

**CPT Global Limited**  
**Appendix 4D - Half-Year Report December 2010**

<b>Results for Announcement to the Market</b>				<b>Current period</b>	<b>Previous corresponding period</b>
				<b>Dec-10</b>	<b>Dec-09</b>
				<b>A \$000's</b>	<b>A \$000's</b>
Revenues from ordinary activities	up	3.81%	to	\$19,555	\$18,837
Net Profit (Loss) <b>before tax</b> attributable to members	up	222.24%	to	\$1,061	(\$868)
Net Profit (Loss) <b>after tax</b> attributable to members	up	171.38%	to	\$611	(\$856)

<b>Dividends (distributions)</b>		<b>Amount per security</b>	<b>Franked amount per security</b>
		1.5 cents	1.5 cents
Interim Dividend			
Record date for determining entitlements to the final dividend.		30th March 2011	30th March 2011
Payment date of Interim Dividend		15th April 2011	15th April 2011

<b>Earnings per security (EPS)</b>		<b>Current period</b>	<b>Previous corresponding period</b>
Basic EPS		1.66	-2.33
Diluted EPS		1.65	-2.29

<b>NTA backing</b>		
Net tangible asset backing per ordinary security		
	0.16	0.16

# **CPT Global Limited**

**ABN 16 083 090 895**

## **Half-Year Financial Report**

**for the Half-Year ended 31 December 2010**

## Corporate Information

**ABN 16 083 090 895**

### **Directors**

Fred S Grimwade (Non-Executive Chairperson)

Gerard (Gerry) Tuddenham (Managing Director)

Peter Wright (Executive Director)

Alan Baxter (Non-Executive Director) – Appointed on January 1, 2011

Ian MacDonald (Non-Executive Director) – Resigned on December 31, 2010

### **Company Secretary**

Elliot Opolion – Appointed on October 25, 2010

### **Registered Office**

Level 1, 4 Riverside Quay

Southbank

Melbourne, Victoria 3006

+61 3 9684 7900

### **Solicitors**

Gadens Lawyers

### **Bankers**

ANZ Banking Group Limited

### **Share Register**

Computershare Investor Services Pty Ltd

Yarra Falls, 452 Johnston Street

Abbotsford Vic 3067

Telephone: 1300 850 505

Facsimile: +613 94732500

### **Auditors**

Moore Stephens

### **Internet Address**

[www.cptglobal.com](http://www.cptglobal.com)

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## Directors' Report

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2010.

### DIRECTORS

The names and details of the company's directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

- Fred S Grimwade (Non Executive Chairperson)
- Gerard (Gerry) Tuddenham (Managing Director)
- Peter Wright (Executive Director)
- Alan Baxter (Non Executive Director) – Appointed on January 1, 2011
- Ian MacDonald (Non Executive Director) – Resigned on December 31, 2010

### REVIEW AND RESULTS OF OPERATIONS

#### FINANCIAL REVIEW

CPT Global's revenue for the half year ended 31 December 2010 was \$19.6 million, a 4% increase on the previous corresponding half year's revenue of \$18.8 million. Australian Revenue increased 1% to \$14.1 million (2009 \$13.9m) and international revenue increased 15% to \$5.5 million (2009 \$4.8m). EBITDA for the half year was \$1.2m compared to a loss of \$0.7m in the previous half year.

CPT Global's net profit after tax for the half year ended 31 December 2010 was \$0.6 million, compared to the previous corresponding half year's loss of \$0.9 million.

Continued volatility in foreign exchange markets has led to \$257,000 of foreign currency translation losses (2009 \$103,000).

Earnings per share was 1.66 cents per share and diluted earnings per share was 1.65 cents per share.

Based on the first half results CPT Global Limited will pay a dividend of 1.5 cents per share which is in line with its policy of a high dividend payment ratio on net profit after tax.

#### REVIEW OF OPERATIONS

##### Australia

Performance of the Australian operations has improved in the period. Although CPT Global's business at its largest Australian client has reduced significantly due to the completion of client projects, this has been offset by growth in a number of other accounts, particularly within two large financial institutions which have become large strategic accounts. In addition Australian staff expertise has been utilized in the USA and Europe to assist in the growth of CPT Global's international business.

The restructure implemented in early 2010 has been a key contributor to the reduction in the cost base which supported the achievement of this result. A key strategic objective is the expansion of the Sydney market. A senior business development executive with a strong track record of successfully growing profitable business has recently been appointed to lead this expansion from early 2011.

##### International

The international operations have also performed better in the period. Although profitable, CPT Global is still awaiting a return on the business development investments made over the past few years. During the period CPT Global completed several small engagements (Phase 1) at Fortune 500 Companies, with one client committing to the more lucrative Phase 2, where CPT Global shares in the savings achieved by the client. There are many clients in Europe and North America currently considering the potential to proceed to Phase 2 on a risk / reward basis. We anticipate that many of these clients will proceed at some stage over the next 12 months, leading to further expansion of the International business. A number of long term contracts with CPT Global's larger International clients have been renewed again.

## CPT Global Limited & Controlled Entities - Half-Year Report

Now that CPT Global's value proposition is generating more interest in the company's International business, our focus remains on further business development, the capitalisation of previous business development activities and the cultivation and growth of our current client base, with the aid of our alliance partner Tori and our relationship with Austrade.

### OUTLOOK

In the Australian operations, the framework is now in place to capitalise on the improved economic outlook, with the appointment of a proven business development executive to lead our expansion in the Sydney market and further enhancement of our intellectual property through targeted expansion of our practice and consultant capabilities. In the event there are further reductions in CPT Global's presence at our previously largest Australian client, CPT's mitigation strategy will be to redeploy these consultants to other strategic accounts due to their highly specialist skills base and capabilities. This is in line with activity over the period where almost all resources who have become available, have been redeployed to other accounts without delay.

In the International operations, we expect further growth by capitalising on prior business development investments and focusing on transitioning clients to the more lucrative Phase 2 projects.

CPT Global is positive about the outlook for the second half of the 2011 financial year and our Statement of Financial Position remains sound.

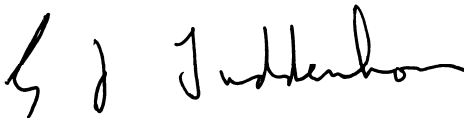
### ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

### AUDITORS DECLARATION

The lead auditors independence declaration under section 307C of the Corporations Act 2001 is set out on page 5 of the half-year report ended 31 December 2010.

Signed in accordance with a resolution of the directors.



Gerard (Gerry) Tuddenham  
Managing Director  
Melbourne, 21 February 2011

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Melbourne VIC 3000

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**Auditor's Independence Declaration under Section 307C of the Corporations Act  
2001 to the directors of CPT Global Limited and Controlled Entities**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2010 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- (ii) No contraventions of any applicable code of professional conduct in relation to the review.



MOORE STEPHENS  
Chartered Accountants



S. David Pitt  
Partner

Melbourne, 21 February 2011

## Consolidated Statement of Comprehensive Income

HALF-YEAR ENDED 31 DECEMBER 2010

	31 Dec 10	31 Dec 09
	\$'000	\$'000
Revenue	19,544	18,715
Other income	11	122
Salaries and employee benefits expense	(1,563)	(1,498)
Consultants benefits expense	(14,570)	(15,758)
Depreciation and amortisation expenses	(63)	(88)
Insurance expense	(113)	(101)
Finance costs	(66)	(75)
Lease expenses	(207)	(203)
Foreign exchange losses	(257)	(104)
Other expenses	(1,655)	(1,878)
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>1,061</b>	<b>(868)</b>
<b>INCOME TAX BENEFIT/(EXPENSE)</b>	<b>(450)</b>	<b>12</b>
<b>PROFIT/(LOSS) AFTER INCOME TAX</b>	<b>611</b>	<b>(856)</b>
<b>Other comprehensive loss:</b>		
Exchange differences on translating foreign controlled entities	(312)	(559)
<b>Total Other Comprehensive Loss for the period, net of tax</b>	<b>(312)</b>	<b>(559)</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>299</b>	<b>(1,415)</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>	<b>299</b>	<b>(1,415)</b>
Basic earnings per share (cents per share)	1.66	-2.33
Diluted earnings per share (cents per share)	1.65	-2.29

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.



## Consolidated Statement of Financial Position

AT 31 DECEMBER 2010

	AS AT 31 DECEMBER 2010 \$'000	AS AT 30 JUNE 2010 \$'000
<b>Current Assets</b>		
Cash and cash equivalents	622	1,050
Trade and other receivables	8,389	8,249
Inventories	2,350	1,869
Other financial assets	-	10
Current tax asset	-	112
Other current assets	405	454
<b>Total Current Assets</b>	<b>11,766</b>	<b>11,744</b>
<b>Non-Current Assets</b>		
Deferred tax assets	397	366
Property, plant and equipment	266	293
Intangible assets	7,333	7,350
<b>Total Non-Current Assets</b>	<b>7,996</b>	<b>8,009</b>
<b>Total Assets</b>	<b>19,762</b>	<b>19,753</b>
<b>Current Liabilities</b>		
Trade and other payables	5,145	5,687
Borrowings	686	573
Current tax liabilities	79	-
<b>Total Current Liabilities</b>	<b>5,910</b>	<b>6,260</b>
<b>Non-Current Liabilities</b>		
Trade and other payables	38	53
Financial Liabilities	27	52
Deferred Tax Liabilities	53	53
Other long term provisions	358	267
<b>Total Non-Current Liabilities</b>	<b>476</b>	<b>425</b>
<b>Total Liabilities</b>	<b>6,386</b>	<b>6,685</b>
<b>Net Assets</b>	<b>13,376</b>	<b>13,068</b>
<b>Equity</b>		
Issued capital	12,075	12,075
Reserves	311	614
Retained earnings	990	379
<b>Total Equity</b>	<b>13,376</b>	<b>13,068</b>

The Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

## Consolidated Statement of Changes in Equity

	\$000	\$000	\$000	\$000	\$000
	Issued Capital	Retained Earnings	Equity Reserve	Foreign Currency Translation Reserve	Total
<b>Balance at 1 July 2009</b>	<b>12,075</b>	<b>4,602</b>	<b>1,426</b>	<b>(230)</b>	<b>17,873</b>
Profit attributable to members of parent entity	-	(856)	-	-	(856)
Share-based payments	-	-	123	-	123
Transfers to and from equity reserve	-	12	-	(12)	-
Total other comprehensive income	-	-	-	(559)	(559)
<b>Sub-total</b>	<b>12,075</b>	<b>3,758</b>	<b>1,549</b>	<b>(801)</b>	<b>16,581</b>
Dividends paid or provided for	-	(1,102)	-	-	(1,102)
<b>Balance at 31 December 2009</b>	<b>12,075</b>	<b>2,656</b>	<b>1,549</b>	<b>(801)</b>	<b>15,479</b>
<b>Balance at 1 July 2010</b>	<b>12,075</b>	<b>379</b>	<b>1,670</b>	<b>(1,056)</b>	<b>13,068</b>
Profit attributable to members of parent entity	-	611	-	-	611
Share-based payments	-	-	9	-	9
Total other comprehensive income	-	-	-	(312)	(312)
<b>Sub-total</b>	<b>12,075</b>	<b>990</b>	<b>1,679</b>	<b>(1,368)</b>	<b>13,376</b>
Dividends paid or provided for	-	-	-	-	-
<b>Balance at 31 December 2010</b>	<b>12,075</b>	<b>990</b>	<b>1,679</b>	<b>(1,368)</b>	<b>13,376</b>

The Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

## Consolidated Statement of Cash Flows

HALF-YEAR ENDED 31 DECEMBER 2010

	31 Dec 10	31 Dec 09
	\$'000	\$'000
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	19,501	21,405
Payments to suppliers and employees	(20,040)	(20,656)
Interest received	-	-
Finance costs	(66)	(75)
Income tax paid	(288)	(520)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	<u>(893)</u>	<u>154</u>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sale of property, plant and equipment, software	-	2
Purchase of property, plant and equipment, software	(20)	(29)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	<u>(20)</u>	<u>(27)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from borrowings - other	-	-
Repayment of borrowings - other	(23)	(11)
Payment of dividends on ordinary shares	-	(1,102)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	<u>(23)</u>	<u>(1,113)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD	<b>(936)</b>	<b>(986)</b>
Add opening cash and cash equivalents brought forward	<b>523</b>	1,245
Effects of exchange rate changes on cash held in foreign currencies	<b>401</b>	<b>(559)</b>
<b>Closing Cash and Cash Equivalents Carried Forward</b>	<b><u>(12)</u></b>	<b><u>(300)</u></b>

The Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

## Notes to the Financial Statements

HALF-YEAR ENDED 31 DECEMBER 2010

### NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2010 and any public announcements made by CPT Global Limited and its Controlled Entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by CPT Global Limited and its Controlled Entities and are consistent with those applied in the 30 June 2010 Annual Report. The half-year report of CPT Global Limited and its Controlled Entities was authorised for issue in accordance with the resolution of directors on 28 February 2011.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

<b>Consolidated</b>	
<b>31 Dec 10</b>	<b>31 Dec 09</b>
<b>\$000</b>	<b>\$000</b>

### NOTE 2: DIVIDENDS

Distributions paid

#### (a) Aggregate dividends payable

Declared interim fully franked ordinary dividend of 1.5 (2009: 0.0) cents per share franked at the tax rate of 30% (2009: 30%).

551

-

#### (b) Aggregate dividends declared and paid not previously recognised as a liability

Final fully franked ordinary dividend of 0.0 (2009: 3.00) cents per share franked at the tax rate of 30%

-

1,102

**551**

**1,102**

### NOTE 3: CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

### NOTE 4: BORROWINGS

The economic entity has a financing facility of \$2,997,000 provided by its bank on an ongoing basis. The financing facility is secured by a first registered company charge (mortgage debenture) over the carrying value of the total assets of the parent entity. Interest is charged at 1.0% above the reference rate. At the end of the reporting period an amount of \$732,000 of this facility was utilised.

Covenants imposed by the bank requires a working capital ratio for each financial half year to be not less than 2:1. As at December 31st, the economic entity achieved a working capital ratio of 1.99:1 and is in breach of this covenant. This covenant is currently under review by the economic entity and the bank.

**NOTE 5: OPERATING SEGMENTS**

**Segment Performance**

	Australia		Europe		United States		Consolidated	
	Dec-10 \$'000	Dec-09 \$'000	Dec-10 \$'000	Dec-09 \$'000	Dec-10 \$'000	Dec-09 \$'000	Dec-10 \$'000	Dec-09 \$'000
<b>REVENUE</b>								
External Sales	14,099	13,944	2,904	2,933	2,541	1,838	19,544	18,715
<i>Reconciliation of segment revenue to group revenue</i>								
- Miscellaneous Revenue							11	122
<b>Total Group Revenue</b>							<b>19,555</b>	<b>18,837</b>
<b>Segment Gross Profit before tax</b>	<b>4,440</b>	<b>3,597</b>	<b>1,713</b>	<b>900</b>	<b>1,387</b>	<b>571</b>	<b>7,551</b>	<b>5,190</b>
<i>Reconciliation of segment result to group profit/loss before tax</i>								
Unallocated Items								
- Overheads							6,490	(6,058)
<b>Profit/ (Loss) before tax</b>							<b>1,061</b>	<b>(868)</b>

**Segment Assets**

	Australia		Europe		USA		Consolidated	
	Dec-10 \$'000	Dec-09 \$'000	Dec-10 \$'000	Dec-09 \$'000	Dec-10 \$'000	Dec-09 \$'000	Dec-10 \$'000	Dec-09 \$'000
<b>Segment Assets</b>	<b>6,131</b>	<b>5,050</b>	<b>1,915</b>	<b>2,705</b>	<b>2,637</b>	<b>1,750</b>	<b>10,683</b>	<b>9,505</b>
Segment asset increases for the period:								
- Capital Expenditure	22	28	-	-	-	-	22	28
	<b>6,153</b>	<b>5,078</b>	<b>1,915</b>	<b>2,705</b>	<b>2,637</b>	<b>1,750</b>	<b>10,705</b>	<b>9,533</b>
<i>Reconciliation of segment assets to group assets</i>								
Unallocated assets:								
- Goodwill							7,261	9,661
- Property, plant & equipment							338	451
- Other Assets							1,458	2,148
<b>Total Group Assets</b>							<b>19,762</b>	<b>21,793</b>

**NOTE 6: SUBSEQUENT EVENTS**

There have been no events subsequent to reporting date.

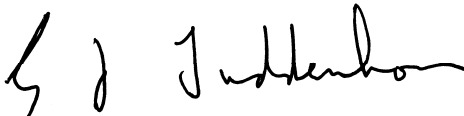
## Directors' Declaration

In accordance with a resolution of the directors of CPT Global Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001 including:
  - (i) give a true and fair view of the financial position as at 31 December 2010 and the performance for the half-year ended on that date of the consolidated entity; and
  - (ii) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Gerard (Gerry) Tuddenham  
Managing Director

Melbourne, 21 February 2011

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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF CPT GLOBAL LIMITED AND CONTROLLED ENTITIES**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of CPT Global Limited and controlled entities ("the consolidated entity") which comprises of the Statement of Financial Position as at 31 December 2010, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the half-year ended on that date, notes comprising of a summary of significant accounting policies, other selected explanatory information and the director's declaration.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of CPT Global Limited ("the company") are responsible for the preparation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*, and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of CPT Global Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and account matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of CPT Global Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (ii) complying with *AASB 134: Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Significant Uncertainty Regarding Accounting Estimate*

Without qualification to the opinion expressed above, we draw attention to the following matter. The impairment analysis performed on the goodwill is based on a number of assumptions and accounting estimates whose outcome depends on future events. Given the current economic uncertainty, it is extremely difficult to forecast future cash flows with the degree of confidence required to be able to state that goodwill within the three Australian cash generating units ("CGU") is fully recoverable at the amount disclosed in the financial report.

Notwithstanding the directors' belief that the goodwill figure is fully recoverable, this matter indicates the existence of a material uncertainty which may cast doubt on whether the company will realise the value of goodwill at the amount disclosed in the financial report.

**Matters Relating to the Electronic Publication of the Audited Financial Report**

This review report relates to the financial report of CPT Global Limited and controlled entities for the period ended 31 December 2010 included on CPT Global Limited's website. The company's directors are responsible for the integrity of CPT Global Limited's website. We have not been engaged to report on the integrity of the CPT Global Limited's website. This review report refers only to the half-year report identified above. It does not conclude on any other information which may have been hyperlinked to/from this report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the half-year financial report to confirm the information contained in this website version of the financial report.



MOORE STEPHENS  
Chartered Accountants



S. David Pitt  
Partner

Melbourne, 21 February 2011