

Appendix 4E

Preliminary Final Report to the Australian Stock Exchange

Name of Entity	JOHN SHEARER (HOLDINGS) LIMITED
ABN	38 007 643 085
Financial Year Ended	30 JUNE 2011
Previous Corresponding Reporting Period	30 JUNE 2010

Results for Announcement to the Market

	\$'000	Percentage increase / (decrease) over previous corresponding period
Revenue	30,597	2.1%
Profit / (loss) after tax attributable to members	393	(40.0%)
Net profit / (loss) for the period attributable to members	393	(40.0%)
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	6.0 cents	6.0 cents
Interim Dividend	6.0 cents	6.0 cents
Record date for determining entitlements to the dividends (if any)	9 September 2011	

Report of directors on Financial Results

John Shearer reports an after tax profit of \$393,000 for the year ended 30 June 2011. This compares with a profit of \$655,000 for the corresponding full year in 2010. Revenues rose slightly to \$30.6m from \$30.0m in the prior year.

This result is after a \$294,000 charge in legal and other costs from a contractor incident that occurred six years ago of which the company only became aware of in 2009. This charge was reflected in the December 2010 half year results.

Sales in the storage and shelving divisions have not recovered as strongly as expected from the effects of the GFC and margins have been affected. The Group's Chinese manufacturing facility is providing quality product and this is being well received by customers.

Sales of agricultural equipment have been slow despite the end of the current drought. Rural customers are deferring decisions on equipment purchases given uncertainty in areas including currency risks and commodity prices.

The demand for the Group's transport products is expected to continue particularly from resource companies in Australia.

Directors are pleased that Mr. Cheng Hong has been appointed as Managing Director of the Group. He has many years of experience in manufacturing operations and the Board looks forward to his contribution in the continuing difficult times.

The Directors have declared a fully franked final dividend of 6 cents per share payable on 30 September 2011 compared with 6 cents last year.

The Group remains in a strong cash position.



Allen E. Bolaffi
Director

Dividends

Date the dividend is payable	30 September 2011
Record date to determine entitlement to the dividend	9 September 2011
Amount per security	6 cents
Total dividend	\$ 740,374
Amount per security of foreign sourced dividend or distribution	—
Details of any dividend reinvestment plans in operation	—
The last date for receipt of an election notice for participation in any dividend reinvestment plans	—

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	\$3.25	\$3.39

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

Nil

Commentary on the Results for the Period


The earnings per security and the nature of any dilution aspects : The current periods earnings' per security was down by 41.5% on the previous corresponding period. There were no potentially dilutive items relevant.
Returns to shareholders including distributions and buy backs : We are pleased to announce that a fully franked dividend of 6 cents per share will be paid on 30 September 2011.
Significant features of operating performance : Refer page 2
The results of segments that are significant to an understanding of the business as a whole: Refer page 2
Discussion of trends in performance : Nil
Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified: Nil

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	
The accounts are in the process of being audited or subject to review	✓	The accounts have not yet been audited or reviewed	
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:			
Not Applicable			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:			
Not Applicable			

Attachments Forming Part of Appendix 4E

Attachment #	Details
1	Press Release

Signed By (Director/Company Secretary)	
Print Name	Allen Elliot BOLAFFI
Date	30 August 2011

Your directors submit the Appendix 4E of the consolidated entity for the financial year ended 30 June 2011.

Directors

The names of directors who held office during or since the end of the financial year ended 30 June 2011:

Andrew W Gwinnett
Cheng H Hong
Gary D Reuter (retired 23 June 2011)
Allen E Bolaffi

Review of Operations

A summary of consolidated revenues and results by significant industry segments is set out below:

	Segment Revenues		Segment Results	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Agricultural Machinery and Transport Equipment	5,323	5,386	119	44
Steel Shelving and Storage Systems	26,475	25,194	664	1,099
Inter-segment Eliminations	(1,201)	(622)	(43)	(69)
	<u>30,597</u>	<u>29,958</u>	<u>740</u>	<u>1,074</u>
Profit Before Income Tax Expense			740	1,074
Income Tax Expense			(355)	(426)
Profit After Income Tax Expense			<u>385</u>	<u>648</u>
Non-controlling interest			(8)	(7)
Net profit attributable to members of John Shearer (Holding) Ltd			<u>393</u>	<u>655</u>

Rounding of Amounts

The consolidated entity has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded to the nearest thousand dollars.

The report is signed in accordance with a resolution of the Board of Directors.



Allen Elliot Bolaffi
Director and Company Secretary

Signed in Adelaide this 30th day of August 2011

John Shearer (Holdings) Limited and Controlled Entities
Statement of Comprehensive Income
for the financial year ended 30 June 2011

	Current Year	Previous Corresponding Year
	\$'000	\$'000
Continuing Operations	\$'000	\$'000
Revenue	30,465	29,914
Other Income	132	44
Changes in inventories of finished goods and work in progress	203	(496)
Raw materials and consumables used	(12,905)	(11,754)
Employee benefits expense	(9,968)	(9,862)
Depreciation expense	(731)	(950)
Borrowing costs expense	(15)	(24)
Contractor, subcontractor & commission expenses	(231)	(286)
Repairs and maintenance expense	(349)	(321)
Energy costs	(716)	(626)
Freight costs	(1,570)	(1,440)
Other expenses	(3,575)	(3,125)
Profit from continuing operations before income tax expense	740	1,074
Income tax expense	(355)	(426)
Profit from continuing operations after income tax expense	385	648
Other comprehensive Income		
Foreign currency translation	(499)	(67)
Other comprehensive income for the period, net of tax	(499)	(67)
Total comprehensive income	(114)	581

John Shearer (Holdings) Limited and Controlled Entities
Statement of Comprehensive Income (continued)
for the financial year ended 30 June 2011

	Current Year	Previous Corresponding Year
	\$'000	\$'000
Profit for the period is attributable to:		
Non-controlling interest	(8)	(7)
Owners of the parent	<u>393</u>	<u>655</u>
	<u><u>385</u></u>	<u><u>648</u></u>
Total comprehensive Income for the period is attributable to:		
Non-controlling interest	(41)	(7)
Owners of the parent	<u>(73)</u>	<u>588</u>
	<u><u>(114)</u></u>	<u><u>581</u></u>
Basic Earnings per share	3.1	5.3
Diluted Earnings per share	3.1	5.3

John Shearer (Holdings) Limited and Controlled Entities
Balance Sheet
as at 30 June 2011

	Current Year	Previous Corresponding Year
	\$'000	\$'000
Current Assets		
Cash and cash equivalents	13,852	13,957
Trade and other receivables	4,408	5,126
Inventories	5,284	5,306
Current tax assets	222	478
Other current assets	228	419
Total Current Assets	<u>23,994</u>	<u>25,286</u>
Non-Current Assets		
Property, plant and equipment	25,425	26,232
Deferred tax assets	1,271	1,206
Total Non-Current Assets	<u>26,696</u>	<u>27,438</u>
Total Assets	<u>50,690</u>	<u>52,724</u>
Current Liabilities		
Trade and other payables	5,242	5,783
Provisions	2,370	1,095
Total Current Liabilities	<u>7,612</u>	<u>6,878</u>
Non-Current Liabilities		
Interest bearing liabilities	205	246
Deferred tax liabilities	734	699
Provisions	736	1,903
Total Non-Current Liabilities	<u>1,675</u>	<u>2,848</u>
Total Liabilities	<u>9,287</u>	<u>9,726</u>
Net Assets	<u>41,403</u>	<u>42,998</u>
Equity		
Contributed equity	8,633	8,633
Reserves	840	1,306
Retained earnings	31,774	32,862
Total parent equity interest	<u>41,247</u>	<u>42,801</u>
Non-controlling interest	156	197
Total Equity	<u>41,403</u>	<u>42,998</u>

John Shearer (Holdings) Limited and Controlled Entities
Statement of Changes in Equity
for the financial year ended 30 June 2011

Consolidated Entity	Asset Revaluation Reserve \$'000	Foreign Currency Translation \$'000	Contributed Equity \$'000	Retained Earnings \$'000	Owners of the parent \$'000	Non- controlling Interest \$'000	TOTAL \$'000
Balance at 1 July 2010	1,373	(67)	8,633	32,862	42,801	197	42,998
Profit for the year	—	—	—	393	393	(8)	385
Other comprehensive income:	—	(466)	—	—	(466)	(33)	(499)
Total comprehensive income for the period	—	(466)	—	393	(73)	(41)	(114)
Transactions with owners in their capacity as owners:							
Dividends provided for or paid	—	—	—	(1,481)	(1,481)	—	(1,481)
Balance at 30 June 2011	1,373	(533)	8,633	31,774	41,247	156	41,403
Balance at 1 July 2009	1,373	—	8,633	34,143	44,149	—	44,149
Profit for the year	—	—	—	655	655	(7)	648
Other comprehensive income:	—	(67)	—	—	(67)	—	(67)
Total comprehensive income for the period	—	(67)	—	655	588	(7)	581
Transactions with owners in their capacity as owners:							
Acquisition of subsidiary	—	—	—	(85)	(85)	204	119
Dividends provided for or paid	—	—	—	(1,851)	(1,851)	—	(1,851)
Balance at 30 June 2010	1,373	(67)	8,633	32,862	42,801	197	42,998

John Shearer (Holdings) Limited and Controlled Entities
Cash Flow Statement
for the financial year ended 30 June 2011

	Current Year	Previous Corresponding Year
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	35,280	31,347
Payments to suppliers and employees (inclusive of goods and services tax)	(33,974)	(31,603)
Payments of income tax	(130)	(1,259)
	<u>1,176</u>	<u>(1,515)</u>
Interest received	850	715
Borrowing costs	(6)	(24)
Net cash inflow/(outflow) from operating activities	<u>2,020</u>	<u>(824)</u>
Cash flows from investing activities		
Purchase for property, plant and equipment	(687)	(144)
Payments for investments**	—	(1,417)
Loans from related parties	198	245
Proceeds from sale of other assets, property, plant and equipment	4	60
Net cash inflow/(outflow) from investing activities	<u>(485)</u>	<u>(1,256)</u>
Cash flows from financing activities		
Dividends paid	(1,481)	(1,851)
Net cash (outflow) from financing activities	<u>(1,481)</u>	<u>(1,851)</u>
Net increase/(decrease) in cash and cash equivalents	54	(3,931)
Cash and cash equivalents at beginning of period	13,957	17,811
Cash in controlled entities acquired	—	80
Effects of exchange rate changes on cash	(159)	(3)
Cash and cash equivalents at the end of the financial year	<u><u>13,852</u></u>	<u><u>13,957</u></u>

**During the previous corresponding year \$1.417m was paid in an arm's length transaction with a related party in exchange for its shareholding in NINGBO Tristar Forging Co. Ltd; which is now a controlled entity.

Note 1. Basis of Preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of the ASX Appendix 4E.

The accounting policies adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the 2010 annual report.

Note 2. Statement of Comprehensive Income

	Current Year \$'000	Previous Corresponding Year \$'000
Continuing operations		
Sale of goods	<u>29,147</u>	<u>28,599</u>
Interest – Other corporations	805	715
Rent received	459	462
Discount Received	10	9
Royalty	9	9
Sale of Scrap	6	91
Sundries	<u>29</u>	<u>29</u>
	<u>1,318</u>	<u>1,324</u>
Other Income		
Foreign exchange gains	126	9
Government Grants	2	5
Profit on sale of non-current assets	<u>4</u>	<u>30</u>
	<u>132</u>	<u>35</u>
Total revenue and other income	<u><u>30,597</u></u>	<u><u>29,958</u></u>

Note 3. Income tax

	Current Year \$'000	Previous Corresponding Year \$'000
Income Tax Expense		
Current income tax expense	386	273
Deferred tax	(30)	81
Under (over) provided in prior years	(1)	72
Income tax expense	<u>355</u>	<u>426</u>
Reconciliation between income tax expenses and prima facie tax payable		
Profit from continuing operations before income tax expense	<u>740</u>	<u>1,074</u>
Tax at 30% (2010: 30%)	222	322
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Loss from overseas operations	52	53
Other	—	(21)
Under (over) provided in prior years	81	72
Income tax expense	<u>355</u>	<u>426</u>
Analysis of deferred tax assets		
Provision for inventory losses	171	140
Prepayments	—	35
Employee entitlements	883	841
Plant and Equipment	33	5
Other	184	185
Deferred tax assets	<u>1,271</u>	<u>1,206</u>
Analysis of deferred tax liabilities		
Land and Buildings	663	699
Accrued interest	71	—
Deferred tax liabilities	<u>734</u>	<u>699</u>

Footnote to note 3:

Loss from overseas operations of \$174k (30 June 2010: \$176k) is not recognised as a deferred tax asset.

Note 4. Earnings per share

	Current Year	Previous Corresponding Year
Basic earnings per share (cents)	3.1	5.3
Diluted earnings per share (cents)	3.1	5.3
Reconciliations of earnings used in calculating earnings per share	2011 \$'000	2010 \$'000
Basic earnings per share		
Net profit	<u>393</u>	<u>655</u>
Earnings used in calculating basic earnings per share	<u>393</u>	<u>655</u>
Diluted earnings per share		
Net profit	<u>393</u>	<u>655</u>
Earnings used in calculating diluted earnings per share	<u>393</u>	<u>655</u>
Weighted average number of shares used as the denominator	Current Year	Previous Corresponding Year
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	<u><u>12,339,571</u></u>	<u><u>12,339,571</u></u>

Note 5. Reconciliation of profit after income tax to net cash inflow from operating activities

	Current Year \$'000	Previous Corresponding Year \$'000
Profit after income tax	385	648
Depreciation and amortisation	731	947
Foreign exchange gain/(loss)	—	2
Provision for doubtful debts	(4)	—
(Profit) on sale of non-current assets	(4)	(30)
Loss on sale of non-current assets	1	—
Non-current assets written-off	—	12
Decrease (increase) in trade debtors	754	(789)
Decrease (increase) in inventories	(4)	330
Decrease (increase) in other operating assets	(152)	293
Increase (decrease) in trade creditors	(500)	236
Increase (decrease) in other operating liabilities	835	(1,982)
Increase (decrease) in other provisions	(22)	(491)
Net cash inflow (outflow) from operations	<u>2,020</u>	<u>(824)</u>

Note 6. Segment information

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment and other intangible assets, net of related provisions. Segment liabilities consist primarily of trade and other creditors, employee entitlements and provision for service warranties. Segment assets and liabilities do not include income taxes.

Inter-segment transfers

Segment revenues, expenses and results include transfers between segments. Such transfers are priced on an “arm’s – length” basis and are eliminated on consolidation.

Operating Segments

The consolidated entity is involved in the same principal activities and is organised on a national basis into the following divisions by product and service type.

Agricultural Machinery and Transport Equipment

Manufacture and distribution of high quality agricultural machinery including cultivation and seeding equipment, ground engaging tools, and transport equipment (including bulk tankers).

Steel Shelving and Storage Systems

Manufacture and distribution of industrial and office steel shelving and storage systems.

Segment information (continued)

The following table's present revenue, profit and balance sheet information regarding business segments for the year ended 30 June 2011.

2011	Machinery and Transport Equipment	Shelving and Storage Systems	segment eliminations/ unallocated	Consolidated
	\$'000	\$'000	\$'000	\$'000
Sales to external customers	4,645	24,502	—	29,147
Inter-segment sales	—	924	(924)	—
Total sales revenue	<u>4,645</u>	<u>25,426</u>	<u>(924)</u>	<u>29,147</u>
Other revenue and other income	678	1,049	(277)	1,450
Total segment revenue	<u><u>5,323</u></u>	<u><u>26,475</u></u>	<u><u>(1,201)</u></u>	<u><u>30,597</u></u>
Segment result	<u>119</u>	<u>664</u>	<u>(43)</u>	<u>740</u>
Profit before income tax expense				740
Income tax expense				<u>(355)</u>
Net Profit				<u><u>385</u></u>
Total segment assets	<u><u>28,580</u></u>	<u><u>36,857</u></u>	<u><u>(14,747)</u></u>	<u><u>50,690</u></u>
Total segment liabilities	<u><u>4,028</u></u>	<u><u>8,038</u></u>	<u><u>(2,779)</u></u>	<u><u>9,287</u></u>

Segment information (continued)

2010	Operating segments			Consolidated
	Agricultural Machinery and Transport Equipment	Steel Shelving and Storage Systems	Inter-segment eliminations/unallocated	
	\$'000	\$'000	\$'000	\$'000
Sales to external customers	4,722	23,877	—	28,599
Inter-segment sales	—	366	(366)	—
Total sales revenue	4,722	24,243	(366)	28,599
Other revenue and other income	664	951	(256)	1,359
Total segment revenue	5,386	25,194	(622)	29,958
Segment result	44	1,099	(69)	1,074
Profit before income tax expense				1,074
Income tax expense				(426)
Net Profit				648
Total segment assets	28,271	39,485	(15,032)	52,724
Total segment liabilities	3,841	8,981	(3,096)	9,726

Segment information (continued)

Notes to and forming part of the segment information

(a) Accounting policies

Segment information is prepared in conformity with the accounting policies of the entity and AASB 8 *Operating Segments*.

The group has identified its operating segments to be the two segments of Agricultural Machinery and Transport Equipment and Steel Shelving and Storage Systems. This is the basis by which internal reports are reviewed and used by the chairman and the board of directors in assessing performance and determining allocation of resources.

The group operates predominantly within Australia. Other geographical operations are not material to the financial statements.

(b) Inter-segment transfers

Segment revenues, expenses and results include transfers between segments. Such transfers are priced on an "arm's – length" basis and are eliminated on consolidation

TOUGH YEAR BUT DIVIDEND MAINTAINED

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For further information contact:

Allen Bolaffi
Director and Company Secretary

Mobile: 0419 998 866