

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	30/06/2010
Previous corresponding reporting period	30/06/2009

Results for Announcement to Market

	\$'000	% Increase/ (Decrease) over previous corresponding period
Revenue from continuing operations	1,181	304%
Revenue from discontinued operations	-	-100%
Profit from continuing operations after tax attributable to members	-3,076	59%
Net Profit attributable to members	-2,764	84%

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 \$2,764 thousand on revenues from continuing operations of \$1,181 thousand.

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 of the crane and hoist division 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.

Following the sale of the crane and hoist division, Verticon is using the expertise of the Board to engage solely in property development activities on a consultancy basis or as principal or joint venture partner. Overhead costs have been reduced, confining expenditure to wages and salaries, maintaining Verticon's head office premises in St Kilda Road Melbourne and ongoing compliance costs.

Dividends

Dividends paid during the current period	Reporting period
Nil	\$0
Dividend reinvestment plans	
At 30 June 2010 no dividend reinvestment plan was in place.	

NTA Backing

	Reporting period	Previous corresponding period
Net tangible asset backing per share.	-\$0.27	-\$0.25

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

In August 2009 Verticon Developments No.1 Pty Ltd, a 100% owned subsidiary of Verticon Group Limited, signed a consultancy agreement with a developer, a company controlled by two of the Directors David Wieland and David Goldberger, to provide construction and project management expertise for the development and construction of a Retail Precinct Project in Melbourne's eastern suburbs.

As part of the consultancy agreement, Verticon will be paid a fee dependent on the success of the Retail Precinct Project. The fee is expected to be between \$5 million and \$9 million and be payable in the 2010/2011 financial year. A Deed of Variation to the consultancy agreement was subsequently signed in August 2010 providing for a loan from the development company to Verticon of \$0.7 million in March 2011 in the event the Retail Precinct Project is not sold prior to that date.

Construction of the Retail Precinct Project is due for completion by December 2010.

Westpac provided a new five (5) year facility of \$42.47 million to the Group in June 2009 following the sale of the Group's crane and hoist division. The facility comprises two components. Facility 1 is for \$10.80 million and is payable by D&G Hoists and Cranes (Aus) Pty Ltd (the acquirer of the crane and hoist division) and allows for \$6.00 million of repayments and interest over a five year period with a \$4.80 million payment due 30 June 2014. Facility 2 is for \$31.67 million and is payable by Verticon Group Limited and allows for capitalised interest for the term of the facility. 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 under the terms of the financing agreement, 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 2010. Refer attached Income Statement in the 2010 Financial Report Note 30.
Returns to shareholders including distributions and buy backs
Nil
Significant features of operating performance
Net loss after tax was \$2,764 thousand on revenues from continuing operations of \$1,181 thousand.


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	2010 Annual Financial Report
2	Independent Audit Report

Signed by Company Secretary	
Print Name	Andrew Torrington
Date	20 August 2010