

Appendix 4E Preliminary final report

Rule 4.3A
Introduced 1/1/2003

Name of entity: Australian Biodiesel Group

ABN: 60096687839

1. Reporting period (“current period”): Year ended 31 December 2008
Previous corresponding period Year ended 31 December 2007

2. Results for announcement to the market

Revenue	down	21%	to	\$A'000 5,226
(Loss) from ordinary activities after tax attributable to members	down	93%	to	(1,904)
Net (loss) for the period attributable to members	down	93%	to	(1,904)

		Amount per share cents	Franked amount per share cents
<i>Dividends</i>			
Final		-	-
Interim		-	-

Record date for determining entitlements to dividends: N/A

Brief explanation of figures 2.1 & 2.4 (if necessary):

The loss includes a write down of assets of \$660K.

3. Condensed consolidated income statement

	Current period \$'000	Previous corresponding period \$'000
Revenues	5,226	6,588
Other Income		
Raw Material and consumables used	(2,489)	(7,660)
Employee Benefits Expense	(1,376)	(3,520)
Depreciation & amortisation expense	(445)	(1,137)
Bad and doubtful debts	-	(28)
Sales and marketing	(64)	(710)
Impairment Write Down	(592)	(12,388)
Occupancy & Administration	(1,848)	(4,166)
Other Expenses	(141)	
(Loss) before income tax expense	(1,601)	(22,971)
Income tax expense	-	-
(Loss) from continuing operations	(1,601)	(22,971)
(Loss) from discontinued operations	(303)	(6,528)
(Loss) for the period	(1,904)	(29,499)
Net loss attributable to minority interests	-	-
(Loss) attributable to members of the parent entity	(1,904)	(29,499)
Revenue		
Operating activities		
- sale of goods	4,422	6,175
- rendering of services	74	199
- government subsidies received	-	120
- interest received	2(a) 71	78
- Sale of Centrifuges	500	-
- Inter-Entity Charges	-	-
- other revenue	69	16
Total Operating Revenue	<u>5,136</u>	<u>6,588</u>
Non-operating activities		
- gain on disposal of property, plant & equipment	90	5
Total Other Income	<u>90</u>	<u>5</u>
(a) Interest revenue from:		
- other persons	71	78
Total interest revenue	<u>71</u>	<u>78</u>

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Loss before income tax

(a) Expenses

Cost of sales	2,286	7,660
Cost of sales Centrifuges	185	-
Rental expense on operating leases - minimum lease payments	257	468
Employee benefits expenses	1,376	3,520
Inventory Write Down	50	
Depreciation expense	445	1,137
Finance costs		
- External	24	427
Total Finance Costs		<u>427</u>
Loss on disposal of Property, Plant & Equipment	210	-
Bad and doubtful debts		
- Trade receivables	-	28
Total bad and doubtful debts	-	<u>28</u>

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4. Condensed consolidated balance sheet

	Current Period \$'000	Previous Corresponding Period \$'000
CURRENT ASSETS		
Cash and cash equivalents	332	377
Trade and other receivables	243	2,247
Inventories	408	913
Other Current Assets	361	311
Assets of disposal group classified as held for sale	1,228	3,733
TOTAL CURRENT ASSETS	2,572	7,581
NON-CURRENT ASSETS		
Property, plant & equipment	6,867	5,620
Intangible assets	433	-
TOTAL NON CURRENT ASSETS	7,300	5,620
TOTAL ASSETS	9,872	13,201
CURRENT LIABILITIES		
Trade and other payables	647	1,742
Short Term financial liabilities	65	97
Provisions	278	585
TOTAL CURRENT LIABILITIES	990	2,424
NON CURRENT LIABILITIES		
Long Term financial liabilities	148	
Long Term Provisions	30	221
TOTAL NON CURRENT LIABILITIES	178	221
TOTAL LIABILITIES	1,168	2,645
NET ASSETS	8,704	10,556
EQUITY		
Issued capital	64,224	57,988
Other reserves	(6,090)	94
Accumulated losses	(49,430)	(47,526)
Parent interests		
TOTAL EQUITY	8,704	10,556

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5. Condensed consolidated statement of cash flows

	Current period \$'000	Previous corresponding period \$'000
Net cash flows from operating activities		
Receipts from customers	4,752	11,704
Payments to suppliers & employees	(7,037)	(22,502)
Interest received	71	73
Interest paid	(24)	(67)
Net cash provided by/ (used in) operating activities	(2,238)	(10,885)
Cash flows from investing activities		
Proceeds from sale of property, plant & equipment	2,746	621
Purchase of property, plant & equipment	(667)	(2,719)
Net cash provided by/ (used in) investing activities	2,079	(1,911)
Cash flows from financing activities		
Proceeds from issue of shares		15,965
Repayment of borrowings	(343)	(4,634)
Proceeds from borrowings	457	4,331
Net cash provided by financing activities	114	14,543
Net increase/(decrease) in cash & cash equivalents	(45)	1,747
Cash & cash equivalents at the beginning of the financial period	377	(1,370)
Effects of exchange rate changes on the balance of cash & cash equivalents in foreign currencies	-	-
Cash and cash equivalents at the end of the financial period	332	377
<i>Notes to the condensed and consolidated statement of cash flows</i>		
<i>Reconciliation of cash & cash equivalents</i>		
Cash on hand and at bank	332	377

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6. Dividends

Amount per security

		Amount per security	Franked amount per security at 30% tax cents	Amount per security of foreign source dividend cents
		Cents		
Final dividend	- current year	-	-	-
	- previous year	-	-	-
Interim dividend	- current year	-	-	-
	- previous year	-	-	-

Total Dividends on all securities for the year

	Current period	Previous corresponding period
	\$'000	\$'000
Ordinary securities	456,150,862	456,150,862
Preference securities		
Other equity instruments		
Total	456,150,862	456,150,862

7. Dividend reinvestment plans

The dividend reinvestment plans shown below are in operation:

None

Last date for receipt of election notices
for the dividend reinvestment plan: N/A

8. Retained earnings

	Current period	Previous corresponding period
	\$'000	\$'000
(Accumulated losses) at beginning of financial period	(47,526)	(18,027)
Net (loss) attributable to members	(1,904)	(29,499)
(Accumulated losses) at end of financial period	(49,430)	(47,526)

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9. Net Tangible assets

	Current period	Previous corresponding period
	cents	cents
Net tangible asset backing per ordinary share	1.91	2.31

10. Details of entities over which control has been gained or lost

n/a

11. Details of associates and joint venture entities

n/a

12. Any other significant information

Details of any other significant information needed by an investor to make an informed assessment of the entity's financial performance and position:
the company remains in litigation with Gardner Smith with regard to a contract for the supply of tallow, which may result in a settlement of which at present it is not possible to express a view about the quantification of the likely amount should a settlement be made

13. Accounting standards

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

14. Results for the period

14.1 *Earnings per security*

	Current period	Previous corresponding period
	cents	cents
Basic earnings per share	(.42)	(9.23)
Diluted earnings per share (if materially different)		

	Number	Number
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	456,150,862	456,150,862

14.2 *Returns to shareholders*

n/a

14.3 *Significant features of operating performances*

After a positive result in the 3rd quarter, the last quarter was disappointing due to lower business activity (partly seasonal) and a significant drop in commodity prices.

14.4 *Segment results*

	Biodiesel	Recycling	Consolidated Group (Continuing Operations)	Discontinuing Operations Berkeley Vale
	\$000	\$000	\$000	\$000
2008				
REVENUE				
External sales	514	3,960	4,474	202
Total revenue from external sale activities	514	3,960	4,474	202
Less Cost of Goods Sold	(856)	(1,508)	(2,364)	(197)
RESULT				
Business Segment Result	(342)	2,452	2,110	5
Unallocated expenses net of unallocated revenue	-	-	(3,688)	(308)
Financing costs	-	-	(23)	-
Loss before tax from ordinary activities	-	-	(1,601)	-
Income tax benefit	-	-	-	-
Loss after income tax from ordinary activities			(1,601)	-
			(1,601)	(303)
ASSETS				
Business Segment assets	9,272	2,822	8,640	1,233
Discontinued operations assets	-	-	1,233	-
Total assets			9,873	
LIABILITIES				
Business Segment liabilities	2,241	629	1,168	-
Discontinued operations liabilities	-	-	-	-
Total liabilities	2,241	629	1,168	
OTHER				
Investments accounted for using the equity method	-	2,500	-	-
Acquisition of non-current segment assets	253	415	668	-
Depreciation and amortisation of segment assets	39	132	444	-

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14.5 *Trends in performance*

Revenue has decreased compared with the prior period as a result of a further reduction in biodiesel sales.

The loss has decreased compared with the prior period due to significant downsizing of the organisation and focus on profitable recycling business.

14.6 Any other factors which have affected the results in the period which are likely to affect the result in the future, including those where the effect could not be quantified:

n/a

15. This report is based on accounts to which one of the following applies:

- | | |
|--|--|
| <input type="checkbox"/> The accounts have been audited. | <input type="checkbox"/> The accounts have been subject to review. |
| <input checked="" type="checkbox"/> The accounts are in the process of being audited or subject to review. | <input type="checkbox"/> The accounts have not yet been audited or reviewed. |

16. Description of any likely audit dispute or qualification

n/a

Sign here:



Date: 27 Feb 2009

Company Director

Print name: Wayne Rogers

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