



ASX ANNOUNCEMENT

28 August 2009

APPENDIX 4E - RESULTS

Emerson Stewart Group Limited (ASX: ESW) is pleased to announce an unaudited EBIT of \$2.09 million for the year ended 30 June, 2009, which is on par with previous years operating performance.

This resulted in a unaudited net profit after tax of \$1.45 million. This result does not include any future provisioning that may become necessary on the Windimurra Vanadium Limited receivable that was disclosed and addressed in the half year results announcement.

Revenue for the period was \$12.90 million, an increase of 23.3% for the corresponding period.

The Company is also pleased to declare a fully franked dividend of 0.4 of a cent per share, which is in line with the dividend plan outlined in the prospectus with a record date of 11 September, 2009 and payment date of 5 October, 2009.

Managing Director | CEO Dario Amara, said "the EBIT represented a fair result, given the challenging conditions experienced in the second half of the year."

"The Company is well positioned for the coming year with a strong order book to 2018 which has increased 25% on the company's previous announcement in May 2009. This growing order book, combined with the recent announcement of the execution of a Heads of Agreement outlining the merger of Emerson Stewart and Greencap Limited represents a positive outlook for the future."

"The merger demonstrates the Company's commitment to the strategy outlined in the prospectus and will result in a diverse service offering delivered nationally, and comprising Environmental, Consulting (Risk) and Diagnostics."

- ENDS -



About Emerson Stewart (ASX: ESW)

Established in 2005 and based in Perth, Western Australia, Emerson Stewart is a project implementation and advisory group providing services across:

- **Resources + Energy:** minerals; oil + gas; power generation + distribution; chemicals
- **Infrastructure:** urban development; building + property; aviation; water + environment; defence

Emerson Stewart has a strong network of corporate customers. The Company's current and past clients include BHP Billiton, Inpex, Midwest Corporation, Straits Resources, Fortescue Metals, Crescent Gold, Territory Resources, Australasian Resources, Gindalbie Metals, OMG Group, Envirogold, PEET Limited and Stockland, Department of Housing and Perseus Mining Limited.

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EMERSON
IMPLEMENTEURS
STEWART

PRELIMINARY FINANCIAL REPORT
YEAR ENDED 30 JUNE 2009

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Emerson Stewart Group Limited for the year ended 30 June 2009

Results Announcement to the Market 30 June 2009

				\$0'000
Revenue from ordinary activities (Appendix 4E item 2.1)	up	23.3%	to	12,900
Profit/ (loss) from ordinary activities after tax attributable to members (Appendix 4E item 2.2)	up	85.1%	to	1,450
Net Profit/ (loss) for the period attributable to members (Appendix 4E item 2.3)	up	85.1%	to	1,450
Dividends (distributions)	Amount per security	Franked amount per security		
The Company is paying a dividend of \$394,538	0.4 of a cent	Fully franked		
Record date for determining entitlements to the dividend	11 September 2009			
Date for payment of dividend	5 October 2009			
NTA Backing	Current Period	Previous Corresponding Period 30 June 2008		
Net tangible asset backing per ordinary security	\$0.099	\$0.088		

**Emerson Stewart Group Limited Income Statement
for the Year Ended 30 June 2009**

		Consolidated Group	
	Note	2009	2008
		\$000's	\$000's
Consulting revenue		12,900	10,461
Cost of sales		(6,790)	(6,744)
Gross profit		6,110	3,717
Financial income		582	142
Marketing expenses		(122)	(30)
Occupancy expenses		(142)	(114)
Administration expenses		(4,176)	(1,400)
Finance costs		(5)	(2)
Depreciation and amortisation expenses		(146)	(23)
Cost on acquisition			(744)
Profit/(Loss) before income tax		2,102	1,547
Income tax benefit/ (payable)		(652)	(763)
Net Profit After Tax	2	1,450	784
Profit attributable to members of the parent entity/ (Loss for the year)		1,450	784
Profit (Loss) per share attributable to ordinary equity holders if the company:			
Basic earnings (loss) per share (cents per share)	3	1.173	1.107
Diluted earnings (loss) per share (cents per share)		1.173	1.107

The accompanying notes form part of these financial statements

Emerson Stewart Group Limited Balance Sheet as at 30 June 2009

		Consolidated Group	
	Note	2009	2008
		\$000's	\$000's
Assets			
Current Assets			
Cash and cash equivalents		9,284	10,729
Trade and other receivables	2	2,618	2,073
Work in progress		1,505	124
Other current assets		215	52
Total Current Assets		13,622	12,978
Non Current Assets			
Plant and equipment		152	76
Deferred tax assets		-	174
Intangible assets		414	44
Total Non Current Assets		566	294
Total Assets		14,188	13,272
Current Liabilities			
Trade and other payables		1,019	1,805
Current tax liabilities		76	348
Provision for employee benefits		111	83
Total Current Liabilities		1,206	2,236
Non – Current Liabilities			
Provision for employee benefits		21	9
Deferred tax liability		344	-
Total Non Current Liabilities		365	9
Total Liabilities		1,571	2,245
Net Assets		12,617	11,027
Equity			
Issued capital		11,005	10,865
Retained earnings/ (Accumulated loss)		1,612	162
Total Equity		12,617	11,027

The accompanying notes form part of these financial statements

**Emerson Stewart Group Limited Statement of Changes
in Equity for the Year Ended 30 June 2009**

Consolidated Group	Ordinary	Retained Earnings (accumulated losses)	Total	
	Note	\$000's	\$000's	
Balance at 1 July 2007		20	178	198
Profit attributable to members of parent entity		-	784	784
Dividends Paid		-	(800)	(800)
Costs of Capital Raising		(537)	-	(537)
Success Fee on Acquisition of Emerson Stewart as shares		400	-	400
Share based payment		8	-	8
Proceeds from capital raising		8,000	-	8,000
Cost of reverse business combination		2,974	-	2,974
Sub - total		<u>10,865</u>	<u>162</u>	<u>11,027</u>
Balance at 1 July 2008				
Profit attributable to members of parent entity		-	1,450	1,450
Costs of Capital Raising		(8)	-	(8)
Share based payment		148	-	148
Balance at 30 June 2009		<u>11,005</u>	<u>1,612</u>	<u>12,617</u>

The accompanying notes form part of these financial statements

**Emerson Stewart Group Limited Cash Flow Statement
for the Year Ended 30 June 2009**

		Consolidated Group	
	Note	2009	2008
		\$000's	\$000's
Cash Flow from Operating Activities			
Receipts from customers		12,218	10,169
Payments to suppliers and employees		(13,279)	(8,858)
Income Tax Paid		(219)	(525)
Interest received		374	142
Net cash provided by (used in) operating activities	4	(906)	928
Cash Flow from Investing Activities			
Proceeds from sale of property, plant and equipment		1	-
Purchase of Intangibles		(407)	-
Purchase of property, plant and equipment		(125)	(103)
Cash Balance acquired from reverse acquisition		-	2,654
Net cash provided by (used in) investing activities		(531)	2,551
Cash Flow from Financing Activities			
Loans to related parties		-	(19)
Proceeds from issue of shares		-	8,000
Payments from issue of shares		(8)	(169)
Dividends paid		-	(800)
Interest Paid		-	(2)
Net cash provided by (used in) financing activities		(8)	7,010
Net increase in cash held		(1,445)	10,489
Cash at beginning of year		10,729	240
Cash at end of year		9,284	10,729

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies

This preliminary financial report has been prepared in accordance with Australian Securities Exchange Listing rules as they relate to Appendix 4E and in accordance with the measurement requirements of Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

As such, this preliminary financial report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the annual report for the year ended 30 June 2008, and with any public announcements made by Emerson Stewart Group Limited during the reporting period in accordance with the disclosure requirements of the Corporations Act 2001.

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

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Director's Report and financial statements. Amounts have been rounded off to the nearest thousand dollars in accordance with that Class Order.

The accounting policies have been consistently applied to all years presented.

This Preliminary final report is based on accounts that are yet to be audited.

Note 2: Windimurra Vanadium Receivable

The company is owed an undisputed amount of \$1.2 million from Windimurra Vanadium Limited ("WVL"). WVL owns a vanadium resource and related processing plant which was under construction when voluntary administrators and receivers were appointed in February 2009. The processing plant is estimated to be 90% complete. A sale process has been commenced and is currently underway. Until the process is completed the Company will not have any certainty on whether all or some of the undisputed receivable amount will be collected.

The directors have concluded due to insufficient information available at this time a provision against this amount cannot be reliably measured. The situation will remain under ongoing review so that as new information becomes available, the need for a provision will be reassessed.

Note 3: Earnings per Share

	2009	2008
	\$000's	\$000's
Earnings used to calculate basic EPS	1,450	784
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	123,634,375	62,500,000
Basic Earnings per share (cents per share)	1.173	1.107

Note 4: Cash Flow Information

	Note	Consolidated Group	
		2009	2008
		\$000's	\$000's
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit/ (Loss) after income tax		1,450	784
Non-cash flows in profit		-	-
Depreciation		146	23
Interest not paid in cash		-	-
Share based success fee for acquisition		-	400
Impairment of goodwill		-	344
Share based expenses		148	7
Loss on disposal of P&E		-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries			
(Increase)/ decrease in trade and term debtors		(544)	(1,629)
(Increase)/decrease in other assets		(325)	(49)
(Increase)/decrease in work in progress		(1,381)	232
Increase/(decrease) in trade creditors		(687)	508
Increase/(decrease) in sundry payables & accruals		0	-
Increase/(decrease) in provisions		41	75
Increase /(decrease) in tax movement		246	230
Net cash provided by (used in) operating activities		<u>(906)</u>	<u>928</u>

Note 5: Events after the balance

The group completed a share buy-back of 31.25 million shares on 22 July 2009. Of these shares, 6.25 million shares have been appropriated to establish an Employee Share Plan.

The company declared a fully franked dividend of 0.4 of a cent per share, with record date of 11 September, 2009 and payment date of 5 October, 2009.

On 26 August, 2009 the Company executed a Heads of Agreement with Greencap Limited to give effect to a merger of the two group by a scheme of arrangement under the Corporations Act. The Heads of Agreement is conditional upon finalisation of due diligence and execution of a formal implementation agreement (anticipated by mid September 2009) and will thereafter require shareholder and court approvals in accordance with the Corporations Act.