Appendix 4E

Preliminary Final Report

1. Company Details

Name of entity:	AMA Group Limited
ABN:	50 113 883 560
Reporting period:	Year ended 30 June 2011
Previous corresponding period:	Year ended 30 June 2010

2. Results for announcement to the market

Revenues from ordinary activities from continuing operations	up	5.0%	to	$53,929,296
Profit after tax attributable to members from continuing operations	up	203.8%	to	$10,237,641
Net profit for the period attributable to members	up	151.2%	to	$12,038,624

Dividends

	Amount per Security	Franked Amount per Security
Final dividend	n/a	n/a
Previous corresponding period	n/a	n/a

Comments

The Profit after tax attributable to Members of AMA (Continuing Operations) has shown an improved result, being a $10.238 million profit compared with a $3.370 million profit in the previous period, inclusive of a tax benefit for the current year of $3.922 million compared to a tax expense of $0.777million in the previous year.

Net Profit after Income Tax Expense attributable to Members (after continuing and discontinuing operations) has increased from $4.793 million to $12.039 million.

3. Net Tangible Asset backing per ordinary security (cents per security)

As at 30 June 2011	negative	4.51	cents per security
As at 30 June 2010	negative	7.84	cents per security

4. Control gained over entities

No control was gained over entities during the year

5. Loss of control over entities

No control was lost over entities during the year

6. Dividends

Not applicable

7. Dividend reinvestment plan

Not applicable

8. Details of associates and joint venture entities

Not applicable

9. Foreign entities

Not applicable

10. Audit qualification or review

The accounts are currently in the process of being audited.

11. Attachments

The Preliminary Final Report is attached

12. Signed

Duncan Fischer

Chairman

Dated: 29th August 2011

AMA Group Limited

Preliminary Final Report

30 June 2011

Statement of Comprehensive Income
For the year ended 30 June 2011

	Notes	Consolidated Entity 30 June 2011 $'000	30 June 2010 $'000
Revenue from continuing operations	3	53,929	51,345
Raw materials and consumables used		(23,792)	(22,954)
Employee benefits expense		(15,085)	(13,393)
Depreciation and amortisation expense		(481)	(555)
Advertising and marketing		(429)	(335)
Insurance		(282)	(239)
Travel and motor vehicle		(529)	(528)
Occupancy expenses		(2,508)	(2,420)
Professional services		(1,147)	(1,308)
Research and development		(113)	(24)
Communication expenses		(178)	(249)
Bad and doubtful debts expense		26	183
Other expenses		(1,254)	(1,370)
Earnings before interest and tax (EBIT)		8,157	8,153
Finance costs		(1,272)	(1,505)
Profit/(Loss) from continuing operations before impairment, fair value adjustments and vendor payments		6,885	6,648
Impairment of assets		-	(1,083)
Fair Value adjustments - loan note & vendor payments		(569)	(779)
Vendor payments		-	(639)
Profit/(loss) before income tax expense		6,316	4,147
Income tax (expense)/benefit		3,922	(777)
Profit/(loss) after income tax expense attributable to members of AMA Group Limited from continuing operations		10,238	3,370

The accompanying notes form part of these financial statements

Statement of Comprehensive Income (cont'd)
For the year ended 30 June 2011

	Notes	Consolidated 30 June 2011 $'000	30 June 2010 $'000
Total profit after tax attributable to discontinued operations	4b	1,801	1,423
Profit/(loss) after income tax benefit/(expense) attributable to members of AMA Group Limited		12,039	4,793
Total comprehensive income for the period		12,039	4,793
Profit attributable to:			
Owners of the parent		12,039	4,793
Non-controlling interests		-	-
		12,039	4,793
Total comprehensive income attributable to:			
Owners of the parent		12,039	4,793
Non-controlling interests		-	-
		12,039	4,793

	Cents	Cents
Profit/(loss) per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the company:		
Basic profit/(loss) per share	3.71	1.41
Diluted profit/(loss) per share	3.71	1.41
Profit/(loss) per share for profit/(loss) attributable to the ordinary equity holders of the company:		
Basic profit/(loss) per share	4.37	2.01
Diluted profit/(loss) per share	4.37	2.01

The accompanying notes form part of these financial statements

Statement of Financial Position
As at 30 June 2011

	Notes	Consolidated 30 June 2011 $'000	30 June 2010 $'000
Assets			
Current assets			
Cash and cash equivalents	5	3,750	3,248
Trade and other receivables		7,644	8,811
Inventories		4,476	4,405
Other		387	502
Total current assets		16,257	16,966
Non-current assets			
Property, plant and equipment		2,103	2,411
Deferred tax assets	6	6,564	2,855
Intangibles	7	27,256	27,253
Total non-current assets		35,923	32,519
Total assets		52,180	49,485
Liabilities			
Current liabilities			
Trade and other payables		7,764	10,000
Borrowings	8	3,617	2,145
Provisions		1,282	1,074
Total current liabilities		12,663	13,219
Non-current liabilities			
Borrowings	8	15,303	23,075
Deferred tax liabilities		2,166	2,230
Provisions		158	115
Other	9	2,746	4,121
Total non-current liabilities		20,373	29,541
Total liabilities		33,036	42,760
Net assets		**19,144**	**6,725**
Equity			
Contributed equity	10	57,221	56,841
Reserves		47	47
Accumulated losses		(38,124)	(50,163)
Total equity and liabilities		**19,144**	**6,725**

The accompanying notes form part of these financial statements

Statement of Changes in Equity
For the year ended 30 June 2011

	Consolidated			
	Contributed equity	**Option Reserve**	**Retained Profits/(Accumulated Losses)**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Balance at 1 July 2009	56,657	47	(57,771)	(1,067)
Shares issued net of costs	1,987	-	-	1,987
Reclassified vendor share issue	(1,803)	-	-	(1,803)
Profit attributable to members of AMA Group Limited	-	-	4,793	4,793
Subtotal	56,841	47	(52,978)	3,910
Cancellation of dividend provision	-	-	2,815	2,815
Balance at 30 June 2010	56,841	47	(50,163)	6,725
Shares issued net of costs	380	-	-	380
Reclassified vendor share issue		-	-	
Profit attributable to members of AMA Group Limited	-	-	12,039	12,039
Balance at 30 June 2011	57,221	47	(38,124)	19,144

The accompanying notes form part of these financial statements

Statement of Cash Flows
For the year ended 30 June 2011

	Note	Consolidated 30 June 2011 $'000	30 June 2010 $'000
CASH FLOWS RELATED TO OPERATING ACTIVITIES			
Receipts from customers		59,373	52,616
Payments to suppliers and employees		(51,788)	(44,875)
Interest received		134	72
Interest and other costs of finance paid		(1,272)	(1,558)
Income taxes paid		-	(262)
Income taxes refunded		-	898
Other		-	(35)
NET OPERATING CASH FLOWS		**6,447**	**6,856**
CASH FLOWS RELATED TO INVESTING ACTIVITIES			
Proceeds from sales of plant and equipment		59	88
Payment for purchases of plant and equipment		(186)	(245)
Payment for purchases of intangible assets		(3)	-
Payment for purchases of equity investments, net of cash acquired		(785)	(677)
Proceeds from sale of business		-	307
Cash forgone by placing operations into administration		-	(596)
Recovery of assets impaired in previously discontinued operations		2,208	-
NET INVESTING CASH FLOWS		**1,293**	**(1,123)**
CASH FLOWS RELATED TO FINANCING ACTIVITIES			
Repayment of borrowings		(7,238)	(2,850)
NET FINANCING CASH FLOWS		**(7,238)**	**(2,850)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**502**	**2,883**
Cash and cash equivalents at the beginning of the Financial year		3,248	365
Effects of exchange rate changes on cash and cash equivalents		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**3,750**	**3,248**

The accompanying notes form part of these financial statements

Notes to the Financial Statements

Note 1. Significant accounting policies

This Preliminary Final Report has been prepared in accordance with the recognition and measurement requirement of Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Preliminary Final report does not include all the notes of the type normally included in an Annual Financial Report.

Accordingly, this report is to be read in conjunction any other public announcements made by the Company during the year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year.

Note 2. Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversifications of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics with respect to the products sold and/or services provided by the segment.

Services Provided by Segments

- Motor Vehicle Distribution – Distribution of motor vehicle accessories.
- Motor Vehicle Protection Products – Manufacture & distribution of motor vehicle protective bars.
- Panel Repair – Motor vehicle and panel repairs.
- Cables & Accessories – Distribution of motor vehicle accessories.
- Other Segments – Motor vehicle part repairs.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted
Unless stated otherwise, all amounts reported to the Chief Executive Officer as the chief decision makers with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

The gross margin of the panel repair segment, as presented to the Chief Executive Officer does not include direct labour costs or an allocation of overheads.

Inter-segment transactions
All inter-segment transactions are eliminated on consolidation for the Group's financial statements.

Segment assets
Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities
Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items
The following items of revenue, expense, assets and liabilities are not allocated to operating segments, other than for direct labour for panel segment, as they are not considered part of the core operations of any segment:

- derivatives;
- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- other financial liabilities;
- fixed manufacturing & service costs and other cost of sale adjustments;
- finance costs;
- dividend payments;
- intangible assets; and
- discontinuing operations.

Reportable Segments

30 June 2011	Motor Vehicle Accessory Distribution $'000	Motor Vehicle Protection Products $'000	Panel Repair $'000	Cable & Accessory Distribution $'000	All Other Segments $'000	Total $'000
Revenue						
External Sales	9,261	15,031	16,527	6,859	5,248	52,926
Other Income	49	471	52	71	260	903
Total Sales & Other Income	9,310	15,502	16,579	6,930	5,508	53,829
Unallocated Revenue						100
Total Revenue						53,929
Result						
Segment Gross Margin	3,202	7,587	10,298	3,191	2,338	26,618
Unallocated Expenses						(19,733)
Profit from continuing operations before impairment, fair value adjustments and vendor payments						6,885
Fair Value Adjustments						(569)
Vendor payments						-
Impairment of Intangibles						-
Profit before income tax expense						6,316
Other						
Acquisition of Non-Current Segment Assets	-	53	64	31	41	189
Depreciation and Amortisation of Segment Assets	68	114	114	53	131	480
Other Non-Cash Segment Expenses	-	-	-	-	-	-

Note: Panel Repair Gross Margin does not include direct labour or an allocation for overheads. These costs are allocated to unallocated expenses.

30 June 2010	Motor Vehicle Accessory Distribution $'000	Motor Vehicle Protection Products $'000	Panel Repair $'000	Cable & Accessory Distribution $'000	All Other Segments $'000	Total $'000
Revenue						
External Sales	10,177	15,672	13,432	5,569	5,680	50,530
Other Income	46	513	27	48	314	948
Total Sales & Other Income	10,223	16,185	13,459	5,617	5,994	51,478
Unallocated Revenue						(133)
Total Revenue						51,345
Result						
Segment Gross Margin	3,593	7,928	8,699	2,885	2,454	25,559
Unallocated Expenses						(18,911)
Profit from continuing operations before impairment, fair value adjustments and vendor payments						6,648
Fair Value Adjustments						(779)
Vendor payments						(639)
Impairment of Intangibles						(1,083)
Profit before income tax expense						4,147
Other						
Acquisition of Non-Current Segment Assets	-	91	109	10	3	213
Depreciation and Amortisation of Segment Assets	49	101	178	79	116	523
Other Non-Cash Segment Expenses	-	-	-	-	-	-

Note: Panel Repair Gross Margin does not include direct labour or an allocation for overheads. These costs are allocated to unallocated expenses.

30 June 2011	Motor Vehicle Accessory Distribution $'000	Motor Vehicle Protection Products $'000	Panel Repair $'000	Cable & Accessory Distribution $'000	All Other Segments $'000	Total $'000
Assets						
Segment Assets	3,437	3,729	3,058	3,117	2,289	15,630
Unallocated Assets						36,550
Total Assets						52,180
Liabilities						
Segment Liabilities	1,500	1,656	1,915	571	804	6,446
Unallocated Liabilities						26,591
Total Liabilities						33,037

30 June 2010	Motor Vehicle Accessory Distribution $'000	Motor Vehicle Protection Products $'000	Panel Repair $'000	Cable & Accessory Distribution $'000	All Other Segments $'000	Total $'000
Assets						
Segment Assets	3,156	4,400	3,703	2,383	2,300	15,942
Unallocated Assets						33,543
Total Assets						49,485
Liabilities						
Segment Liabilities	1,090	1,928	2,250	595	825	6,688
Unallocated Assets						36,072
Total Liabilities						42,760

Note 3. Revenue

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
From Continuing Operations		
Sales Revenue		
Sale of goods	35,687	36,621
Service and hire	16,692	13,709
	52,379	50,330
Other Revenue		
Interest Received	133	72
Insurance Recovery	602	-
Other Revenue	815	943
	1,550	1,015
Revenue from Continuing Operations excluding fair value adjustments	53,929	51,345

Note 4. Discontinuing Operations

(a) The following entities form part of the discontinued operations during the year ended 30 June 2011:

- ACN 003 178 327 Pty Ltd (formerly Autolac Pty Ltd) (business sold, entity not trading)
- Alloair Systems Pty Ltd (not trading)
- Allomak Technology Pty Ltd (not trading)
- Diesel Test Pty Ltd (not trading)
- Dyno Dynamics Pty Ltd
- Emissions Services Pty Ltd (not trading)

(b)The profit/ (loss) for the period from discontinued operations is analysed as follows:

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
Profit/(Loss) after tax from discontinued operations for the financial year see note 4(c) below	266	(226)
Gain/(loss) resulting from operations being discontinued	-	3,340
Recovery of assets impaired in previously discontinued operations	1,770	1,000
Costs associated with Recovery of assets impaired in previously discontinued operations	(235)	
Impairment of assets	-	(2,691)
	1,801	1,423

(c) The following were the results of the discontinued operations for the period:

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
Revenue	11	1,753
Direct costs and overheads	343	(1,903)
Depreciation and impairment expense	(20)	(76)
Profit / (Loss) before tax	334	(226)
Income Tax expense	(68)	-
Profit/ (loss) after tax	266	(226)

Note 5. Cash and cash equivalents

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
Cash on hand	6	4
Cash at bank	3,744	3,244
	3,750	3,248

Note 6. Deferred Tax Asset

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
Deferred Tax Asset	6,564	2,855
	6,564	2,855

During the current year the Group recognised a tax benefit of $3.922 million in relation to tax losses not previously recognised

Note 7. Non-Current Assets – Intangibles

Intangible assets other than goodwill have finite useful lives. The current amortisation charge in respect of intangible assets is included under depreciation and amortisation expense in the Statement of Comprehensive Income.

	Note	Consolidated	
		30 June 2011	30 June 2010
		$'000	$'000
Goodwill - at cost		51,078	51,078
Less impairment		(23,828)	(23,828)
		27,250	27,250
Patents & trademarks - at cost		6	3
Less accumulated amortisation		-	-
		6	3
		27,256	27,253

Reconciliation

	Goodwill $'000	Patents & trademarks $'000	Group $'000
Consolidated			
Balance as at 1 July 2009	28,333	12	28,345
Impairment of continuing businesses	(1,083)	-	(1,083)
Entity being placed into administration	-	(9)	(9)
Amortisation expense	-	-	-
Balance at 30 June 2010	27,250	3	27,253
Additions		3	3
Amortisation expense	-	-	-
Balance at 30 June 2011	27,250	6	27,256

Note 8. Borrowings

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
Current		
Bank bills	3,534	2,030
Lease liability	83	115
	3,617	2,145

	Consolidated	
	30 June 2011	30 June 2010
	$'000	$'000
Non-current		
Bank bills and loan note	15,292	22,995
Lease liability	11	80
	15,303	23,075

Total secured liabilities

	Note	Consolidated	
		30 June 2011	30 June 2010
		$'000	$'000
Bank bills and loan note		18,827	25,025
Lease liability		93	195
		18,920	25,220

Assets pledged as security
The bank bills are secured by a fixed and floating charge over all of the assets and uncalled capital of AMA Group Limited and all of its subsidiaries.

The lease liabilities are effectively secured as the rights to the leased assets recognised in the balance sheet revert to the lessor in the event of default.

Financing arrangements
On 30 June 2009, the Company completed negotiations for a revised banking facility. This facility defers the due date on the bank bills until 30 June 2014 and the debt repayment is now considered as a long term liability. The new facility also requires 35% of the Company's EBIT to be paid quarterly towards the principle of the bills.

The revised banking facility includes the following covenants:

- achievement of EBIT Targets
- achievement of an interest cover target
- achievement of gearing target

As at the date of this report all the above covenants have been met.

Finance facilities

		Consolidated	
	Note	**30 June 2011**	**30 June 2010**
		$'000	**$'000**
Bank bills		12,871	19,346
Loan notes		12,000	12,000
Total facility		24,871	31,346

The $12 million loan note above was part of the revised bank facility. This $12 million was recapitalised as interest free payable over 9 years and 9 months with an option to forego $6 million in debt at any time by paying down the debt by $6 million.

The net present value of the loan note is $5,956 million (30 June 2010: $5,679 million).

Note 9. Non-current liabilities – other

		Consolidated	
Non-current	Note	**30 June 2011**	**30 June 2010**
		$'000	**$'000**
Deferred cash consideration - key vendors		1,971	2,722
Onerous lease		775	1,399
		2,746	4,121

Note 10. Contributed equity

	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	Shares	**Shares**	**$'000**	**$'000**
Ordinary Shares - fully paid	277,529,385	269,911,670	57,221	56,841
Equity to be issued	-	-	-	-
	277,529,305	269,911,670	57,221	56,841

Note 11. Contingent assets & liabilities

During the year the company settled legal matters with the following parties:

- Panache Global Holdings Pty Ltd
- Guiding Technologies Pty Ltd
- Mr Richard Rubin
- Mr Rob Allan
- Mr Christopher Hodges, Mrs Meryl Hodges and Mr Peter Humphris

All proceedings have been satisfactorily settled. In total, the settlement of the above matters has resulted in a $1.6 million benefit (net of associated costs) to the Group. Due to confidentiality of the settlements no further information can be disclosed

Note 12. Events subsequent to Reporting Date

No matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the economic entity, the result of those operations or the state of affairs of the economic entity in subsequent financial years.