluding benefit of the acquisition, this division is growing at 18%

# Emerging markets

## Indonesia

- Blackmores launched in Indonesia in September 2016 through a joint venture with Kalbe Farma – Kalbe Blackmores Nutrition
- The venture invested \$2.6 million and has achieved initial sales of \$2.8 million - encouraging growth for the first few months in stores

## Vietnam

- Signed distribution agreement with the Mesa Group in March to launch a range of 13 products in Vietnam in the coming months
- The Mesa Group is Vietnam's leading distribution company with access to a network of 150,000 retail stores



Mrs. Luu Tuyet Mai, Founder & CEO of the Mesa Group and Blackmores CEO Christine Holgate

# Outlook

Continued consumer demand across all core markets, as well as the strong performance of our practitioner businesses and emerging markets in Asia, gives us confidence in our medium-term growth opportunities.

The Board expects the full year profit will represent good growth on the 2015 financial year, recognising that 2016 was an exceptional performance that we will not match. We remain confident in the Group's strategic focus and growth prospects.



David Tuffin, Blackmores National Sales & Education Manager