



30 July 2010

### **Satisfactory Result in Subdued Housing Market**

The 30 June 2010 result reflects Tamawood's response to subdued market conditions and business opportunities that lay ahead.

The \$10.4M after-tax result includes a \$2.1M after-tax gain on the de-merger of AstiVita Renewables Limited. This result represents earnings per share of 27.6 cents (June 2009: 24.3 cents), from which a 13 cent final dividend will be paid on 3 December 2010. This brings the 2010 total dividend to 39.69 cents fully franked, including the 18.69 cents scrip dividend represented by shares in the de-merged AstiVita Renewables Limited.

The balance sheet remains debt-free and \$7.5M in cash and cash equivalents was held as at 30 June 2010.

\$10.4M in 'ready to occupy' housing stock, in various stages of completion, was held at balance date, and based on current demand we are confident that this stock will be sold on completion to end-users.

The recently completed share buy-back has assisted us in optimizing the capital structure of the business and is supportive of EPS growth in the subdued housing market conditions being experienced at present.

We anticipate providing earnings guidance to the market at the AGM on 25 October 2010.

ENDS

For further details please contact Kerry Daly, Chairman, on 0418 791 888.

# Appendix 4E

## Preliminary Final Report

Name of Entity: **TAMAWOOD LIMITED**

ABN: **56 010 954 499**

Financial Year Ended: **30 June 2010**

Previous Corresponding Period: **30 June 2009**

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

**Current year  
A'000**

Revenues from continuing operations	Down 20.3%	to	\$98,540
Profit from continuing operations after tax attributable to members	Down 5.3%	to	\$ 8,314
Profit for the period attributable to members	Up 13.8%	to	\$ 10,464

	<b>Dividends amount per security</b>		<b>Franked amount per security</b>
Final dividend	13c		13c
Interim dividend	8c		8c
Special dividend	18.69c		18.69c
<b>Total dividend per security</b>	<b>39.69c</b>		<b>39.69c</b>

### Previous corresponding period

Final dividend	13c		13c
Interim dividend	8c		8c
<b>Total dividend per security</b>	<b>21c</b>		<b>21c</b>

Record date for determining entitlements to the dividend **19 November 2010**

Has the final dividend been declared **Yes**

**FINANCIAL STATEMENTS****Consolidated statement of comprehensive income**

	<b>Current Year \$'000</b>	<b>Previous Corresponding Year - \$'000</b>
Revenues from continuing operations	98,540	123,521
Construction costs and cost of sales	(76,818)	(101,157)
Employee benefits expenses	(4,142)	(4,389)
Depreciation and amortisation	(173)	(248)
Advertising	(2,185)	(1,843)
Consultants	(949)	(486)
Administration expenses	(2,361)	(2,676)
Staff share scheme provision	33	(139)
<b>Profit before income tax</b>	<b>11,945</b>	<b>12,583</b>
Income tax expense	(3,631)	(3,800)
<b>Profit from continuing operations</b>	<b>8,314</b>	<b>8,783</b>
Profit from discontinued operations after income tax	2,150	694
Net profit	10,464	9,477
<b>Other comprehensive income</b>		
Revaluation of land and buildings to fair value	13	(1,242)
<b>Other comprehensive income for the year</b>	<b>13</b>	<b>(1,242)</b>
<b>Total comprehensive income for the year</b>	<b>10,477</b>	<b>8,235</b>
<b>Profit for the year attributable to:</b>		
Owners of Tamawood Limited	10,464	9,195
Non-Controlling interest	0	282
	<b>10,464</b>	<b>9,477</b>
<b>Total comprehensive income for the year is attributable to:</b>		
Owners of Tamawood Limited	10,477	7,953
Non-Controlling interest	0	282
	<b>10,477</b>	<b>8,235</b>

## Notes to the consolidated statement of comprehensive income

	Current Year \$'000	Previous Corresponding Year - \$'000
<b>Sales Revenue</b>		
Contract construction revenue	64,695	118,583
Franchise revenue	965	1,016
Renewable energy	13,152	1,612
Ready to Occupy Homes	18,553	835
	<b>97,365</b>	<b>122,046</b>
<b>Other Revenue</b>		
Sub-lease rentals	222	81
Dividend received	24	0
Interest non-related parties	640	1,001
Other items	289	393
	<b>1,175</b>	<b>1,475</b>
<b>Revenue from ordinary activities</b>	<b>98,540</b>	<b>123,521</b>
<b>Operating Profit</b>		
Profit from ordinary activities before income tax includes the following specific net gains and expenses:		
<b>Expenses</b>		
Depreciation of:		
Building improvements, Motor vehicles, office equipment & acquisition	173	248
<b>Other Provisions:</b>		
Employee entitlements	(84)	(61)
Warranty	0	(115)
	<b>(84)</b>	<b>(176)</b>
Rental expense relating to property leases (net)	171	161

**Consolidated statement of financial position**

	At end of current year \$'000	As shown in last Annual Report - \$'000
<b>Current Assets</b>		
Cash and cash equivalents	7,497	12,718
Trade and other receivables	5,382	7,805
Inventories	21,921	21,104
Other current assets	19	708
<b>Total Current Assets</b>	<b>34,819</b>	<b>42,335</b>
<b>Non-current Assets</b>		
Trade and other receivables	2,355	1,999
Property, plant and equipment	8,104	8,266
Deferred tax assets	586	562
<b>Total Non-current Assets</b>	<b>11,045</b>	<b>10,827</b>
<b>Total Assets</b>	<b>45,864</b>	<b>53,162</b>
<b>Current Liabilities</b>		
Trade and other payables	5,953	5,374
Short term provisions	404	340
Current tax liabilities	1,978	4,640
<b>Total Current Liabilities</b>	<b>8,335</b>	<b>10,354</b>
<b>Non-Current Liabilities</b>		
Trade and other payables	0	200
Deferred tax liabilities	2,851	2,128
Other long term provisions	350	362
<b>Total Non-Current Liabilities</b>	<b>3,201</b>	<b>2,690</b>
<b>Total Liabilities</b>	<b>11,536</b>	<b>13,044</b>
<b>Net Assets</b>	<b>34,328</b>	<b>40,118</b>
<b>Equity</b>		
Issued Capital	24,372	24,840
Reserves	2,146	2,027
Retained earnings	7,810	12,558
<b>Equity attributable to members of Tamawood Limited</b>	<b>34,328</b>	<b>39,425</b>
Outside equity interest in controlled entities	0	693
<b>Total Equity</b>	<b>34,328</b>	<b>40,118</b>

**Condensed consolidated cash flow statement**

	<b>Current Year \$A'000</b>	<b>Previous Corresponding Year - \$A'000</b>
<b>Cash flows related to Operating Activities</b>		
Receipts from customers (GST Inclusive)	110,588	150,296
Payments to suppliers and employees (GST Inclusive)	(100,988)	(141,472)
Interest received	549	1,001
Dividend received	24	0
Income tax paid	(6,547)	(2,372)
<b>Net operating cash flows</b>	<b>3,626</b>	<b>7,454</b>
<b>Cash flows related to Investing Activities</b>		
Payment for property, plant and equipment		-
Proceeds from sale of property, plant and equipment	7	593
Proceeds from sale of investment properties	-	-
Loss on sale of assets	(3)	-
Purchase of equity interest in AstiVita Renewables Limited*	(4,000)	-
<b>Net Investing cash flows</b>	<b>(3,996)</b>	<b>593</b>
<b>Cash flows related to Financing Activities</b>		
On-market share buy-back	(468)	(363)
Loans (paid)/received from outside shareholders	(1,161)	203
Repayment of loans by AstiVita Renewables Limited*	4,000	0
Proceeds from sale of Teesop Shares	545	0
Dividends paid	(7,767)	(4,466)
<b>Net financing cash flows</b>	<b>(4,851)</b>	<b>(4,626)</b>
Net increase/(decrease) in cash held	(5,221)	3,421
Cash at beginning of period	12,718	9,297
<b>Cash at end of period</b>	<b>7,497</b>	<b>12,718</b>
<b>Reconciliation of cash at the end of period</b>		
Cash on hand and at bank	2,422	6,694
Deposits at call	5,075	6,024
<b>Total Equity</b>	<b>7,497</b>	<b>12,718</b>

\*The purchase by Tamawood of its shareholding in AstiVita Renewables Limited was funded by converting the loan owed by AstiVita Renewables Limited to Tamawood. The cashflow impact of these two transactions was nil.

**Condensed Consolidated Statement of Changes In Equity  
2010**

	<b>Contributed Equity</b>	<b>Retained Profits</b>	<b>Asset Revaluation</b>	<b>Consolidated Staff Share Scheme</b>	<b>Total</b>	<b>Non- Controlling Interest</b>	<b>Total Equity</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>
Balance at 1 July 2009	24,840	12,558	2,133	(106)	39,425	693	40,118
<b>Comprehensive income for the year</b>							
Profit for the year		10,464			10,464		10,464
Revaluation of land and buildings, net of GST			13		13		13
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>10,464</b>	<b>13</b>	<b>0</b>	<b>10,477</b>	<b>0</b>	<b>10,477</b>
<b>Transaction with owners in their capacity as owners</b>							
Dividends paid		(7,870)			(7,870)		(7,870)
Special dividend (Inspecie distribution AIR)		(7,071)			(7,071)		(7,071)
Reversal of opening retained earnings AstiVita Renewables		(271)			(271)	(693)	(964)
Revaluation of staff shares				106	106		106
On-market share buy-back	(468)				(468)		(468)
	<b>(468)</b>	<b>(15,212)</b>	<b>0</b>	<b>106</b>	<b>(15,573)</b>	<b>(693)</b>	<b>(16,267)</b>
<b>Balance at 30 June 2010</b>	<b>24,372</b>	<b>7,810</b>	<b>2,146</b>	<b>0</b>	<b>34,328</b>	<b>0</b>	<b>34,328</b>
Balance at 1 July 2008	23,783	11,302	3,475	(212)	38,348	411	38,759
<b>Comprehensive income for the year</b>							
Profit for the year		9,195			9,195	282	9,477
Revaluation of land and buildings, net of GST		100	(1,342)		(1,242)		(1,242)
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>9,295</b>	<b>(1,342)</b>	<b>0</b>	<b>7,953</b>	<b>282</b>	<b>8,235</b>
<b>Transaction with owners in their capacity as owners</b>							
Dividends paid		(8,091)			(8,091)		(8,091)
Reversal of opening retained earnings AstiVita Renewables		52			52		52
Shares issued	2,856				2,856		2,856
Shares bought back during the year	(1,799)				(1,799)		(1,799)
Revaluation of staff shares				106	106		106
	<b>1,057</b>	<b>(8,039)</b>	<b>0</b>	<b>106</b>	<b>(6,876)</b>	<b>0</b>	<b>(6,876)</b>
<b>Balance at 30 June 2009</b>	<b>24,840</b>	<b>12,558</b>	<b>2,133</b>	<b>(106)</b>	<b>39,425</b>	<b>693</b>	<b>40,118</b>

**Consolidated retained profits**

	Current Year \$A'000	Previous Corresponding Year - \$A'000
Retained profits at the beginning of the financial period	12,558	11,302
Asset revaluation write back due to sale of property	0	100
Profit attributable to members	10,464	9,195
Adjustment due to retained earnings due to % shareholding in subsidiary	(271)	52
Dividends and other equity distributions paid or payable	(14,941)	(8,091)
<b>Retained profits at end of financial period</b>	<b>7,810</b>	<b>12,558</b>

**Comparison of half year profits**

	Current Year \$A'000	Previous Corresponding Year - \$A'000
Consolidated profit after tax attributable to members reported for the first half year	7,189	5,306
Consolidated profit after tax attributable to members for the second half year	3,275	3,889

**BROKER INFORMATION**

Control gained over entities having material effect – Nil

Loss of control of entities having material effect – Demerger of AstiVita Renewables Limited

**DIVIDENDS**

Date the dividend is payable **3 December 2010**

Record date to determine entitlements to the dividend **19 November 2010**

Quoted “Ex” on ASX **12 November 2010**

		Amount Per Security	Franked amount Per Security at 30% Tax
<b>Final dividend:</b>	Current Year	13c	13c
	Previous Year	13c	13c
<b>Interim dividend:</b>	Current Year	8c	8c
	Previous Year	8c	8c
<b>Special dividend:</b>	Current Year	18.69c	18.69c
	Previous Year	-	-

**Total dividend per security**

	Current Year	Previous Year
Ordinary Securities	39.69c	21c

**Total final dividend per security**

	Current Year \$'000	Previous Corresponding Year - \$'000
Ordinary Securities	4,894	4,919

The dividend reinvestment plan has been suspended until further notice.

There will be future franking credits available.



**Issued and quoted securities at end of current period**

Category of securities	Total Number	Number Quoted	Issue Price Per Security	Amount Paid Up Per Security
<b>Ordinary securities</b>	<b>37,644,466</b>	37,644,466	-	-
Changes during current period				
(a) increases through issues	0		-	-
(b) Decreases through returns of capital, buybacks, redemptions	(195,000)			

**COMMENTARY ON RESULTS****RATIOS**

Earning per Security (EPS)	Current period	Previous corresponding
Basis EPS	<b>27.66 cents</b>	24.35 cents
Diluted EPS	<b>27.66 cents</b>	24.35 cents
Weighted Average Number of Share	<b>37,838,932</b>	37,772,368
<b>Profits before tax/ Revenue</b>		
Consolidated profit from continuing operations before tax as a percentage of revenue	<b>12.14%</b>	10,05%
<b>Profit after tax/ equity interests</b>		
Consolidated net profit after tax attributable to members as a percentage of equity	<b>30.49%</b>	22.92%
<b>Net Tangible Assets</b>		
<b>Net tangible assets backing per ordinary security</b>	<b>91.19 cents</b>	<b>106.01 cents</b>

**Note:-**

We have completed the on-market share buy-back of 800,000 shares on 14 July 2010, and subsequently cancelled on the 26 July 2010. The number of shares on issue after the cancellation is 37,039,466. Based on this number of shares being on issue for the full 2010 financial year, the EPS (earning per share) would have been 28.25 cents.

Included in the current EPS of 27.66 cents is approximately 5.68 cents for the one off profit after tax of \$2,150m for the demerger of Tamawood's holding in AstiVita Renewables Limited.

A Tamawood shareholder has obtained a return of approximately 0.45cents per Tamawood share including franking credits, based on the current share price of AstiVita Renewables Limited as at the 28 July 2010.

## AUDIT & COMPLIANCE STATEMENT

This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Interpretations or other standards acceptable to ASX.

This report, and the accounts upon which the report is based (if separate), use the same accounting policies.

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

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

The entity has formally constituted audit committee.

## OTHER INFORMATION

### Annual Meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place GAMBAROS Restaurant

Date Monday, 25 October 2010

Time **11:00 am**

Approximate date the annual report will be available 13 August 2010.

Cleopatra Jackson

Date:- 30 July 2010

Cleopatra Jackson  
Company Secretary