

Appendix 4E

Preliminary final report

Name of entity

PACIFICA GROUP LIMITED

1.1 Reporting period

Financial year ended 31 December 2008

1.2 Previous corresponding period

Financial year ended 31 December 2007



**This document contains the financial year information given to ASX
under listing rule 4.3A.**

**The item numbering used in this report is the same as that used
in listing rule 4.3A.**

Appendix 4E

Preliminary final report

Name of entity

PACIFICA GROUP LIMITED

ABN

69 006 530 641

Financial year ended

31 December 2008

2. Results for announcement to the market

\$A'000

2.1 Total revenue from continuing operations	down	17.4%	to	547,204
2.2 (a) Profit (loss) after tax for the period attributable to equity holders of the parent before significant items	down	495.0%	to	(60,886)
2.2 (b) Profit (loss) after tax for the period attributable to equity holders of the parent after significant items	down	profit to loss	to	(242,013)
2.3 Net profit (loss) for the period attributable to equity holders of the parent	down	profit to loss	to	(242,013)
2.4 Dividends				

Due to the absence of profits for the reporting period, the Board has resolved that no dividend is payable in respect of the reporting period.

2.5 Record date for determining entitlements to the dividend

Not applicable.

2.6 A brief explanation of any of the figures reported above

Please refer to the Pacifica Group Limited Profit Report which is included as Attachment 1 to this Appendix 4E Preliminary Final Report.

3.0 Consolidated Income Statement for the year ended 31 December 2008

	Item	2008 \$000	2007 \$000
Sale of goods		545,478	659,073
Finance income		1,142	3,288
Royalty income		584	422
Revenue from continuing operations		547,204	662,783
Cost of sales		(563,466)	(646,092)
Gross profit (loss)		(16,262)	16,691
Other income	3.1	22,493	13,073
Selling and distribution expenses		(16,398)	(16,445)
Administration expenses		(18,300)	(24,180)
Research and development expenses		(18,852)	(16,082)
Other expenses	3.2	(193,758)	(39,594)
Profit (loss) before tax and finance costs		(241,077)	(66,537)
Finance costs	3.3	(5,793)	(15,702)
Share of profit (loss) of associate	4.1	(6,859)	(757)
Profit (loss) before income tax		(253,729)	(82,996)
Tax (expense) income	3.5	(15,769)	14,324
Profit (loss) from continuing operations		(269,498)	(68,672)
Profit from discontinued operations	3.6	-	81,741
Profit (loss) for the period		(269,498)	13,069
Profit (loss) for the period attributable to:			
Equity holders of the parent entity		(242,013)	21,367
Minority interest		(27,485)	(8,298)
		(269,498)	13,069
		cents	cents
Earnings per share for profit (loss) from continuing operations attributable to the ordinary equity holders of the parent entity			
Basic and diluted earnings per share	3.7	(171.0)	(42.9)
Earnings per share for profit (loss) attributable to the ordinary equity holders of the parent entity			
Basic and diluted earnings per share	3.7	(171.0)	15.2

Notes to the Consolidated Income Statement

	2008	2007
	\$000	\$000
3.1 Other income		
Government grants	6,525	7,867
Net foreign exchange gains	9,116	-
Sundry other income	6,852	5,206
	22,493	13,073
3.2 Other expenses		
Change of control costs	-	15,222
Expense of share-based payments	-	380
Impairment loss on intangibles	6,867	-
Impairment loss on plant and equipment	167,870	4,215
Impairment loss on trade receivables	107	931
Net loss on disposal of property, plant and equipment	4,150	1,045
Rationalisation costs	14,764	17,801
	193,758	39,594
3.3 Other specific expenses included in the income statement		
Amortisation of intangibles	3,664	2,645
Depreciation of property, plant and equipment	47,660	49,957
Net foreign exchange losses	-	2,189
Operating lease expense	5,052	5,452
Employee benefits expense:		
wages and salaries	86,444	102,805
social security costs	2,730	2,868
contributions to defined contribution plans	7,517	8,485
expense of share-based payments	-	6,107
	96,691	120,265
Finance costs:		
borrowing costs on loans and overdrafts	6,249	14,183
finance charges payable under finance leases	4	6
penalty on prepayment of private placement notes	-	2,702
borrowing costs capitalised to property, plant and equipment	(460)	(1,252)
loss on fair value derivatives	-	63
	5,793	15,702

Notes to the Consolidated Income Statement

	Attributable to:				
	Pre-tax	Tax	Profit for	Parent	Minority
	profit	expense	the period	interest	interest
	2008	2008	2008	2008	2008
	\$000	\$000	\$000	\$000	\$000
3.4 Individually significant income and expense items					
Included in other expenses:					
impairment of intangibles	(6,867)	-	(6,867)	(6,867)	-
impairment of plant and equipment	(167,870)	-	(167,870)	(156,661)	(11,209)
Included in share of profit (loss) of associate:					
write-down of deferred tax asset	(2,581)	-	(2,581)	(2,581)	-
Included in tax (expense) income:					
write-down of deferred tax asset	-	(15,018)	(15,018)	(15,018)	-
	2007	2007	2007	2007	2007
	\$000	\$000	\$000	\$000	\$000
Included in other expenses:					
change of control costs	(15,222)	2,849	(12,373)	(12,373)	-
impairment of plant and equipment	(4,215)	1,357	(2,858)	(2,858)	-
rationalisation costs	(17,801)	5,161	(12,640)	(12,259)	(381)
Included in finance costs:					
penalty on prepayment of private placement notes	(2,702)	1,756	(946)	(946)	-
Included in share of profit (loss) of associate:					
rationalisation costs	(657)	-	(657)	(657)	-
Included in tax expense:					
derecognition of unused tax losses	-	(12,771)	(12,771)	(12,771)	-

Impairment of plant and equipment and intangibles

Following completion of the three year business plan, it was determined that the carrying value of plant and equipment and intangibles used in the production of brake components was in excess of their recoverable amount as measured by the present value of estimated future cash flows. An impairment loss has been recognised for the carrying value of deferred development costs included in the Australian business; and plant and equipment has been impaired in each of the Australian, US and Asian brake manufacturing businesses.

Based on value in use calculations, the carrying value of plant and equipment associated with the friction materials manufacturing businesses was determined not to be impaired.

Notes to the Consolidated Income Statement

3.4 Individually significant income and expense items (continued)

Write-down of deferred tax asset

In the current operating environment, it has been determined that it is no longer probable that sufficient Australian taxable profit will be available in the foreseeable future to allow the benefit of the Australian deferred tax asset to be utilised. The entire carrying value of the deferred tax asset as at 1 January 2008 has been written down.

Rationalisation costs

In the previous corresponding period, redundancy costs and asset write-offs associated with rationalisation of Australian and US automotive activities were disclosed as a significant item. Included in other expenses of the reporting period is \$14,764,000 of rationalisation costs, comprising redundancy costs and asset write-offs associated with Australian automotive activities. This amount is not treated as an individually significant item in the reporting period because Directors believe that, in an environment in which the global automotive industry is undergoing rationalisation, the expense is part of normal business activities and separate disclosure is not material to an understanding of the financial report.

Change of control costs (previous corresponding period)

On 4 March 2007, Robert Bosch Investment Nederland B.V. (Bosch) announced that its offer for all the shares in the Company had closed and that it had achieved acceptances of some 75% of the Company's issued capital. Consequential change of control costs include (i) acceleration of the expensing of the fair value of options and performance rights; (ii) success fees and other amounts paid to advisors; and (iii) retention and other payments made to executives.

Impairment of plant and equipment (previous corresponding period)

Following completion of the 2007 three year business plan, a detailed review of the Group's asset registers was undertaken to identify significantly under-utilised items of plant and equipment. An impairment loss was recognised for certain items of plant and equipment based on recoverable amount determined by value-in-use calculations.

Penalty on prepayment of private placement notes (previous corresponding period)

Following a review of the Group's funding arrangements, the fixed interest 10 year notes were prepaid. Under the terms of the notes, a make-whole payment was also made.

Derecognition of unused tax losses (previous corresponding period)

As a result of change of control, statutory limitations were imposed on the utilisation of unused US tax losses. The amount in excess of the statutory limitation has been written off.

Notes to the Consolidated Income Statement

	2008	2007
	\$000	\$000
3.5 Numerical reconciliation of income tax expense (income) to prima facie tax payable		
Profit (loss) before income tax from continuing operations	(253,729)	(82,996)
Tax expense (income) using the Australian domestic corporation tax rate of 30% (2007: 30%)	(76,119)	(24,899)
Increase in tax expense due to:		
non-deductible depreciation and amortisation	100	95
other non-deductible expenses	120	2,267
effect of tax losses not recognised	53,236	-
minority shareholder's share of tax income	9,919	3,366
offshore losses at lower tax rates	12,628	-
share of associate's net loss	2,058	227
significant tax item - derecognition of unused tax losses	-	12,771
significant tax item - write-down of deferred tax asset	15,018	-
Decrease in tax expense due to:		
offshore profits at lower tax rates	-	(4,392)
research and investment allowances	(531)	(516)
other tax exempt items	(1,101)	(2,638)
	15,328	(13,719)
Under (over) provided in prior years	441	(605)
Tax expense (income) on pre-tax profit (loss)	15,769	(14,324)

3.6 Discontinued operations (previous corresponding period)

With effect from 31 August 2007, the Group sold for cash its 100% interest in the shares of Pacifica European Holdings Ltd, a company which held 100% of the shares of Automotive Products Italia (SV) Srl, together comprising 'AP Italia'. AP Italia represented a separate major geographical area of operations, constituting the European segment of the Group's activities, and on this basis is disclosed in this financial report as a discontinued operation.

Financial details of the discontinued operation are included on page 8 and financial details of the disposal are included in page 14.

Notes to the Consolidated Income Statement

	2008	2007
	\$000	\$000
3.6 Discontinued operations (previous corresponding period) (continued)		
Financial performance and cash flow information for the eight months ended 31 August 2007		
Sale of goods	-	92,231
Finance income	-	25
Revenue	-	92,256
Expenses	-	(77,971)
Profit before income tax	-	14,285
Tax expense	-	(6,008)
Profit after income tax of discontinued operations	-	8,277
Gain on disposal of discontinued operations before income tax	-	73,464
Related income tax expense	-	-
Gain on disposal of discontinued operations after income tax	-	73,464
Profit from discontinued operations	-	81,741
Net cash from operating activities	-	18,090
Net cash provided by (used in) investing activities	-	(5,138)
Net cash provided by (used in) financing activities:		
repayment of borrowings	-	(6,731)
Net increase in cash and cash equivalents held by discontinued operations	-	6,221

	Continuing operations	
	2008	2007
	\$000	\$000
Restatement of consolidated cash flow statement to exclude cash flows from discontinuing operations		
Net cash inflow (outflow) from operating activities	(10,023)	709
Net cash provided by (used in) investing activities	(33,063)	74,747
Net cash provided by (used in) financing activities	43,414	(79,886)
Net increase (decrease) in cash and cash equivalents held by continuing operations	328	(4,430)

Notes to the Consolidated Income Statement

	2008 cents	2007 cents
3.7 Earnings per share (EPS)		
Basic EPS and diluted EPS:		
from continuing operations including significant items	(171.0)	(42.9)
from continuing operations excluding significant items	(43.0)	(13.2)
profit from discontinued operations	-	58.1
profit attributable to the ordinary equity holders of the parent	(171.0)	15.2
	2008 \$000	2007 \$000
Reconciliation of profit (loss) used in the calculation of basic and diluted EPS		
Profit (loss) for the period attributable to equity holders of the parent entity	(242,013)	21,367
Deduct profit from discontinued operations	-	(81,741)
Profit (loss) from continuing operations attributable to equity holders of the parent entity including significant items	(242,013)	(60,374)
Add back individually significant loss items from continuing operations attributable to equity holders of the parent entity:		
write-down of deferred tax asset	17,599	-
change of control costs	-	12,373
derecognition of unused tax losses	-	12,771
impairment of intangibles	6,867	-
impairment of plant and equipment	156,661	2,858
penalty on prepayment of private placement notes	-	946
rationalisation costs	-	12,916
Profit (loss) from continuing operations attributable to equity holders of the parent entity excluding significant items	(60,886)	(18,510)
	2008 number	2007 number
Weighted average number of ordinary shares		
Used as the denominator in calculating basic and diluted EPS	141,544,781	140,644,110

4.0 Consolidated Balance Sheet as at 31 December 2008

	Item	2008 \$000	2007 \$000
ASSETS			
Cash and cash equivalents		53,187	72,529
Trade and other receivables		86,044	95,776
Inventories		53,085	42,945
Current tax assets		262	866
Total current assets		192,578	212,116
Trade and other receivables		11,648	10,176
Investments accounted for using the equity method	4.1	8,994	15,853
Deferred tax assets		-	14,305
Property, plant and equipment		194,101	338,875
Intangible assets		-	10,201
Total non-current assets		214,743	389,410
Total assets		407,321	601,526
LIABILITIES			
Trade and other payables		90,381	82,252
Borrowings		214,746	139,300
Current tax liabilities		425	553
Provisions, including employee benefits		23,544	27,341
Deferred government grants		1,255	2,442
Total current liabilities		330,351	251,888
Borrowings		-	30
Deferred tax liabilities		270	412
Provisions, including employee benefits		319	1,000
Deferred government grants		14,731	15,225
Total non-current liabilities		15,320	16,667
Total liabilities		345,671	268,555
Net assets		61,650	332,971
EQUITY			
Issued capital	4.2	223,044	223,044
Reserves	4.2	12,061	18,895
Retained earnings		(197,748)	44,265
Equity attributable to equity holders of the parent entity		37,357	286,204
Minority interest		24,293	46,767
Total equity		61,650	332,971

Notes to the Consolidated Balance Sheet

	2008	2007
	\$000	\$000

4.1 Investments accounted for using the equity method

The Group has a 49% interest (2007: 49%) in FMP Group (Australia) Pty Ltd, an Australian resident company whose principal activity is the manufacture and sale of friction materials.

Carrying value of investment in associate

Equity accounted investment in associate	16,217	23,076
Accumulated impairment loss	(7,223)	(7,223)
	8,994	15,853

Group's share of associate's:

Profit (loss) before income tax	(4,348)	(1,105)
Tax (expense) income	(2,025)	210
Profit (loss) for the period as disclosed by associate	(6,373)	(895)
Adjustment for dissimilar accounting treatment	(494)	96
Adjustment for unrealised profit in inventory	8	42
Net profit (loss) for the period	(6,859)	(757)

4.2 Issued capital and reserves

Issued capital

Ordinary shares issued 141,544,781 (2007: 141,544,781)	223,044	223,044
--	---------	---------

	Employee equity benefits	Foreign currency translation	Total
	2008	2008	2008
	\$000	\$000	\$000
Reserves			
Balance at the beginning of the period	10,775	8,120	18,895
Currency translation differences	-	(6,834)	(6,834)
Balance at the end of the period	10,775	1,286	12,061

5.0 Consolidated Cash Flow Statement for the year ended 31 December 2008

Item	2008 \$000	2007 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	574,149	753,179
Payments to suppliers and employees	(578,077)	(717,366)
Cash generated from (used by) operations	(3,928)	35,813
Interest received	1,226	3,227
Interest paid and expensed in the income statement	(6,105)	(15,368)
Income taxes paid	(1,216)	(4,873)
Net cash inflow (outflow) from operating activities	(10,023)	18,799
	5.1	
CASH FLOWS FROM INVESTING ACTIVITIES		
Development expenditure	(330)	(2,866)
Proceeds from sale of property, plant and equipment	1,620	56
Proceeds from disposal of subsidiaries net of cash disposed	-	103,368
	5.2	
Purchase of property, plant and equipment	(33,893)	(29,697)
Interest paid and capitalised to property, plant and equipment	(460)	(1,252)
Net cash provided by (used in) investing activities	(33,063)	69,609
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	2,372
Proceeds from borrowings	126,101	78,155
Repayment of borrowings	(81,852)	(166,355)
Dividends paid to minority interest	(835)	(789)
Net cash provided by (used in) financing activities	43,414	(86,617)
Net increase (decrease) in cash and cash equivalents	328	1,791
Cash and cash equivalents at the beginning of the period	72,529	69,793
Effect of exchange rate changes on cash held	(19,670)	945
Cash and cash equivalents at the end of the period	53,187	72,529

Cash flows for the previous corresponding period include cash inflows (outflows) from operating, investing and financing activities of discontinued operations. For a comparison of cash flows from continuing operations, refer to Item 3.6.

Notes to the Consolidated Cash Flow Statement

	2008 \$000	2007 \$000
5.1 Reconciliation of profit (loss) for the period to net cash inflow (outflow) from operating activities		
Profit (loss) for the period	(269,498)	13,069
Adjustments for:		
Depreciation and amortisation	51,324	57,765
Expense of share-based payments	-	6,107
Impairment loss on intangibles	6,867	-
Impairment loss on plant and equipment	167,870	4,215
Change in fair value of derivative financial instruments	-	59
(Profit) loss on disposal of property, plant and equipment	4,150	7,373
Profit on disposal of subsidiaries	-	(73,248)
Share of associate's net (profit) loss	6,859	757
Increase (decrease) in current and deferred taxes payable	14,553	(13,189)
Net cash from operating activities before changes in working capital and provisions	(17,875)	2,908
(Increase) decrease in trade and other receivables	28,072	3,336
(Increase) decrease in inventories	(2,306)	4,810
Increase (decrease) in payables and provisions	(16,233)	10,826
Increase (decrease) in deferred government grants	(1,681)	(3,081)
Net cash inflow (outflow) from operating activities	(10,023)	18,799

5.2 Disposal of subsidiaries (previous corresponding period)

With effect from 31 August 2007, the Group sold for cash its 100% interest in the shares of Pacifica European Holdings Ltd, a company which held 100% of the shares of Automotive Products Italia (SV) Srl, together comprising 'AP Italia'.

In financial year ended 31 December 2006, the Group sold for cash its 100% interest in the shares of Melwire Pty Ltd and Mounts Wire Industries Ltd, together comprising 'Melwire Group'. In the previous corresponding period, settlement of the deferred consideration was finalised.

Financial details of the disposals are disclosed on page 14.

Notes to the Consolidated Cash Flow Statement

	2008	2007
	\$000	\$000
5.2 Disposal of subsidiaries (previous corresponding period)		
(continued)		
Cash consideration received	-	105,319
Cash in subsidiaries disposed	-	(1,951)
Total consideration net of cash disposed	-	103,368
Represented by disposal of:		
AP Italia	-	103,084
Melwire Group	-	284
	-	103,368
Book value of net assets disposed:		
Receivables	-	34,641
Inventories	-	8,904
Property, plant and equipment	-	42,361
Intangibles	-	25,871
Current and deferred tax liabilities	-	(11,697)
Borrowings	-	(27,215)
Payables, including deferred income	-	(33,889)
Provisions, including employee benefits	-	(8,838)
Net identifiable assets and liabilities	-	30,138
Excess of consideration over net assets disposed	-	73,230
Related cumulative foreign currency translation reserve	-	18
Net gain on disposal of subsidiaries	-	73,248
Represented by disposal of:		
AP Italia	-	73,464
Melwire Group	-	(216)
	-	73,248

5.3 Consolidated Statement of Changes in Equity for the year ended 31 December 2008

	Equity holders of the parent entity				Minority interest \$000	Total equity \$000
	Issued capital \$000	Reserves \$000	Retained earnings \$000	Total \$000		
At 1 January 2007	220,672	9,161	22,898	252,731	60,537	313,268
Currency translation differences	-	3,627	-	3,627	(4,683)	(1,056)
Total income and expense recognised directly in equity for the period	-	3,627	-	3,627	(4,683)	(1,056)
Profit (loss) for the period	-	-	21,367	21,367	(8,298)	13,069
Total income and expense	-	3,627	21,367	24,994	(12,981)	12,013
Transactions with equity holders:						
Expense of share-based payments	-	6,107	-	6,107	-	6,107
Issue of share capital	2,372	-	-	2,372	-	2,372
Dividends	-	-	-	-	(789)	(789)
At 31 December 2007	223,044	18,895	44,265	286,204	46,767	332,971
At 1 January 2008	223,044	18,895	44,265	286,204	46,767	332,971
Currency translation differences	-	(6,834)	-	(6,834)	5,846	(988)
Total income and expense recognised directly in equity for the period	-	(6,834)	-	(6,834)	5,846	(988)
Profit (loss) for the period	-	-	(242,013)	(242,013)	(27,485)	(269,498)
Total income and expense	-	(6,834)	(242,013)	(248,847)	(21,639)	(270,486)
Transactions with equity holders:						
Expense of share-based payments	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-
Dividends	-	-	-	-	(835)	(835)
At 31 December 2008	223,044	12,061	(197,748)	37,357	24,293	61,650

Information required under listing rule 4.3A

	2008	2007
	\$000	\$000
6.0 Details of individual and total dividends		
During the reporting period and previous corresponding period		
No dividends were recognised in the current reporting period and previous corresponding period by the Company.	-	-
Subsequent to the end of the year		
No final dividend has been declared due to absence of profits for the period.		
7.0 Details of dividend reinvestment plans		
The Pacifica Group Limited Dividend Reinvestment Plan was suspended with effect from the interim 2001 dividend paid 5 October 2001.		
8.0 Statement of retained earnings		
Movements in the retained earnings account are presented in the Consolidated Statement of Changes in Equity at Item 5.3.		
	2008	2007
	\$	\$
9.0 Net tangible assets per security		
Net tangible assets per ordinary security	\$0.26	\$1.95
10.0 Details of entities over which control has been gained or lost		
There were no acquisitions or disposals for the reporting period. Details of disposals for the previous corresponding period are disclosed in Item 5.2.		
11.0 Details of associates		
Details of associates are disclosed in Item 4.1.		

Information required under listing rule 4.3A

12.1 Any other significant information - Segment Reporting

	Continuing operations				Discontinued	Consolidated
	Australia	USA	Asia	Total	operations	
	2008	2008	2008	2008	Europe	
	\$000	\$000	\$000	\$000	2008	2008
					\$000	\$000
Segment revenue						
Sale of goods	186,810	320,737	37,931	545,478	-	545,478
Royalty income	584	-	-	584	-	584
Revenue from external customers	187,394	320,737	37,931	546,062	-	546,062
Inter-segment revenue	22,021	-	41,436	63,457	-	63,457
Segment revenue	209,415	320,737	79,367	609,519	-	609,519
Inter-segment elimination				(63,457)	-	(63,457)
Unallocated revenue				1,142	-	1,142
Consolidated revenue				547,204	-	547,204
Segment result						
Operating segment result	(12,271)	(50,146)	(3,637)	(66,054)	-	(66,054)
Significant items	(62,949)	(57,540)	(54,248)	(174,737)	-	(174,737)
Segment result	(75,220)	(107,686)	(57,885)	(240,791)	-	(240,791)
Associate's profit (loss)	(6,859)	-	-	(6,859)	-	(6,859)
Unallocated corporate expenses				(1,428)	-	(1,428)
Unallocated significant items				-	-	-
Net finance cost				(4,651)	-	(4,651)
Profit (loss) before income tax				(253,729)	-	(253,729)
Other segment information						
Capital expenditure	12,600	8,085	19,776	40,461	-	40,461
Impairment losses	62,788	57,777	54,279	174,844	-	174,844
Depreciation/amortisation	21,969	18,916	10,423	51,308	-	51,308
Unallocated				16	-	16
Total				51,324	-	51,324
Other non-cash expenses	3,225	922	3	4,150	-	4,150
Unallocated				-	-	-
Total				4,150	-	4,150

Information required under listing rule 4.3A

12.1 Any other significant information - Segment Reporting (continued)

	Continuing operations				Discontinued	Consolidated
	Australia	USA	Asia	Total	operations	
	2007	2007	2007	2007	Europe	
	\$000	\$000	\$000	\$000	2007	2007
					\$000	\$000
Segment revenue						
Sale of goods	191,093	417,568	50,412	659,073	92,231	751,304
Royalty income	422	-	-	422	-	422
Revenue from external customers	191,515	417,568	50,412	659,495	92,231	751,726
Inter-segment revenue	36,575	-	50,538	87,113	-	87,113
Segment revenue	228,090	417,568	100,950	746,608	92,231	838,839
Inter-segment elimination				(87,113)	-	(87,113)
Unallocated revenue				3,288	25	3,313
Consolidated revenue				662,783	92,256	755,039
Segment result						
Operating segment result	1,404	(34,824)	10,597	(22,823)	14,951	(7,872)
Significant items	(18,503)	(3,095)	(418)	(22,016)	73,464	51,448
Segment result	(17,099)	(37,919)	10,179	(44,839)	88,415	43,576
Associate's profit (loss)	(757)	-	-	(757)	-	(757)
Unallocated corporate expenses				(9,764)	-	(9,764)
Unallocated significant items				(15,222)	-	(15,222)
Net finance cost				(12,414)	(666)	(13,080)
Profit (loss) before income tax				(82,996)	87,749	4,753
Other segment information						
Capital expenditure	10,323	4,035	13,124	27,482	3,220	30,702
Impairment losses	2,856	2,121	169	5,146	104	5,250
Depreciation/amortisation	25,811	18,997	7,777	52,585	5,163	57,748
Unallocated				17	-	17
Total				52,602	5,163	57,765
Other non-cash expenses	6,135	1,257	6	7,398	-	7,398
Unallocated				6,166	-	6,166
Total				13,564	-	13,564

Information required under listing rule 4.3A

12.1 Any other significant information - Segment Reporting (continued)

	Australia 2008 \$000	USA 2008 \$000	Asia 2008 \$000	Consolidated 2008 \$000
Segment assets and liabilities				
Segment assets	98,118	134,315	111,915	344,348
Investment in associate	8,994	-	-	8,994
Operating assets	107,112	134,315	111,915	353,342
Cash assets				53,187
Income tax assets				262
Other unallocated assets				530
Total assets				407,321
Segment liabilities	61,647	46,481	20,930	129,058
Borrowings				214,746
Income tax liabilities				695
Other unallocated liabilities				1,172
Total liabilities				345,671
	2007 \$000	2007 \$000	2007 \$000	2007 \$000
Segment assets	184,997	188,098	124,416	497,511
Investment in associate	15,853	-	-	15,853
Operating assets	200,850	188,098	124,416	513,364
Cash assets				72,529
Income tax assets				15,171
Other unallocated assets				462
Total assets				601,526
Segment liabilities	70,544	39,536	15,271	125,351
Borrowings				139,330
Income tax liabilities				965
Other unallocated liabilities				2,909
Total liabilities				268,555

Information required under listing rule 4.3A

12.2 Any other significant information - Contingent Assets

In April 2007, Internet Corporation, a key supplier to the Group's US plants, alleged that it was not contractually bound to continue the supply of cast iron components. The Company rejected the supplier's interpretation of the contractual arrangements and the matter was referred to arbitration in the US.

In August 2008, Internet Corporation filed for Chapter 11 protection with the US Bankruptcy Court which effectively put a stay on the arbitration proceedings. The US Bankruptcy Court will determine whether arbitration will proceed or whether the pricing dispute will be dealt with as part of the overall Chapter 11 proceedings.

In order to ensure continued supply of essential components, the Group has agreed to pay Internet significantly higher prices, the cost of which has been expensed as incurred. Prior to Internet filing for Chapter 11 protection, arbitration outcome in the Group's favour was considered probable and the supplier would have been required to repay a sum equivalent to the increase in the component prices and also costs associated with the dispute. Directors have received legal advice that, due to the Chapter 11 proceedings, the maximum recovery under an outcome in the Group's favour is now approximately \$7 million with resolution not expected until the second half of 2009.

Following the expiry of the Internet contracts on 1 January 2009, the Group has switched to a new supplier.

13.0 For foreign entities, accounting standards used in compiling the report

Not applicable to Pacifica Group Limited.

14.0 Commentary on the results and other significant investor information

14.1 Earnings per share

Details of earnings per share and the nature of any dilution aspects are disclosed at Item 3.7

14.2 Returns to shareholders including distributions and buy backs

Not applicable to the current and previous corresponding periods.

14.3 Significant features of operating performance

14.4 Results of segments

14.5 Discussion of trends

14.6 Any other factors which affected the result or may affect the result in the future

} Please refer to the Pacifica Group Profit Report which is included as Attachment 1 to this Appendix 4E.

Annual Meeting

The Pacifica Group Limited Annual General Meeting will be held at 11.00 am on Friday, 15 May 2009 in the Latitude Theatre, Hemisphere Conference Centre & Hotel, 488 South Road, Moorabbin.

Compliance Statement

- 1 This report has been prepared in accordance with applicable Australian Accounting Standards adopted by the Australian Accounting Standards Board.
- 2 This report and the accounts upon which the report is based use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on accounts which are in the process of being audited.
- 5 Pacifica Group Limited has a formally constituted Audit Committee.

P H Rose
Company Secretary

Dated 18 February 2009

Attachment 1 - Pacifica Group Limited Profit Report dated 18 February 2009

Financial Summary	2008	2007	Fav (Unfav)
Year ended 31 December 2008	\$000	\$000	\$000
CONTINUING OPERATIONS			
Sales revenue	545,478	659,073	(113,595)
Cash EBIT (EBITDA)	(16,158)	21,440	(37,598)
Depreciation and amortisation	(51,324)	(52,602)	
Other non-cash expenses	-	(1,425)	
EBIT	(67,482)	(32,587)	(34,895)
Associate profit (loss)	(4,278)	(100)	(4,178)
Net interest	(4,651)	(9,712)	5,061
Tax (expense) income	(751)	15,972	(16,723)
Minority interest share of (profit) loss	16,276	7,917	8,359
Net operating profit (loss)	(60,886)	(18,510)	(42,376)
EPS (cents)	(43.0)	(13.2)	(29.8)
Significant profit (loss) items after tax	(181,127)	(41,864)	(139,263)
Net profit (loss) continuing operations	(242,013)	(60,374)	(181,639)
EPS (cents)	(171.0)	(42.9)	(128.1)
DISCONTINUED OPERATIONS			
Net operating profit	-	8,277	(8,277)
Profit on disposal	-	73,464	(73,464)
TOTAL NET PROFIT (LOSS)	(242,013)	21,367	(263,380)
EPS (cents)	(171.0)	15.2	(186.2)

REVIEW OF OPERATIONS

The Group recorded a net operating loss before significant items of \$61 million for the year ended 31 December 2008. This significant deterioration in the performance of the business reflects the severely depressed condition of the automotive industry worldwide, but particularly in North America. Vehicle sales in the US slumped from more than 16 million passenger cars and light trucks in 2007, to approximately 12 million in 2008. This trend, together with rising input costs, resulted in a significant decline in earnings for the Group's North American and Asian operations.

Attachment 1 - Pacifica Group Limited Profit Report dated 18 February 2009

A steep drop in demand in the fourth quarter of 2008, combined with extensive rationalisation costs, turned the Australia segment result from a profit of \$1.4 million in 2007 to a loss of \$12.3 million in 2008.

The reported net loss after tax and minorities of \$242 million included significant items of \$181 million resulting from impairment of intangibles, impairment of plant and equipment and a write-down of Australian deferred tax assets.

Financial Highlights for Continuing Operations

- Sales revenue decreased 17% from \$659 million to \$545 million.
- EBIT loss increased to \$67.5 million (\$32.6 million in 2007).
- Net loss before significant items of \$60.9 million, net loss after significant items of \$242 million.
- Loss per share of 171 cents.
- Net tangible assets per share decreased to \$0.26 from \$1.95 at the end of the previous corresponding period, largely as a result of impairment of non-current assets.
- Gearing (net debt to equity) was 262% at year end, up from 20% in the prior year. Excluding the non-cash impact of impairment of non-current assets, gearing at year end would have been 62%.

Operational Overview

- Escalation of the financial crisis in the fourth quarter of 2008 following the collapse of Lehman Brothers, leading to global credit markets shutting down.
- Significant drop in demand for vehicles worldwide, but particularly in the US, due to rising unemployment, automotive dealers' loss of access to trade finance and difficulties experienced by consumers sourcing finance to purchase vehicles.
- Integration of Pacifica into the Bosch Chassis Systems Brakes division. Pacifica's operations in North America and China have been reporting directly to the existing Bosch Chassis Systems division management in their respective regions since 1 April 2008.
- The imposed price increases by a supplier of iron castings, Intermet Corporation, continued to negatively impact the performance of Pacifica's Knoxville and Columbia operations (post tax and minority interest impact of \$14 million). On 11 August 2008, Intermet filed for Chapter 11 bankruptcy protection resulting in arbitration proceedings being halted. Since the expiry of the Intermet contracts on 1 January 2009, Pacifica has switched to a new supplier. Legal proceedings against Intermet are ongoing.
- Expansion of the machining and assembly facilities in Dalian, China completed.

Attachment 1 - Pacifica Group Limited Profit Report dated 18 February 2009

REVIEW OF FINANCIAL PERFORMANCE

Sales Revenue

Sales decreased \$114 million or 17% to \$545 million. The weak North American market accounted for the majority of the decline, but sales in Australia and Asia were also down.

Earnings before Interest and Tax (EBIT)

Factors contributing to the loss of \$67.5 million included:

- Reduced volumes in global automotive markets, especially in North America.
- Continued disputed price increases for iron castings imposed by Intermet.
- Rationalisation costs to bring operations in line with lower market volumes.

Finance Costs

The average interest rate on borrowings decreased from 6.5% to 4.0%. Net interest expense declined by 52% from \$9.7 million to \$4.7 million over the 12 months.

Minority Interest and Associate Result

- The minority interest reported in the income statement represents the share of profits or losses attributable to Pacifica's joint venture partners in the Knoxville, Tennessee brake plant and in the friction materials plants in Thailand and Malaysia.
- The increased minority interest share of losses reflects the crippling impact on Knoxville's performance arising from the disputed price increases imposed by Intermet and consequent increase in costs and loss of margin, combined with the volume downturn in North America.
- Pacifica holds a 49% interest in the Australian friction materials manufacturer FMP Australia. On an equity accounted basis, Pacifica's share of FMP Australia's operating loss after tax was \$4.3 million, and share of significant loss items was \$2.6 million.

Net Profit or Loss

Net loss before significant items was \$60.9 million; after significant items \$242 million.

Attachment 1 - Pacifica Group Limited Profit Report dated 18 February 2009

Significant Items

Significant items after tax amounted to a total charge of \$181.1 million, comprising:

- \$6.9 million impairment of intangibles.
- \$156.6 million impairment of plant and equipment.
- \$17.6 million write-down of Australian deferred tax assets.

Dividend

Given the lack of earnings, the Board has resolved that no dividend will be paid in respect of the period under review.

Balance Sheet

- The net asset value of the Group amounts to \$61.6 million, a decrease of 81% from the previous year end.
- Largely as a result of the impairment of non-current assets, net tangible assets per share decreased from \$1.95 at the previous year end to \$0.26 at balance date.
- Net working capital decreased by 9% as a result of increased trade and other payables.
- Property, plant and equipment decreased from \$339 million to \$194 million as a consequence of the decision to recognise an impairment loss.
- Borrowings increased from \$139 million to \$215 million. \$31 million of this increase is related to the depreciation of the Australian Dollar against the US Dollar. As a consequence, gearing (net debt to equity) increased to 262%. Excluding the non-cash impact of impairment of non-current assets, gearing at year end would have been 62%.

Cash Flow

- The shortfall in customer receipts was only partially offset by reduced payments to suppliers and employees, interest payments and tax payments, resulting in a cash outflow from operating activities.
- Capital expenditures of \$34 million and the operating cash outflow were funded by increased Group borrowings. Of the \$215 million borrowings at year end, \$118 million is drawn on a bank facility in the US, with the remainder being parent company loans. The bank facility expires in April 2009 and, as at the date of this release, management are finalising an agreement with Bosch to replace the bank loan with additional parent company loans. After refinancing the bank loan, all the Group's funding requirements will be provided by Bosch.

Attachment 1 - Pacifica Group Limited Profit Report dated 18 February 2009

- Cash and cash equivalents at year end declined by \$20 million due to unfavourable currency translation effects.

REVIEW OF GEOGRAPHIC SEGMENT PERFORMANCE

- The Group recorded operating losses in all of its geographic segments.
- The Australian segment loss of \$12.3 million includes rationalisation costs of \$14.8 million.
- The increases in losses in the US from \$34.8 million to \$50.1 million was largely driven by the significant volume related drop in sales revenues.
- Because of the amount of inter-company trading between the Group's Asian disc brakes operations and the US operations, the decline in vehicle volumes in North America resulted in the Asian operation recording a loss of \$3.6 million.

Not included in the above segment results are unallocated corporate expenses of \$1.4 million, down from \$9.8 million in the previous corresponding period.

