

Verticon Group Limited

Appendix 4E Preliminary Final Report to the Australian Stock Exchange

NAME OF ENTITY	Verticon Group Limited
ABN	53 111 398 040
Financial year ended	30 June 2009
Previous corresponding reporting period	30 June 2008

Results for Announcement to Market

	\$'000	% Increase/ (Decrease) over previous corresponding period
Revenue from continuing operations	10	0%
Revenue from discontinued operations	39,497	-21%
Profit from continuing operations after tax attributable to members	-7,676	-25%
Net Profit attributable to members	-17,520	71%

Dividends	Amount per security	Franked amount per security
Final Dividend	Nil	N/A
Interim Dividend	Nil	N/A
Record date for determining entitlements to the dividends	N/A	
Net loss after tax was \$17.52m on turnover of \$39.51m, including discontinued operations.		
Verticon announced the sale of its crane and hoist division on 27 April 2009 which included all of Verticon's tower cranes, hoists, ancillary equipment, hire agreements and employees, other than those engaged solely in the property development division. The sale was approved by Verticon's financiers, Westpac, including the deferred repayment of the sale proceeds over a five year period. The sale was also subsequently approved by Verticon's shareholders on 27 May 2009 and was completed on 1 June 2009.		
Included in the consolidated result is \$10.04m loss on sale of the crane and hoist division, \$3.88m of finance costs and \$2.43m of depreciation and amortisation, including discontinued operations.		

Dividends

Dividends paid during the current period	Reporting period
Nil	\$0
Dividend reinvestment plans	
At 30 June 2009 no dividend reinvestment plan was in place.	

NTA Backing

	Reporting period	Previous corresponding period
Net tangible asset backing per share.	-\$0.24	-\$0.10

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

Following the sale of the crane and hoist division, Verticon will now use the expertise of its management and Board to engage solely in property development activities. The employees of Verticon have been reduced to the Chief Executive Officer, Andrew Torrington, and a small number of staff. Mr Torrington has substantial expertise in construction and property development, as do key members of the Board. The reduction of employee numbers will reduce costs going forward by confining expenditure to wages and salaries, maintaining Verticon's head office premises in St Kilda Road Melbourne and ongoing compliance costs.

In August 2008 Verticon Developments No.1 Pty Ltd, a 100% owned subsidiary of Verticon Group Limited, entered into a heads of agreement with a party related to the Directors for the acquisition of land and/or development rights for a property development. In February 2009 Verticon Developments No. 1 Pty Ltd executed a deed of variation to the heads of agreement under which it will provide management services for a substantial property development. The Directors expect to sign the management services agreement by August 2009. The development is for a retail and lifestyle precinct in Melbourne (Retail Precinct Project). The project is in an Eastern Melbourne suburb, well known for the quantity and quality of its retail outlets. The developer is a company controlled by two of the Directors, David Wieland and David Goldberger. Under the services agreement, Verticon will be paid a fee dependent on the success of the Retail Precinct Project. The fee is expected to be up to \$10 million and be payable within the next 2-3 years.

Westpac has provided a new five (5) year facility of \$42.47m to the Group until June 2014. The facility comprises two components. Facility 1 is for \$10.80m and is payable by D&G Hoists & Cranes (Aus) Pty Ltd and allows for \$6.00m of repayments and interest over a five year period with a \$4.80m payment due 30 June 2014. Facility 2 is for \$31.67m and is payable by Verticon Group Limited and allows for capitalised interest for the term of the facility, a reduced interest rate applicable from 1 June 2009 and an extension and restructure fee payable by the Group on 30 June 2010. There is no formal repayment schedule for the term of Facility 2. Any development income will largely be used to reduce the facility owing to Westpac, with a small amount to be retained by the Group for working capital purposes.

Commentary on Results

Earnings per security and the nature of any dilution aspects
There has been no dilution on EPS as at 30 June 2009. Refer attached Income Statement in the 2009 Financial Report Note 30.
Returns to shareholders including distributions and buy backs
Nil
Significant features of operating performance
Included in the consolidated result is \$10.04m loss on sale of the crane and hoist division, \$3.88m of finance costs and \$2.43m of depreciation and amortisation, including discontinued operations.

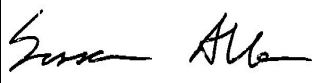
Results of segments that are significant to an understanding of the business as a whole
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Discussion of trends in performance
Nil
Other factors that affected results in the period or which are likely to affect results in the future
Nil

Audit / review of accounts on which this report is based

This report is based on accounts to which one of the following applies (tick one):			
The accounts have been audited (refer to attached financial statements for audit report)	✓	The accounts have been subject to review (refer to attached financial statements)	
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	
Accounts not yet audited or reviewed			
Not applicable			
Qualification of audit / review			
Not applicable			

Attachments forming part of Appendix 4E

Attachment	Details
1	2009 Annual Financial Report
2	Independent Audit Report

Signed by Company Secretary	
Print Name	Susan Allan
Date	22 July 2009