

ASUREQUALITY LIMITED	
Interim results for announcement to the market	
Reporting Period	six months ended 31 December 2016
Previous Reporting Period	six months ended 31 December 2015

Amount(\$'000)	Six months ended 31 December 2016	Six months ended 31 December 2015	Percentage change
Revenue from ordinary activities	\$NZ83,195	\$NZ 89,596	-7.1%
Profit (loss) from ordinary activities after tax	\$NZ870	\$NZ 1,735	-49.8 %
Net profit (loss)	\$NZ870	\$NZ 1,735	-49.8%

Interim / Final Dividend	Final dividend of \$3.4m (relating to 30 June 2016) paid 9 September 2016. Interim dividend (relating to 12 months ending 30 June 2017) of \$1.5m declared 14 February 2017.	Final dividend of \$4.0m (relating to 30 June 2015) paid 10 September 2015. Interim dividend (relating to 12 months ending 30 June 2016) of \$3.0m declared 22 February 2016.	
Dividend Payment Date	Interim dividend declared 14 February 2017 will be paid on 15 February 2017.		

Comments: (Including: (i) a brief explanation of any of the above figures necessary to enable them to be understood	<p>The decline in revenue for the first six months has been driven by decreased laboratory testing for dairy customers (in particular infant formula exporters) and reduced revenues from Biosecurity services, noting there was significant Queensland Fruit Fly response work undertaken last year.</p> <p>AsureQuality continues to work closely with its customers and is maintaining market share.</p>
(ii) in respect of each half-year period, commentary on the outlook for the remainder of the financial year, including whether the SOE considers it will achieve the financial performance targets in its SCI	<p>Revenue is forecast to improve in the second half of the year with demand from infant formula customers expected to increase however it is unlikely that the behind budget year to date position will be recovered. As such revenue and profitability targets are unlikely to be achieved for the full year.</p>