

# Appendix 4E

## Preliminary financial report

### Wellcom Group Limited

ACN 114 312 542

Current reporting period: Year ended 30 June 2010  
Previous reporting period: Year ended 30 June 2009

This preliminary final report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.3.A.

#### Results for announcement to the market

##### Financial Results

				\$'000
Revenue	up	3%	to	80,846
Profit after tax attributable to members	up	14%	to	7,661
Net profit for the period attributable to members	up	14%	to	7,661

##### Dividends / Distributions

	Amount per security	Franked amount per security
Final dividend for the period ended 30 June 2010	8.0 ¢	8.0 ¢
Interim dividend for the period ended 31 December 2009	6.0 ¢	6.0 ¢
Record date for determining entitlements to the final dividend		3 September 2010
Payment date for final dividend		17 September 2010

##### Contents

Results for announcement to the market, based on the audited financial report of Wellcom Group Limited for the year ended 30 June 2010.

##### Additional Information

Additional Appendix 4E disclosure requirements can be found in the annual financial report of Wellcom Group Limited for the year ended 30 June 2010, lodged in conjunction with this report.

The information contained in this report is to be read in conjunction with any announcements made to the market by Wellcom Group Limited during the financial period.

For further information on Wellcom Group Limited, please visit our website at: [www.wellcom.com.au](http://www.wellcom.com.au)

## **Explanation of Results**

### **Operating results for the year**

Wellcom Group Limited has experienced strong earnings growth in the Australasian pre-media operations. The positive Australasian growth has, however, been offset in the current year by a deterioration in revenues from the Group's UK pre-media division due to poor economic conditions in the UK, though an improvement in results has been evidenced in the second half of the year. The Group's strong client base, together with new business not fully reflected in the results for the year ended 30 June 2010, is expected to provide the basis for growth in the next financial year.

Operating sales revenue was \$80.85m (2009: \$78.53m), an increase of 3% (2009: 1%) over the previous financial year.

EBITDA increased by 6% to \$14.3m (2009: \$13.5m) with EBIT increasing by 7% to \$11.0m (2009: \$10.3m).

NPAT attributable to the owners of the Group increased by 14% to \$7.66m (2009: \$6.70m). The effective tax rate was 26% (2009: 28%).

### **Shareholder returns**

The Company has increased its payout ratio to shareholders. Our financial measures for the year are:

	<u>2010</u>	<u>2009</u>
Basic earnings per share (cents)	19.55	17.09
Earnings per share excluding intangible amortisation (cents)	19.63	17.56
Return on net assets (%)	14.98	13.67
Return on net assets excluding goodwill & intangibles (%)	38.52	39.23
Dividend payout ratio (%)	71.62	70.21

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## **Dividends**

A 100% franked final dividend of 6 cents per ordinary share was paid on 23 September 2009. The total amount of the dividend paid was \$2,351,400.

A 100% franked interim dividend of 6 cents per ordinary share was paid on 15 April 2010. The total amount of the dividend paid was \$2,351,400.

Total dividends paid during the financial year were 12 cents per ordinary share. The total amount paid was \$4,702,800.

A 100% franked final dividend of 8 cents per ordinary share was declared on 19 August 2010. The record date for determining entitlements to the final dividend is 3 September 2010. The final dividend will be paid on 17 September 2010. The total amount of the final dividend to be paid is \$3,135,200. As this dividend was not declared prior to the end of the financial year it has not been recognised in the accounts for the year ended 30 June 2010.

Total dividends paid or declared in relation to the financial year ended 30 June 2010 were 14 cents per ordinary share. The total amount paid or payable is \$5,486,600.

There are no dividend reinvestment plans or share buybacks currently offered or in operation.

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## **Net tangible assets per security**

Net tangible assets per security at 30 June 2010 was 50.75 cents (2009: 43.55 cents).

**Entities over which control has been gained or lost**

There has been no change in control over the 50% controlled joint venture entity, iPrint Corporate Pty Ltd, the 50% interest in Kinkaid Pty Ltd (trading as Cadillac Printing), or the 100% owned subsidiaries Wellcom Moving Images Pty Ltd and Keene Repro Ltd. On 9 December 2009 a 100% owned subsidiary, Wellcom Group Pte Ltd, was incorporated in Singapore.

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**Subsidiary and Joint Venture entities**

<u>Name of Subsidiary/Joint Venture entity</u>	<u>Ownership Interest</u>	<u>Entity Net Profit/ (Loss) After Tax</u> <u>\$'000</u>
Keene Repro Limited	100%	\$ (710)
iPrint Corporate Pty Limited	50%	\$ 2,022
Wellcom Moving Images Pty Limited *	100%	-
Kinkaid Pty Limited	50%	\$ 2
Wellcom Group Pte Limited	100%	\$ (221)

\* Wellcom Moving Images Pty Limited was dormant for the whole of the financial year.

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