

# EPS Report

October 2015



CONSCIOUSCAPITAL

**Earnings Growth Drives Share Prices and Dividends:** Over time it is the upward trend of earnings per share that drives the share price. Assuming a stable payout ratio, it also drives growth in dividends. But EPS does not have to grow every year. Isolated dips short dips followed by growth afterwards can provide excellent buying opportunities.

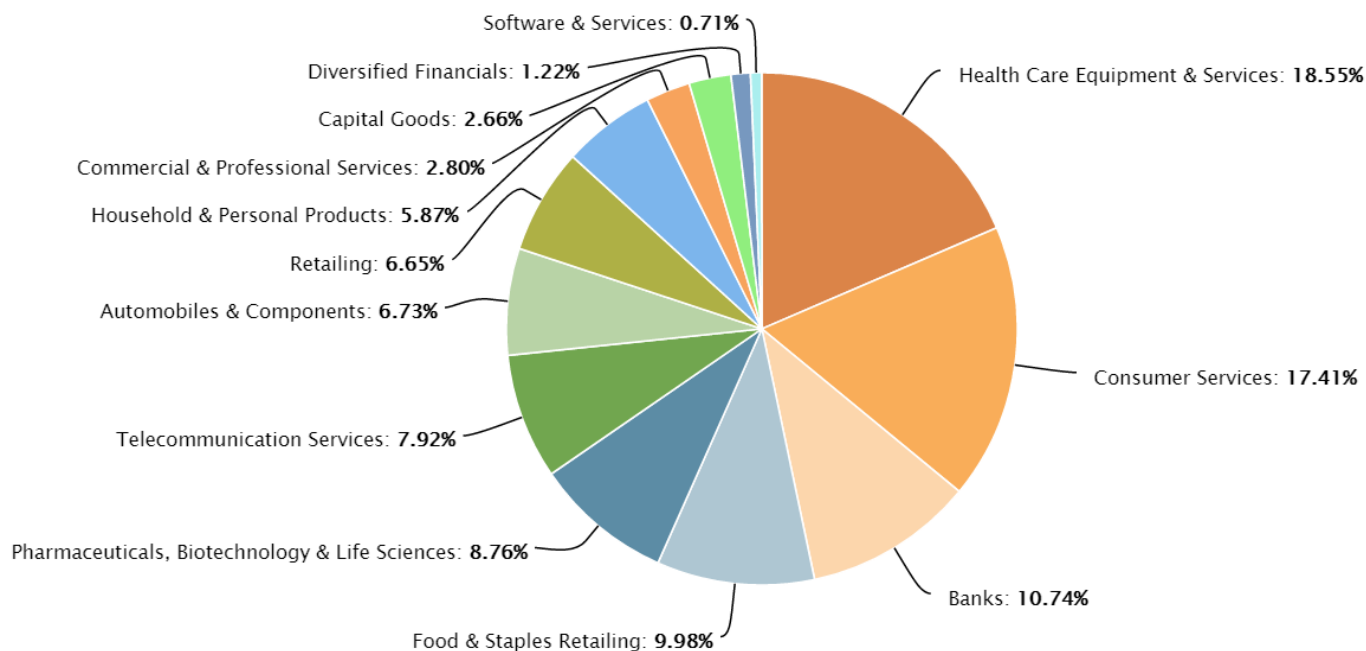
A useful indicator of EPS growth is return on equity (ROE): high and consistent ROE generally indicates healthy EPS growth or a healthy dividend.

The following table gives the weighting, ROE and growth results for earnings per share for the largest ten holdings in the Conscious Investor® Fund. Since August, Blackmores has moved into the largest ten holdings replacing My Net Fone. Also Dominos has regained the position as the largest holding.

Symbol	Name	Weighting	ROE	Div Yield	Previous EPS (\$)	EPSttm (\$)	Growth 1-yr	Growth 5-yr
DMP	Dominos Pizza	9.6%	21.0%	1.2%	\$ 0.54	\$ 0.73	35.3%	23.1%
RHC	Ramsay Health	9.0%	20.0%	1.7%	\$ 1.64	\$ 1.84	12.0%	17.1%
CSL	CSL Limited	8.4%	49.4%	1.8%	\$ 2.86	\$ 3.75	31.1%	16.7%
FLT	Flight Centre	7.3%	20.2%	4.1%	\$ 2.58	\$ 2.54	-1.4%	13.7%
CBA	Commonwealth B	7.1%	17.4%	5.5%	\$ 5.27	\$ 5.33	1.1%	7.4%
ARB	ARB Corp	6.5%	19.5%	2.0%	\$ 0.59	\$ 0.58	-1.5%	4.5%
SUL	Super Retail	6.4%	13.8%	4.2%	\$ 0.54	\$ 0.54	0.0%	11.4%
BKL	Blackmores	5.9%	35.0%	1.5%	\$ 1.49	\$ 2.69	80.4%	7.1%
WOW	Woolworths	4.9%	22.7%	5.2%	\$ 1.96	\$ 1.95	-0.4%	2.9%
WES	Wesfarmers	4.9%	10.1%	5.2%	\$ 1.96	\$ 2.21	12.4%	8.6%

**Explanation:** Weighting includes the cash in the fund, ROE is return on equity over the previous financial year, previous EPS is the earnings per share for the previous full financial year, EPSttm is earnings per share for the trailing 12 months, Growth 1-year is the percentage growth of EPS over the previous full year and Growth 5-years is the average annual growth of EPS over the past five years.

## Sector Distribution



*This report is prepared for members of the Conscious Investor® Fund. It does not take into account anyone's personal circumstances. Remember, what happened in the past is not always what will happen in the future.*

Questions? Contact us:

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