



AMBERTECH LIMITED AND CONTROLLED ENTITIES

ACN 079 080 158

APPENDIX 4E - PRELIMINARY FINAL REPORT

Year Ended 30 June 2009.

FULL YEAR RESULTS ANNOUNCEMENT

For immediate release 31 August 2009.

HIGHLIGHTS

Revenue up by 2.5% to \$71.6M

EBIT down by 43.5% to \$2.8M

NPAT down by 43.2% to \$1.8M

Final Dividend of 2 cents per share fully franked.

CONTENTS

Results for Announcement to the Market

Preliminary Final Report

Notes to the Preliminary Final Report

Commentary on the Results

Outlook

Ambertech Limited ACN 079 080 158

Unit B, 5 Skyline Place, Frenchs Forest NSW 2086

Tel: 02 9452 8600 Fax 02 9975 1368 email: rglasson@ambertech.com.au web: www.ambertech.com.au

Results For Announcement to the Market

Key Information	2009	2008	Movement	
	\$'000	\$'000	\$'000	%
Revenue from ordinary activities	<u>71,620</u>	<u>69,876</u>	<u>1,744</u>	<u>2.5%</u>
Profit after income tax for the period attributable to members	<u>1,806</u>	<u>3,179</u>	<u>(1,373)</u>	<u>(43.2)%</u>

Dividends	Amount per security	Franking %
Final dividend declared	<u>2 cents</u>	<u>100%</u>
Record date for final dividend		<u>15 September 2009</u>
Payment date for final dividend		<u>30 September 2009</u>

The Board has established a dividend reinvestment plan, whereby Shareholders may elect (subject to the rules of the plan) to reinvest dividends payable by Ambertech Limited to the shareholder. The Board has determined not to invoke the plan for the final dividend in respect of the 30 June 2009 financial year.

Dividend History

Interim dividend paid 14 April 09	1.5 cents	100%
Final dividend payable 30 September 2009	<u>2.0 cents</u>	<u>100%</u>
Total	<u>3.5 cents</u>	<u>100%</u>

Key Ratios	2009	2008
	¢	¢
Net tangible assets per security	<u>56.7</u>	<u>54.0</u>

Further explanation of the results follows in the attached commentary.

Ambertech Limited ACN 079 080 158
Preliminary Final Report - Year Ended 30 June 2009

Consolidated Income Statement	Economic Entity	
	2009 \$'000	2008 \$'000
Revenues	71,620	69,876
Cost of sales	<u>(48,815)</u>	<u>(45,109)</u>
Gross profit	22,805	24,767
Other income	-	141
Employee benefits expense	(11,366)	(10,503)
Distribution costs	(1,387)	(1,234)
Marketing costs	(2,445)	(2,637)
Premises costs	(1,614)	(1,410)
Depreciation and amortisation expenses	(370)	(306)
Finance costs	(392)	(537)
Travel costs	(637)	(654)
Restructure costs	-	(1,721)
Other expenses	<u>(2,045)</u>	<u>(1,169)</u>
Profit before income tax	2,549	4,737
Income tax expense	<u>(743)</u>	<u>(1,558)</u>
Profit attributable to the members of the parent entity	<u>1,806</u>	<u>3,179</u>
	2009	2008
	¢	¢
Earnings per share		
Basic earnings per share	<u>5.9</u>	<u>10.4</u>
Diluted earnings per share	<u>5.9</u>	<u>10.4</u>

Ambertech Limited ACN 079 080 158
Preliminary Final Report - Year Ended 30 June 2009

Consolidated Balance Sheet	Economic Entity	
	2009 \$'000	2008 \$'000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,793	4,634
Trade and other receivables	11,338	12,334
Tax receivable	9	283
Inventories	<u>14,273</u>	<u>11,512</u>
TOTAL CURRENT ASSETS	<u>28,413</u>	<u>28,763</u>
NON-CURRENT ASSETS		
Plant and equipment	583	770
Intangible assets	2,970	2,970
Deferred tax assets	<u>687</u>	<u>471</u>
TOTAL NON-CURRENT ASSETS	<u>4,240</u>	<u>4,211</u>
TOTAL ASSETS	<u>32,653</u>	<u>32,974</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	6,523	7,036
Other financial liabilities	4,200	4,502
Income tax payable	-	435
Provisions	<u>918</u>	<u>827</u>
TOTAL CURRENT LIABILITIES	<u>11,641</u>	<u>12,800</u>
NON-CURRENT LIABILITIES		
Provisions	<u>700</u>	<u>620</u>
TOTAL NON-CURRENT LIABILITIES	<u>700</u>	<u>620</u>
TOTAL LIABILITIES	<u>12,341</u>	<u>13,420</u>
NET ASSETS	<u>20,312</u>	<u>19,554</u>
EQUITY		
Share Capital	11,146	11,190
Reserves	168	102
Retained earnings	<u>8,998</u>	<u>8,262</u>
TOTAL EQUITY	<u>20,312</u>	<u>19,554</u>

Consolidated Statement of Cash Flows	Economic Entity	
	2009 \$'000	2008 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	78,863	71,243
Payments to suppliers and employees	(72,580)	(61,761)
Interest received	94	234
Interest and other costs of finance paid	(392)	(537)
Income taxes paid	(1,406)	(1,291)
Income taxes refunded	287	937
Goods and services tax remitted	<u>(5,119)</u>	<u>(5,217)</u>
Net cash (used in)/provided by operating activities	<u>(253)</u>	<u>3,608</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	<u>(185)</u>	<u>(351)</u>
Net cash (used in) investing activities	<u>(185)</u>	<u>(351)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders	(1,074)	(2,150)
Proceeds from borrowings	11	1,500
Payments for shares bought back	(43)	-
Repayment of borrowings	<u>(302)</u>	<u>(4)</u>
Net cash (used in) financing activities	<u>(1,408)</u>	<u>(654)</u>
Net increase in cash and cash equivalents held	(1,846)	2,603
Cash and cash equivalents at beginning of year	4,634	2,058
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies at the beginning of the financial year.	<u>5</u>	<u>(27)</u>
Cash and cash equivalents at end of year	<u>2,793</u>	<u>4,634</u>

Consolidated Notes to the Statement of Cash Flows	Economic Entity	
	2009 \$'000	2008 \$'000
Cash and cash equivalents		
Cash and cash equivalents included in the Cash Flow Statement comprise the following amounts:		
Cash on hand	3	3
At call deposits with financial institutions	2,790	4,631
	<u>2,793</u>	<u>4,634</u>
Reconciliation of net cash provided by/(used in) operating activities to profit or loss after income tax		
Profit for the year	1,806	3,179
Depreciation and amortisation	370	306
Net loss on disposal of plant and equipment	2	-
Borrowing expenses	-	1
Net exchange differences	550	(140)
Non-cash share based payments	66	66
Changes in operating assets and liabilities		
Decrease/(Increase) in trade and other receivables	1,014	(4,274)
(Increase)/Decrease in inventories	(2,749)	2,428
Decrease in tax receivable	264	1,213
(Decrease)/Increase in payables	(1,530)	862
Increase/(Decrease) in provisions	169	(24)
(Increase) in deferred taxes	(215)	(9)
Net cash (used in)/provided by operating activities	<u>(253)</u>	<u>3,608</u>

Non Cash Financing and Investing Activities

There were no non-cash financing or investing activities during the financial year.

Notes to the Preliminary Final Report	Economic Entity	
	2009 \$'000	2008 \$'000
NOTE 1: Basis of Preparation		
The Preliminary Final Report has been prepared in accordance with ASX Listing Rule 4.3A and is based on accounts which are in the process of being audited.		
NOTE 2: Revenue		
Revenue		
- Sale of goods and services	71,526	69,642
- Interest received	94	234
	<u>71,620</u>	<u>69,876</u>
Other income		
- Net foreign currency gains	-	141
	<u>-</u>	<u>141</u>
NOTE 3: Items Included in Profit		
Additional information on the nature of expenses		
Inventories		
Cost of sales	<u>48,815</u>	<u>45,109</u>
Write down of inventories to net realisable value	<u>202</u>	<u>517</u>
Employee benefits expense		
Salaries and wages	11,288	10,288
Employee termination expense	78	215
	<u>11,366</u>	<u>10,503</u>
Depreciation		
Plant and equipment	141	164
Furniture and fittings	34	33
Leasehold improvements	193	106
	<u>368</u>	<u>303</u>
Amortisation		
Leased plant and equipment	<u>2</u>	<u>3</u>
Bad and doubtful debts	<u>303</u>	<u>21</u>
Rental expense on operating leases:		
Minimum lease payments	<u>1,070</u>	<u>972</u>
Net foreign currency losses	<u>550</u>	<u>-</u>

Notes to the Financial Statements (continued)	Economic Entity	
	2009 \$'000	2008 \$'000
NOTE 4: Earnings Per Share		
Basic earnings per share (cents)	<u>5.9</u>	<u>10.4</u>
Weighted average number of ordinary shares (number)	<u>30,678,062</u>	<u>30,708,305</u>
Earnings used to calculate basic earnings per share (\$)	<u>1,806,000</u>	<u>3,179,000</u>
Diluted earnings per share (cents)	<u>5.9</u>	<u>10.4</u>
Weighted average number of ordinary shares (number)	<u>30,678,062</u>	<u>30,708,305</u>
Earnings used to calculate diluted earnings per share (\$)	<u>1,806,000</u>	<u>3,179,000</u>
 (a) The effect of the Executive Share Option Plan options on issue is not considered dilutionary because based on conditions at the date of this report, it is considered unlikely that these options would be converted into ordinary shares		
NOTE 5: Retained Earnings		
Retained profits at the beginning of the year	8,266	7,237
Net profit for the year	1,806	3,179
Dividends paid	<u>(1,074)</u>	<u>(2,150)</u>
Retained profits at the end of the year	<u>8,998</u>	<u>8,266</u>

Commentary on the Results

The Directors of Ambertech Limited today announced the results for the financial year ended 30 June 2009. Revenue from ordinary activities was a record for the business of \$71.6 million, up 2.5% on the previous financial year.

Growth was driven by strong sales in a number of areas across the Ambertech business. Our professional and broadcast products recorded excellent sales for the year, whilst we continued to make market share gains with our projection, display and accessories brands.

Chairman of Ambertech, Mr Peter Wallace, said the record sales result continued the trend from the first half of the year, and represented an excellent achievement in difficult trading conditions. Mr Wallace said the result was a testament to the quality of the brands that Ambertech represents in Australia and New Zealand.

Offsetting the revenue growth for the year were a number of factors, including lower margins from more difficult market conditions, and the impact of fluctuations in the Australian dollar. As a result, net profit after tax for the year fell to \$1.8 million, down 43.2% on the previous financial year, and in line with advice given to the market on 27 July 2009.

Mr Wallace also announced that Ambertech would continue to maintain a full year dividend payout of greater than 50% of earnings to shareholders. A final dividend of 2.0 cents per share, fully franked will be paid to shareholders on 30 September 2009, bringing total dividend payout in respect of the financial year to 3.5 cents per share.

A summary of the results by business segment is as follows:

	Lifestyle \$'000	Professional \$'000	New Zealand \$'000	Total \$'000
Sales to external customers	<u>41,448</u>	<u>26,994</u>	<u>3,084</u>	<u>71,526</u>
Segment EBIT	2,276	1,799	116	4,191
Unallocated expense				<u>(1,344)</u>
EBIT				2,847
Interest				<u>(298)</u>
Net profit before tax				2,549
Income tax expense				<u>(743)</u>
Net profit after tax				<u>1,806</u>

	2009 \$'000	2008 \$'000	Movement \$'000	%
Commentary on the Results (continued)				
Lifestyle Entertainment Segment				
Sales to external customers	41,448	38,780	2,668	6.9%
Segment EBIT	2,276	4,872	(2,596)	(53.3)%

Ambertech's lifestyle entertainment business segment is a leader in the distribution of home theatre products to dealers, distribution and supply of custom installation components for home theatre and commercial installations to dealers and consumers, and the distribution of projection and display products with business and domestic applications.

Revenue growth for the year is a reflection of the strong performance of our newer initiatives. In particular, we had strong growth in our accessories and display product areas. The diversity of Ambertech's business and our ability to add new agencies to complement our other brands will continue to be a major strength of the business.

Managing Director of Ambertech, Mr Peter Amos, said that lower margins in the lifestyle entertainment segment of the business were a reflection of both the state of the economy during the year, and the impact of fluctuations in the Australian Dollar. "There are pressures on margins at both the wholesale and retail levels for lifestyle products, especially in consumer electronics," said Mr Amos.

Professional Segment

Sales to external customers	26,994	26,333	661	2.5%
Segment EBIT	1,799	1,828	(29)	(1.6)%

Ambertech's professional business segment supplies product and services to television stations, radio stations, cinemas, post-production facilities, as well as military and education establishments. Being entirely business-to-business in nature, these divisions are unaffected by the potential volatility of consumer sentiment or retail sales trends.

The result for the year ended 30 June 2009 was underpinned by ongoing project work, both in our traditional markets and newer markets for our products. The restructure of this segment of the business has it well placed to take advantage of opportunities that may arise, and to improve our capacity to service current and future customers.

New Zealand Segment

Sales to external customers	3,084	4,529	(1,445)	(31.9)%
Segment EBIT	116	551	(435)	(78.9)%

Ambertech's New Zealand business segment distributes of a wide range of quality products for both professional and consumer markets in New Zealand. The result for the year ended 30 June 2009 reflects a softening of project work during the financial year. We continue to invest in growing the range of consumer product offerings to complement our strong track records of sales in the broadcast and post production markets.

Outlook

Early trading results for the 2010 financial year have been encouraging. Our lifestyle entertainment segment continues to evaluate ways of improving market share and margins. Our professional and broadcast markets have good clarity of project work over the coming 12 months and remain positive about our strong product offering. In New Zealand we are continuing to invest in broadening our areas of expertise.

Our forecasts for the year ending 30 June 2010 are for continued growth in revenue and improvement in margins and profits. The capital nature of our professional segment and the uncertainty of timing of these major projects creates difficulty in accurately forecasting the results for any accounting period. However, Ambertech's management believes the company is well positioned to achieve medium term growth targets of 5%-10% per annum, noting that there may be period-to-period fluctuation in results due to the level of sales in the professional segment.

To assist in achieving our goals we are constantly evaluating potential new agencies and or acquisitions.

On behalf of the Board of Ambertech Limited



Peter Wallace
Chairman
Sydney 31 August 2009.