

SCHAFFER CORPORATION UPGRADES HALF-YEAR PROFIT EXPECTATIONS

Schaffer Corporation Limited (ASX: SFC) today announces that it expects half-year statutory profit¹ after tax to be higher than the first half of the prior financial year (H1 FY19 statutory profit after tax: \$12.7m).

The earnings have been upgraded primarily due to unrealised non-cash net gains from the increased mark-to-market valuation of the Group's non-property investment portfolio at 31 December 2019.

In addition, SFC still expects first half sales volumes and profit for the Automotive Leather division to be lower than the prior corresponding period, however actions taken by management have reduced the impact on profitability.

SFC is scheduled to make its half-year profit announcement on 14 February 2020.

This announcement was authorised by the Chairman of SFC.

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1. Statutory profit is defined as net profit after tax for the period attributable to members