

Wednesday, September 17 2014

## VicForests posts profit after successful 2013/14

VicForests has posted a profit of \$3.4 million for the 2013/14 Financial Year.

CEO, Robert Green, announced the details of the positive financial result following the tabling of VicForests' Annual Report in Parliament today.

"Returning a profit of \$3.4 million is one of a number of achievements which were part of a successful 2013/14 year for VicForests," Mr Green said.

"We paid a dividend of \$250 000 back to the State following the profit posted in 2012/13 and we are proposing to pay another dividend of \$500 000 on the back of this year's positive result.

"These are not large dividends by corporate standards, but they clearly highlight the fact that our organisation is profitable and we are providing a financial return to Victorians as well as helping to meet demand for timber.

"We have now generated more than \$1 billion in revenue over the last ten years, with almost all of this money being re-invested back into the Victorian economy.

"With Melbourne's population forecast to grow to the size of London over the next 30 – 40 years, the need for renewable products like native timber will continue to increase.

"We are well placed to meet this demand from our own local, sustainably managed forests and thus reduce the pressure on forests in developing nations to supply our timber needs," he said.

Mr Green said there were a number of other significant milestones for VicForests during the 2013/14 year including:

- Contributing to bushfire fighting efforts across the State
- Retaining certification to the Australian Forestry Standard and progressing towards our goal of achieving Forest Stewardship Council certification
- Working as a member of the Leadbeater's Possum Advisory Group
- Having our operations audited by the Victorian Auditor General's Office

"The Victorian Auditor-General's Office undertook an extensive audit in late 2013 looking at the management of Victoria's native forests.

"Pleasingly, the VAGO report confirmed VicForests has operated profitably since being established in 2004 and stated categorically that we do not receive Government subsidies," Mr Green said.

"It also found VicForests' activities generate considerable direct and indirect socio-economic benefits for regional communities, and that we have demonstrated an ability to balance the need for long-term profits with the need to support a sustainable industry.

“While our financial result this year was boosted by a re-valuation of the forestry assets on our books, regardless of this our operating profit after tax was \$1.531 million, almost double the figure for 2012/13.

“We have also faced a number of testing times during the year including the contribution of almost half our staff to fighting the large bushfires which burnt 170 000 hectares of forest earlier this year.

“While these fires did not have a significant effect on commercial timber resources, they follow on from the impact of the 2009 bushfires which is still being felt by the industry as we adjust to lower harvest levels.

“As always, there are further challenges ahead including the work being undertaken to re-shape the industry in East Gippsland but we are undoubtedly on a sustainable footing to face these challenges after a positive 2013/14 year,” he said.

A copy of VicForests’ 2013/14 Annual Report can be found at [www.vicforests.com.au](http://www.vicforests.com.au)