

28 August 2013

ASX ANNOUNCEMENT

## Improved profit result for Kresta Holdings

Kresta Holdings Limited (ASX: KRS) is pleased to report it has achieved an after tax profit of \$1.54 million for the year ended 30 June 2013, a 94% increase on the previous year. Allowing for non operating items this represents a return to an underlying profit of \$0.25 million from an underlying EBIT loss last year of \$1.93 million.

### Key points:

- Net profit after tax of \$1.54 million
- Underlying Profit of \$0.25 million
- Sales revenue of \$100.76 million
- Net cash position of \$3.74 million
- Dividend of 0.25 cents declared

### Change from 2012

↑	94%
↑	113%
↓	9%
↑	\$6.8 million
↑	nil last year

Kresta Chairman Mr Peter Abery said: "The last 12 months proved to be another very difficult and challenging year for retail in Australia, and our market sector was not immune to the reduced consumer demand.

"However despite these onerous conditions, Kresta has managed to deliver a much improved after tax profit. Notably, this has been achieved at a time when our sales revenue has been impacted negatively by the challenging trading conditions."

Kresta Holdings Profit Results June 2013	June 2013 (\$m)	June 2012 (\$m)
Sales Revenue	\$100.76	\$110.90
Underlying EBIT	\$0.25	(\$1.93)
<i>Non Operating Items:</i>		
Profit on sale of land and buildings	\$3.89	\$3.60
Restructuring Costs	(\$0.60)	(\$1.28)
Impairment of intangibles	(\$1.69)	-
EBIT from Operating Activities	\$1.85	\$0.39
Net Finance Costs	(\$0.04)	(\$0.28)
Income Tax (Expense) / Benefit	(\$0.27)	\$0.68
Net Profit	\$1.54	\$0.79

During 2012 / 13 the Kresta Group made significant changes in its management, structure and processes, all of which have resulted in a significant improvement in profitability on lower sales.

“Under the leadership of CEO Jules Di Bartolomeo and his management team, we have seen a significant turn around in the business. ,” Mr Abery said.

The Company’s balance sheet has been strengthened with the sale of surplus property at values well in excess of book value, and the reduction in bank debt has left the company with a net cash position of \$3,741,000 as at 30 June 2013.

### Dividend declared

The Board has declared a full year dividend of 0.25 cents, which represents 24.3% of the full year after tax profit. It is the Directors’ intention to continue with the payment of dividends in future years, subject to the Company’s ongoing improvement in its financial performance.

**For further information please contact:**

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**About Kresta**

Kresta Holdings is a leading national window furnishings manufacturer and retailer. The Company has been manufacturing blinds for over 40 years, and is now the largest window coverings manufacturer / retailer in Australia and New Zealand, employing over 700 people. Kresta's brands include: Kresta Blinds, Vista Window Coverings, Decor2Go, Curtain Wonderland, Ace of Shades and Mardo. For further information, see [www.kresta.com.au](http://www.kresta.com.au)