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29 August 2008

The Manager  
Company Announcements Office  
Australian Securities Exchange Limited  
Level 4  
20 Bridge Street  
**SYDNEY NSW 2000**

### **PRELIMINARY FINAL REPORT**

- **RESULTS REFLECT RESTRUCTURE AND 8 MONTHS OF NEW ACQUISITION**
- **EXTERNAL ENVIRONMENT REMAINS CHALLENGING**
- **CONTINUING TO FOCUS ON CORE BUSINESS AND GROWTH OPTIONS**

The Board is pleased to announce that **Marbletrend Group Limited** achieved a record full-year result for the year ended 30 June 2008 due to the acquisition of a **70% interest** in **Marbletrend Holdings Pty Ltd**, which in turn **owns 100%** of **Marbletrend Pty Ltd**

Marbletrend manufactures, imports, warehouses and distributes bathroom products for major customers throughout Australia including Bunnings, Reece, Tradelink, Plumbing Plus, Plumbtec and Mitre 10.

Total revenue for the Marbletrend business was \$41.8 million for the full 2007/08 year compared to \$39.5 million in 2006/07. EBITA for the year was \$3.021 million, slightly below the May 2008 earnings guidance update of \$3.2 - \$3.3 million. The shortfall reflects both the deteriorating economy and some balance day adjustments.

The Marbletrend Group (MBD) accounts for 2007/08 incorporate the trading activities of Marbletrend for the eight month period from 1 November 2007 to 30 June 2008. Reported revenue for the Group for the 2007/08 year was \$26.97 million, profit before interest, tax, depreciation, amortisation and minority interests was \$1.96 million while the profit before tax and minority interests was \$1.32 million. Consolidated net profit from continuing operations after income tax for the year attributable to members was \$0.72 million. Comparisons with the previous year are not particularly relevant given the change in the nature of the Group's trading activities and its capital structure.

The Group paid a 1 cent fully franked dividend to members in July 2008 (as foreshadowed) and expects to pay a further 1 cent fully franked dividend in January 2009.

The Group continues to face a difficult external environment given the downturn in the economy and building sector. We are seeking to meet this environment through an ongoing assessment of our manufacturing base and focus on key customers product demand. Marbletrend Group is well placed to expand both organically and through acquisition and has a strong balance sheet.

### **Enquiries contact**

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## Appendix 4E Preliminary final report

**Financial year ended 30 June 2008**  
(previous corresponding period: year ended 30 June 2007)

### **RESULTS FOR ANNOUNCEMENT TO THE MARKET**

Information given to ASX under listing rule 4.2A.3

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		<b>\$'000</b>
<b>Revenue from ordinary activities</b>	up 26,866% to	26,966
<b>Profit /(loss) after tax attributable to members</b>	up 184.3% to	723
<b>Net Profit attributable to members</b>	up 184.3% to	723

#### **Dividends**

No dividend was paid or declared by the Company during the year on ordinary shares.

	<b>Jun 08</b>	<b>Jun 07</b>
<b>Earnings per share attributable to the ordinary equity holders of the parent</b>		
Basic earnings per share (cents)	1.72	(6.30)
Diluted earnings per share (cents)	1.68	(6.30)

#### **Net Tangible Assets attributable to the ordinary equity holders of the parent (note 5)**

Net Tangible Assets (\$'000)	2,435	383
Net Tangible Assets per share (cents)	3.90	2.68
Net Tangible Assets per share adjusted for Intellectual Property (cents)	5.39	2.68

#### **Brief explanation of results**

Refer to the Highlights Summary on the following page.

## Highlights Summary

Selected financial information		% change		
		2008	2007	
Revenue	\$'000	26,966	100	26,866
Profit /(loss) before tax	\$'000	1,322	(857)	254.3
Profit /(loss) after tax	\$'000	966	(857)	212.7
Profit /(loss) before tax excluding specific transaction *	\$'000	1,391	(857)	262.3
Average Return on Assets	%	2.81	(115.7)	
Average Return on Equity	%	11.33	(129.47)	

\* specific transaction during the year is:

2008 - \$69,631 impairment loss was charged to the income statement due to reduction in valuation of the Call Option granted to MBD in respect to acquisition of the minority interest, pursuant to accounting standards.

2007 - \$nil

### 1. Financial Performance

The Directors are pleased to report that MBD's profit after tax and minority interest for the 2008 Financial Year was up 184.3% to **\$0.72 million** from a loss of \$0.86 million last year. Pre-tax profit before minority interest was up 254.3% to **\$1.32 million**.

The return on shareholder funds averaged 11.33% over the year compared with -129.47% last year.

A fully franked dividend of \$0.01 per share (nil cents per share last year) was announced and paid in July 2008.

MBD's 2008 result primarily reflected the acquisition of the Marbletrent business effective 1 November 2007.

Total revenue for the Marbletrent business was \$41.8 million for the full year ended 30 June 2008 (\$39.5 million last year) with revenues exceeding budget in Western Australia and Queensland notwithstanding difficult trading conditions brought about in part by a slowdown in the housing sector.

### 2. Balance Sheet

As a result of the acquisition of a controlling interest in the Marbletrent business and the raising of \$12,000,000 prior to issue costs for the issue of 48,000,000 new shares at an issue price of \$0.25, the group has established a strong financial position with total assets of \$25.7 million and net assets of \$12.3 million as at 30 June 2008.

Marbletrent currently holds undrawn facilities of \$2.58 million to support its future growth and Directors are in discussions with Marbletrent's bankers and other capital market professionals in respect to future acquisitions that may be made and which will require further support.

### 3. Acquisition and Investments

During the year, MBD completed its acquisition of 70% of Marbletrent Holdings Pty Ltd (**Marbletrent Holdings**) which owns 100% of Marbletrent and was granted a Call Option to enable it to acquire the remaining 30% interest in Marbletrent Holdings. The transaction involved MBD acquiring 70% of the issued capital of Marbletrent Holdings for approximately \$10,120,389 after the net asset adjustment as at 31 October 2007. On 4 December 2007, MBD paid \$8,400,000 (and interest in respect to the deferment of the settlement of \$29,515) and MBD made a further payment of \$1,720,389 in February 2008 in order to complete the transaction. In order to fund the acquisition of Marbletrent, MBD raised \$12,000,000 prior to issue costs through an issue of 48,000,000 new shares at an issue price of \$0.25.

With the additional capital from the public markets, MBD is in an excellent position to take advantage of consolidation in the industry, expand Marbletrent's range of businesses and services that it provides to its key client base and support the growth that Marbletrent has experienced in both Western Australia and Queensland. Marbletrent generates approximately 55% of its revenue through the renovation markets and 45% of its revenue through new home starts.

At the Annual General Meeting of Shareholders held on 23 November 2007, shareholders agreed to change the name of Concentrated Capital Limited to Marbletrent Group Limited reflecting the aforementioned acquisition and on 14 December 2007, the Company transferred its listing from the National Stock Exchange (NSX) to the Australian Securities Exchange (ASX).

The vendors of Marbletrent have at present retained a minority interest in Marbletrent Holdings of 30% which is subject to:

- (a) a Call Option expiring 30 September 2010 granted to MBD subject to the meeting of certain conditions; and
- (b) a Put Option retained by the vendors and exercisable at market value between 1 July 2013 and 31 December 2013.

### 4. Operations

The operations of Marbletrent are predominantly within Australia with very minor export income. Marbletrent specialises in the manufacture, import and warehousing and distribution of bathroom products for major customers throughout Australia including Bunnings, Reece, Trade Link, Plumbing Plus, Plumbtec and Mitre 10. It operates warehousing facilities in Victoria, Queensland and Western Australia and branch offices in New South Wales with agencies supporting the operations of the business in South Australia, the Northern Territory and Tasmania.

Marbletrent has experienced significant growth in the Western Australian and Queensland markets predominantly off the back of enhanced confidence in the mining services sector. The New South Wales market has been difficult and continues to display a lack of consumer confidence whilst the Victorian market represents a key component of its sales and continues to demonstrate a solid revenue outlook.

### 5. Outlook for 2009

Given the difficult external environment, Marbletrent's outlook for the full 2007/08 year is hard to assess. In addition as Marbletrent imports manufactured goods from China, a challenge will be movements in foreign exchange and the management of the supply chain out of China resulting in increased costs and the ability to recover these from price rises in a difficult market.

Marbletrent revenues for July 2008 were strong but results for August were weak. Notwithstanding the weak economy, Marbletrent expects to maintain its trading performance through initiatives it is undertaking with its major customers and management of its supply chain. Marbletrent is confident that the new ranges being promoted to its key customers and a further focus on its manufacturing/supply chain management will assist in maintaining revenue growth and margin stability.

## **6. Long Term Outlook**

Marbletrent's long term outlook is positive based on a number of initiatives being undertaken in respect to manufacture of product, supply chain management out of China and other countries and the support of Federal and State Governments in respect to development of new affordable housing together with a continued shortage of tradesmen prompting renovators to undertake renovations notwithstanding the existing economic cycle.

In addition, Marbletrent is continually looking to opportunities to participate in the consolidation of the sector either by way of acquisition or by organic growth and the Board is confident that opportunities will be realised over the longer term which will assist in supplementing both MBD's profile of product offerings and creating manufacturing and distribution economies of scale.

## Consolidated Income Statement

For the Year ended 30 June 2008

	Note	30 June 2008 \$	30 June 2007 \$
Sale of goods		26,966,473	-
Other revenue	2 (a)	-	100,066
<b>Revenue</b>		<b>26,966,473</b>	<b>100,066</b>
Cost of sales		(15,774,906)	-
<b>Gross profit</b>		<b>11,191,567</b>	<b>-</b>
Other income	2 (b)	29,085	-
Distribution expenses		(3,535,440)	-
Marketing expenses		(771,146)	-
Occupancy expenses		(777,526)	-
Administrative expenses		(4,367,300)	(283,547)
Impairment of other financial assets		-	(643,358)
Fair value loss on financial instrument		(69,631)	-
Other expenses	2 (c)	(159,540)	(28,212)
Finance costs		(218,379)	(1,667)
<b>Profit (loss) from continuing operations before income tax</b>		<b>1,321,690</b>	<b>(856,718)</b>
Income tax expense		(355,752)	-
<b>Profit (loss) from continuing operations after income tax</b>		<b>965,938</b>	<b>(856,718)</b>
Attributable to:			
Minority interest		243,321	-
Members of the parent		722,617	(856,718)
		<b>Cents</b>	<b>Cents</b>
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the parent:			
Basic earnings per share (cents)		1.72	(6.30)
Diluted earnings per share (cents)		1.68	(6.30)

Earnings per share for profit attributable to the ordinary equity holders of the parent calculated on the issued capital as at 30 June 2008 (62,370,511 fully paid ordinary shares) is 1.16 cents and the earnings per share on a fully diluted basis as at 30 June 2008 is 1.12 cents.

**Consolidated Balance Sheet**  
**As at 30 June 2008**

	Note	30 June 2008 \$	30 June 2007 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	170,433	344,867
Trade and other receivables		6,738,734	12,224
Inventories		7,468,456	-
Other current assets		736,861	-
Derivative Financial Asset		796	-
<b>Total Current Assets</b>		<b>15,115,280</b>	<b>357,091</b>
<b>Non-current Assets</b>			
Deferred Tax Asset		486,810	-
Available-for-sale financial assets		122,652	136,744
Property, plant and equipment		2,327,666	-
Intangible assets		930,750	-
Goodwill		6,725,719	-
<b>Total Non-current assets</b>		<b>10,593,597</b>	<b>136,744</b>
<b>TOTAL ASSETS</b>		<b>25,708,877</b>	<b>493,835</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		5,297,268	61,208
Interest-bearing loans and borrowings		664,635	-
Income tax payable		294,224	-
Provisions		589,957	-
<b>Total Current Liabilities</b>		<b>6,846,084</b>	<b>61,208</b>
<b>Non-current Liabilities</b>			
Interest-bearing loans and borrowings		1,907,277	50,000
Minority interest financial liability		4,580,630	-
<b>Total Non-current Liabilities</b>		<b>6,487,907</b>	<b>50,000</b>
<b>TOTAL LIABILITIES</b>		<b>13,333,991</b>	<b>111,208</b>
<b>NET ASSETS</b>		<b>12,374,886</b>	<b>382,627</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Contributed equity	8	13,544,893	2,332,643
Accumulated losses	4	(1,180,463)	(1,903,080)
Reserves		10,456	(46,936)
<b>Parent Interest</b>		<b>12,374,886</b>	<b>382,627</b>
<b>TOTAL EQUITY</b>		<b>12,374,886</b>	<b>382,627</b>

## Statement of Changes in Equity

For the Year ended 30 June 2008

	Attributable to equity holders of the parent			
	Issued Capital \$	Accumulated profit/ (loss) \$	Other Reserves \$	Total \$
<b>Consolidated</b>				
<b>At 1 July 2007</b>	<b>2,332,643</b>	<b>(1,903,080)</b>	<b>(46,936)</b>	<b>382,627</b>
Net loss on available-for-sale financial assets	-	-	(14,093)	(14,093)
Share option expense	-	-	1,058	1,058
Reserve - Call Option on Minority Interest	-	-	70,427	70,427
Profit/ (Loss) for the period	-	722,617	-	722,617
Issue of share capital	12,000,000	-	-	12,000,000
Share based payments	17,500	-	-	17,500
Share issue transaction costs after tax	(805,250)	-	-	(805,250)
<b>At 30 June 2008</b>	<b>13,544,893</b>	<b>(1,180,463)</b>	<b>10,456</b>	<b>12,374,886</b>
Consolidated				
At 1 July 2006	1,969,250	(1,046,362)	17,885	940,773
Net loss on available-for-sale financial assets	-	-	(64,821)	(64,821)
Profit/ (Loss) for the period	-	(856,718)	-	(856,718)
Issue of share capital	329,898	-	-	329,898
Share based payments	70,000	-	-	70,000
Share issue transaction costs after tax	(36,505)	-	-	(36,505)
At 30 June 2007	2,332,643	(1,903,080)	(46,936)	382,627

## Cash Flow Statement

For the Year ended 30 June 2008

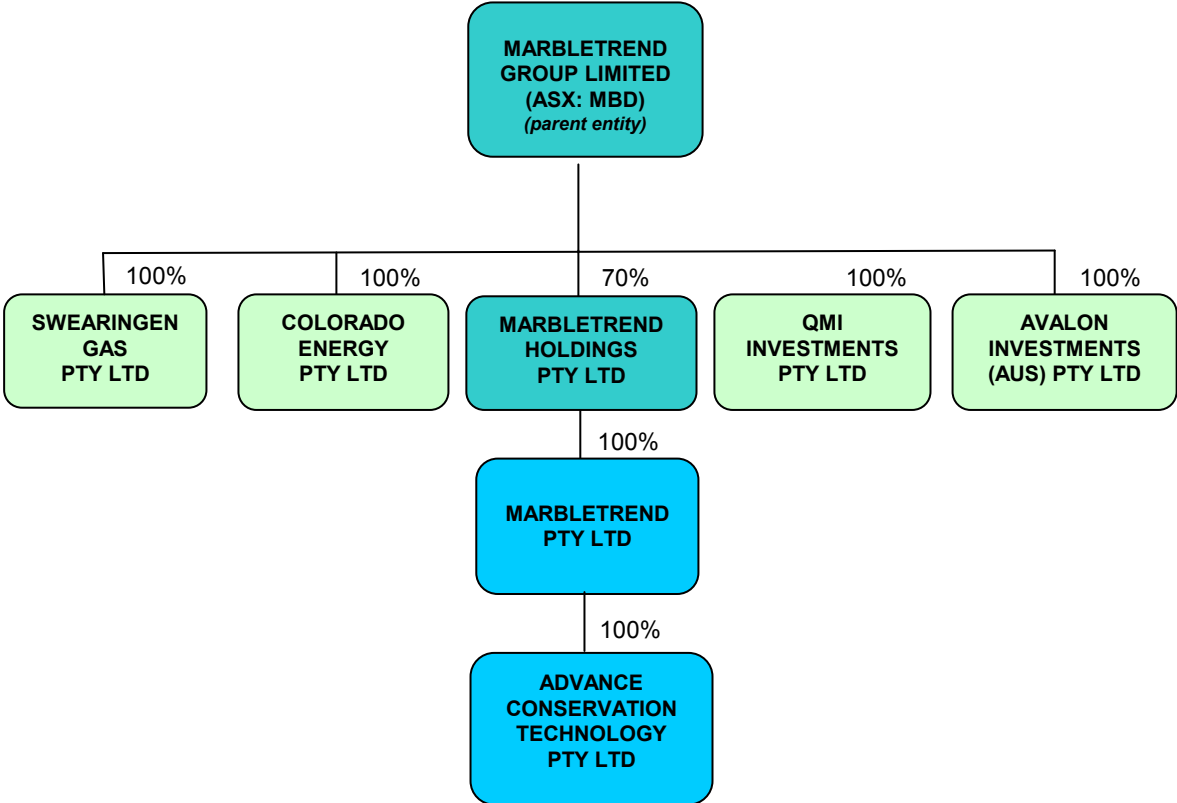
	Note	Consolidated	
		30 June 2008	30 June 2007
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		29,266,092	-
Payments to suppliers, employees and others (inclusive of GST)		(29,299,681)	(85,575)
Interest received		29,085	33,964
Interest paid		(218,379)	(1,250)
Income tax paid		(485,148)	-
<b>Cash flows from/ (used in) operating activities</b>		<b>(708,031)</b>	<b>(52,861)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(460,070)	-
Acquisition of subsidiary, net of cash acquired		(10,292,441)	-
<b>Cash flows from/ (used in) investing activities</b>		<b>(10,752,511)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from / (repayments of) borrowings		(53,021)	50,000
Proceeds from share issue		12,000,000	329,898
Transaction costs on share issue		(1,076,980)	(22,797)
<b>Cash flows from/ (used in) financing activities</b>		<b>10,869,999</b>	<b>357,101</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>(590,543)</b>	<b>304,240</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>344,867</b>	<b>40,627</b>
<b>Cash and cash equivalents at end of period</b>	<b>3</b>	<b>(245,676)</b>	<b>344,867</b>

**Notes to the Financial Statements**  
**For the Year ended 30 June 2008**

**1. Basis of preparation**

This preliminary final report has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Marbletrent Group Limited is a company limited by shares and is incorporated and domiciled in Australia. This report covers the consolidated group of Marbletrent Group Limited (“MBD”) and the entities that it controlled during the financial year, which are outlined in the following illustration of the group’s corporate structure:



The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

This report has been prepared on an accruals basis and is based on historical costs. The fair value basis of accounting has been applied to financial assets and financial liabilities.

## 2. Revenue, Income and Expenses

		Consolidated	
		2008	2007
		\$	\$
(a)	<b>Other Revenue</b>		
	Finance revenue	-	100,066
		-	100,066
(b)	<b>Other Income</b>		
	Interest received	<b>29,085</b>	-
		<b>29,085</b>	-
(c)	<b>Other Expenses</b>		
	Amortisation of Intellectual Property	<b>146,000</b>	-
	Loss on Disposal of Fixed Assets	<b>13,540</b>	-
	Corporate filing fees	-	3,248
	Share registry costs	-	10,743
	NSX listing costs	-	8,918
	Consultancy	-	4,000
	Other	-	1,303
		<b>159,540</b>	28,212

## 3. Cash and Cash Equivalents

		Consolidated	
		2008	2007
		\$	\$
	Cash at bank and in hand	<b>170,433</b>	344,867

### Reconciliation to Cash Flow Statement

For the purpose of the Cash flow statement, cash and cash equivalents are comprised of the following at 30 June:

Cash at bank and in hand	<b>170,433</b>	344,867
Bank overdraft	<b>(416,109)</b>	-
	<b>(245,676)</b>	344,867

## 4. Accumulated Losses

		Consolidated	
		2008	2007
		\$	\$
	Balance 1 July	<b>(1,903,080)</b>	(1,046,362)
	Profit/(loss) for the period	<b>722,617</b>	(856,718)
	Balance 30 June	<b>(1,180,463)</b>	(1,903,080)

## 5. Net Tangible Assets Per Share

		Consolidated	
		2008	2007
		Cents	Cents
	Net tangible assets per share	<b>3.90</b>	2.68
	Add: Intellectual Property – Registered Designs	<b>1.49</b>	-
	Net tangible assets per share adjusted for intellectual property rights	<b>5.39</b>	2.68

## 6. Segment Information

The Group's primary reporting format is business segments as the Group's risks and returns are affected predominantly by differences in the products and services produced. The Group's segment information for the previous corresponding period was reported geographically, however given the change in business, this is now not relevant.

The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

### Business segments

The following tables present revenue and profit information regarding business segments for the years ended 30 June 2008 and 30 June 2007.

	<b>Continuing Operation Bathroom Products \$'000</b>	<b>Corporate \$'000</b>	<b>Total \$'000</b>
<b>Year ended 30 June 2008</b>			
<b>Revenue</b>			
<b>Sales to external customers</b>	26,966	-	<b>26,966</b>
Other revenues from external customers	-	-	-
Other revenue	-	-	-
External revenue	26,966	-	<b>26,966</b>
Unallocated revenue	-	-	-
Total consolidated revenue	<u>26,966</u>	<u>-</u>	<u><b>26,966</b></u>
<b>Result</b>			
Segment result	1,156	165	<b>1,321</b>
Unallocated expenses/income	-	-	-
Net profit/(loss) before income tax	<u>1,156</u>	<u>165</u>	<u><b>1,321</b></u>

	<b>Continuing Operation Bathroom Products \$'000</b>	<b>Corporate \$'000</b>	<b>Total \$'000</b>
<b>Year ended 30 June 2007</b>			
<b>Revenue</b>			
<b>Sales to external customers</b>	-	-	-
Other revenues from external customers	-	100	100
Other revenue	-	-	-
External revenue	-	100	100
Unallocated revenue	-	-	-
Total consolidated revenue	<u>-</u>	<u>100</u>	<u>100</u>
<b>Result</b>			
Segment result	-	(857)	(857)
Unallocated expenses/income	-	-	-
Net profit/(loss) before income tax	<u>-</u>	<u>(857)</u>	<u>(857)</u>

## 7. Commitment and Contingencies

In the most recent annual financial report for the Group, no commitments or contingencies were disclosed.

There have been no changes to the commitments or contingencies for the period.

	<b>30 June 2008</b>	30 June 2007
	<b>Unit</b>	Unit
<b>8. Contributed Equity</b>		
<b>(a) Ordinary shares</b>		
Issued and fully paid	<b>62,370,511</b>	14,300,511
	<b>Unit</b>	<b>\$</b>
<i>Movement in ordinary shares on issue</i>		
At 1 July 2006	12,625,919	1,969,250
- issued from exercise of share options	125,000	12,500
- issued to directors in lieu of service	280,000	70,000
- issued from private equity raising	1,269,592	317,398
- transaction costs (net of deferred tax income)	-	(36,505)
At 1 July 2007	14,300,511	2,332,643
- issued to directors in lieu of service	70,000	17,500
- issued pursuant to Prospectus dated 8 November 2007	48,000,000	12,000,000
- transaction costs (net of deferred tax benefit)	-	(805,250)
<b>At 30 June 2008</b>	<b>62,370,511</b>	<b>13,544,893</b>

## 9. Events After the Balance Sheet Date

On 31 July 2008, the Company paid a fully franked interim dividend of one cent per ordinary share to registered members as at 21 July 2008. The total dividend paid was \$623,705.

**10. Information on Audit or Review**

This preliminary final report is in based on accounts to which one of the following applies:

- The accounts have been audited
- The accounts are in the process of being audited or reviewed
- The accounts have been subject to review
- The accounts have not yet been audited or reviewed

Description of likely dispute or qualification if the accounts have not yet been audited or subject to review or are in the process of being audited or subject to review.

Not Applicable
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Description of dispute or qualification if the accounts have been audited or subject to review.

Not Applicable
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