

ASX Code: AEF

19 June 2013

## Earnings guidance

Australian Ethical Investment Limited advises that Net Profit after Tax (NPAT) for the year ending 30 June 2013 is expected to be approximately \$1,177k after taking into account the property impairment described below. This compares to the year ended 30 June 2012 of \$402k and to the half year to 31 December 2012 of \$487k.

Underlying Profit after Tax (UPAT) for the year ended 30 June 2013 is expected to be approximately \$1,456k. NPAT and UPAT are reconciled as follows:

	<b>2012 (\$,000)</b>	<b>This guidance (\$,000)</b>	<b>% Change</b>
<b>Net profit after tax</b>	402	1,177	193%
Adjustments (gross)			
- Add back employment restructure expenses	319		
- Add back legal costs for shareholder actions	125	56	
Add back property revaluation	210	436	
Tax on adjustments	(197)	(148)	
<b>Underlying profit after tax</b>	<b>859</b>	<b>1,521</b>	<b>77%</b>

Contributors to the improved result included stronger market values and lower costs.

### Property Impairment

Due to a weakening commercial property market in Canberra the company owned property in Bruce, ACT is being independently re-valued with indications that an impairment charge of \$436k will be required. Any impairment charge would be a non-cash charge to profit.

Block E, Trevor Pearcey House is located in Bruce, ACT and is a property in which Australian Ethical operates part of its business. It was purchased in 2006 and refurbished throughout 2007 in order to achieve a 6 star rating under the Green Building Council Green Star program.

This profit expectation is based on unaudited management accounts to the end of May 2013 and assumes market and business conditions remain broadly in line with current conditions. More information will be provided in the announcement of the full year results in late August 2013.

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