

Reece Group Half-Year FY 2016 Results

February 25, 2016

In brief:

- Sales Revenue up 8.7% to \$1.14 billion
- Profit before tax and unrealised gain on foreign exchange contracts up 19.9% to \$128 million
- Net Profit after Tax up 12% to \$89.9 million
- Interim Dividend up 12.5% to 27 cents

Reece Group has announced half-year results today with sales revenue up 8.7 per cent to \$1.14 billion (2015: \$1.05b) while net profit before tax and unrealised gains on foreign currency up 19.9 per cent to \$128 million (2015 \$106m). Net profit after tax was up 12 per cent to \$89.9 million (2015 \$80m).

Reece Group CEO Peter Wilson said he was pleased with the company's strong financial performance and that Reece had completed the full integration of Actrol and Metalflex – businesses it had acquired over the last two years.

"Actrol and Metalflex are now fully integrated with the business systems, backend systems and distribution centres all operating under the Reece Group network," Mr Wilson said.

"We're in a very strong financial position and have continued to invest in our staff, the products we offer, our technology and logistics.

"Our focus remains very much on our customers and we're committed to always improving the service we provide them."

Reece Group opened four new stores throughout the country in the second half of the year and has continued to invest in refurbishing its existing stores.

Mr Wilson said along with more investment in the business's staff, IT, and products, warehouse logistics will play a major role in the business's future success.

"We are continuing to develop our logistic capabilities with the new Perth distribution centre to be fully operational in March 2016. These additions to our existing facilities will provide even greater efficiencies and capacity to the Reece Group network."

The Board declared an interim dividend of 27 cents per share fully franked up 12.5 per cent. The interim dividend will be paid on 24 March 2016, with a record date of 16 March 2016.