



## 2009 Financial Year Earnings Guidance Update

Preliminary June 30 management accounts indicate that the 2009 after-tax profit is likely to be approximately \$8.8M, which is 12% below last years result.

The primary reasons for the slightly lower than anticipated result are:

- the impairment of employee share plan loans resulting from a decrement in the value of the shares provided as security for the loans,
- weaker than anticipated demand for Tamawood contract housing product in the June quarter, and,
- earnings to be derived from the sale of ready to occupy homes can only be recognised on completion of the sale and there were only two sales completed prior to 30 June 2009.

However, anticipated free cash flows from operations are buoyant, the balance sheet remains debt-free and substantial franking credits are available. Against this background directors anticipate that the final dividend will be 13 cents, fully franked.

The proposed AstiVita spin-off and public listing is progressing and directors are currently seeking quotes from advisors while the due diligence committee is likely to commence formal activities later this month.

Kerry Daly  
Chairman of Directors

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