

**CPT Global Limited**  
**Appendix 4E - Preliminary Final Report for the year ended 30 June 2012**

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

**Key Information**

				<b>2012 A \$000's</b>	<b>2011 A \$000's</b>
Revenues from ordinary activities	up	3.6%	to	\$39,450	\$38,086
Net Profit (Loss) <b>before tax</b> attributable to members	down	-73.0%	to	\$391	\$1,450
Net Profit (Loss) <b>after tax</b> attributable to members	down	-42.2%	to	\$608	\$1,052

**DIVIDENDS PAID AND PROPOSED**

	<b>Amount per Security</b>	<b>Franked Amount per Security at 30% of Tax</b>
2011 final - paid 23 November 2011	1.0 cents	1.0 cents
2012 interim - paid 18 May 2012	1.5 cents	1.5 cents

**DIVIDEND DETAILS**

	<b>2012 A \$000's</b>	<b>2011 A \$000's</b>
<b>Ordinary share capital:</b>		
Final dividend paid	\$367	-
Interim dividend paid	\$551	\$551

**EARNINGS PER SHARE (EPS)**

	<b>2012</b>	<b>2011</b>
Basic EPS	1.66 cents	2.87 cents
Diluted EPS	1.66 cents	2.85 cents

**NTA BACKING**

Net tangible asset backing per ordinary security	\$0.15	\$0.16
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# CPT Global Limited and Controlled Entities

ABN 16 083 090 895

## Preliminary Final Report

for the year ended 30 June 2012

## Chairman's Statement

Dear Fellow CPT Global Shareholder,

CPT Global delivered a modest profit in the 2012 financial year as the ongoing challenging economic conditions continued to adversely impact our performance particularly in the international markets. Total revenues were higher than the prior year with increases being recorded by both our Australian and international operations. However profit was reduced due to a contraction in margins experienced across all of our regions. Over the past year our client base has expanded and the pipeline of potential business in our international markets continues to grow with new opportunities now emerging in Asia and South America. CPT ended the year with cash of \$1.1m and remains committed to realising the benefit of our continuing extensive global business development activities.

Our Australian operations increased revenue but at lower margins than in the prior year. In Victoria, which is home to six of our top ten clients, revenues grew well and despite some pressure on margins profit contribution was up. After last year's poor performance in NSW our revenues grew strongly there as a new top ten client relationship was developed but margins again were tight. Offsetting these revenue gains was a weaker performance by our ACT business where new business opportunities with the Federal Government have slowed and remain a concern. Our Australian operations remain the backbone of CPT's business and provide many of the resources for our international activities. While the past changes made to our business development team in Australia have resulted in an increase in revenue there is a need this financial year to focus on improving margins and controlling costs.

Despite challenging economic conditions, CPT again grew revenue from its international operations with increases from both our European and US operations. In Europe revenues were higher but were offset by a reduction in margins and higher overheads. In addition delays by two significant clients late in the year unfortunately resulted in the postponement of some attractive revenue and margin contribution. The US operations again generated record revenues but were also adversely impacted by lower margins and higher costs. The size and quality of CPT's international client base continues to develop with around 30% of our revenue now coming from our offshore operations. Furthermore during the year CPT made significant progress with business development opportunities in both Asia and South America. As a result we now have our first client in mainland China and are well advanced in discussions with some of Brazil's largest entities.

In 2012 our revenue grew by around 4% with increases across Australia, Europe and the US. However with lower margins in all regions, higher costs and some delays in the establishment of new client relationships, CPT delivered a net profit after tax of \$0.6m compared to \$1.1m in the prior year. Given the lower profit CPT will pay a dividend of 1.5 cents per share (fully franked) compared to 2.5 cents per share (fully franked) last year. CPT ended the financial year with cash of \$1.1m and no bank debt.

While CPT was able to record an increase in revenue over the past twelve months we are yet to deliver satisfactory returns to our shareholders for the investment we have made in developing our international operations. Our lower profit in 2012 is a major disappointment but is driven in part by the reduction in margins due to the competitive Australian market and ongoing difficult global economic conditions together with the costs of our extensive business development activities which now cover much of the Globe. While relationships have been developed with many of the world's most significant companies the intervention of the Global Financial Crisis has greatly hampered our efforts to convert this potential into revenue and profits. This is very frustrating for the CPT team especially when client relationships are delayed for extraneous factors after significant effort by all concerned. An easy option would be to pull back on these activities but your Board believes that CPT must continue to pursue these opportunities and that shareholders will ultimately be well rewarded.

CPT's strategy is still to grow revenue in all our regions, improve our margins and control costs. Our business development activities remain a very high priority and over the past twelve months our Managing Director Gerry Tuddenham and his team have spent a substantial amount of time driving the sales efforts in Europe, North and South America, and Asia.

In the current challenging environment particular mention must be made of the ongoing effort of CPT's strong team of technically skilled and loyal staff and consultants who remain focused on serving our clients' needs globally. I wish to thank my fellow directors and all of our staff, under the leadership of our Managing Director, Gerry Tuddenham, for their ongoing contribution to CPT's performance. Despite the ongoing

## Chairman's Statement

difficult global economic conditions I expect that CPT's past efforts should soon be rewarded through more attractive shareholder returns generated from the increased profit of our Australian and international businesses.



Fred S. Grimwade  
Chairman

## Managing Director's Review

Fellow Shareholders,

The 2011/12 financial year was a difficult one for CPT Global. After a consolidation phase where the business was 'right sized' and 'refocused' on the next plank in the Company's growth strategy, economic headwinds emerged in the form of the Eurozone financial crisis, the continued strengthening of the Australian dollar and federal government funding cuts resulting in a reduction in the number of IT projects undertaken by the Federal government. Each of these had a negative impact on the business, with European clients delaying their investment decisions, overseas revenue streams losing value on conversion to Australian currency and CPT's presence in the Canberra market downsizing. Notwithstanding this, a number of highlights emerged such as the growth of a number of tier one clients in the Melbourne market, an increased footprint in the Sydney market including the establishment of a new tier one client and the emergence of business opportunities in the Asian and South American markets, working closely with newly developed business partners. Although a number of international client decisions were delayed resulting in a push of 2011/12 revenues in to 2012/13, revenues still grew by 4% on 2010/11 and a modest after tax profit of \$0.61m was achieved. As the year closed, CPT still retained a strong opportunity pipeline in all regions as well as newly identified opportunities in the Asian and South American markets. Whilst the economic climate acted to delay the Company's growth plans, we strongly believe that the new financial year will see the commencement of new large projects and the establishment of new significant clients.

### Operating and Financial Review

In a tightening Australian market, revenue increased by 3.6% from 2010/11 primarily due to the growth of CPT's activity in finance sector clients, where revenues increased by 25% on prior year levels. From a regional standpoint, revenues earned from the Melbourne and Sydney markets grew by 7% and 55% respectively on the prior year. This growth was offset by a year on year reduction in revenues earned from the Canberra market of 42%. Contract margins achieved in the year dropped by 2% in comparison to those earned in 2010/11, as market conditions tightened.

International revenue increased by 6.9% compared to prior year levels, even after being negatively impacted by approximately \$0.3m by the strengthening Australia dollar. The North American operation increased revenues by 5.2% and the European operation revenues increased by 8.4%. Contract margins fell by approximately 6% in comparison to those earned in FY 11, predominantly due to a reduction in phase 2 activities in the year.

CPT Global's revenue for the year ended 30 June 2012 was \$39.5 million, a 4% increase on the previous year's revenue of \$38.1 million.

CPT Global's net profit after tax for the year ended 30 June 2012 was \$0.6m, a reduction of \$0.45m on the 30 June 2011 result.

No dividend has been declared for the second half of the financial year, although a 1.5 cent per share dividend was declared in the first half.

Basic earnings per share amounted to 1.66 cents per share (diluted earnings 1.66 cents per share).

CPT Global's balance sheet reflected net tangible assets of \$5.56m as at 30 June 2012 (\$5.96m 30 June 2011) with net cash holdings of \$1.1m at 30 June 2012 (\$0.9m 30 June 2011).

From a market development standpoint, CPT closed the year with an opportunity pipeline of \$50.2m, \$15.1m in the Australian market and \$35.1m in the international markets.

## Managing Director's Review continued

### Strategy

The Australian business strategy comprises two key components. Firstly, from a service offering standpoint, we will continue to enhance and refine the methods and processes behind our ongoing service capability in the areas of capacity planning, performance tuning and testing, to achieve solution based service offerings. This will lead to enhanced service delivery efficiencies, more competitive pricing and margin expansion. Secondly, from a sales and market standpoint, we will continue to build our client base with logically selected, blue chip clients bringing them value from the start of the engagement, leading to a growing client footprint. All existing clients have well articulated account service plans in place, targeting the continuation of this strategy.

For the International business, we will continue leveraging the business development investments of the past, converting many of the phase 1 exploratory cost reduction assignments already undertaken, to the more lucrative phase 2 engagements where substantial savings are identified and passed on to clients. This will ultimately lead to growing the annuity revenue base by taking on long term engagements at the completion of the phase 2 assignments to protect client cost efficiencies on an ongoing basis. We expect margins to increase as the number of phase 2 engagements increase, as these typically provide the company with its largest reward for services provided.

As we continue to pursue new markets such as Asia and South America, we will continue to leverage existing business partnerships and Austrade, to properly qualify opportunities and subsequently engage with new clients.

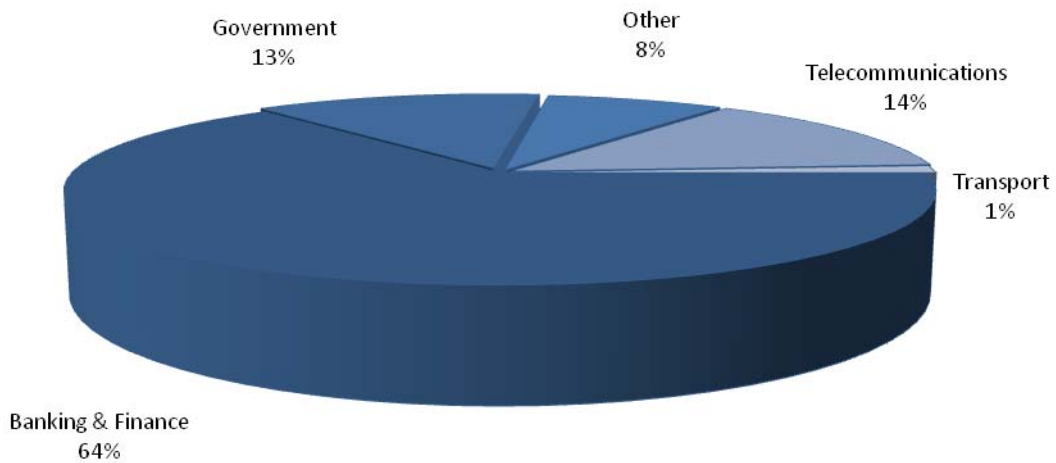
Continued growth of the Australian Capacity Planning and Performance Tuning Center of Excellence will add to the scale and flexibility of the company's service offering by enhancing the capability of remotely providing service simultaneously to a range of overseas clients in various geographic locations.

## Managing Director's Review continued

### CPT Worldwide Market by Sector and Line of Business

Detailed below is an illustration of the business sectors that CPT provides services to globally. While CPT remains in the same market sectors and lines of business as prior years, the last year has seen a continued growth in the Banking and Finance sector in each geography, coming from a reduction in the Government and Telecommunications sectors.

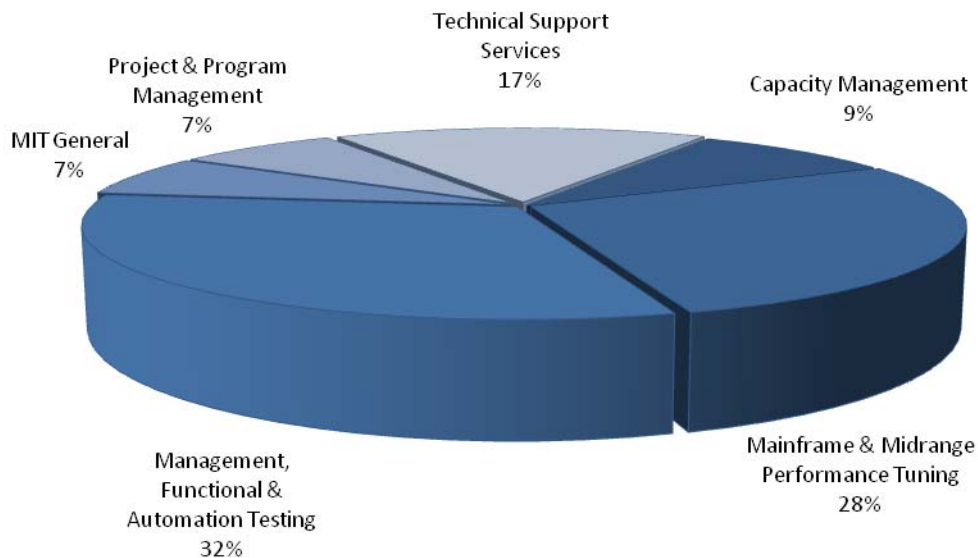
Revenue by Sector (Worldwide)



This shift has also led to a change in the revenue earned from CPT's various lines of business, where the provision of Testing services has grown by 7% as Capacity Management and Project and Program Management services reduced by 3% and 2% respectively. This is testament to the flexibility of the CPT resource base which is able to scale up and down as required to suit changing client requirements.

## Managing Director's Review continued

Revenue by Line of Business (Worldwide)



### Key Highlights

The following key highlights were achieved in 2011/12:

- 1) The establishment of a number of new tier one accounts in the Australian marketplace;
- 2) The continued enhancement of the Australian based Capacity Planning and Performance Tuning Centre of Excellence to drive the remote provision of services to overseas locations on a scalable basis;
- 3) Internationally, the commencement of five large phase 2 success fee engagements and two proof of concept engagements with large clients, which will underpin growth of the international business in the near term;
- 4) The commencement of work at CPT's first Asian client;
- 5) The continued expansion of CPT's cost minimisation methodologies from the mainframe to the mid range environment;
- 6) Winning the 2011 Governor of Victoria Export Award for the IT and ICT industry.

### 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 is 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.



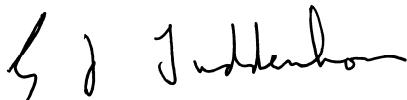
## Managing Director's Review continued

### Outlook

The Australian market is expected to remain tough for the foreseeable future. Notwithstanding this, we expect growth to be achieved in the Melbourne and Sydney markets, as we leverage our strategic relationships and new tier one client accounts. We anticipate that revenue from our Federal division will remain flat for the foreseeable future.

Although the international economic environment will remain tight and unpredictable, we believe the International business will grow at a faster rate over the next few years based on CPT's proven value proposition and very strong opportunity pipeline. Margins will remain strong due to (1) the increased number of phase 2 engagements and (2) increased resource scalability as the level of services provided offshore by the Australian Centre of Excellence increases.

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

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## Consolidated Statement of Comprehensive Income

YEAR ENDED 30 JUNE 2012

Notes

		2012 \$'000	2011 \$'000
Revenue		39,450	38,086
Other income		22	22
Salaries and employee benefits expense		(3,562)	(3,000)
Consultants benefits expense		(30,570)	(28,818)
Depreciation and amortisation expenses		(148)	(129)
Insurance expense		(251)	(240)
Finance costs		(58)	(110)
Lease expenses		(484)	(432)
Other expenses		(4,008)	(3,929)
<b>PROFIT BEFORE INCOME TAX</b>		<b>391</b>	<b>1,450</b>
<b>INCOME TAX EXPENSE</b>		<b>217</b>	<b>(398)</b>
<b>PROFIT AFTER INCOME TAX</b>		<b>608</b>	<b>1,052</b>
<b>Other Comprehensive Loss:</b>			
Exchange differences on translating foreign controlled entities		(65)	(313)
<b>Total Other Comprehensive Loss for the year, net of tax</b>		<b>(65)</b>	<b>(313)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>543</b>	<b>739</b>
<b>PROFIT ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>		<b>608</b>	<b>1,052</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>		<b>543</b>	<b>739</b>
Basic earnings per share (cents per share)	3	1.66	2.87
Diluted earnings per share (cents per share)	3	1.66	2.85

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 2012

	2012 \$'000	2011 \$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,114	884
Trade and other receivables	7,051	6,852
Unbilled revenue	3,866	3,199
Current Tax Asset	246	116
Other current assets	403	385
<b>TOTAL CURRENT ASSETS</b>	<b>12,680</b>	<b>11,436</b>
<b>NON-CURRENT ASSETS</b>		
Deferred tax assets	855	425
Property, plant and equipment	170	246
Intangible assets	7,341	7,321
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,366</b>	<b>7,992</b>
<b>TOTAL ASSETS</b>	<b>21,046</b>	<b>19,428</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	7,674	5,645
Current tax liabilities	116	174
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,790</b>	<b>5,819</b>
<b>NON-CURRENT LIABILITIES</b>		
Trade and other payables	-	28
Other long term provisions	354	305
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>354</b>	<b>333</b>
<b>TOTAL LIABILITIES</b>	<b>8,144</b>	<b>6,152</b>
<b>NET ASSETS</b>	<b>12,902</b>	<b>13,276</b>
<b>EQUITY</b>		
Issued capital	12,075	12,075
Reserves	258	321
Retained earnings	569	880
<b>TOTAL EQUITY</b>	<b>12,902</b>	<b>13,276</b>

## Consolidated Statement of Changes in Equity

### YEAR ENDED 30 JUNE 2012

	\$'000	\$'000	\$'000	\$'000	\$'000
	Issued capital Ordinary	Retained Earnings	Equity Reserve	Foreign Currency Translation Reserve	Total
Balance at 1 July 2010	12,075	379	1,670	(1,056)	13,068
<b>Comprehensive Income</b>					
Profit for the year	-	1,052	-	-	1,052
Other comprehensive loss	-	-	-	(313)	(313)
<b>Total comprehensive income/(loss) for the year</b>	-	1,052	-	(313)	739
<b>Transactions with owners, in their capacity as owners</b>					
Share based payments	-	-	20	-	20
Dividends paid or provided for	-	(551)	-	-	(551)
<b>Total transactions with owners, in their capacity as owners</b>	-	(551)	20	-	(531)
<b>Balance at 30 June 2011</b>	<b>12,075</b>	<b>880</b>	<b>1,690</b>	<b>(1,369)</b>	<b>13,276</b>
<b>Balance at 1 July 2011</b>	<b>12,075</b>	<b>880</b>	<b>1,690</b>	<b>(1,369)</b>	<b>13,276</b>
<b>Comprehensive Income</b>					
Profit for the year	-	608	-	-	608
Other comprehensive loss	-	-	-	(65)	(65)
<b>Total comprehensive income/(loss) for the year</b>	-	608	-	(65)	543
<b>Transactions with owners, in their capacity as owners</b>					
Share based payments	-	-	-	-	-
Dividends paid or provided for	-	(917)	-	-	(917)
<b>Total transactions with owners, in their capacity as owners</b>	-	(917)	-	-	(917)
<b>Balance at 30 June 2012</b>	<b>12,075</b>	<b>571</b>	<b>1,690</b>	<b>(1,434)</b>	<b>12,902</b>

## Consolidated Statement of Cash Flows

YEAR ENDED 30 JUNE 2012

	2012	2011
	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	40,890	40,713
Payments to suppliers and employees	(39,014)	(39,192)
Interest received	1	1
Finance costs	(58)	(110)
Income tax paid	(402)	(248)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	<u>1,417</u>	<u>1,164</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, software	(91)	(55)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	<u>(91)</u>	<u>(55)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowings	(38)	(46)
Payment of dividends on ordinary shares	(917)	(551)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	<u>(955)</u>	<u>(597)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD	371	512
Add opening cash & cash equivalents brought forward	884	523
Effects of exchange rate changes on cash and cash equivalents	(141)	(151)
CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u><u>1,114</u></u>	<u><u>884</u></u>

## Notes to the Preliminary Final Report

YEAR ENDED 30 JUNE 2012

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

	2012	2011
	\$'000	\$'000
(a) Dividends paid during the year		
<i>Current year interim</i>		
Franked dividends (1.5c per share) (2011: 1.5c per share)	551	551
<i>Previous year final</i>		
Franked dividends (1.0c per share) (2010: 0.0c per share)	366	-
	<u>917</u>	<u>551</u>
 (b) Dividends proposed and not recognised as a liability		
• Franked dividends (0.0c per share) (2011: 1.0c per share)	-	367
	<u>-</u>	<u>367</u>

### 2. EVENTS AFTER THE BALANCE SHEET DATE

(a) On 22<sup>nd</sup> August 2012 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 2013. 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 2009 until 27<sup>th</sup> August 2014.

### 3. EARNINGS PER SHARE

	2012	2011
	\$'000	\$'000
(a) The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Net profit	608	1,052
Adjustments:	-	-
Earnings used in calculating basic and diluted earnings per share	<u>608</u>	<u>1,052</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	-	199,996
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	<u>36,716,364</u>	<u>36,916,360</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.

A handwritten signature in blue ink, appearing to read 'E. Opolion', is positioned above the name of the signatory.

Elliot Opolion (Company Secretary)

29 August 2012