29 AUGUST 2016

SKYDIVE THE BEACH GROUP LIMITED (ACN 167 320 470)

(ASX:SKB)

ASX ANNOUNCEMENT

SKYDIVE ANNOUNCES PRELIMINARY FY16 RESULTS

Skydive the Beach Group Limited (ASX:SKB, 'the Company', 'Skydive') announces the Company's preliminary full year results for the year ended 30 June 2016.

Highlights

- Tandems up 126.3% on FY15
- Revenue up 122.2% on FY15
- EBITDA* up 122.8% on FY15
- Final Dividend of 1cps, 100% fully franked, in line with the Company dividend policy
- Acquisition of NZone Skydive completed 30 October 2015

A$000's	FY16	FY15	% Change
Tandems	138,215	61,069	126.3%
Total Revenue	58,473	26,320	122.2%
EBITDA*	13,458	6,025	123.4%
Basic Earnings Per Share (cents)	2.10	1.13	97%
Dividend per Share (cents)	1.0	1.0	-

** EBITDA is a financial measure, which is not prescribed by Australian Accounting Standards ("AAS") and represents the profit under AAS adjusted for specific non-cash and significant items. The Directors consider EBITDA to reflect the core earnings of the consolidated entity.*

Total Tandem jumps were up 126.3%, substantially due to the increased number of drop zones operated during the period by the group. Revenues and EBITDA were up 122.2% and 123.4% respectively, led by growth in key sites in Australia such as Wollongong and Byron Bay, continued growth in other Australian regions such as Victoria and Far North Queensland, and growth in the newly acquired NZone Skydive sites in Queenstown New Zealand.

Skydive the Beach

GROUP LIMITED

Summary of Results for year ending 30 June 2016 relative to profit guidance:

	FY15	FY16 Forecast	FY16 Actual	Growth YOY	Variance to Guidance
Tandems	61,069	130,676	138,215	126.3%	5.8%
Revenue ($m)	26.3	54.9	58.5	122.2%	6.6%
EBITDA ($m)	6.0	13.5	13.5	123.4%	0%
EBITDA (%)	22.9%	24.6%	23.1%	0.2%	(1.5%)

When comparing Group data to the forecast as set out in the Profit Guidance, actual tandem jumps were up 5.8% with actual revenue up 6.6%. EBITDA was adversely affected due to due diligence expenses incurred in the due diligence process in acquiring NZone Skydive and Skydive Wanaka, which was completed on 1 July 2016, but EBITDA was still in line with guidance.

Dividend

The Directors have declared a final and fully franked dividend of $0.01 per share, amounting to $3,963,014, payable on 30 September 2016 out of retained profits at 30 June 2016. For the purposes of determining any entitlement to the dividend, the record date has been set as 20 September 2016 and the payment date at 30 September 2016.

Outlook

Skydive expects strong business momentum to continue into FY17.

Additional comments will be made later in H1FY17.

Skydive's Chairman, Mr Bill Beerworth commented:

"We are extremely pleased with the Company's strong strategic, operational and financial performance this year. The Company entered the international market for the first time with its acquisitions of NZone in Queenstown, New Zealand on 30 October 2015, and Skydive Wanaka on 1 July 2016. Skydive now has the platform and experience to acquire other tandem sites and to expand into the adventure tourism market in Australia and overseas."

Skydive's CEO, Mr Anthony Boucaut commented:

"The results for the financial year reflect strong growth in underlying bookings and tandem jumps with continued operational efficiencies. We are really proud to finish our first full financial year as an ASX listed company with the results we have announced today and look forward to continued growth within our Australian and New Zealand market and beyond."

- ENDS -

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About Skydive the Beach Group Limited

Skydive the Beach Group Limited ("SKB") is a tandem skydiving, and adventure tourism and leisure company. It provides tandem skydiving experiences in locations across four Australian states and on the South Island of New Zealand. From origins in 1999, it has become a profitable business with a track record of earnings growth. In March 2015, SKB successfully completed an initial public offer (IPO) and listed on the Australian Securities Exchange and acquired Australia Skydive Pty Ltd. In October 2015 SKB acquired NZone Skydive and in July 2016 SKB acquired Skydive Wanaka and now has 18 dropzones in Australia and New Zealand.