

EUROZ

LIMITED

ABN 53 000 364 465

7 January 2014

UNAUDITED HALF YEAR RESULTS

The Directors are pleased to announce the following unaudited results for the half year ended 31 December 2013. The comparatives for 31 December 2012 have been re-presented to enable like for like comparison with new accounting standards detailed below.

	31 Dec 13 (unaudited)	31 Dec 12 (audited - restated)
Pre-tax operating profit/(loss) from normal activities	7,307,588	6,398,419
Unrealised pre-tax profit/(loss) on investments	9,245,991	6,593,015
Net profit before tax	16,553,579	12,991,434
Income tax expense	(4,166,005)	(3,344,419)
Net profit after tax	12,387,574	9,647,015

We are pleased to report a net profit after tax of \$12.4 million for this six month period.

Volatile and subdued commodity prices have continued to impact our daily ASX turnover in Euroz Securities. This lower ASX turnover has been offset by a solid improvement in Corporate ECM transactions and our future pipeline of Corporate opportunities is potentially the best it has looked for some time.

Westoz Funds Management has made a solid contribution to this result. While maintaining large cash positions both the Westoz Investment Company Limited (WIC) and Ozgrowth Limited (OZG) have outperformed the broader market this half, their share prices have risen and their respective NTA gaps have narrowed. They have paid significant fully franked dividends of \$3.2 million to Euroz Limited during the half year period.

The Directors have declared and provided for a fully franked interim dividend of 1.75 cents per share, an increase of 0.25 cents on the corresponding period. The shares of Euroz Limited will trade ex-dividend from 15 January 2014, with the dividend being paid on 28 January 2014.

Change in accounting treatment

Euroz Limited currently owns 24.61% of WIC and 36.58% of OZG.

When we initially invested in WIC and OZG we were required to bring them to account at their respective market values under the relevant Australian Accounting Standards (AAS). Subsequently, when our investments in these entities exceeded the relevant threshold we were obliged to equity account these investments.

Following the recent introduction of AASB10 and AASB2013-5 (early adopted) we are no longer required to equity account these investments in accordance with AASB 128 (Investment in Associates) and will bring them to account at fair value (market value) in accordance with AASB139 (Financial Instruments).

This has resulted in changes to the way in which these investments are presented and some adjustments to our historical reserves. Our Group Consolidated Statement of Profit and Loss now includes any dividends received from WIC and OZG, fair value (market value) of WIC and OZG as well as consolidated positions from 100% owned subsidiaries Euroz Securities Limited and Westoz Funds Management.

The Balance Sheet effect of these changes decrease our reported NTA to approximately \$116 million (ex-dividend) and effectively reverses the adjustment we brought to account in April 2010 when we commenced the equity accounting method.

Summary

We have remained deliberately patient through the difficult markets of the past few years but our Directors believe that we are closer to improved commodity and resource related markets and are confident that our strong market position and solid balance sheet will again provide excellent leverage to shareholders in the future.

Andrew McKenzie
Executive Chairman

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