



ABN 53 000 364 465

19 November 2014

Chairman's AGM Address and Update

The result for the year ended 30 June 2014 was a significant improvement on the previous year's financial results.

Euroz Limited recorded a pre-tax profit of \$35,784,030 and a net profit after tax of \$26,547,100.

The Directors declared a final dividend of 9 cents per share fully franked which combined with the interim dividend of 1.75 cents per share represented a total dividend of 10.75 cents per share fully franked or \$16.2 million dollars.

In the context of current markets and the performance of our competitors we are therefore pleased with this 139% increase over last year's re-stated result.

These results were predominantly driven by an increase in the market value of our investments in Westoz Investment Company Limited (WIC) and Ozgrowth Limited (OZG) but also through an improvement in the profitability in Euroz Securities and Westoz Funds Management.

TRADING UPDATE

I will now provide you with an unaudited update of our current financial performance for the current financial year to 17 November 2014.

The integration of Blackswan Equities has proceeded as planned and forecast cost synergies have been achieved. Most importantly, we believe our complimentary cultures and strengths have come together particularly well and we look forward to the increased opportunities this will bring for our clients and staff in the future.

We continue to progress our recently announced new funds management initiative, Westoz Investment Management (WIM), an 80/20 partnership with ex MLC CEO Mr Steve Tucker and are aiming to launch new products into the wider investment and financial planning community next year.

In the current financial year, markets have been both difficult and volatile and we remind shareholders the health of our resource related markets can have a major impact on our various businesses.

In this more difficult environment we have continued to manage our overheads and manage staff numbers and are pleased to report that both Euroz Securities and Westoz Funds Management remain modestly profitable in the new financial year to date.

A change in accounting treatments announced last year require us to value our investments in WIC and OZG at market value rather than NTA. The share prices of our major investments

in WIC and OZG can therefore have a very significant effect on the reported profitability of the Group.

Decreases in the share prices of WIC and OZG since June 30 are impacting reported profitability and are the cause for an overall unaudited net loss after tax of \$6.9 million for Euroz Limited as at 17 November 2014.

It is important to note that these non-cash fluctuations in the share prices of these long term investments do not affect our ongoing generation of cash earnings or our ability to pay dividends. Unaudited cash EPS currently stands at 2.2c per share.

The Directors are pleased to announce that we will pay the same first half dividend of 1.75c fully franked that we paid in the first half of last year. We also remind shareholders that we have retained earnings of \$19 million and \$12.5 million in franking credits to assist in the payment of future franked dividends.

We have always held to the philosophy that our strong balance sheet provides opportunities for us in good and bad markets and also gives us confidence to be conservatively counter cyclical. We believe that the short term pain in markets will once again subside and we continue to look to improve our various businesses and their market positions during these more difficult times.

As we commence our 15th year as a very successful and proud Western Australian public company, the Director's would like to thank our three core stakeholders: our shareholders, our clients and our committed staff for their support and efforts during this past year.

Andrew McKenzie
Executive Chairman

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