



GALE PACIFIC LIMITED

(ASX: GAP)

28 August 2009

ASX and Media Release

- **EBITDA guidance achieved in difficult trading conditions**
- **Strong cash flow generated from operations**
- **Ongoing reduction in debt**
- **Stronger balance sheet leading into FY2010**
- **Repositioned operations for future earnings growth**

The Directors of Gale Pacific Limited ("Gale" or "the Company"), a leading manufacturer of advanced polymer fabrics and related value added products, today reported earnings before interest, tax, depreciation and amortisation ("EBITDA") from continuing businesses of \$14.1 million for the financial year ended 30 June 2009. This is in line with the guidance released during the year, and compares with EBITDA of \$17.7 million in FY2008.

This result was achieved despite a record high spike in polymer raw material prices combined with volatile currency movements which led to lower margins throughout the year. In addition, the impact of the global financial crisis created a difficult selling environment for Gale products in many of its retail and commercial markets. Sales from continuing operations were steady compared to the prior year at \$98.3 million.

The Company continued to generate strong cash flows. Cash provided from operating activities was \$11.4 million compared to \$9.8 million for the previous corresponding period. Net debt at 30 June 2009 was further substantially reduced to \$14.1 million compared to \$20.5 million at 30 June 2008 and \$28.3 million at 31 December 2008.

During the year, the Company completed a number of initiatives that the Board believes will deliver improved performance in the future:

- Gale closed its full service European operations and entered into a distribution agreement with European sales and distribution company Windhager GmbH. This new distribution structure substantially reduces the Company's operating costs in a highly seasonal market. Sale of remaining inventory and recovery of some receivables reduced the one off loss from the closure of European operations to \$11.5 million, slightly less than originally anticipated;
- Restructuring of New Zealand operations was completed in response to increased competition following structural changes in that market. As part of the reorganization, a provision for lease costs has been taken-up in the current year (\$0.4 million) and the carrying value of NZ goodwill has been impaired in the accounts (\$3.2 million); and
- Gale successfully completed a rights issue raising \$4.7 million. These funds, together with the ongoing strong cash generated from operations, give Gale an improved balance sheet with significant head room and flexibility within existing facilities.

The Company's Australian banking partner has agreed to exclude the one-off costs for Europe and New Zealand from covenant calculations and has extended facilities until January 2011, conditional on the ongoing renewal of Chinese banking facilities as they mature. All Chinese facilities were

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renewed as expected throughout the year for additional twelve month periods, being the customary maximum term for our Chinese banking facilities.

A summary profit and loss account for continuing and discontinued operations appears below. Individually significant items for the year are shown separately to allow greater understanding of Gale's performance for the year:

Profit and Loss	Year to 30 June 2009	Year to 30 June 2008
	\$'000's	\$'000's
Continuing Operations		
Sales Revenue	98251	98653
EBITDA pre NZ lease provision	14499	17658
NZ lease provision	422	-
Continuing Operations EBITDA	14077	17658
Depreciation and amortisation expense	8180	6543
Net interest expense	2066	2085
Profit before significant items and tax	3831	9030
NZ goodwill impairment	3155	-
Profit before income tax	676	9030
Tax Expense	1166	1686
Continuing Operations NPAT	(490)	7344
Discontinued Operations		
Loss from Discontinued Operations	(11461)	(4839)
Loss attributable to minority interests	(11)	-
Reported Net Profit After Tax	(11962)	2505

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After almost 5 years as Chairman seeing the Company through a period of difficult restructuring, refinancing and key management changes, Harry Boon has announced that he will be stepping down as Chairman and retiring from the Board after the Company's annual general meeting. On behalf of the Board, I would like to thank Harry for his service and contribution to the Company. A search is underway to find a suitable replacement to fill this role, and an announcement will be made as soon as an appointment is made.

While there is still a degree of uncertainty in current trading, the recent stabilisation of lower polymer prices and the strengthening of the Australian dollar should be favourable to the company's performance. Together with the operational improvements Gale made throughout the year, the Company is well positioned for FY2010.

Mr Peter McDonald

Managing Director & Chief Executive Officer

For further information contact the Managing Director, Mr Peter McDonald on (03) 9518 3312.

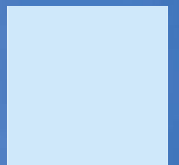
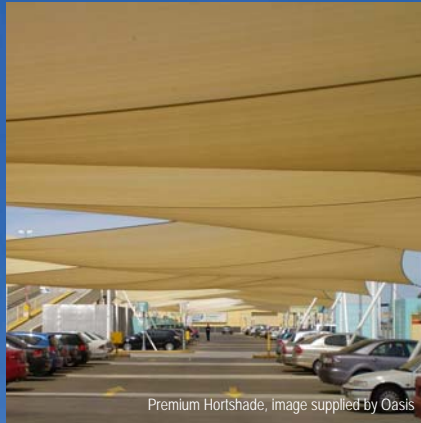
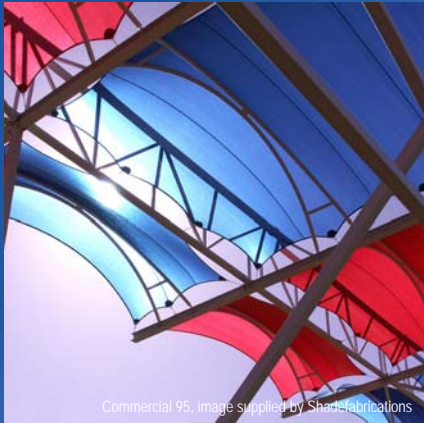
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Gale Pacific is a manufacturer and marketer of advanced polymer fabrics and related products.

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APPENDIX 4E

PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009



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APPENDIX 4E

*Gale Pacific Limited
ABN 80 082 263 778*

*Appendix 4E – Australian Stock Exchange Listing Rule 4.3A
Preliminary Final Report*

*Results for Announcement
to the Market*

APPENDIX 4 E

1. Full Yearly Report

Name of Entity:	Gale Pacific Limited
ABN or Equivalent Company Reference:	80 082 263 778
Report for the Year Ended:	30 June 2009
Previous Corresponding Period is the Financial Year Ended:	30 June 2008

2. Results for Announcement to the Market

		%	\$'000		\$'000
Revenues from continuing activities:	Down	0.4%	402	to	98,251
Profit / (loss) from continuing activities after tax attributable to members:	Down		(7,834)	to	(490)
Net profit / (loss) for the period attributable to members:	Down		(14,467)	to	(11,962)
Please refer to the accompanying Director's announcement to the Australian Stock Exchange for further commentary.					

DIVIDENDS

Directors believe it is prudent to maintain a strong balance sheet with reduced borrowings in the current economic environment. No interim dividend will be declared, and Directors will review the position each reporting period.

3. Income Statement for the financial year ended 30 June 2009

	Note	Consolidated	
		2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Revenue	2	98,251	98,653
Other Income	3	2,453	1,735
Expenses	3		
Changes in inventories of finished goods and work in progress		75	(706)
Raw materials and consumables used		(42,160)	(39,098)
Employee benefits expenses		(16,384)	(16,519)
Depreciation and amortisation expenses		(8,180)	(6,543)
Impairment of goodwill and assets		(3,155)	-
Restructuring and termination costs		(422)	-
Operating overheads		(27,210)	(24,901)
Other expenses		(151)	(562)
Finance costs		(2,441)	(3,029)
Profit from continuing operations before income tax		676	9,030
Income tax (expense) / benefit	4	(1,166)	(1,686)
(Loss) / profit from continuing operations after income tax		(490)	7,344
Loss from discontinuing business	21(c)	(11,461)	(4,839)
Loss attributable to minority interests	18	(11)	-
Net (loss) / profit attributable to the members of the parent entity	17	(11,962)	2,505
Earnings Per Share			
From continuing and discontinuing businesses			
Basic earnings per share (cents per share)		(6.75)	1.92
Diluted earnings per share (cents per share)		(6.75)	1.90
From continuing operations			
Basic earnings per share (cents per share)		(0.28)	5.64
Diluted earnings per share (cents per share)		(0.28)	5.58

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4. Balance Sheet as at 30 June 2009

	Note	Consolidated	
		2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current Assets			
Cash and cash equivalents	5	7,141	16,594
Receivables	6	14,674	19,552
Inventories	7	23,663	26,576
Current tax assets	4	980	178
Other current assets	8	741	760
Total Current Assets		47,199	63,660
Non current assets			
Property, plant and equipment	9	57,505	55,344
Intangible assets	10	7,405	10,845
Deferred tax assets	4	1,038	175
Total non current assets		65,948	66,364
Total assets		113,147	130,024
Current Liabilities			
Payables	11	8,703	10,649
Borrowings	12	19,419	34,140
Other financial liabilities	13	459	28
Current tax liabilities	4	217	6
Provisions	14	2,689	1,778
Total current liabilities		31,487	46,601
Non Current Liabilities			
Borrowings	12	1,754	2,978
Deferred tax liabilities	4	4,372	1,587
Provisions	14	118	112
Total non current liabilities		6,244	4,677
Total liabilities		37,731	51,278
Net assets		75,416	78,746
Equity			
Contributed equity	15	105,594	100,813
Reserves	16	(5,965)	(10,026)
Retained earnings	17	(24,213)	(12,030)
Parent entity interest		75,416	78,757
Minority interests	18	-	(11)
Total equity		75,416	78,746

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5. Statement of Changes in Equity for the financial year ended 30 June 2009

	Note	Consolidated	
		2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Total Equity at the Beginning of the Period		78,746	60,697
Cash flow hedges, net of tax	16(c)	(316)	-
Exchange differences on translation of foreign operations	16(a)	4,302	(3,621)
Employee share based expenditure	16(b)	(146)	288
Net income recognised directly in equity		3,840	(3,333)
(Loss) / profit for the period		(11,951)	2,505
Total recognised income and expense for the period		(8,111)	(828)
Transaction with Equity Holders in their Capacity as Equity Holders			
Contributions, net of raising costs and tax	15	4,781	18,877
Total equity at the end of the period		75,416	78,746
Total Recognised Income and Expense for the Period is Attributable to			
Members of the parent		(11,962)	2,505
Minority interest		11	-
Total		(11,951)	2,505

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6. Statement of Cash Flows for the financial year ended 30 June 2009

	Note	Consolidated	
		2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Cash Flow From Operating Activities			
Receipts from customers		114,700	109,476
Payments to suppliers and employees		(100,090)	(96,139)
Interest received		471	876
Borrowing costs paid		(2,468)	(3,276)
Income tax payments		(1,225)	(1,118)
Net cash provided by operating activities	21(b)	11,388	9,819
Cash Flow From Investing Activities			
Proceeds from sale of plant and equipment		470	443
Payment for plant and equipment		(936)	(3,370)
Payment for intangible assets		(270)	(866)
Net cash used by investing activities		(736)	(3,793)
Cash Flow From Financing Activities			
Proceeds from issue of equity securities		4,687	18,395
Repayment of borrowings		(20,584)	(5,709)
Repayment of principal on finance leases		(148)	(175)
Repayment of principal on hire purchase		(359)	(2,225)
Net cash (used) / provided by financing activities		(16,404)	10,286
Net (decrease) / increase in cash held		(5,752)	16,312
Cash and cash equivalents at beginning of year		15,685	539
Effects of exchange rate changes on items denominated in foreign currencies		(2,792)	(1,166)
Cash and cash equivalents at end of year	21(a)	7,141	15,685

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7. Net Tangible Asset Per Security

	As at 30 June 2009	As at 30 June 2008
Net tangible asset per ordinary security	24.3 cents	49.6 cents

8. Earnings Per Security (EPS)

	2008 / 2009 (\$)	2007 / 2008 (\$)
Earnings used in the calculation of basic and diluted earnings per share	(11,951,000)	2,505,000
Weighted average number of ordinary shares used in the calculation of basic earnings per share	177,147,627	130,167,849
Share options on issue	-	720,000
Performance rights on issue	9,675,000	850,000
Weighted average number of share options issued during the year	-	-
Weighted average number of performance rights issued during the year	-	434,153
Weighted average number of share options lapsed during the year	(371,918)	-
Weighted average number of performance rights lapsed during the year	(130,890)	-
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share	178,244,819	131,502,002

9. Audit

The accounts are in the process of being audited.

The financial report is not likely to be the subject of dispute or qualification.

Name: Peter McDonald
Title: Managing Director & Chief Executive Officer
Date: 28 August 2009

NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS FOR THE
YEAR ENDED
30 JUNE 2009

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NOTE 1: BASIS OF PREPARATION

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Gale Pacific Limited as an individual parent entity and Gale Pacific Limited and controlled entities as a consolidated entity. Gale Pacific Limited is a company limited by shares, incorporated and domiciled in Australia.

The following is a summary of material accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of Preparation of the Financial Report

The financial report of Gale Pacific Limited and controlled entities, and Gale Pacific Limited as an individual parent entity comply with Australian equivalents to International Financial Reporting Standards.

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes on assets as described in the accounting policies.

Compliance with Australian equivalents to International Financial Reporting Standards ensures compliance with International Financial Reporting Standards (IFRS).

(b) Principals of Consolidation

The consolidated financial statements are those of the consolidated entity, comprising the financial statements of the parent entity and of all entities, which Gale Pacific Limited controlled from time to time during the year and at balance date. Details of the controlled entities are contained in Note 23.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies, which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation.

Minority interests in the equity and results of the entities that are controlled are shown separately in the consolidated financial report.

(c) Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Where a Government grant (including Strategic Investment Plan income (SIP)) is received or receivable relating to research and development costs that have been expensed, the grant is recognised as revenue. Where a grant is received or receivable relating to research and development costs that have been deferred, the grant is deducted from the carrying amount of the deferred costs.

Other revenue is recognised when the right to receive the revenue has been established. All revenue is stated net of the amount of goods and services tax (GST).

(d) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at call, deposits with banks (excluding deposits offsetting borrowings) or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is determined on the basis of each inventory line's normal selling pattern. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

(f) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment is measured on the cost basis. The carrying value of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected discounted net cash flows that will be received from the asset's employment and subsequent disposal. Refer to Note 1(j). The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour and an appropriate proportion of fixed and variable overheads.

Depreciation

The depreciable amounts of all fixed assets including capitalised leased assets are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation and amortisation rates are reviewed annually for appropriateness. When changes are made, adjustments are reflected in current and future periods only.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rates	Depreciation Basis
Buildings	2.25%	Straight line
Leasehold improvements	Determined by lease term	Straight line
Plant and equipment	6.7% - 20.0%	Straight line
Leased plant and equipment	6.7% - 20.0%	Straight line
Motor vehicles	20.0%	Straight line
Office equipment	14.3% - 50.0%	Straight line

(g) Leases

Finance Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entities within the economic entity are classified as finance leases. Finance leases are capitalised, recording at the inception of the lease an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised on a straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Operating Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives received under operating leases are recognised as a liability.

(h) Intangibles

Goodwill

Goodwill on consolidation represents the excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets of the acquired entities at the date of acquisition.

Goodwill is not amortised but is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

Patents and Trademarks

Patents and trademarks are valued in the accounts at cost of acquisition and are amortised over the period in which the benefits are expected to be realised, but not exceeding 20 years.

Application Software

Application software is valued in the accounts at cost and amortised on a straight basis over its expected useful life, but not exceeding 5 years.

Research and Development

Expenditure on research is recognised as an expense when incurred. Expenditure on development activities is capitalised only when it is expected that future benefits will exceed the deferred costs. Capitalised development expenditure is stated at cost less accumulated amortisation.

Amortisation is calculated using a straight line method to allocate the cost over a period (not exceeding 3 years), during which the related benefits are expected to be realised, once commercial production is commenced.

(i) Impairment of Assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

(j) Taxes

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

A balance sheet approach is adopted under which deferred tax assets and liabilities are recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred tax asset or liability is recognised in relation to temporary differences arising from the initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for temporary differences and unused tax losses only when it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(k) **Employee Benefits**

Provision is made for the economic entity's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the economic entity to an employee superannuation fund and are charged as expenses when incurred.

Share-based payments

The group operates an employee share option plan and provides performance rights for senior executives. The bonus element over the exercise price of the options / rights is recognised as an expense in the Income Statement in the period(s) when the benefit is earned.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options / rights at grant date. The fair value of options / rights at grant date is determined using either the Binomial Tree or a Black-Scholes option pricing model, and is recognised as an employee expense over the period during which the employees become entitled to the option or right.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an expense when the employees become entitled to the shares.

(l) **Financial Instruments**

The group classifies its financial instruments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates the designation at each reporting date.

Loans and Receivables

Loan and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Financial Liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(m) **Foreign Currencies**

Functional and presentation currency

The financial statements of each group entity are measured using its functional currency, which is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

Resulting exchange differences arising on settlement or re-statement are recognised as revenues and expenses for the financial year.

Group Companies

The financial statements of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- All resulting exchange differences are recognised as a separate component of equity.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve as a separate component of equity in the balance sheet.

(n) Rounding Amounts

The company is of a kind referred to in ASIC Class Order CO 98/0100 and in accordance with that Class Order, amounts in the financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(o) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

NOTE 2: REVENUE

	Consolidated			
	2008 / 2009 (\$'000)		2007 / 2008 (\$'000)	
	Continuing	Discontinuing	Continuing	Discontinuing
Operating Activities				
Sale of goods – other parties	98,251	2,219	98,653	5,367
Sale of goods – related parties	-	-	-	148
Total revenue	98,251	2,219	98,653	5,515

NOTE 3: PROFIT

Profit before income tax expense has been determined after charging / (crediting):

	Consolidated			
	2008 / 2009 (\$'000)		2007 / 2008 (\$'000)	
	Continuing	Discontinuing	Continuing	Discontinuing
Other Income				
Interest income – other parties	375	-	944	2
Interest income – related parties	174	-	417	-
SIP income	321	-	102	-
Other revenue	31	248	51	-
Net foreign exchange gains	1,552	79	221	31
Total other income	2,453	327	1,735	33
Cost of sales	58,925	4,254	53,280	3,445
Finance Costs				
Other persons	2,441	-	3,029	8
Related parties	-	174	-	417
Depreciation of Non Current Assets				
Buildings	227	-	197	-
Leasehold improvements	86	-	76	-
Plant and equipment	6,441	247	4,557	818
Motor vehicles	54	-	81	-
Office equipment	423	-	476	-
Amortisation of Non Current Assets				
Leased plant and equipment	4	-	12	-
Leased motor vehicles	84	-	96	-
Patents and trademarks	62	-	63	-
Application software	252	-	167	-
Research and Development Expenditure				
Amortisation of previously capitalised expenditure	547	-	818	-
Expenses as incurred	373	-	670	-
Impairment of Non Current Assets				
Goodwill	3,155	-	-	-
Intangible assets	-	144	-	-
Inventory write down	-	-	-	1,581
Restructuring and termination costs	422	-	-	-
Increase / (decrease) in provision for obsolete inventory	189	-	(1,177)	468
Bad and Doubtful Debts				
Bad debts written off – trade debtors	122	-	115	95
Movement in provisions for doubtful debts – trade debtors	22	-	103	-
Remuneration of the Auditors of the Parent Entity For				
Auditing the financial report	207	18	194	-
Taxation services	19	-	17	-
Capital raising related services	2	-	-	-
Europe closure	2	-	-	-
Government grant review	-	-	3	-
General assistance	-	-	2	-
Total remuneration of the auditors of the parent entity	230	18	216	-
Remuneration of Other Auditors of Controlled Entities For				
Auditing the financial report	138	37	105	31
Taxation services	25	6	33	12
Management services	-	86	14	7
Systems review	-	-	2	-
Total remuneration of other auditors	163	129	154	50
Total remuneration of auditors	400	147	370	50
Net (Gain) / Loss on Disposal of Non Current Assets				
Plant and equipment	1	-	(5)	-
Motor vehicles	63	-	(3)	-
Office equipment	7	-	10	-
Operating lease rental expense	2,213	753	2,115	674
Share based payment expense	(146)	-	288	-

NOTE 4: INCOME TAX EXPENSE

(a) The Components of Tax Expense

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current tax	659	638
Deferred tax	1,760	1,048
Total income tax expense	2,419	1,686
Disclosed in the financial statements as		
Income tax expense from continuing business	1,166	1,686
Income tax expense from discontinuing business	1,253	-
Total	2,419	1,686

(b) The Prima Facie Income Tax Payable on Profit is Reconciled to the Income Tax Expense as Follows

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Prima facie tax payable on profit before income tax at 30%	202	2,709
Add tax effect of:		
Tax rate differentials in foreign countries	(515)	(682)
Impairment of goodwill	946	-
Tax losses not recognised / derecognised	1,166	(103)
Exempt income	-	(213)
Effect of tax rate changes on deferred tax balances		7
Tax credits	(321)	-
Other non allowable / (non assessable) items	(322)	(37)
	1,156	1,681
Less tax effect of:		
Over provision for income tax in the prior year	10	5
Income tax expense attributed to profit from continuing business	1,166	1,686
Add income tax expense from discontinuing business	1,253	-
Income tax expense from continuing and discontinuing business	2,419	1,686

(c) Income Tax Recognised Directly in Equity

The following current and deferred tax amounts were credited directly to equity during the period

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Deferred Tax		
Equity raising costs deductible over 5 years	(94)	(482)
Cash flow hedges	(135)	-
Total	(229)	(482)

(d) Current Tax

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current tax asset	980	178
Current tax liability	(217)	(6)
Total	763	172
Movement in Net Carrying Amount		
Movement in the current tax net carrying amount between the beginning and the end of the year		
Balance at the beginning of the year	172	(296)
Current year tax expense	(659)	(638)
Income tax payments	1,225	1,118
Net foreign currency movements arising from foreign operations	25	(12)
Carrying amount at the end of the year	763	172

(e) Deferred Tax

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Deferred Tax Assets / (Liabilities) Arise From the Following		
Property, plant and equipment	(406)	(705)
Foreign exchange	(3,881)	(1,720)
Income not derived	126	(71)
Finance leases	80	133
Research and development	(39)	(203)
Doubtful debts	77	45
Other financial liabilities	(298)	91
Provisions	262	58
Employee benefits	300	327
Capitalised costs	(295)	(190)
Borrowing costs	19	44
Equity raising costs	492	590
Other	229	199
Total	(3,334)	(1,402)
Unused Tax Losses and Credits		
Tax losses	-	(10)
Net deferred tax liability	(3,334)	(1,412)
Represented By		
Deferred tax asset	1,038	175
Deferred tax liability	(4,372)	(1,587)
Total	(3,334)	(1,412)

(f) Unrecognised Deferred Tax Assets

The following deferred tax assets have not been brought to account as it is not probable that these can be recovered

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Tax losses – income	2,228	6,205
Temporary differences not brought to account	-	143
Tax losses – capital	33,360	1,990
Total	35,588	8,338

NOTE 5: CASH AND CASH EQUIVALENTS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Cash on hand	8	18
Cash at bank	5,597	3,514
Cash on deposit	1,536	13,062
Total	7,141	16,594

NOTE 6: TRADE AND OTHER RECEIVABLES

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current		
Trade debtors	14,315	19,117
Less provision for doubtful debt	(258)	(244)
	14,057	18,873
Other receivables	617	679
Total	14,674	19,552

NOTE 7: INVENTORIES

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current		
Raw materials	3,174	3,659
Work in progress	2,200	2,383
Finished goods	18,500	21,146
Less provision for obsolescence	(211)	(612)
Total	23,663	26,576

NOTE 8: OTHER ASSETS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current		
Prepayments	741	760
Total	741	760

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Buildings		
At cost	9,246	7,754
Less accumulated depreciation	(917)	(590)
	8,329	7,164
Plant and Equipment		
At cost	69,909	59,263
Less accumulated depreciation	(22,406)	(16,741)
	47,503	42,522
Plant and Equipment Under Lease		
At cost	75	75
Less accumulated depreciation	(75)	(71)
	-	4
Leasehold Improvements		
At cost	605	528
Less accumulated depreciation	(387)	(280)
	218	248
Motor Vehicles		
At cost	328	595
Less accumulated depreciation	(196)	(279)
	132	316
Motor Vehicles Under Lease		
At cost	251	406
Less accumulated amortisation	(79)	(221)
	172	185
Office Equipment		
At cost	4,097	3,869
Less accumulated depreciation	(3,276)	(2,917)
	821	952
Capital Work in Progress	330	3,953
Total property, plant and equipment	57,505	55,344

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the year:

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Buildings		
Balance at the beginning of the year	7,164	7,427
Additions / (transfers)	-	82
Depreciation expense	(227)	(197)
Net foreign currency movements arising from foreign operations	1,392	(148)
Carrying amount at the end of the year	8,329	7,164
Plant and Equipment		
Balance at the beginning of the year	42,522	48,676
Additions / (transfers)	5,012	1,345
Disposals	(374)	(564)
Depreciation expense	(6,688)	(5,375)
Net foreign currency movements arising from foreign operations	7,031	(1,560)
Carrying amount at the end of the year	47,503	42,522
Plant and Equipment Under Lease		
Balance at the beginning of the year	4	16
Depreciation expense	(4)	(12)
Carrying amount at the end of the year	-	4
Leasehold Improvements		
Balance at the beginning of the year	248	314
Additions / (transfers)	37	11
Depreciation expense	(86)	(76)
Net foreign currency movements arising from foreign operations	19	(1)
Carrying amount at the end of the year	218	248
Motor Vehicles		
Balance at the beginning of the year	316	323
Reclassifications	(137)	-
Additions / (transfers)	-	91
Disposals	(25)	(12)
Depreciation expense	(54)	(81)
Net foreign currency movements arising from foreign operations	32	(5)
Carrying amount at the end of the year	132	316
Motor Vehicles Under Lease		
Balance at the beginning of the year	185	217
Reclassifications	137	-
Additions / (transfers)	76	127
Disposals	(142)	(63)
Depreciation expense	(84)	(96)
Carrying amount at the end of the year	172	185
Office Equipment		
Balance at the beginning of the year	952	968
Reclassifications	(2)	-
Additions / (transfers)	224	500
Disposals	(12)	(19)
Depreciation expense	(423)	(476)
Net foreign currency movements arising from foreign operations	82	(21)
Carrying amount at the end of the year	821	952

NOTE 10: INTANGIBLE ASSETS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Goodwill at cost	9,894	9,588
Less accumulated impairment	(3,944)	(929)
	5,950	8,659
Patents, trademarks and licenses at cost	1,330	1,297
Less accumulated amortisation	(695)	(617)
	635	680
Application software at cost	1,494	1,074
Less accumulated amortisation / impairment	(804)	(245)
	690	829
Research and development	4,865	4,865
Less accumulated amortisation	(4,735)	(4,188)
	130	677
Total intangible assets	7,405	10,845
Movements in Carrying Amounts		
Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the year		
Goodwill		
Balance at the beginning of the year	8,659	9,327
Impairment	(3,155)	-
Net foreign currency movements arising from foreign operations	446	(668)
Carrying amount at the end of the year	5,950	8,659
Patents, Trademarks and Licences		
Balance at the beginning of the year	680	716
Additions / (transfers)	-	39
Amortisation expense	(62)	(63)
Net foreign currency movements arising from foreign operations	17	(12)
Carrying amount at the end of the year	635	680
Applications Software		
Balance at the beginning of the year	829	169
Reclassifications	36	-
Additions / (transfers)	198	827
Amortisation expense	(252)	(167)
Impairment loss - discontinuing businesses	(144)	-
Net foreign currency movements arising from foreign operations	23	-
Carrying amount at the end of the year	690	829
Research and Development		
Balance at the beginning of the year	677	1,495
Amortisation expense	(547)	(818)
Carrying amount at the end of the year	130	677

NOTE 11: TRADE & OTHER PAYABLES

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current		
Trade payables	6,219	6,560
Sundry payables and accruals	2,484	4,089
Total	8,703	10,649

NOTE 12: BORROWINGS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current		
Secured liabilities:		
Bank overdrafts	-	909
Bank loans ¹	8,387	29,600
Other Loans	895	818
Commercial bills	7,700	-
Finance lease liability	69	210
Hire purchase liability	29	359
	17,080	31,896
Unsecured liabilities:		
Bank loans	2,036	1,898
Other Loans	303	346
	2,339	2,244
Non Current		
Secured liabilities:		
Other loans	1,553	2,449
Finance lease liability	109	116
Hire purchase liability	18	47
	1,680	2,612
Unsecured liabilities:		
Other Loans	74	366
	74	366
Total	21,173	37,118
Disclosed in the Financial Statements As		
Current borrowings	19,419	34,140
Non current borrowings	1,754	2,978

NOTE 13: OTHER FINANCIAL LIABILITIES

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Derivatives Carried at Fair Value		
Current		
Foreign currency forward contracts	459	28
Disclosed in the Financial Statements As		
Current other financial liabilities	459	28

¹ Net debt amount after set off of Nil (2008: \$5,827,000) on deposit held with the bank as an offset

NOTE 14: PROVISIONS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Current		
Employee benefits	1,170	1,230
Restructuring and termination costs	860	478
Factory make good costs	-	70
Discontinuing businesses closure costs	628	-
Warranty claims	31	-
Non Current		
Employee benefits	118	112
Total	2,807	1,890
Disclosed in the Financial Statements As		
Current provisions	2,689	1,778
Non current provisions	118	112
(a) Aggregate employee benefits liability	1,288	1,342
(b) Number of employees at year end	734	772
Movements in Carrying Amounts		
Movement in the carrying amounts for the following classes of provision between the beginning and the end of the year		
Restructuring and Termination Costs¹		
Balance at the beginning of the year	478	4,751
Provisions recognised	490	-
Payments made	(115)	(3,595)
Reductions resulting from re-measurement	-	(56)
Net foreign currency movements arising from foreign operations	7	(622)
Carrying amount at the end of the year	860	478
Factory Make Good²		
Balance at the beginning of the year	70	250
Payments made	(70)	(150)
Reductions resulting from re-measurement	-	(30)
Carrying amount at the end of the year	-	70
Discontinuing Businesses Closure Costs³		
Balance at the beginning of the year	-	-
Provisions recognised	628	-
Carrying amount at the end of the year	628	-
Warranty Claims		
Balance at the beginning of the year	-	-
Provisions recognised	31	-
Carrying amount at the end of the year	31	-

¹ The provision for restructuring and termination costs represents the best estimate of the remaining costs to be incurred by the New Zealand operation for the closure of its manufacturing facility and includes a provision for an onerous lease which expires in January 2014. The restructuring is expected to be completed by January 2014.

² The provision for factory make good represents the best estimate of the remaining costs to be incurred in Australia for the make good of the site formerly occupied by the knitting plant that has been relocated to China. The make good has been completed.

³ The provision for discontinuing businesses closure costs represents the best estimate of the final closure costs of the company's European full service distribution operation. The closure is expected to be completed by 30 June 2010.

NOTE 15: CONTRIBUTED EQUITY

	Company	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Paid Up Capital		
279,691,658 fully paid ordinary shares (2008: 136,834,516)	105,594	100,813
Movement in Share Capital		
Shares issued at the beginning of the financial year	100,813	81,936
Costs of capital raising (net of tax)	(219)	(1,123)
40,000,000 shares issued as part of a private placement and a Share Purchase Plan – 30 August 2007	-	20,000
142,857,142 shares issued in the Rights Issue – 18 March 2009	5,000	-
Total	105,594	100,813

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NOTE 16: RESERVES

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
(a) Foreign currency translation reserve	(6,987)	(11,289)
(b) Share based payment reserve	486	632
(c) Hedging reserve	(316)	-
(d) Enterprise reserve fund	852	631
Balance at the end of the year	(5,965)	(10,026)

(a) Foreign Currency Translation Reserve

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Balance at the beginning of the year	(11,289)	(7,668)
Translation of foreign subsidiaries for the year	2,968	(2,030)
Movement arising from the reclassification of non current related party monetary items to net investments in foreign operations	1,334	(1,591)
Balance at the end of the year	(6,987)	(11,289)

(b) Share Based Payment Reserve

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Balance at the beginning of the year	632	344
Share based expenditure	(146)	288
Balance at the end of the year	486	632

(c) Hedging Reserve¹

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Balance at the beginning of the year	-	-
Gain / (loss) recognised on cash flow hedges – forward exchange contracts	(451)	-
Income tax gains / (losses) recognised	135	-
Balance at the end of the year	(316)	-

(d) Enterprise Reserve Fund (Gale Pacific Special Textiles (Ningbo) Limited)²

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Balance at the beginning of the year	631	540
Statutory transfers from retained earnings	221	91
Balance at the end of the year	852	631

¹ The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative gain or loss on the hedge is recognised as a profit or loss when the hedging instrument impacts the profit or loss, or is included as a basis adjustment to the non financial hedged item, consistent with the applicable accounting policy.

² Gale Pacific Special Textiles (Ningbo) Limited ("GPST") is required by Chinese Company Law to maintain this reserve in its accounts. This reserve is unavailable for distribution to shareholders but can be used by GPST to expand the business, make up losses or increase the registered capital. GPST is required to allocate 10% of its annual profit after tax to this reserve until it reaches 50% of GPST's registered capital.

NOTE 17: RETAINED EARNINGS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Balance at the beginning of the year	(12,030)	(14,444)
Net profit attributable to members of the parent entity	(11,962)	2,505
Transfers (to) / from reserves	(221)	(91)
Balance at the end of the year	(24,213)	(12,030)

NOTE 18: MINORITY INTERESTS

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Minority interest in controlled entities comprises:		
Balance at the beginning of the year	(11)	(11)
Net profit / (loss) attributable to outside equity interest	11	-
Balance at the end of the year	-	(11)

NOTE 19: EARNINGS PER SHARE

	Consolidated	
	2008 / 2009 (Cents Per Share)	2007 / 2008 (Cents Per Share)
Basic Earnings Per Share		
From continuing operations	(0.28)	5.64
From discontinuing businesses	(6.47)	(3.72)
Total basic earnings per share	(6.75)	1.92
Diluted Earnings Per Share		
From continuing operations	(0.28)	5.58
From discontinuing businesses	(6.47)	(3.68)
Total diluted earnings per share	(6.75)	1.90

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Earnings Per Share		
The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:		
Net profit / (loss) from continuing and discontinuing operations	(11,951)	2,505
Earnings Used in the Calculation of Basic EPS		
Adjustments to exclude loss for the period from discontinuing businesses	11,461	4,839
Earnings used in the calculation of basic EPS from continuing operations	(490)	7,344

	Consolidated	
	2008 / 2009 (No. 000)	2007 / 2008 (No. 000)
Weighted average number of ordinary shares for the purposes of basic earnings per share	177,148	130,168
Weighted Average Number of Shares Deemed to be Issued for No Consideration in Respect Of		
Employee options	1,097	900
Performance rights	-	434
Weighted average number of ordinary shares for the purposes of diluted earnings per share	178,245	131,502

NOTE 20: CAPITAL AND LEASING COMMITMENTS

(a) Finance Leasing Commitments

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Payable		
Not later than one year	153	230
Later than one year and not longer than five years	170	128
Minimum future lease payments¹	323	358
Less future finance charges	(145)	(32)
Present value of minimum lease payments	178	326
Represented By		
Current liability	69	210
Non current liability	109	116
Total	178	326

(b) Hire Purchase Commitments

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Payable		
Not later than one year	35	372
Later than one year and not longer than five years	20	50
Minimum future hire purchase payments²	55	422
Less future finance charges	(8)	(16)
Present value of minimum hire purchase payments	47	406
Represented By		
Current liability	29	359
Non current liability	18	47
Total	47	406

(c) Operating Lease Commitments

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Non cancellable operating leases contracted for but not capitalised in the accounts:		
Payable		
Not later than one year	2,664	2,172
Later than one year and not longer than five years	4,164	5,158
Total	6,828	7,330

The Group leases property and equipment under operating leases expiring in one to six years. Leases of property generally provide the Group with a right of renewal at which time all leases are renegotiated. Lease payments comprise a base amount plus an incremental contingent rental. Contingent rental increases are based on the consumer price index.

¹ Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual.

² Minimum future hire purchase payments includes the aggregate of all hire purchase payments and any guaranteed residual.

NOTE 21: CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash 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	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Cash on hand	8	18
Cash at bank	5,597	3,514
Cash on deposit	1,536	13,062
Bank overdrafts	-	(909)
Total	7,141	15,685

(b) Reconciliation of Cash Flow from Operations with Profit

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
Profit / (loss) after income tax	(11,951)	2,505
Non Cash Flows in Profit		
Profit / (loss) on disposal of fixed assets	83	215
Depreciation of fixed assets	7,566	6,313
Amortisation / impairment of intangible assets	4,160	1,048
Equity settled share based payments	(146)	288
Changes in tax balances due to foreign exchange movements	(9)	4
Changes in assets and liabilities processed directly in equity	(222)	482
Changes in Assets and Liabilities		
(Increase) / decrease in receivables	6,854	(189)
Decrease in inventories	5,349	3,567
Decrease / (increase) in other assets	99	757
Decrease in payables, accruals, provisions and other financial liabilities	(1,690)	(5,252)
Decrease in tax balances	1,295	81
Net cash inflow provided by operations	11,388	9,819

NOTE 21: CASH FLOW INFORMATION (CONTINUED)**(c) Discontinuing Businesses**

In response to the worsening economic conditions and modified economic outlook, the operating and cost structure of the Group's European business was reviewed in November / December 2008. The business as a full service business in a highly seasonal market and has under performed to expectations. To reduce costs and de-risk the business the decision was made to close the existing European full service operation and enter into a distribution agreement with an established European sales and distribution company to have it take over the inventory, sales and distribution of Gale products in key European markets as of 22 December 2008. The costs associated with this decision have been classified under discontinuing businesses in these accounts and the comparatives for June 2008 adjusted accordingly.

Financial information for discontinuing businesses for the period to 30 June 2009 is set out below. Further information is set out in Note 22 Segment Information.

	Consolidated	
	2008 / 2009 (\$'000)	2007 / 2008 (\$'000)
(i) Profit / (loss) from Discontinuing Businesses		
Revenue and other income	2,546	5,548
Expenses	(12,754)	(10,387)
Loss before income tax	(10,208)	(4,839)
Income tax expense	(1,253)	-
Loss after income tax of discontinuing businesses	(11,461)	(4,839)
(ii) Cash Flows from Discontinuing Businesses		
Net cash outflow from operating activities	(4,419)	(2,531)
Net cash (outflow) / inflow from investing activities	(146)	93
Effects of exchange rate changes on items denominated in foreign currencies	4,525	(13)
Net decrease in cash generated by discontinuing businesses	(40)	(2,451)

NOTE 22: SEGMENT INFORMATION

	Asia / Pacific (\$'000)	Americas (\$'000)	Middle East / Africa (\$'000)	Discontinuing Businesses (\$'000)	Eliminations (\$'000)	Consolidation (\$'000)
30 June 2009						
Revenue outside the economic entity	67,017	23,263	7,971	2,219	-	100,470
Inter segment revenue	16,495	484	236	-	(17,215)	-
Total revenue	83,512	23,747	8,207	2,219	(17,215)	100,470
Segment operating profit / (loss)	466	(1,506)	1,520	(10,208)	196	(9,532)
Income tax (expense) / benefit	(1,127)	-	-	(1,253)	(39)	(2,419)
Operating profit / (loss) after tax	(661)	(1,506)	1,520	(11,461)	157	(11,951)
Depreciation and amortisation	7,436	717	27	247	-	8,427
Individually Significant Items						
Impairment of goodwill	(3,155)	-	-	-	-	(3,155)
Restructuring and termination costs	(422)	-	-	-	-	(422)
Segment assets	92,995	16,017	4,503	175	(647)	113,043
Unallocated assets	-	-	-	-	-	104
Total assets	92,995	16,017	4,503	175	(647)	113,147
Segment liabilities	34,089	2,387	278	1,072	(87)	37,739
Unallocated liabilities	-	-	-	-	-	(8)
Total liabilities	34,089	2,387	278	1,072	(87)	37,731
Acquisition of non current assets	876	327	2	-	-	1,205
30 June 2008						
Revenue outside the economic entity	70,771	20,884	6,499	5,367	499	104,020
Inter segment revenue	13,377	144	36	148	(13,705)	-
Total revenue	84,148	21,028	6,535	5,515	(13,206)	104,020
Segment operating profit / (loss)	6,651	40	1,617	(4,839)	722	4,191
Income tax (expense) / benefit	(1,683)	(40)	-	-	37	(1,686)
Operating profit / (loss) after tax	4,968	-	1,617	(4,839)	759	2,505
Depreciation and amortisation	6,004	516	23	818	-	7,361
Individually Significant Items						
Reimbursement of R & D expenditure	102	-	-	-	-	102
Inventory write down	-	-	-	(1,581)	-	(1,581)
Segment assets	105,077	16,354	2,833	6,498	(842)	129,920
Unallocated assets	-	-	-	-	-	104
Total assets	105,077	16,354	2,833	6,498	(842)	130,024
Segment liabilities	48,527	1,660	286	941	(126)	51,288
Unallocated liabilities	-	-	-	-	-	(10)
Total liabilities	48,527	1,660	286	941	(126)	51,278
Acquisition of non current assets	3,638	573	10	15	-	4,236

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NOTE 23: CONTROLLED ENTITIES

	Country of Incorporation	Ownership Interest (%)	
		2008 / 2009	2007 / 2008
Parent Entity			
Gale Pacific Limited	Australia		-
Controlled Entities			
Aquaspan Pty Ltd	Australia	50%	50%
Gale Europe GmbH Vertriebsgesellschaft	Germany	100%	100%
Gale Pacific Employees Superannuation Fund Pty Ltd	Australia	100%	100%
Gale Pacific FZE	United Arab Emirates	100%	100%
Gale Pacific (New Zealand) Limited	New Zealand	100%	100%
Gale Pacific Special Textiles (Ningbo) Limited	China	100%	100%
Gale Pacific USA Inc	United States of America	100%	100%

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