

EPS Report

April 2016



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 short dips followed by growth afterwards can provide excellent buying opportunities.

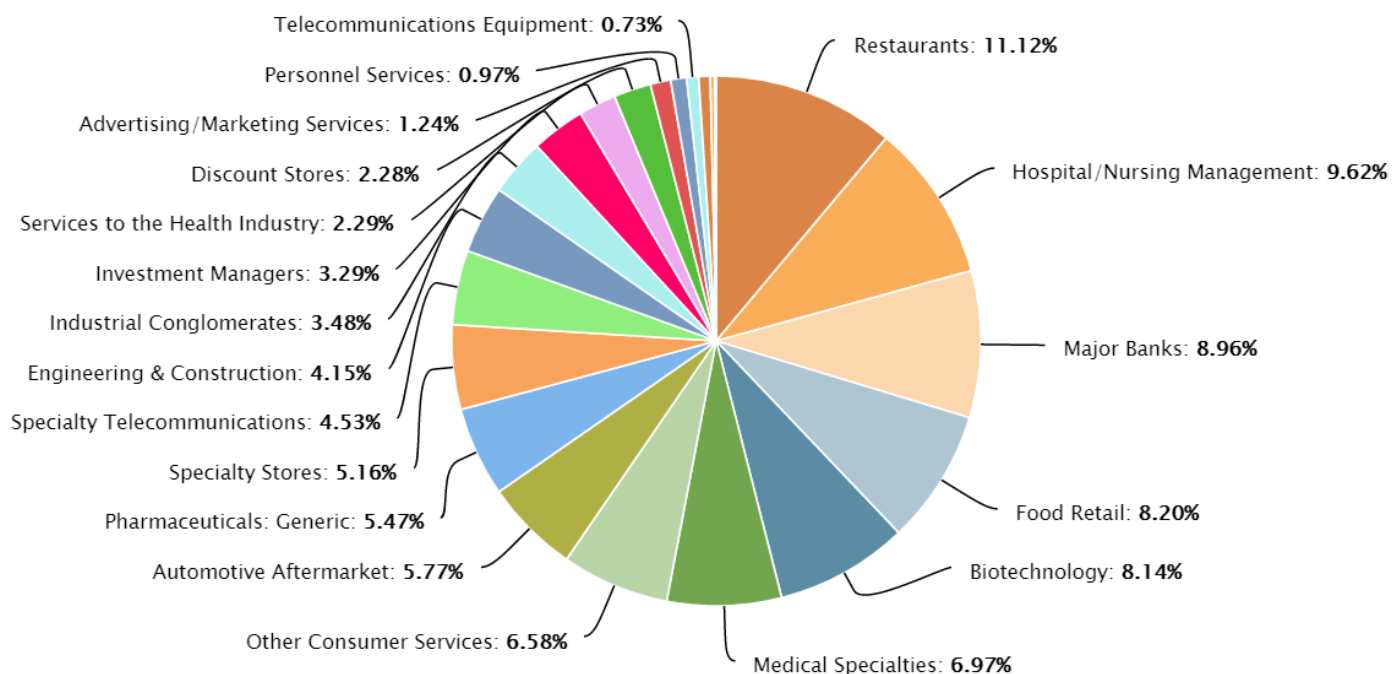
A useful indicator of EPS growth is return on equity (ROE): high and consistent ROE generally indicates healthy EPS growth or a healthy dividend.

The following table gives the weighting, ROE and growth results for earnings per share for the largest ten holdings in the Conscious Investor® Fund. In the past two months MNF Group (formerly MyNetFone) has entered the top ten holdings replacing Woolworths. Internal changes include ARB and CBA swapping places and SUL dropping two places.

Symbol	Name	Weighting	ROE	Div Yield	Previous EPS (\$)	EPSttm (\$)	Growth 1-yr	Growth 5-yr
DMP	Dominos Pizza	9.6%	21.0	0.9%	\$0.54	\$0.88	63.4%	23.1%
RHC	Ramsay Health Care	8.3%	20.0	1.6%	\$1.64	\$2.00	22.2%	17.1%
CSL	CSL Limited	7.2%	49.4	1.5%	\$2.86	\$3.18	11.2%	16.7%
FLT	Flight Centre	6.2%	20.2	4.1%	\$2.58	\$2.74	6.2%	13.7%
ARB	ARB Corp	5.3%	19.5	1.9%	\$0.59	\$0.59	1.2%	4.5%
CBA	Commonwealth Bank	5.2%	17.4	5.4%	\$5.27	\$5.35	1.5%	7.4%
BKL	Blackmores Limited	4.3%	35.0	1.7%	\$1.49	\$4.39	194.5%	7.1%
MNF	MNF Group Limited	4.3%	39.5	1.6%	\$0.09	\$0.13	40.2%	35.3%
SUL	Super Retail Limited	4.3%	13.8	4.2%	\$0.54	\$0.53	-1.5%	11.4%
WES	Wesfarmers Limited	4.0%	10.1	4.7%	\$1.96	\$2.24	14.1%	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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