

ASX Code: AEF

6 November 2013

Australian Ethical Investment Limited

Earnings guidance

Australian Ethical Investment Limited advises that Net Profit after Tax (NPAT) for the six months ending 31 December 2013 is expected to be between \$0.97 million and \$1.18 million up 121% on the prior corresponding period. NPAT for the six months ended 31 December 2012 was \$487,115.

Underlying Profit after Tax (UPAT) for the six months ending 31 December 2013 is expected to be between \$1.13 million and \$1.39 million, up 139% on the prior corresponding period. UPAT for the six months ended 31 December 2012 was \$526,569.

Contributors to the result include increased market returns and stronger flows into Australian Ethical products.

This profit expectation is based on unaudited information generated for internal management purposes to the end of October 2013 and assumes that market and business conditions remain broadly in line with current conditions.

More information will be provided in the announcement of the half year results in late February 2014.

NPAT and UPAT are reconciled as follows:

	1HFY12 (\$000)	This guidance 1HFY13 (\$000)	% Change
Net profit after tax	487	1,075	121% increase
Adjustments (gross)			
- Add back employment restructure expenses	-	266	
- Add back legal costs for shareholder actions	56	-	
Tax on adjustments	(17)	(80)	
Underlying profit after tax	526	1,261	139% increase

Explanation of adjustments

In calculating UPAT we reverse the impact on profit of certain items to provide a better understanding of operational results. Items adjusted include:

- Employment restructure expenses: Restructuring for long term gains; not reflective of conventional recurring operations;
- Legal costs for shareholder actions: Incurred by the Company in dealing with shareholder actions; not reflective of conventional recurring operations;
- Tax on adjustments: Income tax applicable to the adjustment items.

End/.