



LEMARNE CORPORATION LIMITED
A.C.N. 004 834 584

TO: Australian Stock Exchange
Company Announcements Office

DATE: 19 August 2009

**RE: RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE YEAR
ENDED 30 JUNE 2009**

HIGHLIGHTS

- Profit before tax increased to \$9.9 million.
- Profit after tax increased to \$8.4 million.
- Shareholder funds \$38.2 million at 30 June 2009 with cash on deposit totalling \$28 million
- Earnings per share for continuing operations increased to 53.1 cents per share.
- Net tangible asset backing per share increased to \$4.40 per share.
- Final dividend of 50 cents per share bringing total dividends for the year to 79 cents per share

Against the background of challenging economic conditions and unpredictable movements in major currencies, Lemarne achieved excellent results in 2008/9. Profit before tax increased from \$4.7 million in 2007/8 to \$9.9 million, while net profit after tax increased by 164% to \$8.4 million

This pleasing profit resulted from the continuing strong performance of Lemtronics Sdn Bhd and 10 month's contribution from C10 Communications prior to its divestment, which yielded an abnormal profit after tax of \$1.5 million.

The divestment of C10 Communications and the major buyback of an institutional shareholding in April 2009 represent the final phase in the restructuring of Lemarne. Lemarne has a very strong balance sheet with shareholder funds of \$38 million, no debt and \$28 million on deposit at 30 June 2009. Net tangible assets per share increased from \$3.73 to \$4.40 and earnings per share rose from 33.1 cents to 88.2 cents.

The focus of the Group is now on Lemtronics which continues to show solid profitability despite very challenging trading conditions.

Dividends

In April 2009 an interim unfranked dividend of 14 cents per share was paid and the Directors have declared a final unfranked dividend of 50 cents per share to be paid on 19 October 2009 which is in line with the Company's long held policy of maximizing its return to shareholders.

Future

Lemarne will continue to actively explore how best to utilize its strengths to maximize returns to shareholders. The aim is for Lemtronics to continue to achieve strong growth with the further upgrade of its capital equipment and facilities, core manufacturing processes and to expand its business development capability into Australasia, UK, France and Scandanavia.

PETER A. MURPHY
Managing Director

KATHY KOTSIPOULOS
Company Secretary

Appendix 4E

Preliminary final report

Name of entity

LEMARNE CORPORATION LIMITED

ABN or equivalent company
reference

72 004 834 584

Half yearly
(tick)

Preliminary
final (tick)

Half year/financial year ended ('current period')

30 JUNE 2009

Results for announcement to the market

Extracts from this report for announcement to the market (see note 1).

\$A'000

Revenues from ordinary activities – continuing operations	up /down	1%	to	48,514
Profit (loss) from ordinary activities after tax attributable to members	up/ down	164%	to	8,384
Profit (loss) from extraordinary items after tax attributable to members	gain (loss) of			
Net profit (loss) for the period attributable to members	up/ down	164%	to	8,384

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend (<i>Preliminary final report only</i>)	50.0¢	50.0¢
Interim dividend (<i>Half yearly report only</i>)		
Previous corresponding period	12.5¢	12.5¢

⁺Record date for determining entitlements to the dividend,

9 October 2009

Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

The final dividend was declared after 30 June 2009 and is therefore not provided for in the accounts for the year ended 30 June 2009. It is payable on 19 October 2009.

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Consolidated	
		2009 \$000	2008* \$000
Revenue	1	48,452	48,745
Cost of sales		<u>(37,699)</u>	<u>(38,908)</u>
Gross profit		10,753	9,837
Other operating income	1	62	378
Distribution expenses		(1,495)	(1,952)
Administrative expenses		(4,429)	(3,559)
Impairment of goodwill and property, plant and equipment/investment		(3)	(7)
Other operating expenses		<u>(72)</u>	<u> 6</u>
Results from operating activities		4,816	4,703
Financial income		1,176	1,238
Financial expenses		<u>(54)</u>	<u>(47)</u>
Net financing (costs)/income		1,122	1,191
Profit/(loss) from ordinary activities before income tax expense		5,938	5,894
Income tax expense		<u>(888)</u>	<u>(1,212)</u>
Profit/(loss) after tax from continuing operations		5,050	4,682
Profit/(loss) from discontinued operation net of tax		<u>3,334</u>	<u>(1,505)</u>
Profit/(loss) for the year		<u>8,384</u>	<u>3,177</u>
Attributable to:			
- Equity holders of the parent		<u>8,384</u>	<u>3,177</u>
Profit for the year		<u>8,384</u>	<u>3,177</u>
Earnings per share:			
Basic earnings per share from all operations (cents)	6	88.2	33.1
Basic earnings per share from continuing operations (cents)	6	53.1	48.7
Diluted earnings per share from all operations (cents)	6	88.2	33.1
Diluted earnings per share from continuing operations (cents)	6	53.1	48.7

* 2008 results restated following the sale of C10 Communications Pty Ltd, refer also note 2.

BALANCE SHEETS AS AT 30 JUNE 2009

	Note	Consolidated	
		2009	2008
		\$000	\$000
Assets			
Cash and cash equivalents		27,992	24,176
Trade and other receivables		6,531	10,150
Inventories		4,886	5,502
Prepayments and deposits		<u>224</u>	<u>523</u>
TOTAL CURRENT ASSETS		<u>39,633</u>	<u>40,351</u>
Property, plant and equipment		3,988	3,765
Deferred tax assets		259	425
Intangible assets		<u>297</u>	<u>297</u>
TOTAL NON-CURRENT ASSETS		<u>4,544</u>	<u>4,487</u>
TOTAL ASSETS		<u>44,177</u>	<u>44,838</u>
Liabilities			
Bank overdraft		-	1
Trade and other payables		3,540	5,598
Loans and borrowings		394	143
Employee benefits		308	1,030
Income tax payable		600	262
Provisions		-	103
Deferred income		<u>554</u>	<u>314</u>
TOTAL CURRENT LIABILITIES		<u>5,396</u>	<u>7,451</u>
Loans and borrowings		434	231
Deferred tax liabilities		114	168
Employee benefits		<u>48</u>	<u>179</u>
TOTAL NON-CURRENT LIABILITIES		<u>578</u>	<u>578</u>
TOTAL LIABILITIES		<u>5,992</u>	<u>8,029</u>
NET ASSETS		<u>38,185</u>	<u>36,809</u>
Equity			
Issued capital	3	3,672	4,178
Reserves	3	(456)	(1,773)
Retained earnings	3	<u>34,969</u>	<u>34,404</u>
TOTAL EQUITY		<u>38,185</u>	<u>36,809</u>

Statements of Cash Flows For the Financial Year Ended 30 June 2009

	Note	Consolidated	
		2009	2008
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		60,254	67,289
Cash paid to suppliers and employees		(49,993)	(58,219)
Cash generated from operations		10,261	9,070
Interest received		1,277	1,230
Interest paid		(54)	(60)
Income taxes paid (net of refunds)		(1,286)	(1,331)
Net cash from operating activities		<u>10,198</u>	<u>8,909</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments/disposal of subsidiary (net of cash disposed)		2,220	5,886
Proceeds from sale of property, plant and equipment		15	31
Payments for other expenditure/acquisition of controlled entities/business (net of cash)		-	(157)
Acquisition of property, plant and equipment		(981)	(1,997)
Payments for disposal of business/controlled entity		(76)	(936)
Net cash from/(to) investing activities		<u>1,158</u>	<u>2,827</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	3	-	501
Share buy-back	3	(4,427)	-
Proceeds from borrowings		973	416
Repayment of borrowings		(519)	(2,759)
Dividends paid - members of parent entity	4	(3,898)	(2,161)
Net cash from/(to) financing activities		<u>(7,871)</u>	<u>4,003</u>
Net increase/(decrease) in cash and cash equivalents		3,485	7,733
Cash at the beginning of the financial year		24,175	16,477
Effect of exchange rate fluctuations on cash held		<u>332</u>	<u>(35)</u>
Cash at the end of the financial year	5	<u>27,992</u>	<u>24,175</u>

Notes to the condensed consolidated statement of financial performance

	Note	Consolidated	
		2009	2008
		\$000	\$000
1. REVENUE			
Revenue from continuing operations			
Sale of goods revenue		<u>48,452</u>	<u>48,745</u>
<u>Other income</u>			
Other		53	375
Net gain on disposal of non-current assets:			
- plant and equipment		<u>9</u>	<u>3</u>
Total other income		<u>62</u>	<u>378</u>
Total revenues and other income from continuing operations		<u>48,514</u>	<u>49,123</u>
Revenues from discontinuing operations			
Revenue from sale of goods		<u>7,786</u>	<u>16,865</u>
<u>Other income</u>			
Other income		<u>192</u>	<u>-</u>
Total other income		<u>192</u>	<u>-</u>
Net gain on sale of controlled entity		<u>1,479</u>	<u>-</u>
Total revenues and other income from discontinuing operations		<u>9,457</u>	<u>16,865</u>
Total revenues and other income		<u>57,971</u>	<u>65,988</u>

	Consolidated	
	2009	2008
	\$000	\$000
2. <u>PROFIT/(LOSS) FROM OPERATIONS</u>		
(a) Items included in profit/(loss) from discontinuing operations before income tax expense:		
On 30 April 2009, the consolidated entity's subsidiary Lemvest Pty Ltd, sold its shares in C10 Communications Pty Ltd, the telecommunications business segment. The segment was not a discontinued operation or classified as held for sale as at 30 June 2008 and the comparative income statement and segment reporting has been restated to show the discontinued operation separately from continuing operations.		
On 23 January 2008, the consolidated entity sold its shares in Lemarne Healthcare Pty Ltd, the skin cancer medical clinic business segment.		
On 29 April 2008, the consolidated entity's subsidiary C10 Communications Pty Ltd, sold its interest in the ValueNet business, part of the telecommunications business segment.		
Revenue from sale of controlled entity/business	3,056	6,150
Cost of disposal	<u>(1,577)</u>	<u>(9,212)</u>
Net profit/(loss) on disposal	1,479	(3,062)
(b) Profit from continuing operations before income tax has been arrived at after charging/(crediting) the following specific expenses:		
<u>Impairment losses</u>		
Property, plant and equipment	-	7
Stock obsolescence provisions	<u>2</u>	<u>47</u>
	<u>2</u>	<u>54</u>
Other expenses:		
<u>Personnel expenses</u>		
Wages and salaries	6,059	5,370
Contributions to defined contribution superannuation funds	128	153
Other associated personnel expenses	1,629	1,509
Increase in liability for annual leave	(83)	53
Increase in liability for long service leave	15	16
Share based payments	-	7
Terminations benefits	<u>-</u>	<u>145</u>
	<u>7,748</u>	<u>7,253</u>
<u>Depreciation of non-current assets:</u>		
Plant and equipment	<u>943</u>	<u>660</u>
<u>Amortisation of non-current assets:</u>		
Leasehold property	<u>79</u>	<u>36</u>
Total depreciation and amortisation	<u>1,022</u>	<u>696</u>

	Consolidated	
	2009	2008
	\$000	\$000
2. <u>PROFIT/(LOSS) FROM OPERATIONS</u> <u>(CONTINUED)</u>		
(b) Profit from continuing operations before income tax has been arrived at after charging/(crediting) the following specific expenses (cont):		
<u>Other expense items</u>		
Movement in provision for doubtful debts (impaired receivables)	(131)	(33)
Movement in stock obsolescence provision	672	47
Movement in warranty provision	(124)	47
Net foreign exchange loss/(gain)	86	(211)
Operating lease rentals	97	94
Net profit/(loss)loss on disposal of property, plant and equipment	9	1

3. **CAPITAL AND RESERVES**

Reconciliation of movement in capital and reserves

	Share capital \$000	Trans- lation reserve \$000	Options granted reserve \$000	Retained earnings \$000	Total equity \$000
Balance at 1 July 2008	4,178	(2,098)	325	34,404	36,809
Total recognised income and expense	-	1,317	-	8384	9,701
Share buy-back	(506)	-	-	(3,921)	(4,427)
Dividends to shareholders	-	-	-	(3,898)	(3,898)
Balance at 30 June 2009	<u>3,672</u>	<u>(781)</u>	<u>325</u>	<u>39,969</u>	<u>38,185</u>

Share capital

The consolidated entity recorded the following amount within shareholders' equity as a result of the issue of ordinary shares.

For the year ended 30 June 2009

	Share Capital	
	30 June 2009	30 June 2008
	\$000	\$000
Issue of ordinary shares from the exercise of options under the Key Executive Option Plan	<u>-</u>	<u>501</u>
	Ordinary Shares	
	30 June 2009	30 June 2008
	No.	No.
On issue at 1 July	9,793,714	9,606,214
Issued for cash	-	187,500
Share buy-back	<u>(1,186,900)</u>	<u>-</u>
On issue at 30 June fully paid	<u>8,606,814</u>	<u>9,793,714</u>

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Lemarne Corporation Limited's share price at 30 June 2009 was \$3.62 (2008: \$3.48).

On 2 April 2009 shareholders approved in a general meeting the buy-back of 1,186,900 shares from Howson Tattersall (Mackenzie Financial) incorporating Saxon World Growth and MD Growth Investments Limited at \$3.73 per share. The buy-back was completed on 3 April 2009 for a total consideration of \$4,427,137.

There are no outstanding share options on issue as at 30 June 2009.

	Consolidated	
	2009	2008
	\$000	\$000
4. <u>DIVIDENDS PROVIDED FOR OR PAID</u>		
The amounts paid, declared or provided for by way of dividend by the parent entity are:		
(i) an interim unfranked ordinary dividend of 14.0 cents per share was paid on 23 April 2009 (2008: 12.5 cents fully franked)	1,205	1,201
(ii) No final unfranked ordinary dividend was paid in respect of the year ended 30 June 2009 (2008: 12.5 cents fully franked per share was paid on 20 October 2008)	1,224	960
(iii) A special fully franked dividend of 15 cents per share was paid on 10 December 2008	<u>1,469</u>	<u>-</u>
Total dividends in accounts	<u>3,898</u>	<u>2,161</u>
 After Year End		
(iv) 2009: a final unfranked dividend of xx.x cents per share was declared payable on 19 October 2009; (2008: 12.5 cents fully franked)	<u>-</u>	<u>1,224</u>
This dividend was not provided for in the accounts.		
 <u>Dividend franking account</u>		
Franking credits available to shareholders of Lemarne Corporation Ltd for subsequent financial years	<u>349</u>	<u>990</u>

The above available amount is based on the balance of the dividend franking account at year end adjusted for:

- (a) franking credits that will arise from the payment of the current tax liability
- (b) franking debits that will arise from the payment of dividends recognised as a liability at the year end
- (c) franking credits that will arise from the receipt of dividends recognised as receivables at the year end
- (d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

5. **NOTE TO THE STATEMENTS OF CASH FLOWS**

Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:-

	Consolidated	
	2009	2008
	\$000	\$000
Cash	2,414	4,663
Short term deposits	25,578	19,513
Bank overdraft	<u> -</u>	<u>(1)</u>
	<u>27,992</u>	<u>24,175</u>

6. **EARNINGS PER SHARE**

Earnings per share from continuing and discontinued operations

Basic earnings per share (cents)

From continuing operations	53.1	48.7
From discontinued operations	<u>35.1</u>	<u>(15.6)</u>
	<u>88.2</u>	<u>33.1</u>

Diluted earnings per share (cents)

From continuing operations	53.1	48.7
From discontinued operations	<u>35.1</u>	<u>(15.6)</u>
	<u>88.2</u>	<u>33.1</u>

The calculation of basic earnings per share for the financial year ended 30 June 2009 has been based on the profit attributable to shareholders of \$8,384K (continuing \$5,050K, discontinued \$(3,334K)) (2008: profit attributable to shareholders \$3,177K, being \$4,682K continuing and (\$1,505K) discontinued) and a weighted average number of ordinary shares outstanding of 9,504,036 (2008: 9,608,263) calculated as follows:

	\$000	\$000
<u>Earnings reconciliation</u>		
Net profit/(loss)	<u>8,384</u>	<u>3,177</u>
Basic and diluted earnings	<u>8,384</u>	<u>3,177</u>

	Number of Shares	
Weighted average number of ordinary shares used in the calculation of basic earnings per share	9,504,036	9,608,263
Effect of executive share options on issue	<u> -</u>	<u> -</u>
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	<u>9,504,036</u>	<u>9,608,263</u>

7. **GROUP FINANCIAL PERFORMANCE**

		2009	2008	CHANGE
EBIT*	\$000s	10,003	4,777	+109%
Net profit before tax	\$000s	9,949	4,717	+111%
Operating profit/(loss) after income tax	\$000s	8,384	3,177	+164%
Earnings per ordinary share	cents	88.2	33.1	+167%
Net tangible asset backing per ordinary share	cents	440	373	+18%
Dividend paid per ordinary share	cents	79.0	25.0	
Shareholders' equity	\$000s	38,185	36,809	+4%
Operating profit after income tax /shareholders' equity	%	22	8.6	+154%
Net borrowings/total shareholders' equity	%	(71)	(65)	
Share price (at 30 June)	cents	362	348	+4%

These figures are based on the consolidated accounts.

* The EBIT reported is based on earnings before interest expense and taxation.

8. **SEGMENT REPORTING**

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest or dividend earning assets and revenue, interest bearing borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Business segments

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:

Electronics	Electronic sub-assemblies used mainly in the power tool, telecommunications, automotive and security industries.
Telecommunication products	ISDN, ADSL access products, filters, telephone accessories and voice over internet protocol (VoIP) services.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

The consolidated entity's business segments operate geographically as follows:

Australasia	Sales offices.
Asia	Manufacturing facilities for electronic equipment products and sub-assemblies.
Europe	Customers for electronic equipment.
North America	Customers for electronic equipment.

8. SEGMENT REPORTING (CONTINUED)

Primary reporting

Business Segments	Continuing Operations * restated								Discontinued Operations * restated						TOTAL OPERATIONS	
	Electronics		Unallocated		Eliminations		Subtotal Continuing		Healthcare		Telecommunications Products		Subtotal Discontinued		2009	2008
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
External sales revenue	48,452	48,745	-	-	-	-	48,452	48,745	-	4,253	7,786	12,612	7,786	16,865	56,238	65,610
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	62	378	8,663	1,154	(8,663)	(1,154)	62	378	-	-	192	-	192	-	254	378
Total segment revenue	48,514	49,123	8,663	1,154	(8,663)	(1,154)	48,514	49,123	-	4,253	7,978	12,612	7,978	16,865	56,492	65,988
Segment result																
Results from operating activities	6,510	5,764	(1,694)	(1,061)	-	-	4,816	4,703	-	43	2,466	(1,863)	2,466	1,906	7,282	6,609
Net financing costs							1,122	1,191			-		66	(21)	1,188	1,170
Profit before tax and before disposal of businesses							5,938	5,894			-		2,532	1,885	8,470	7,779
Income tax expense							(888)	(1,212)					(677)	(431)	(1,565)	(1,643)
Gain/(loss) on sale of discontinued operation	-	-	-	-	-	-	-	-	-	(2,402)	1,479	(660)	1,479	(3,062)	1,479	(3,062)
Income tax expense on sale											-		-	103	-	103
Net gain on sale									-	(2,402)	1,479	(660)	1,479	(2,959)	1,479	(2,959)
Profit for the period	-	-	-	-	-	-	5,050	4,682	-	-	-	-	3,334	(1,505)	8,384	3,177
Depreciation and amortisation	1,017	650	5	46	-	-	1,022	696	-	315	33	156	33	471	1,055	1,167
Non-cash expenses other than depreciation and amortisation	1,228	807	7	53	-	-	1,235	860	-	2,344	(7)	721	(7)	3,065	1,228	3,925
Individually significant items																
Inventory write-down	672	(47)	-	-	-	-	672	(47)	-	-	4	(4)	4	(4)	676	51

* See discontinued operations note 10.

8. **SEGMENT REPORTING (CONTINUED)**

Primary reporting

Business Segments	Continuing Operations * restated								Discontinued Operations * restated						TOTAL OPERATIONS	
	Electronics		Unallocated		Eliminations		Subtotal Continuing		Healthcare		Telecommunications Products		Subtotal Discontinued		2009	2008
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets																
Segment assets	22,371	20,031	28,099	29,670	(6,293)	(9,180)	44,177	40,521	-	-	-	4,317	-	4,317	44,177	44,838
Liabilities																
Segment liabilities	4,064	5,552	1,929	4,119	-	(2,550)	5,993	7,121	-	-	-	908	-	908	5,993	8,029
Capital expenditure	959	1,776	11	39	-	(35)	970	1,780	-	140	11	77	11	217	981	1,997

Secondary reporting

<u>Geographical segments</u>	Australasia		Asia		Europe		North America		Other		Unallocated		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
External segment revenue by location of customers	12,252	16,340	9,990	4,897	29,214	39,107	4,782	5,269	-	-	-	-	56,238	65,610
Segment assets by location of assets	-	4,317	22,371	20,031	-	-	-	-	-	-	21,806	20,490	44,177	44,838
Capital expenditure	22	182	959	1,776	-	-	-	-	-	-	39	-	981	1,997

9. REVIEW OF OPERATIONS

Against the background of challenging economic conditions and unpredictable movements in major currencies, Lemarne achieved excellent results in 2008/9. Profit before tax increased from \$4.7 million in 2007/8 to \$9.9 million, while net profit after tax increased by 164% to \$8.4 million

This pleasing profit resulted from the continuing strong performance of Lemtronics Sdn Bhd and 10 month's contribution from C10 Communications prior to its divestment, which yielded an abnormal profit after tax of \$1.5 million.

The divestment of C10 Communications and the major buyback of an institutional shareholding in April 2009 represent the final phase in the restructuring of Lemarne. Lemarne has a very strong balance sheet with shareholder funds of \$38 million, no debt and \$28 million on deposit at 30 June 2009. Net tangible assets per share increased from \$3.73 to \$4.40 and earnings per share rose from 33.1 cents to 88.2 cents.

The focus of the Group is now on Lemtronics which continues to show solid profitability despite very challenging trading conditions.

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Future

Lemarne will continue to actively explore how best to utilize its strengths to maximize returns to shareholders. The aim is for Lemtronics to continue to achieve strong growth with the further upgrade of its capital equipment and facilities, core manufacturing processes and to expand its business development capability into Australasia, UK, France and Scandanavia.

10. EVENTS SUBSEQUENT TO BALANCE DATE

Nil.

11. ANNUAL MEETING

(Preliminary final report only)

The annual meeting will be held as follows:

Place

Australian Institute of Management

Date

Wednesday 28 October 2009

Time

11.30 a.m.

Approximate date the ⁺annual report will be available

18 September 2009

12. COMPLIANCE STATEMENT

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.

Identify other standards used

2 This report, and the ⁺accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does/~~does not~~* (*delete one*) give a true and fair view of the matters.

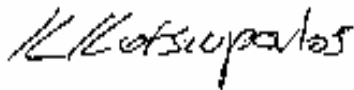
4 This report is based on ⁺accounts to which one of the following applies.
(*Tick one*)

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

5 If the audit report or review by the auditor is not attached, details of any will follow immediately they are available

6 The entity has/~~does not have~~* (*delete one*) a formally constituted audit committee.

Sign here:



(Company Secretary)

Date:19/08/2009

Print name:

AKATERINE KOTSIPOULOS