

## Appendix 4E - Preliminary Final Report Results for announcement to the market

**CPT Global Limited ABN:16 083 090 895**

				<b>\$A'000</b>
Revenue	down	-14.10%	to	37,738
Net Profit (Loss) before tax attributable to members	down	-193.14%	to	(3,102)
Net Profit (Loss) after tax attributable to members	down	-244.32%	to	(3,133)
Net Profit (Loss) attributable to members	down	-244.32%	to	(3,133)

The above figures include a \$2.4million Goodwill impairment charge to the Statement of Comprehensive Income.

<b>Dividends (distributions)</b>	Amount per security	Franked amount per security
Final dividend	\$0.000	\$0.000
Interim Dividend	\$0.000	\$0.000

	Current period	Previous corresponding Period
<b>Earnings per security (EPS)</b>		
Basic EPS	-8.53 cents	5.90 cents
Diluted EPS	-8.41 cents	5.82 cents
<b>NTA backing</b>	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	0.16	0.22

Please read the above in conjunction with the attached preliminary final report for the year ended 30 June 2010. The accounts are currently in the process of being audited.

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# **CPT Global Limited and Controlled Entities**

**ABN 16 083 090 895**

## **Preliminary Final Report**

**for the year ended 30 June 2010**

## Chairman's Statement

Dear Fellow CPT Global Shareholder,

CPT Global had a disappointing 2010 financial year recording its first ever annual loss. Revenues in all three of our trading regions were lower than the prior year due to client specific factors, lower new business and the continuing impact of the Global Financial Crisis. Our Australian business continued to experience challenging trading conditions while a number of potentially rewarding international opportunities were delayed. The Company remains in a sound financial position and has taken action to enhance its business development and management capabilities.

Despite establishing a number of new client relationships the revenue from our Australian operations was lower and margins remained under pressure. In Victoria revenues fell as new business failed to offset the reduced demand by a major client for our services as a significant project neared completion. In the ACT our business was adversely impacted by the completion of a large Government engagement which resulted in lower revenue. The revenues of our NSW operations showed a modest increase but are yet to achieve a satisfactory result for our recent efforts. During the year significant changes were made to our business development team in Australia resulting in the development of a number of new client relationships. Our efforts to increase revenue, improve margins and control costs will be a major focus this financial year.

CPT's revenue from its international operations fell from the higher levels seen in the prior year as the continuing economic uncertainty caused many companies to delay decisions. In Europe, despite many exciting prospects, revenues slipped but the forward pipeline remains healthy. Revenues were also down in the US with delays in decision making and the postponement of contract start dates adversely impacting on our performance. A bright spot was the development of a growing presence in the Canadian market and the employment of more local resources in North America. Despite ongoing difficult trading conditions in the international markets, two of CPT's largest five global clients are based in the US and Germany and just prior to the financial year-end we commenced work in the US with one of the world's largest financial institutions and in Europe at one of the world's largest mainframe sites.

Our revenue fell by 14.1 % in 2010 with all major regions experiencing declines due to lower new business and the difficult trading conditions. CPT recorded a net loss after tax of \$3.1m (including a \$2.4m impairment charge to the book value of our Australian operations due to a write-down of Goodwill) compared to a profit of \$2.1m in the prior year. However CPT's trading performance improved in the second half with a net profit after tax of \$0.1m (prior to the impairment charge) as against a first half loss of \$0.8m. At year end CPT remained in a sound financial position with cash of \$523k.

While CPT continues to engage with many prospective clients in both Australia and internationally our 2010 revenue fell well short of that required to generate satisfactory returns for our shareholders given our current cost base. In past years the performance of our various geographic regions has tended to provide some balance to our results, reduce overall risk and allow better utilisation of our staff. However our loss in 2010 reflects lower new business and the severity of global economic conditions, and overshadows the ongoing business development activities which still continue to offer the prospect of significant new revenue. Our challenge is to convert this potential into revenue in a timely fashion, While at times this has been a frustratingly slow process, especially in the international markets, your Board continues to believe that the rewards will ultimately more than justify our efforts and CPT therefore remains committed to these markets despite the shorter term negative impact on our results.

CPT's ongoing strategy must be to continue to grow revenue in all regions, improve margins and control costs. In Australia we have re-energised our business development activities, sharpened our focus on service delivery and enhanced our capacity to attract quality staff and to offer the best resources to our clients. Internationally a concerted effort from our business development teams in both Europe and North America, ably supported by the more active involvement of our Managing Director Gerry Tuddenham, is being made to drive revenue in these regions. Recent signs have emerged that these efforts are beginning to generate more significant revenue but there is still much to be done

While the difficulties over the past year have impacted on the returns we can provide to our shareholders it has also challenged our staff. CPT has a strong team of technically skilled and loyal staff and consultants who

## Chairman's Statement

serve their clients' interests regardless of the economic conditions. I would like to thank my fellow directors and all our staff, under the energetic leadership of our Managing Director, Gerry Tuddenham, for maintaining their effort through another difficult year. In the year ahead I trust that the ongoing efforts of the CPT Global team to generate attractive shareholder returns through the profitable expansion of our operations both in Australia and internationally will be realised more fully.

Fred S. Grimwade  
Chairman

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## Managing Director's Review

Fellow Shareholders,

CPT Global has had a disappointing year, recording its first ever annual loss. This can be ascribed to numerous factors with the main cause being lower Revenue due to client specific factors, reduced new business and the continuing global economic downturn.

Revenue was down in all regions.

### Operating and Financial Review

Australian Revenue reduced by 10% with all regions being adversely affected by worsening economic conditions. Victoria and ACT experienced reductions of 6% and 36% respectively, with NSW returning a modest increase of 8%.

International Revenue reduced by 27% in Australian dollar terms, with the USA and Europe reducing by 20% and 31% respectively.

CPT Global's revenue for the year ended 30 June 2010 was \$37.7 million, a 14% decrease on the previous year's revenue of \$43.9 million.

CPT Global's net loss after tax for the year ended 30 June 2010 was \$3.13 million after a \$2.4m impairment charge, a 244% decrease on the 30 June 2009 profit of \$2.1 million.

No final dividend has been declared.

Basic earnings per share amounted to -8.53 cents per share.

CPT Global's balance sheet reflected net tangible assets of \$5,718m as at 30 June 2010 (\$8,088m 30 June 2009), cash of \$523k as at 30 June 2010 (\$1,245k 30 June 2009).

On a positive note, we have made a number of organisational changes in strengthening our Australian marketing and sales teams and increased our resourcing capabilities that should increase our revenue and headcount. We have also been successful in being appointed to whole of government supply panels by DHS/Centrelink and Department of Defence. These panels open up new opportunities in these and other departments.

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## Managing Director's Review continued

### Strategy

Our ongoing overall strategy is to continue growing revenue in all regions at improved margins, whilst keeping a tight control on costs.

Business development activities have been overhauled and a new focus has been brought to bear on service delivery. In addition, we have enhanced our capacity to keep and attract quality staff so as to deliver a better service to our Clients. A number of new client relationships have been established in Australia which should render a return in the near future.

With the bulk of our Mainframe Business opportunities being located overseas, our International Business development efforts are being stepped up and refined, with some encouraging signs of success having been seen recently. Our increased presence in Canada is a case in point.

As was the case last year, our 2 main overall areas of focus remain:

#### 1) Market coverage

- a) Expand international client base including government
- b) Transition current international clients into annuity relationships
- c) Offer broader range of CPT services internationally, including mid-range services and testing
- d) Focus on Sydney marketplace growth
- e) Organically grow Melbourne market
- f) Expand our market coverage to new Federal Government Agencies given our acceptance to two major ICT panels in Canberra
- g) Access to new markets via additional international alliance partners

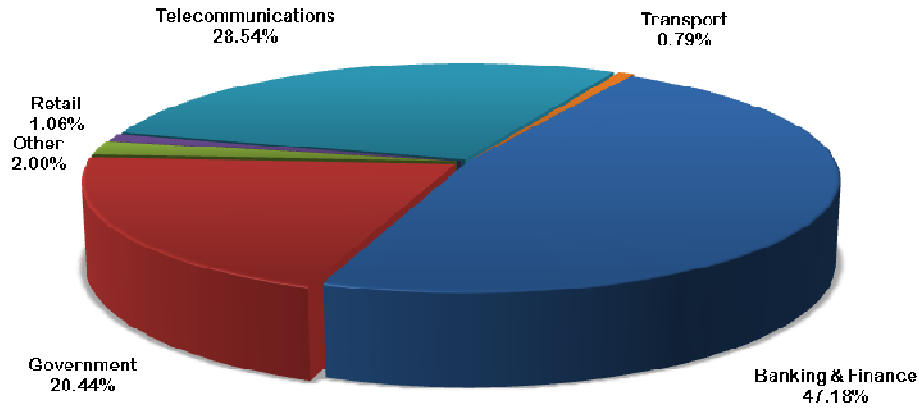
#### 2) Services positioning

- a) Greater alignment with business outcomes
- b) Expand Data Centre optimization services into Green IT outcomes
- c) Consolidate and improve existing services
- d) Provide new services that leverage existing competencies
- e) Development of Oracle tools continue and focus on SAP with European clients
- f) Test coverage across mid-range

## Managing Director's Review continued

### CPT Global's Markets

Revenue by Sector (Worldwide)



CPT Global's Banking & Finance portfolio has increased from 43% to 47.1% as a percentage of revenue.

Telecommunications reduced from 31% to 28% due to reduced demand from a major client in Australia.

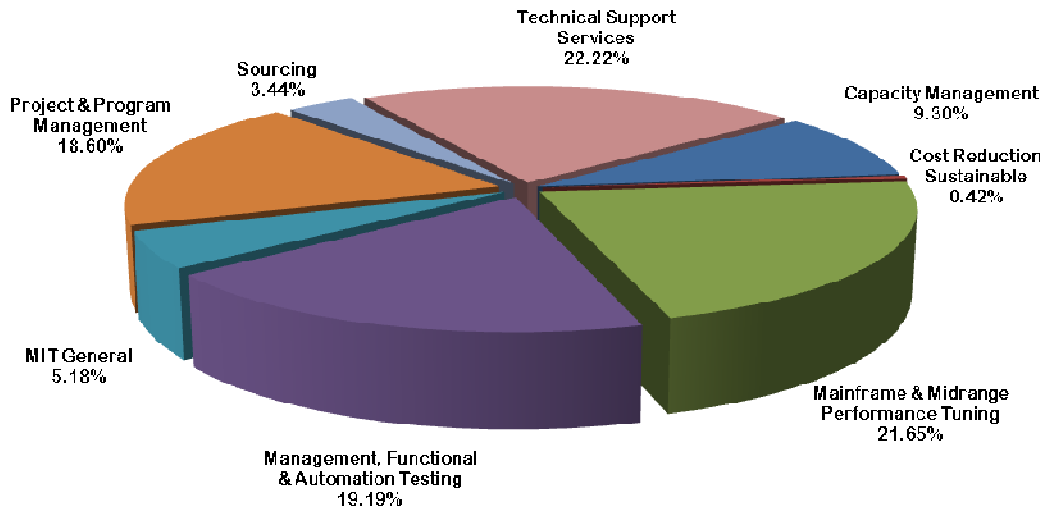
Government was stable with a slight improvement from 20% to 20.44%.

Controlled and sustainable growth remains our focus.

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## Managing Director's Review continued

Revenue by Line of Business (Worldwide)



Both CPT Southern region and CPT Federal region performed below levels achieved last year.

The CPT Northern region performed better than last year but still well below expectation.

International performance was disappointing with a strong Australian dollar having played a role in the below par performance. With a substantial forward load in the USA and potential in both USA and Europe, the main objective will be to convert such potential into Revenue.

Highlights for the year on the international front would include the following:

- 1) Increased presence in Canada.
- 2) Two out of our top five clients are international Companies.
- 3) Commencement of work in the USA with one of the largest global financial institutions.
- 4) Commencement of work in Europe at one of the largest global Mainframe sites.



## Managing Director's Review continued

### Our People

Despite the challenging trading and economic conditions, we have maintained our policy of retaining quality staff. In the USA we have employed more local resources, taking advantage of tough employment conditions to attract the best in their respective field.

We continue to view this approach as an investment in our collective future and Intellectual Property.

The CPT mantra remains that we are only as good as our people and will continue to invest in their training, development and wellbeing.

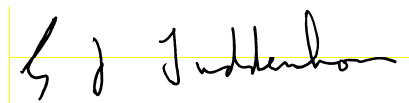
The end result will be our enhanced ability to deliver a better service more efficiently on a global scale.

### Outlook

Our enhanced international business development efforts have shown early signs of success as evidenced by our increased presence in Canada and the recent commencement of work at one of the world's largest financial institutions and also at one of the largest mainframe sites in the world. We expect these efforts to deliver more results in the near future. We will continue using Austrade and Tori Global as routes to Market.

In Australia we have re-focussed business development and service delivery efforts across all regions. We are committed to our local markets and believe our efforts will have an impact on our recovery this year.

In 2010 CPT failed to maintain sufficient levels of activity to support its cost base. Plans have been put in place to address this, with business development, improved margins and cost control being at the forefront. Much still needs to be done but with the current people and plans in place, your Board is confident of returning CPT to a Profit and generating acceptable returns in the coming year.



Gerry Tuddenham  
Managing Director

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## Consolidated Statement of Comprehensive Income

YEAR ENDED 30 JUNE 2010	Notes	Economic Entity		Parent Entity	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
Revenue		37,738	43,933	33,743	37,261
Other income		141	217	166	297
Changes in inventories of finished goods and work in progress		1,870	(8)	207	19
Raw materials and consumables used		(1,870)	8	(207)	(19)
Salaries and employee benefits expense		(3,117)	(3,129)	(2,643)	(2,710)
Consultants benefits expense		(30,709)	(33,116)	(27,584)	(29,472)
Depreciation and amortisation expenses		(174)	(214)	(162)	(198)
Impairment losses		(2,400)	-	(2,400)	-
Insurance expense		(212)	(220)	(203)	(213)
Finance costs		(182)	(160)	(186)	(166)
Lease expenses		(409)	(440)	(409)	(440)
Other expenses		(3,778)	(3,541)	(2,959)	(2,199)
<b>PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE</b>		<b>(3,102)</b>	<b>3,330</b>	<b>(2,637)</b>	<b>2,160</b>
<b>INCOME TAX BENEFIT/(EXPENSE)</b>		<b>(31)</b>	<b>(1,159)</b>	<b>(24)</b>	<b>(1053)</b>
<b>PROFIT/(LOSS) AFTER INCOME TAX</b>		<b>(3,133)</b>	<b>2,171</b>	<b>(2,661)</b>	<b>1,107</b>
<b>Other comprehensive income:</b>					
Exchange differences on translating foreign controlled entities		(814)	(157)	-	-
<b>Total Other Comprehensive Income</b>					
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(3,947)</b>	<b>2,014</b>	<b>(2,661)</b>	<b>1,107</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>		<b>(3,947)</b>	<b>2,014</b>	<b>(2,661)</b>	<b>1,107</b>
Basic earnings per share (cents per share)	3	(8.53)	5.90		
Diluted earnings per share (cents per share)	3	(8.41)	5.82		
Franked dividends per share (cents per share)	1	0.00	5.50		

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 2010	Notes	Economic Entity		Parent Entity	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		1,050	1,245	-	319
Trade and other receivables		8,249	8,742	10,326	11,102
Inventories		1,869	3,739	219	11
Financial assets		10	-	10	-
Current tax assets		112	-	132	-
Other current assets		454	616	219	142
<b>TOTAL CURRENT ASSETS</b>		<b>11,744</b>	<b>14,342</b>	<b>10,906</b>	<b>11,574</b>
<b>NON-CURRENT ASSETS</b>					
Trade and other receivables		-	-	-	-
Deferred tax assets		366	333	366	333
Financial assets		-	-	730	730
Property, plant and equipment		293	385	277	360
Intangible assets		7,350	9,785	6,720	9,155
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,009</b>	<b>10,503</b>	<b>8,093</b>	<b>10,578</b>
<b>TOTAL ASSETS</b>		<b>19,753</b>	<b>24,845</b>	<b>18,999</b>	<b>22,152</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables		5,740	5,909	5,148	4,981
Financial liabilities		625	131	625	131
Current tax liabilities		-	692	-	375
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,365</b>	<b>6,732</b>	<b>5,773</b>	<b>5,487</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred Tax Liabilities		53	53	53	53
Other long term provisions		267	187	267	187
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>320</b>	<b>240</b>	<b>320</b>	<b>240</b>
<b>TOTAL LIABILITIES</b>		<b>6,685</b>	<b>6,972</b>	<b>6,093</b>	<b>5,727</b>
<b>NET ASSETS</b>		<b>13,068</b>	<b>17,873</b>	<b>12,906</b>	<b>16,425</b>
<b>EQUITY</b>					
Parent entity interest					
• Issued capital		12,075	12,075	12,075	12,075
• Reserves		614	1,196	1,588	1,344
• Retained earnings		379	4,602	(757)	3,006
Total parent entity interest in equity		13,068	17,873	12,906	16,425
<b>TOTAL EQUITY</b>		<b>13,068</b>	<b>17,873</b>	<b>12,906</b>	<b>16,425</b>

## Consolidated Statement of Changes in Equity

### YEAR ENDED 30 JUNE 2010

	\$'000	\$'000	\$'000	\$'000	\$'000
	Issued capital Ordinary	Retained Earnings	Equity Reserve	Foreign Currency Translation Reserve	Total
<b>Economic Entity</b>					
<b>Balance at 1 July 2008</b>	12,075	3,995	934	(73)	16,931
Profit attributable to members of parent entity	-	2,171	-	-	2,171
Other comprehensive income	-	-	-	(157)	(157)
Share based payments	-	-	410	-	410
Transfers to and from equity reserve	-	-	82	-	82
Transfers to and from exchange reserve	-	-	-	-	-
Sub-total	12,075	6,166	1,426	(230)	19,437
Dividends paid or provided for	-	(1,564)	-	-	(1,564)
<b>Balance as at 30 June 2009</b>	12,075	4,602	1,426	(230)	17,873
<b>Balance at 1 July 2009</b>	12,075	4,602	1,426	(230)	17,873
Profit attributable to members of parent entity	-	(3,133)	-	-	(3,133)
Other comprehensive income	-	-	-	(814)	(814)
Share based payments	-	-	244	-	244
Transfers to and from equity reserve	-	12	-	(12)	-
Sub-total	12,075	1,469	1,670	(1,056)	14,170
Dividends paid or provided for	-	(1,102)	-	-	(1,102)
<b>Balance as at 30 June 2010</b>	12,075	379	1,670	(1,056)	13,068

	\$'000	\$'000	\$'000	\$'000
	Issued capital Ordinary	Retained Earnings	Equity Reserve	Total
<b>Parent Entity</b>				
<b>Balance at 1 July 2008</b>	12,075	3,463	934	16,472
Profit attributable to members of parent entity	-	1,107	-	1,107
Other comprehensive income	-	-	-	-
Share based payments	-	-	410	410
Sub-total	12,075	4,570	1,344	17,989
Dividends paid or provided for	-	(1,564)	-	(1,564)
<b>Balance as at 30 June 2009</b>	12,075	3,006	1,344	16,425
<b>Balance at 1 July 2009</b>	12,075	3,006	1,344	16,425
Profit attributable to members of parent entity	-	(2,661)	-	(2,661)
Share based payments	-	-	244	244
Sub-total	12,075	945	1,588	14,008
Dividends paid or provided for	-	(1,102)	-	(1,102)
<b>Balance as at 30 June 2010</b>	12,075	(757)	1,588	12,906

## Consolidated Statement of Cash Flows

YEAR ENDED 30 JUNE 2010	Notes	Economic Entity		Parent Entity	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers		40,043	46,682	35,428	39,027
Payments to suppliers and employees		(37,721)	(41,102)	(35,204)	(35,314)
Interest received		-	2	-	-
Finance costs		(182)	(160)	(186)	(166)
Income tax paid		(869)	(1,081)	(563)	(798)
<b>NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		<b>1,271</b>	<b>4,341</b>	<b>(525)</b>	<b>2,749</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of property, plant and equipment, software		2	-	2	-
Purchase of property, plant and equipment, software		(47)	(110)	(44)	(96)
<b>NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>(45)</b>	<b>(110)</b>	<b>(42)</b>	<b>(96)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from borrowings - other		-	-	856	648
Repayments of borrowings - other		(32)	(39)	(32)	(53)
Payment of dividends on ordinary shares		(1,102)	(1,564)	(1,103)	(1,564)
<b>NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		<b>(1,134)</b>	<b>(1,603)</b>	<b>(279)</b>	<b>(969)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>92</b>	<b>2,628</b>	<b>(846)</b>	<b>1,684</b>
Add opening cash and cash equivalents brought forward		1,245	(1,228)	319	(1,365)
Effects of exchange rate changes on cash		(814)	(155)	-	-
<b>CLOSING CASH CARRIED FORWARD</b>		<b>523</b>	<b>1,245</b>	<b>(527)</b>	<b>319</b>

## Notes to the Preliminary Final Report

YEAR ENDED 30 JUNE 2009

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

	Economic Entity		Parent Entity	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
<b>(a) Dividends paid during the year</b>				
<i>Current year interim</i>				
Franked dividends (0.0c per share) (2009: 2.50c per share)	-	920	-	920
<i>Previous year final</i>				
Franked dividends (3.0c per share) (2009: 1.75c per share)	1,102	644	1,102	644
	<u>1,102</u>	<u>1,564</u>	<u>1,102</u>	<u>1,564</u>
<b>(b) Dividends proposed and not recognised as a liability</b>				
• Franked dividends (0.0c per share) (2009: 3.0c per share)	-	1,104	-	1,104
	<u>-</u>	<u>1,104</u>	<u>-</u>	<u>1,104</u>

### 2. EVENTS AFTER THE BALANCE SHEET DATE

(a) On 6th August 2010 CPT Global Limited announced its intention to extend the on-market share buy back for a further twelve months until 7<sup>th</sup> August 2011. A maximum of 3,000,000 shares may be bought back during the buy back period, which will run from 27th August 2009 until 27th August 2014.

### 3. EARNINGS PER SHARE

(a) The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	2010	2009
	\$'000	\$'000
Net profit	(3,133)	2,171
<b>Adjustments:</b>	-	-
Earnings used in calculating basic and diluted earnings per share	<u>(3,133)</u>	<u>2,171</u>
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	36,746,364	36,856,364
Weighted average number of options outstanding	499,993	299,998
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	<u>37,246,357</u>	<u>37,156,362</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.



Stephan Scheffer (Company Secretary)

31 August 2010

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