



**AUTODOM**

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Australian Securities Exchange  
Company Announcements Office  
20 Bond Street  
Sydney NSW 2000

August 27 2009

Dear Sir

Autodom Limited Preliminary Final Report 2008/09

The directors of Autodom are pleased to announce a net profit after tax of \$1.253m for the 2009/09 financial year. The result was achieved on sales of \$88m.

The media has reported extensively on the significant decline in car sales at a local and global level. Since September 2008 the local manufacturers have cut back on production days and daily production rates to match vehicle sales. These cutbacks have seen production reduce by up to 40%. Autodom's sales have reflected these cuts and the organisation faced major challenges to adjust its cost structure and remain viable.

The restructuring of management and operations personnel and initiatives to reduce operating expenditure were the major areas of focus in the financial year. The pre-tax profit of \$1.7m was achieved after expensing around \$1.5m in redundancy, restructuring and non-recurring costs.

As announced in February 2009 Autodom was successful in its application for funding under the Federal Government's Automotive Industry Structural Adjustment Program (AISAP). A \$3m grant was paid during the financial year and has assisted in the development of a comprehensive change program based on lean manufacturing and continuous improvement principles. This will lead to long term improvements in the business. The AISAP grant has been treated as income in the 2009 accounts and is included in the \$5.8m EBITDA result. In addition to the grant the company was also provided with a \$3m interest free loan from the South Australian government.

One of the improvement activities aimed at generating working capital was to focus on stock reduction. The company reduced inventories by \$3.3m over the financial year. Further reductions are expected in the 2010 year.

Automotive component manufacturing is a very difficult part of the economy. The last 12 months have seen a number of companies in the sector go into receivership or shut down. Industry commentators, however, are seeing signs of improvement in conditions and car sales later in the 2009 calendar year and into 2010. The Autodom board is optimistic about improved market conditions in the 2010 financial year. It also remains committed to its stated strategy of playing a central role in industry consolidation within the car parts sector.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Tony Dale', written in a cursive style with a long horizontal stroke at the end.

Tony Dale  
Managing Director



**AUTODOM LIMITED  
AND CONTROLLED ENTITIES  
A.B.N. 43 009 123 782**

## **APPENDIX 4E**

**PRELIMINARY FINAL REPORT**

**30 JUNE 2009**

**AUTODOM LIMITED**

**A.B.N. 43 009 123 782**

**APPENDIX 4E**

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This preliminary final report is provided to the Australian Stock Exchange (ASX)  
 under ASX Listing Rule 4.3A

Current Reporting Period: 30th June, 2009

Previous Corresponding Period: 30th June, 2008

For and on behalf of the directors:



AJ DALE  
 Director

Dated: 26 August, 2009

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

### Revenue and Net Profit/(Loss)

		2009 \$	2008 \$
Revenue from continuing ordinary activities	up 2%	87,924,597	85,794,073
Profit/(Loss) from ordinary activities before tax	up 116%	1,663,717	(9,984,168)
Income Tax (expense)/benefit		(410,015)	2,822,640
Profit/(Loss) from continuing operations	up 118%	<u>1,253,702</u>	<u>(7,161,528)</u>
Profit/(Loss) from ordinary activities after tax attributable to members	up 117%	<u>1,261,769</u>	<u>(7,316,272)</u>

### Commentary

The global and local sales of cars declined significantly during the financial year. From September 2008 the local manufacturers cutback on production days and daily production to match vehicle sales. These cutbacks saw vehicle production reduce by 40%. Autodom's sales reflected these cuts and the organisation faced major challenges to adjust its cost structure and remain viable.

The restructuring of personnel and initiatives to reduce operating expenditure were the major areas of focus. The Company expensed around \$1.5m in redundancy, restructuring and non-recurring costs during the financial year.

In February 2009 Autodom was successful in its application for funding under the Federal Government's Automotive Industry Structural Adjustment Program (AISAP). A \$3million grant was paid during the financial year and assisted in the development of a comprehensive change program based on lean manufacturing and continuous improvement principles. In addition to the grant the Company was also provided with a \$3m interest free loan from the South Australian Government.

One of the improvement activities aimed at generating working capital was to focus on stock reduction. The Company reduced inventories by \$3m over the financial year.

### Dividends

No dividends were declared or paid this year.

**NET TANGIBLE ASSET BACKING**

	Consolidated Entity	
	2009 \$	2008 \$
Net Assets	15,833,771	14,580,120
Less intangible assets	(5,395,847)	(5,530,122)
Less OEI net tangible assets	<u>(4,135,584)</u>	<u>(4,143,702)</u>
Net tangible assets of the Consolidated Entity	<u>6,302,340</u>	<u>4,906,296</u>
Fully paid ordinary shares on issue at balance date	<u>54,346,301</u>	<u>54,346,301</u>
Net tangible asset backing per issued ordinary share as at balance date (cents)	<u>11.6</u>	<u>9.0</u>

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS OF THE COMPANY**

Significant changes in the state of affairs of the group during the financial year were as follows:- Commencing in September 2008, the company suffered a severe reduction in demand for its products as a result of the overall reduction in global demand for automobiles. In February 2009 the company received a grant of \$3m pursuant to the Federal Government's Automotive Industry Structural Assistance Program. At the same time the Company received a concessional loan of \$3m from the South Australian Government. These payments were made to the Company to assist it to continue to operate following the significant reduction in automotive component demand.

**STATUS OF AUDIT**

This preliminary Final Report is based on accounts to which one of the following applies:-

The accounts have been audited.

The accounts are in the process of being audited or subject to review.

The accounts have been subject to review

The accounts have not been audited or reviewed.

Description of likely dispute or qualification if the accounts have not been audited, or subject to review or are in the process of being audited or subjected to review.

The Directors and the group's auditors are currently in discussion concerning the carrying value of the net deferred tax assets as of 30 June 2009 of \$3,050,511. The Directors are of the opinion that in view of the operating profit achieved in 2009 and the positive outlook for the company that the recoverability of the asset is probable and therefore should remain as an asset as of 30 June 2009 at its full value. The auditors do not concur with this view.

An emphasis of matter with respect to material uncertainty regarding continuation as a going concern will be included in the audit report based on the reported numbers.

## Condensed Consolidated Income Statement For The Year Ended 30 June 2009

	Note	2009 \$	2008 \$
<b>Revenue from continuing operations</b>	1	87,924,597	85,794,073
Other income	2	5,226,154	1,461,216
Changes in inventories of finished goods and work in progress		(2,232,280)	3,940,284
Raw materials and consumables used		(54,841,058)	(70,493,053)
Employee benefits expense		(26,476,363)	(19,771,036)
Depreciation and amortisation expense		(3,473,023)	(3,228,649)
Finance costs		(687,990)	(689,765)
Provision for impairment losses		-	(547,442)
Other expenses		(3,776,320)	(6,397,238)
Share of net loss of associate accounted for using the equity method		-	(52,558)
<b>Profit/(Loss) from ordinary activities before income tax expense</b>		<b>1,663,717</b>	<b>(9,984,168)</b>
Income tax benefit/(expense)		(410,015)	2,822,640
<b>Profit/(Loss) from continuing operations</b>		<b>1,253,702</b>	<b>(7,161,528)</b>
<b>Loss from discontinued operations</b>		-	(159,246)
<b>Profit/(Loss) for the year</b>		<b>1,253,702</b>	<b>(7,320,774)</b>
(Profit)/Loss attributable to minority interests		8,067	4,502
<b>Profit/(Loss) attributable to members of Autodom Limited</b>		<b>1,261,769</b>	<b>(7,316,272)</b>
<b>Overall Operations</b>			
Basic earnings/(loss) per share (Cents)		2.32	(13.37)
Diluted earnings/(loss) per share (Cents)		2.32	(13.06)
<b>Continuing Operations</b>			
Basic earnings/(loss) per share (Cents)		2.32	(13.09)
Diluted earnings/(loss) per share (Cents)		2.32	(12.78)
<b>Discontinued/Demerged Operations</b>			
Basic loss per share (Cents)		-	(0.28)
Diluted loss per share (Cents)		-	(0.28)

*The above income statement should be read in conjunction with the accompanying notes.*

## Condensed Consolidated Balance Sheet

As at 30 June 2009

	2009	2008
	\$	\$
<b>Current Assets</b>		
Cash and cash equivalents	674,336	737,241
Trade and other receivables	10,179,392	12,800,055
Inventories	8,833,400	12,522,900
Other Current Assets	2,727,668	2,585,169
<b>Total Current Assets</b>	<u>22,414,796</u>	<u>28,645,365</u>
<b>Non-Current Assets</b>		
Receivables	4,135,682	3,925,000
Property, Plant and Equipment	12,319,818	15,441,903
Deferred Tax Assets	4,066,723	4,710,948
Intangibles	5,395,847	5,530,122
Other Non-Current Assets	-	109,835
<b>Total Non-Current Assets</b>	<u>25,918,070</u>	<u>29,717,808</u>
<b>Total Assets</b>	<u>48,332,866</u>	<u>58,363,173</u>
<b>Current Liabilities</b>		
Trade and other payables	14,171,585	27,210,420
Borrowings	12,824,300	12,100,464
Provisions	1,468,085	1,801,427
<b>Total Current Liabilities</b>	<u>28,463,970</u>	<u>41,112,311</u>
<b>Non-Current Liabilities</b>		
Borrowings	1,500,000	-
Deferred Tax Liabilities	1,016,212	1,016,212
Provisions	1,518,913	1,654,530
<b>Total Non-Current Liabilities</b>	<u>4,035,125</u>	<u>2,670,742</u>
<b>Total Liabilities</b>	<u>32,499,095</u>	<u>43,783,053</u>
<b>Net Assets</b>	<u>15,833,771</u>	<u>14,580,120</u>
<b>Equity</b>		
Contributed Equity	17,916,201	17,916,201
Reserves	440,858	440,858
Accumulated Losses	(6,658,872)	(7,920,641)
<b>Parent Entity Interest</b>	<u>11,698,187</u>	<u>10,436,418</u>
Outside Equity Interest	4,135,584	4,143,702
<b>Total Equity</b>	<u>15,833,771</u>	<u>14,580,120</u>

*The above balance sheet should be read in conjunction with the accompanying notes.*



## Condensed Consolidated Statement of Changes in Equity For The Year Ended 30 June 2009

	2009	2008
	\$	\$
<b>Total equity at the beginning of the financial year</b>	<b>14,580,120</b>	<b>21,906,153</b>
Profit/(Loss) for the year	1,253,702	(7,320,774)
<b>Total recognised income and expense for the year</b>	<b>1,253,702</b>	<b>(7,320,774)</b>
<b>Transactions with equity holders in their capacity as equity holders</b>		
Increase in option reserves	-	32,950
Capital repaid to minority interests of subsidiary	-	(50,000)
Share Capital bought back and cancelled	-	(91,450)
Movement in foreign currency reserves	-	103,241
Other Adjustments	(51)	-
	<b>(51)</b>	<b>(5,259)</b>
<b>Total equity at the end of the financial year</b>	<b>15,833,771</b>	<b>14,580,120</b>
<b>Total recognised income and expense for the year is attributable to:</b>		
Members of Autodom Limited	1,261,769	(7,316,272)
Minority interests	(8,067)	(4,502)
	<b>1,253,702</b>	<b>(7,320,774)</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

## Condensed Consolidated Cash Flow Statement For The Year Ended 30 June 2009

	2009	2008
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	90,455,492	86,374,412
Payments to suppliers and employees	(95,042,736)	(86,982,082)
Other revenue and government grants	4,492,053	1,434,109
Rent received	89,458	98,765
Interest paid	(687,990)	(689,765)
Income taxes (paid)/refund	234,209	(182,781)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(459,514)</b>	<b>52,658</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(340,909)	(7,383,403)
Payments for intangible assets	-	(5,540,405)
Payment for acquisition of an interest in an associate	-	(300,000)
Proceeds from deposit following settlement of subsidiary	-	1,000,000
Settlement payments for acquisition of subsidiaries	(1,258,974)	(250,000)
Proceeds from sale of property, plant and equipment	12,000	14,450
Payment for deferred expenses	(23,781)	(381,381)
Payment to related parties	(218,800)	-
Repayment from minority interest equity	-	(50,000)
Interest received	3,238	188,862
<b>Net cash outflow from investing activities</b>	<b>(1,827,226)</b>	<b>(12,701,877)</b>
<b>Cash flows from financing activities</b>		
Payment for ordinary shares bought back	-	(91,450)
Proceeds from borrowings	3,037,781	11,155,261
<b>Net cash inflow from financing activities</b>	<b>3,037,781</b>	<b>11,063,811</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>751,041</b>	<b>(1,585,408)</b>
Cash and cash equivalents at the beginning of the financial year	(76,705)	1,508,703
<b>Cash and cash equivalents at the end of the financial year</b>	<b>674,336</b>	<b>(76,705)</b>

*The above cash flow statement should be read in conjunction with the accompanying notes.*

**NOTES TO THE FINANCIAL STATEMENTS**

	<b>Consolidated Entity</b>	
	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>1. REVENUE</b>		
<b>Sales revenue</b>		
Sale of goods	86,884,145	83,253,564
Services	<u>1,037,213</u>	<u>2,369,279</u>
	<u><b>87,921,359</b></u>	<u><b>85,622,843</b></u>
<b>Other revenue</b>		
Interest	<u>3,238</u>	<u>171,230</u>
	<u><b>3,238</b></u>	<u><b>171,230</b></u>
	<u><u><b>87,924,597</b></u></u>	<u><u><b>85,794,073</b></u></u>
<b>2. OTHER INCOME</b>		
Net gain on disposal of plant and equipment	-	5,000
Government grants	4,737,421	1,014,263
Discounts received	-	6,724
Other Income	<u>488,733</u>	<u>435,229</u>
	<u><b>5,226,154</b></u>	<u><b>1,461,216</b></u>

Government grants include \$3,000,000 received from the Commonwealth of Australia in February 2009 pursuant to the Automotive Industry Structural Assistance Program