



Corporate Office | Ground Floor 9 Ouyan Street Bundall QLD 4217
PO Box 7720 G.C.M.C.Bundall QLD 9726
P. 07 5588 8888 | F. 07 5588 8800 | info@villaworld.com.au | villaworldgroup.com.au

ASX ANNOUNCEMENT/MEDIA RELEASE

VILLA WORLD REPORTS RESULTS FOR HALF YEAR TO 31 DECEMBER, 2011

- Statutory net profit after tax of \$6.4 million (31 December 2010: \$10.3 million).
- Operating profit of \$6.2 million, compared to \$4.5 million in prior corresponding period.
- Development & Construction revenue \$87.1 million (31 December 2010: \$62.6 million)
- NTA of \$1.94 per share up 9.0% from \$1.78 per share
- Gearing as at 31 December 2011 of 25.0% (30 June 2011: 23.5%)
- On market share buy back re-freshed on the 22nd November 2011

Leading residential developer Villa World Ltd (ASX: VLW) has demonstrated the resilience of its affordable housing business model by reporting an operating net profit of \$6.2m. Villa World remains well placed to benefit from any improvement in the residential housing market.

The final result for the half year to 31 December 2011 was a Net Profit after Tax (NPAT) of \$6.4 million, compared to a profit of \$10.3 million for the previous corresponding period. Net tangible assets (NTA) of the Group at the end of the year were \$152.7 million, representing \$1.94 per share.

The Group reported total revenues and other income of \$88.9million. The operating profit (before tax and fair value write downs, impairments and non-recurring one off discontinued operation expenses) of \$6.2 million was up from \$4.5 million in the prior period.

A total of 11 projects contributed to 1HY2012 profit, with total sales of 207 lots compared with 288 in prior corresponding period. While projects in Queensland, including the resource strong market of Gladstone, have contributed positively to this statistic (period on period a 29% increase in sales activity in Queensland), the Victorian market continues to prove to be very challenging. An average gross margin of 24.5% per lot was achieved. The Group has total net lots under control of 4,897, including proportional joint-venture ownership.

The Group's strategy remains unchanged with a focus on its core business of developing affordable residential communities, combined with prudent capital management and maintenance of strong leverage and gearing ratios.

ENDS

Media enquiries:

John Potter
CEO and Managing Director
(07) 5588 8888

INCORPORATING



Villa World Limited {Company} ABN 38 117 546 326
Villa World Trust {Trust} ARSN 104 482 206
Villa World Management Limited ABN 77 116 506 882 AFSL 304 866
ASX Code: VLW