

26 August 2009

The Companies Announcement Office
Australian Stock Exchange Limited
Level 10 Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Dear Sir / Madam

2009 Financial Year Results

Please find attached the following information from the Company:

- Media release
- Appendix 4E

Yours faithfully



Peter Coppini
Company Secretary



Media Release

Wednesday, 26 August 2009

2009 Financial Year Results

WA based property company Port Bouvard Limited (**ASX: PBD**) ("Port Bouvard" or "the Company") has today announced its results for the financial year ending 30 June 2009, a consolidated net loss of A\$28.918m.

This result was in line with company expectations and largely a result of significant impairment write downs across the Company's portfolio of assets.

Despite an increase in sales revenue of 25% during the period and achieving a break-even operating result of A\$46,000, the final 2009 financial year result has been largely affected by current economic circumstances. The deterioration in property markets has led to management prudently initiating impairment adjustments of A\$41m included in the Company's net loss for FY2009.

The impairment adjustments reflect the Company's conservative view in these challenging times through discount rates of 25% used in its value in use discounted cash flow modelling across its core projects.

The Company continues to progress approvals across all core assets and plan for the development of approximately 5,000 lots in the next 12 – 15 years. The rezoning of 275ha at Point Grey in the Peel Region of Western Australia to Urban was achieved during the year and a Townsite Masterplan has now been lodged for Gidgegannup 38kms east of Perth.

Current construction projects including Oceanique luxury apartments and the final development stage at Port Bouvard, Eastport 5 are on time and within budget with further marketing campaigns planned to commence nearer to project completion.

As part of the Company's capital management initiatives the remaining non-core assets are being marketed for sale both nationally and internationally. The Company has already settled the Port Bouvard Marina during 2009 and contracted the Dawesville project to settle in June 2010.

The Company anticipates a gradual recovery within the Western Australian property market moving forward. This combined with the continued progress of our major projects through the planning process will optimise the Company's position as the market improves. We have two highly regarded flagship projects that are managed by a professional in-house team with strong government and community relations.

Port Bouvard Ltd's business model continues to focus on its existing large scale master planned communities offering a high quality and diversity of lifestyles.

ENDS

For further information:

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PRELIMINARY FINAL REPORT APPENDIX 4E

REPORTING PERIODS

Current reporting period	Financial year ended 30 June 2009
Previous corresponding period	Financial year ended 30 June 2008

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1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Summary

Revenue from continuing operations	Up	13.9%	to	\$25,346,523
Net loss for the period	Up	994.5%	to	\$(28,917,971)
Loss attributable to members of Port Bouvard Limited	Up	994.5%	to	\$(28,917,971)

Dividends per Share

	Interim (cents)	Final (cents)
Amount per share	Nil	Nil
Franked amount per share at 30% tax	Nil	Nil
Record date for determining entitlements to dividends	N/a	N/a
Payment date of dividends	N/a	N/a

A determination is yet to be made relating to the next dividend.

Explanations

For further information please refer to the commentary on results which follows.

2. COMMENTARY ON RESULTS

Accounting Policies, Estimation Methods and Measurement Bases

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. The accounting policies in this report are the same as those that will be included in the annual financial report.

Earnings per Share

Basic earnings per share at 30 June 2009 was (22.13) cents compared to 2.48 cents at 30 June 2008 representing a 1,036% decrease for the year.

Dividends per Share

No dividends were declared during the financial year ending 30 June 2009 or the previous financial year.

Significant Features of Operating Performance

In spite of challenging economic times the Group has recorded an increase in sales revenue of 25% over the previous corresponding reporting period. This growth in revenue has contributed toward an operating profit from continuing operations of \$45,773 before tax.

However, as a result of the Board and new management of the Company acknowledging current market conditions, the Group has prudently reflected conservative asset values in its balance sheets by using discount rates of 25% in its value in use discounted cash flow modelling. After these adjustments and taking into account the profit from operations of the Port Bouvard Marina sold during the year, the Group recorded a final after tax loss of \$28,917,970.

As a result of the revaluation of assets in the Group's balance sheets the consolidated net tangible assets per share has fallen to \$0.84 at 30 June 2009 from \$1.14 at 30 June 2008.

The Group continues to progress planning and rezoning work on its core assets at Point Grey, Gidgegannup and Esperance, and activities also continue at Furnissdale where work continues via a development agreement. Further detail on the Group's development operations is outlined below.

Development Update

Despite the downturn in the property market, the Group has been extremely active during the past twelve months. Highlights are as follows:

- The Group's flagship project at Point Grey was rezoned to 'urban' in April 2009, the largest rezoning in history under the Peel Region Scheme, paving the way for a clear and certain approvals process
- Significant progress of the Group's other flagship, the Gidgegannup project, including lodgement of the Masterplan with community backing, with the City of Swan and the West Australian Planning Commission
- Continued progress "on-time" and "on-budget" in the construction of Oceanique Luxury Apartments
- Successful achievement of "value add" approvals before the sale of other non-core assets
- Non-core asset sales of the Port Bouvard Marina (settled in February 2009) and Dawesville (contracted to settle in June 2010)
- Other non-core assets are being actively marketed for sale nationally and internationally.

The Group is focussing its resources on achieving medium to long term delivery of its flagships assets which will deliver approximately 5,000 lots over the next fifteen years. Project specific updates are shown below.

Point Grey

Since purchasing 275 hectares at Point Grey, the Group embarked upon extensive planning and environmental investigation accumulating in a detailed designed on residential marina based masterplan community.

This concept plan formed the basis of the Western Australian Planning Commission's (WAPC) decision to rezone the site from Urban Deferred to Urban in April 2009. Separate environmental assessment for the marina is now well progressed and finalisation of this and the Town Planning Scheme Amendment are expected by the end of 2010.

Sales and construction of the first stages is expected in 2010/11 with completion of the planned 2,700 lots approximately, over the next 12 - 15 years.

Gidgegannup

Following eighteen months of extensive community and planning work combined with detailed environmental investigation, a Townsite Masterplan has now been submitted to the City of Swan and WAPC. The Masterplan submission is expected to be initiated by the WAPC for a Metropolitan Region Scheme amendment in September 2009.

The Gidgegannup development is proposed to consist of 1,650 residential town site and rural lots. The State Government's willingness to progress this project provides the Company with confidence in the planning process and ability to release lots for sale by 2010/11.

Esperance

The Company has been working closely with the Shire of Esperance, the Department of Planning (DOP) and other adjacent landowners to develop the Bandy Creek Structure Plan which was approved by the Shire in August 2009.

This approval followed by the gazettal of the Shire of Esperance New Town Planning Scheme expected later this year will provide a clear planning framework for the Company to progress its Canal Development Proposal at Bandy Creek.

It is anticipated the 17 hectares of strategically located land immediately adjacent to the existing marina will yield up to 207 canal lots. The necessary environmental investigations and reporting is well underway.

Port Bouvard

The final stage of sub division of Eastport 5 at Port Bouvard has now been completed. The majority of the pre-sold canal lots have now been settled with the remainder of available lots to be bought to market in October 2009. This will also coincide with the release of the 34 canal island survey strata lots on the internal island of Eastport 5.

Previously a 59 apartment built strata approval for the Eastport 5 Island had been obtained however, was not considered as attractive to the current market as vacant very affordable survey strata canal lots. Approval of the survey strata subdivision is expected later this year.

Oceanique

The Oceanique Luxury Apartments at Port Bouvard are well under construction. Construction is currently 66% complete and is on time and on budget with completion scheduled for June 2010.

A successful presale campaign totalling \$110M has occurred. Further marketing of available apartments will commence nearer to completion.

Strategic partnering arrangements are now in place with builder DORIC, to ensure both the program and budget are achieved.

Furnissdale

The Company is working with the existing landowner to seek a residential approval over 57.6 hectares of land at Furnissdale. The recent release of the State Government Strategic Planning Policy for this area now provides the necessary agenda for a planning and environmental position to be lodged with agencies in support for the urban development of this site.

Princeton Private Estate

The final stage has been completed and all lots sold have settled which now allows for the maintenance bonds in the order of +\$1.5M to be progressively released.

Non Core Assets

As part of the Company's financial strategy, the disposal of non core assets continues.

All of these assets have been through important 'value added' approval processes that add to their attractiveness and timely sale.

In particular, the Dawesville site is now under contract for \$4.75M, the Melros site has received subdivisional approval for 43 residential lots, and with the Hotel and Villa site at Port Bouvard are now being actively marketed both nationally and internationally.

Other Segment Results

During the financial year the Group registered Port Bouvard Funds Management Ltd (PBFML), which will be used as the vehicle when entering the funds management market in the medium term (subject to improved market conditions). PBFML is a wholly owned subsidiary of Port Bouvard Limited, it has net assets at 30 June 2009 of \$50,544 and had an operating loss of \$456 after tax for the period. PBFML is the responsible entity for Port Bouvard Property Fund No.1, which was also registered during the financial year.

During the financial year the Group sold the Port Bouvard Marina for \$4.75m, as previously mentioned. Its contribution to the Group's net after tax loss was a profit of \$479,163.

Trends in Performance

During the 2010 financial year the Group will continue to sell remaining developed lots of land at Port Bouvard. The year will culminate with the forecasted completion of Oceanique Luxury Apartments.

3. CONDENSED CONSOLIDATED INCOME STATEMENT

	Current Period A \$'000	Previous Corresponding Period A \$'000
Revenue from continuing operations – <i>refer 3.1 below</i>	26,152	22,262
Expenses from continuing operations – <i>refer 3.2 below</i>	(25,687)	(18,525)
Borrowing costs – <i>refer 3.4 below</i>	(419)	236
Share of net profits / (losses) of associates and joint venture entities	-	1,115
Profit from operations before amortisation and impairment and income tax	46	5,088
Amortisation and impairment expense	(40,865)	-
Profit before income tax	(40,819)	5,088
Income tax expense	11,422	(1,695)
Profit after tax from continuing operations	(29,397)	3,393
Profit / (loss) after tax from discontinued operations	479	(160)
Net profit for the period	(28,918)	3,233
Profit / (loss) attributable to minority interests	-	-
Profit / (loss) attributable to members of Port Bouvard Limited	(28,918)	3,233
Basic Earnings Per Share	(22) cents	2 cents
Diluted Earnings Per Share	(23) cents	2 cents
Dividends Per Share	Nil	Nil

NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

3.1 Revenue from Continuing Operations

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
<i>Revenue</i>		
Sale of goods	25,144	20,189
Rendering of services	15	1,490
Rental revenue	179	20
Finance revenue	9	563
Forfeited deposits	-	-
Other revenue	21	-
<i>Other Income</i>		
Debts forgiven	38	-
Gain on disposal of subsidiary	746	-
	26,152	22,262

3.2 Expenses from Continuing Operations

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Cost of sales	(16,680)	(8,061)
Commissions and discounts	(2,209)	(937)
Employee benefits expense	(3,128)	(3,274)
Advertising and marketing	(222)	(1,538)
Depreciation and amortisation	(137)	(151)
Rates and taxes	(328)	(530)
Repairs and maintenance	(380)	(484)
Consultants	(425)	(686)
Legal fees	(267)	(197)
Rental expenses	(300)	(336)
Other expenses	(1,611)	(2,331)
	(25,687)	(18,525)

3.3 Amortisation and Impairment Expenses

Consolidated – Current Period			
Before tax	Related tax	Related outside equity interests	Amount (after tax) attributable to members
A \$'000	A \$'000	A \$'000	A \$'000
Amortisation of goodwill	-	-	-
Amortisation of other intangibles	-	-	-
Total amortisation of intangibles	-	-	-
Impairment of goodwill	-	-	-
Impairment of other intangibles	-	-	-
Impairment of other assets	(40,865)	12,260	(28,606)
(40,865)	12,260	-	(28,606)

3.4 Capitalisation of Borrowing Costs

Borrowing costs capitalised that are not included in borrowing cost expenses disclosed above include:

Interest costs capitalised in asset values
 Interest costs capitalised in intangibles (unless arising from an acquisition of a business)

Current Period	Previous Corresponding Period
A \$'000	A \$'000
6,827	4,059
-	-
6,827	4,059

4. CONDENSED CONSOLIDATED BALANCE SHEET

	Current Period A \$'000	Previous Corresponding Period A \$'000
Current Assets		
Cash and cash equivalents	2,562	1,789
Trade and other receivables	3,830	5,219
Inventories	51,900	13,193
Current tax receivable	-	2,754
Other current Assets	1,808	710
Current Assets	60,100	23,665
Non-current assets held-for-sale	13,975	-
Total Current Assets	74,075	23,665
Non-Current Assets		
Inventories	147,756	187,980
Property, plant and equipment (net)	138	4,389
Investment properties	-	5,000
Other assets	160	605
Deferred tax assets	15,205	2,181
Total Non Current Assets	163,259	200,155
TOTAL ASSETS	237, 334	223,820
Current Liabilities		
Trade and other payables	12,953	7,790
Borrowings	51,906	6,848
Provisions	85	230
Total Current Liabilities	64,944	14,868
Non-Current Liabilities		
Borrowings	47,531	56,837
Provisions	50	60
Deferred tax liabilities	6,137	5,073
Total Non-Current Liabilities	53,718	61,970
TOTAL LIABILITIES	118,662	76,838
NET ASSETS	118,672	146,982
Equity		
Contributed equity	141,974	141,935
Reserves	619	472
Retained earnings	(23,921)	4,575
Total Equity	118,672	146,982

NOTES TO THE CONDENSED CONSOLIDATED BALANCE SHEET

4.1 Consolidated Retained Profits

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Retained profits at the beginning of the financial period	4,575	1,342
Transfers from share based payments reserve	422	-
Net profit attributable to members of the parent entity	(28,918)	3,233
Dividends and other equity paid or provided for	-	-
Retained earnings at the end of the financial period	(23,921)	4,575

4.2 Exploration and Evaluation Expenditure Capitalised

Not applicable

4.3 Investment Properties

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Opening balance	5,000	5,000
Expenditure incurred during the current period	-	-
Expenditure transferred from Inventories	-	-
Expenditure written off during the current period	-	-
Transfer to non-current assets held-for-sale	(5,000)	-
Closing balance as shown in the condensed consolidated balance sheet	-	5,000

5. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Total equity at the beginning of the financial period	146,982	143,285
Profit for the period	(28,918)	3,233
Total recognised income and expense for the period	(28,918)	3,233
Transactions with equity holders in their capacity as equity holders:		
Contributions of equity, net of transaction costs	39	(8)
Increase in reserves	147	472
Transfer of shares based payment reserves to retained earnings	422	-
Dividends provided for or paid	-	-
Total equity at the end of the financial period	118,672	146,982

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Total recognised income and expense for the year is attributable to:		
Equity holders of Port Bouvard Limited	(28,918)	3,233
Minority interest	-	-
	(28,918)	3,233

6. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Cash flows from operating activities		
Receipts from customers	31,615	40,628
Payments to suppliers and employees	(68,122)	(92,674)
Interest and other items of a similar nature received	9	1,224
Interest and other costs of finance paid	(7,063)	(4,667)
Income taxes paid	2,440	(5,821)
Net cash flows from operating activities	(41,121)	(61,310)
Cash flows from investing activities		
Payments for purchases of property, plant and equipment	(60)	(676)
Proceeds from sale of property, plant and equipment	15	-
Proceeds from sale of as property, plant and equipment as part of sale of business	3,118	-
Proceeds from disposal of investment in subsidiary	1,632	-
Repayment of loan by joint venture	1,396	6,024
Repayment of loan by other party	-	1,800
Net cash flows from investing activities	6,101	7,148
Cash flows from financing activities		
Proceeds from borrowings	79,019	(43,798)
Repayment of borrowings	(43,265)	105,684
Proceeds from share issue	39	-
Transactions costs on share issue	-	(8)
Dividends paid	-	(7,838)
Net cash flows used in financing activities	35,793	54,040
Net increase in cash and cash equivalents	773	(122)
Cash and cash equivalents at beginning of period	1,789	1,911
Cash and cash equivalents at end of period – refer 6.1 below	2,562	1,789

NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

6.1 Reconciliation of Cash and Cash Equivalents

	Current Period A \$'000	Previous Corresponding Period A \$'000
Cash on hand and at bank	2,562	1,789
Deposits at call	-	-
Total cash and cash equivalents at end of period	2,562	1,789

6.2 Reconciliation of Net Profit after Tax to Net Cash Flows from Operations

	Current Period A \$'000	Previous Corresponding Period A \$'000
Profit after income tax	(28,918)	3,233
<i>Adjustments for:</i>		
- Depreciation and amortisation	198	243
- Loss on disposal of property, plant and equipment	94	3
- Change in value of assets	40,865	-
- Gain on sale of subsidiary	(746)	-
- Shared based payments expense	570	472
- Share of net profits / (losses) of associates and joint venture entities	-	(1,115)
- Write off of investment in joint venture	-	1,115
<i>Changes in assets and liabilities:</i>		
(Increase) / decrease in receivables	(9)	12,941
(Increase) / decrease in inventories	(48,323)	(77,363)
(Increase) / decrease in other assets	(653)	(283)
(Increase) / decrease in deferred tax assets	(13,023)	(205)
Increase / (decrease) in payables	5,160	3,414
Increase / (decrease) in provisions	(154)	231
Increase / (decrease) in deferred tax liabilities	1,064	1,815
Increase / (decrease) in current tax payable	2,754	(5,811)
Net cash from operating activities	(41,121)	(61,310)

6.3 Non-cash Financing and Investing Activities

There were no non-cash financing and investing transactions during the year.

OTHER NOTES TO THE CONDENSED FINANCIAL STATEMENTS

7. NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA backing)

Current reporting period	84 cents
Previous corresponding period	114 cents

8. DETAILS OF CONTROLLED ENTITIES

8.1 Control Gained over Entities during the Period

Name of entity

Date control acquired, i.e. date from which profit (loss) has been calculated

Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period since the date on which control was acquired

Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the whole of the previous corresponding period

Port Bouvard Funds Management Ltd	
	22 December 2008
	\$ (456)
	\$ Nil

Name of entity

Date control acquired, i.e. date from which profit (loss) has been calculated

Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period since the date on which control was acquired

Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the whole of the previous corresponding period

Port Bouvard Property Fund No.1	
	01 May 2009
	\$ Nil
	\$ Nil

8.2 Control Lost over Entities during the Period

Name of entity

Date control lost, i.e. date to which profit (loss) has been calculated

Profit from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period since the date on which control was lost

Profit / (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the whole of the previous corresponding period

Port Bouvard Marina Pty Ltd	
	27 February 2009
	\$479,164
	\$(159,817)

9. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

9.1 Equity Accounted Associates and Joint Venture Entities

	%Ownership Interest		Contribution to Net Profit	
	Current Period	Previous Corresponding Period	Current Period	Previous Corresponding Period
	A \$'000	A \$'000	A \$'000	A \$'000
M.M.M Developments Pty Ltd	50%	50%	-	849
Lighthouse Investments Pty Ltd	50%	50%	-	156
DD Developments Pty Ltd	50%	50%	-	40
Goodrock Corporation	50%	50%	-	70

9.2 Aggregate Share of Profits / (Losses) of Associates and Joint Venture Entities

Group's Share of Associates and Joint Venture Entities:	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Profit / (loss) before income tax	-	1,115
Income tax expense	-	-
Profit / (loss) after tax	-	1,115
Adjustments	-	-
Share of net profit / (loss) of associates and joint venture entities	-	1,115

10. DIVIDENDS

10.1 Dividends per Share

	Amount per share	Franked amount per share at 30% tax	Amount per share of foreign source dividend
Final			
- current period	0 cents	0 cents	0 cents
- previous corresponding period	0 cents	0 cents	0 cents
Interim			
- current period	0 cents	0 cents	0 cents
- previous corresponding period	0 cents	0 cents	0 cents

10.2 Total Dividends

	Current Period	Previous Corresponding Period
	A \$'000	A \$'000
Interim – nil (2008: nil)	-	-
Final – nil (2008: nil)	-	-

OTHER NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

10.3 Dividend Reinvestment Plans

The Company does not operate a dividend reinvestment plan.

The last date for receipt of election notices for participation in any dividend reinvestment plans: *Not applicable*

11. ACCOUNTING STANDARDS (FOR FOREIGN ENTITIES)

The Company is domiciled in Australia as are all of its subsidiaries.

12. OTHER INFORMATION REGARDING THE ACCOUNTS

12.1 The information contained in this Appendix 4E is based on accounts which;

- are in the process of being audited

12.2 Audit Disputes or Qualifications

These accounts are not likely to be subject to dispute or qualification.

13. OTHER SIGNIFICANT INFORMATION

There is no other significant information.

<< End >>