



Sandalwood firm sticks to forecasts

SANDALWOOD plantation operator TFS Corporation has re-affirmed its expectation of a net profit of at least \$90 million in the 2014/15 financial year.

TFS said it would meet its earnings guidance after selling more than 1,500 hectares of new Indian sandalwood plantations during 2014/15.

The new plantation sales were up on the sale of 1,477 hectares in the prior year, and in line with expectations.

TFS shares dropped on the news though, losing nine cents, or 5.7 per cent, to \$1.495.

Sandalwood oil is highly valued for fragrances and cosmetics while the wood itself is used in carvings and furniture.

"We have achieved the key sales and operational targets we set ourselves 12 months ago, and we have sold more hectares of new plantations than ever before," chief executive Frank Wilson said.

"The increasing appeal of direct investment in our plantations is also evidenced by sales to a broader range of territories and types of investors."

TFS also said it is on schedule to complete the planting of about 1,500 hectares of new sandalwood by the end of July.

Most of it has already been planted in the Northern Territory and Queensland.

TFS booked a 48 per cent increase in net profit to \$82.5 million in 2013/14.

Source: <http://www.news.com.au/finance/business/online-retail-sales-stall/story-e6frfkur-1227425019576>

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