

**CPT Global Limited ABN 16 083 090 895 and Controlled Entities**  
**Appendix 4E - Preliminary Final Report for the Year Ended 30 June 2014**

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

**Key Information**

				<b>2014</b>	<b>2013</b>
				<b>A \$000's</b>	<b>A \$000's</b>
Revenues from ordinary activities	up	9.5%	to	\$38,404	\$35,082
Net Profit (Loss) <b>before tax</b> attributable to members	up	322.7%	to	\$2,984	\$706
Net Profit (Loss) <b>after tax</b> attributable to members	up	568.3%	to	\$2,152	\$322

**DIVIDENDS PAID AND PROPOSED**

	<b>Amount per</b>	<b>Franked Amount per</b>
	<b>Security</b>	<b>Security at 30% of</b>
		<b>Tax</b>
<b>Ordinary Shares:</b>		
2013 interim and final	0.0 cents	0.0 cents
2014 interim	3.0 cents	3.0 cents
2014 final	1.5 cents	1.5 cents

Record date for determining entitlements to the interim dividend: October 30, 2014.

**DIVIDEND DETAILS**

	<b>2014</b>	<b>2013</b>
	<b>A \$000's</b>	<b>A \$000's</b>
<b>Ordinary Share Capital:</b>		
Final dividend paid	-	-
Interim dividend paid	\$1,101	-
Finan dividend declared	\$551	-

**DIVIDEND REINVESTMENT PLAN**

A dividend reinvestment plan will be in operation for the proposed dividend payment

**EARNINGS PER SHARE (EPS)**

	<b>2014</b>	<b>2013</b>
Basic EPS	5.86 cents	0.88 cents
Diluted EPS	5.80 cents	0.88 cents

**NTA BACKING**

Net tangible asset backing per ordinary security	\$0.17	\$0.15
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**COMMENTARY ON THE RESULTS FOR THE PERIOD**

Refer to the commentary on the results for the period contained in the "Operating and Financial Review" included within the Managing Directors report.

**STATUS OF AUDIT**

The accounts are currently in the process of being audited.

# **CPT Global Limited and Controlled Entities**

**ABN 16 083 090 895**

## **Preliminary Final Report**

**for the year ended 30 June 2014**

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## Chairman's Statement

Dear Fellow CPT Global Shareholder,

CPT Global delivered a much improved profit in the 2014 financial year driven by the strong performance of our international operations and in particular the North American business. While operating conditions remained difficult in Australia there were some positive indications that this business is stabilising and a number of promising new customer relationships have been established. After much effort over a number of years the strong growth in CPT's international revenue was very pleasing. The ongoing challenge remains the need to convert our extensive pipeline of potential new business into sustainable revenue streams. However as our international business grows the lumpiness of individual projects is gradually being smoothed. Our immediate focus is to maintain our better financial performance and ensure that we can capitalise on our extensive ongoing global business development activities.

CPT's strategy is to grow IT service revenue in all our regions, improve our margins and control costs. The sale of our specialist IT services is a dedicated, intensive and time consuming activity and has been a high priority for our Managing Director Gerry Tuddenham and his global team over the past twelve months.

While the tough domestic market conditions continued in Australia our operations improved their profit margins despite a fall in revenue caused by the continuing reduction in demand from two former major customers. However CPT commenced work with eight new clients in Australia and half of our top ten clients are still based here. The Australian operations remain focused on the sale of profitable business and in providing many of the skilled IT experts required to resource our fast growing international business. The relatively stable and reliable contribution from our Australian business remains important to CPT's future but is not expected to show significant growth until market conditions become more favourable.

In 2014 CPT's international operations grew strongly with revenue now representing almost half of our total revenue. The US operations delivered a particularly strong result which was driven by the addition of three new clients and an expanded role with existing clients. The team in North America has been strengthened to ensure that we can build on this positive momentum. Our European team were also successful in building revenue through the addition of three new clients. Although activity in Europe slowed in the second half there are some exciting new opportunities that our business development team is seeking to close in the near future. Given the higher profit margin on our international projects the stronger growth in our offshore revenue had a beneficial impact on CPT's overall profitability although this was moderated by movements in the Australian dollar. In Asia we successfully completed our first client engagement in mainland China and will look to do further work there as opportunities allow. Another positive development internationally was the establishment of a global contract with a major financial services company to provide cost optimisation services across their worldwide operations. To date we have provided services to this client in Brazil, Mexico, America and Hong Kong and expect to commence further work elsewhere soon.

CPT's revenue grew by 9% in 2014 to \$38.4m with strong growth in both the US and Europe more than offsetting a fall in Australia. Net profit after tax in 2014 of \$2.1m was a significant improvement on \$0.3m in the prior year and was driven by the stronger performance and higher margins of our international business. The good profit result has enabled CPT to reward shareholders through the payment of a fully franked dividend of 4.5 cents in 2014 after not paying a dividend in the prior year. At the end of the financial year CPT was in a sound financial position with net cash of \$2.4m and no debt.

It is pleasing that in 2014 CPT was finally rewarded for its long term strategy of building a business in major international markets through the export of its talented and world recognised expert IT resources. While our offshore expansion has been slower and more difficult than we initially would have expected, especially given the impact of the Global Financial Crisis and the time consuming sales cycle for our services, it has allowed us to diversify away from a weakening Australian IT market and to build a growing and broader based stream of profits for our shareholders. While this is an exciting and positive phase for CPT our efforts to build our international business on the back of this progress must continue but fortunately there are many significant potential customers for our services. CPT already boasts a blue chip client list that includes many of the world's most significant financial services companies and which would be the envy of most other global IT service providers. Our focus in the next year will be to build on this progress in order that we can achieve the critical mass required to generate the sustainable profits that will provide attractive future returns for our shareholders. While this unrelenting process will continue we should recognise that the long term investment in developing our international operations is now realising attractive rewards for our shareholders that complements and leverages the technical skills of our traditional Australian business.

The key driver of CPT's success is its team of loyal and technically skilled staff and consultants who work tirelessly to serve our clients' needs across our global operations. I would like to thank my fellow directors and all of CPT Global's staff, under the energetic leadership of our Managing Director, Gerry Tuddenham, for their significant efforts in delivering an improved result in 2014. While the team will need to maintain its effort and focus in the year ahead I am confident that our recent progress can be sustained to the ongoing benefit of CPT's shareholders.



Fred S. Grimwade  
Chairman

August 27, 2014

## Managing Director's Review

Fellow Shareholders,

I am pleased to report that the 2013/14 financial year was a year of consolidation for CPT Global, as the International business continued on its growth trajectory and the Australian business stabilised after working through a tough economic climate. CPT grew its client base in all regions and expanded its footprint in a number of existing accounts, creating a solid growth platform for the future. The second half of the year saw an investment in the management and infrastructure required to support the business growth that is expected in the years ahead.

Although the Company's financial results were negatively impacted by the strengthening Australian dollar, the improved financial result for the year was due to an enhanced client engagement approach, the success of projects undertaken and the careful management of the Company's resources. The solid growth foundations that were laid in 2013 remain in place to support the growth of the business in to 2014/15 and beyond. We remain confident that CPT is well poised to continue its growth journey and strengthen its financial position in both the International and Australian markets.

### Operating and Financial Review

#### International Operations

The International business growth was underpinned by the addition of nine new clients, one of them engaging CPT to provide cost optimisation services to all of its global locations. International revenue increased by 68% compared to prior year levels, predominantly driven by the North American operation where three new clients added more than \$1.5 million revenue and a number of significant projects expanded CPT's footprint in pre existing clients, resulting in 80% year on year growth.

Although growing at a slower rate, the European operation increased its revenue by 49% on last year, with the addition of three large new clients. Unfortunately some of the projects undertaken in the first half of the year were brought to conclusion during the year and have not yet been replaced by new projects, thus constraining the growth of the Region for the year. Negotiations are currently underway with three significant financial institutions to commence projects late in the first quarter. We are confident that at least two of these institutions will engage CPT in the September / October timeframe.

CPT successfully completed its first engagement in mainland China. Whilst it is expected that this will lead to additional projects, CPT's costs remain tightly managed and as such, in the short term CPT will respond to Asian opportunities on a reactive basis.

The success of CPT's risk / reward engagements resulted in the achievement of significantly higher margins than in the previous year.

#### Australian Operations

The Australian IT services market remained very tight throughout the year, as large corporations and Government departments continued to tightly manage their IT investments. Although CPT commenced engagements with eight new clients, the financial gains from these assignments were more than offset by two large clients significantly reducing their use of CPT resources, as they undertook their own cost reduction and off shoring initiatives. As a result, CPT's Australian revenue fell by 17% from 2012/13.

Rather than reduce margins in the pursuit of additional revenue, CPT remained selective with respect to the projects undertaken, resulting in improved contract margins. The Australian cost base was tightly controlled as resources were allocated to overseas client projects, where the business grew considerably in the year.

## Financial Results

CPT Global's revenue for the year ended 30 June 2014 was \$38.4 million, a 9% increase on the previous year's revenue of \$35.1 million.

CPT Global's net profit after tax for the year ended 30 June 2014 was \$2.15m, an increase of \$1.83m on the 30 June 2013 result.

A fully franked dividend of 1.5 cents per share (4.5 cents for the year) has been declared.

Basic earnings per share amounted to 5.9 cents per share (diluted earnings 5.8 cents per share).

CPT Global's balance sheet reflected net tangible assets of \$6.3m as at 30 June 2014 (\$5.4m at 30 June 2013). CPT's cash flow was excellent, resulting in net cash holdings of \$2.4m at 30 June 2014 (\$1.2m 30 June 2013).

## Strategy

The company's business strategy is to carefully grow the Australian business in the existing tight economic environment whilst supporting the international expansion through the enhancement of management and operational structures to capitalize on the growth opportunities.

Careful growth of the Australian business will be achieved through the continued focus on 'blue chip' companies which maintain large IT environments; and expanding CPT's footprint in existing clients by cross selling value added services. CPT will continue to provide high value solution based services which focus on quality outcomes rather than commoditised, easy transferrable services. CPT will remain selective with respect to the projects it undertakes and not be enticed by competitive lower margin projects. This will ultimately support the maintenance of good margins.

The International business is now at the size that requires a stronger local management structure and an enhanced business development and service delivery capability. CPT has recently hired staff in North America and transferred some Australian executives to Europe to achieve this. Targeted business development campaigns will now be better supported locally and the establishment of local service delivery teams will reduce the need to fly consultants around the world, reducing travel expenses and giving CPT the option of higher margins or more competitive local pricing.

Unlike the North American business which has a steady flow of recurring revenue, the European business remains heavily reliant on risk / reward projects. As a result, its level of profit varies from month to month, dependant on the number of projects being worked on and delays between projects. A key objective for 2014/15 will be to increase the level of annuity revenue in the European Region, so that revenue is less impacted by the hiatus that exists between large projects. This will be achieved through a structured cross selling services program, which provided a significant level of revenue consistency in North America in 2013/14. .

As CPT penetrates new markets such as Asia and South America, it will continue to leverage existing business partnerships and Austrade to properly qualify opportunities and subsequently engage with new clients. Global accounts where CPT has already provided successful outcomes, will be used to expand CPT's footprint in to new regions of existing clients.

CPT will continue to grow the Australian Capacity Planning and Performance Tuning Center of Excellence which underpins the scale and flexibility of the company's service offering by enhancing the capability of remotely providing service simultaneously to a range of overseas clients in various geographic locations.

## Our People

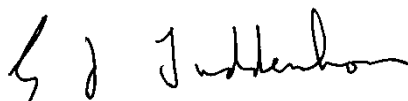
CPT maintains a truly flexible workforce in terms of the number of resources available and the locations they work around the world. While each CPT location maintains a nucleus of professionals to provide clients with ongoing contact, resources are augmented from the global resource pool and the Capacity Planning and Performance Tuning Centre of Excellence in Australia, to suit client and project needs. CPT staff are continually kept abreast of technical developments through focus group contact, structured training programs and informal training sessions. This ensures capabilities are maintained at the appropriate level. All of this has led to our enhanced ability to deliver a better service more efficiently on a global scale.

## Outlook

CPT's International market will continue to expand in 2015. Revenue will increase as a result of new client engagements and increased opportunities from global accounts. Margins will remain strong as new risk / reward engagements are undertaken.

The Australian market is expected to remain tough for the foreseeable future. Notwithstanding this, based on the new account relationships established in 2013/14 and the growth of our footprint in existing clients, we expect that Australian revenue will grow modestly in 2014/15, with margins remaining at levels similar to those achieved in 2013/14. Costs will continue to be tightly managed to preserve local profits.

A key driver to the success over the next financial year will continue to be the timing of engagement commencements. We believe that our resourcing model can gear up quickly to respond to the opportunities as they arise. Your Board understands the formula for success and is confident it will deliver on the objectives of the next year of CPT's strategic plan.



Gerry Tuddenham  
Managing Director

August 27, 2014



## Consolidated Statement of Comprehensive Income

YEAR ENDED 30 JUNE 2014

Notes

		2014 \$'000	2013 \$'000
Revenue		38,404	35,082
Other income		188	31
Salaries and employee benefits expense		(2,825)	(2,902)
Consultants benefits expense		(26,878)	(27,336)
Depreciation and amortisation expenses		(149)	(165)
Insurance expense		(259)	(237)
Finance costs		(177)	(203)
Lease expenses		(533)	(482)
Other expenses		(4,787)	(3,082)
<b>PROFIT BEFORE INCOME TAX</b>		<b>2,984</b>	<b>706</b>
<b>INCOME TAX (EXPENSE)</b>		<b>(832)</b>	<b>(384)</b>
<b>PROFIT AFTER INCOME TAX</b>		<b>2,152</b>	<b>322</b>
<b>Other Comprehensive Loss:</b>			
<b>Items that may be subsequently reclassified to comprehensive income</b>			
Exchange differences on translating foreign controlled entities		(256)	(188)
<b>Total Other Comprehensive Loss for the year, net of tax</b>		<b>(256)</b>	<b>(188)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1,896</b>	<b>134</b>
<b>PROFIT ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>		<b>2,152</b>	<b>322</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>		<b>1,896</b>	<b>134</b>
Basic earnings per share (cents per share)	3	5.86	0.88
Diluted earnings per share (cents per share)	3	5.86	0.88

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the Notes to the Preliminary Final Report.

## Consolidated Statement of Financial Position

AT 30 JUNE 2014

	2014 \$'000	2013 \$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	2,424	1,197
Trade and other receivables	7,148	6,043
Unbilled revenue	3,109	3,758
Current Tax Asset	0	98
Other current assets	299	399
<b>TOTAL CURRENT ASSETS</b>	<b>12,980</b>	<b>11,495</b>
<b>NON-CURRENT ASSETS</b>		
Deferred tax assets	1,368	1,225
Property, plant and equipment	41	76
Intangible assets	7,530	7,600
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,939</b>	<b>8,901</b>
<b>TOTAL ASSETS</b>	<b>21,919</b>	<b>20,396</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	7,235	6,813
Current tax liabilities	557	141
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,792</b>	<b>6,954</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liability	181	150
Other long term provisions	110	256
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>291</b>	<b>406</b>
<b>TOTAL LIABILITIES</b>	<b>8,083</b>	<b>7,360</b>
<b>NET ASSETS</b>	<b>13,836</b>	<b>13,036</b>
<b>EQUITY</b>		
Issued capital	12,075	12,075
Reserves	(183)	68
Retained earning	1,944	893
<b>TOTAL EQUITY</b>	<b>13,836</b>	<b>13,036</b>

## Consolidated Statement of Changes in Equity

YEAR ENDED 30 JUNE 2014

	\$'000	\$'000	\$'000	\$'000	\$'000
	Issued capital Ordinary	Retained Earnings	Equity Reserve	Foreign Currency Translation Reserve	Total
<b>Balance at 1 July 2012</b>	<b>12,075</b>	<b>571</b>	<b>1,690</b>	<b>(1,434)</b>	<b>12,902</b>
<b>Comprehensive Income</b>					
Profit for the year	-	322	-	-	322
Other comprehensive loss	-	-	-	(188)	(188)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>322</b>	<b>-</b>	<b>(188)</b>	<b>134</b>
<b>Transactions with owners, in their capacity as owners</b>					
Share based payments	-	-	-	-	-
Dividends paid or provided for	-	-	-	-	-
<b>Total transactions with owners, in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 30 June 2013</b>	<b>12,075</b>	<b>893</b>	<b>1,690</b>	<b>(1,622)</b>	<b>13,036</b>
<b>Balance at 1 July 2013</b>	<b>12,075</b>	<b>893</b>	<b>1,690</b>	<b>(1,622)</b>	<b>13,036</b>
<b>Comprehensive Income</b>					
Profit for the year	-	2,152	-	-	2,152
Other comprehensive loss	-	-	-	(256)	(256)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>2,152</b>	<b>-</b>	<b>(256)</b>	<b>1,896</b>
<b>Transactions with owners, in their capacity as owners</b>					
Share based payments	-	-	5	-	5
Dividends paid or provided for	-	(1,101)	-	-	(1,101)
<b>Total transactions with owners, in their capacity as owners</b>	<b>-</b>	<b>(1,101)</b>	<b>5</b>	<b>-</b>	<b>(1,096)</b>
<b>Balance at 30 June 2014</b>	<b>12,075</b>	<b>1,944</b>	<b>1,695</b>	<b>(1,878)</b>	<b>13,836</b>

## Consolidated Statement of Cash Flows

YEAR ENDED 30 JUNE 2014

	2014 \$'000	2013 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	38,469	37,456
Payments to suppliers and employees	(36,446)	(36,068)
Interest received	8	7
Finance costs	(177)	(64)
Income tax paid	(430)	(430)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	<u>2,722</u>	<u>901</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, software	(44)	(330)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	<u>(44)</u>	<u>(330)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowings	0	(15)
Payment of dividends on ordinary shares	(1,101)	-
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	<u>(1,101)</u>	<u>(15)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD	1,577	556
Add opening cash & cash equivalents brought forward	1,197	1,114
Effects of exchange rate changes on cash and cash equivalents	(350)	(473)
<b>CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u><u>2,424</u></u>	<u><u>1,197</u></u>

## Notes to the Preliminary Final Report

YEAR ENDED 30 JUNE 2013

### 1. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

	2014	2013
	\$'000	\$'000
<b>(a) Dividends paid during the year</b>		
<i>Current year interim</i>		
Franked dividends (3.0c per share) (2013: 0.0c per share)	1,101	-
<i>Previous year final</i>		
Franked dividends (0.0c per share) (2013: 0.0c per share)	-	-
	<u>1,101</u>	<u>-</u>
<b>(b) Dividends proposed and not recognised as a liability</b>		
Franked dividends (1.5c per share) (2013: 0.0c per share)	551	-
	<u>551</u>	<u>-</u>

### 2. EVENTS AFTER THE BALANCE SHEET DATE

(a) On 27<sup>th</sup> August 2014 CPT Global Limited announced its intention to extend the on-market share buy back for a further twelve months until 27<sup>th</sup> August 2015. A maximum of 3,000,000 shares may be bought back during the buy back period, which will run from 27<sup>th</sup> August 2014 until 27<sup>th</sup> August 2015.

### 3. EARNINGS PER SHARE

	2014	2013
	\$'000	\$'000
<b>(a) The following reflects the income and share data used in the calculations of basic and diluted earnings per share:</b>		
Net profit	2,152	322
<b>Adjustments:</b>		
Earnings used in calculating basic and diluted earnings per share	<u>2,152</u>	<u>322</u>
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	36,716,364	36,716,364
Weighted average number of options outstanding	400,000	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	<u>37,116,364</u>	<u>36,716,364</u>

## Compliance Statement

This preliminary final report has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The preliminary final report covers the economic entity of CPT Global Limited and Controlled Entities, and CPT Global Limited as an individual parent entity. CPT Global Limited is a listed public company, incorporated and domiciled in Australia.

The preliminary final report of CPT Global Limited and Controlled Entities, and CPT Global Limited as an individual parent entity have been prepared in accordance with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. This report, and the accounts on which it is based, use the same accounting policies.

This report gives a true and fair view of the matters disclosed.

This report is based on accounts which are in the process of being audited.

CPT Global Limited has a formally constituted audit committee.



Elliot Opolion (Company Secretary)

August 27, 2014