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**APPENDIX 4E  
FINAL REPORT**

**Year Ended  
30 June 2009**

**RUNGE LIMITED**

# APPENDIX 4E

## 1. Details of the reporting period

Current period: 1 July 2008 to 30 June 2009

Prior corresponding period: 1 July 2007 to 30 June 2008

## 2. Results for announcement to the market

### Key information

	Year ended 30 June 2009 \$ '000	Year ended 30 June 2008 \$ '000	Change %
Revenue	83,389	70,325	19
Net profit for the period attributable to members	7,918	5,943	33

### Dividends

	Date of payment	Cents per share	Total amount \$ '000
2009 Interim dividend ordinary share fully franked	7 April 2009	2	2,482
2009 Final dividend ordinary share fully franked	6 October 2009	2.5	3,102

The record date of the final ordinary dividend is 15 September 2009.

### Commentary

The financial report for the year ended 30 June 2009, and the results reported herein, are prepared in accordance with Australian Accounting Standards and the Corporations Act 2001. Compliance with Australian Accounting Standards ensures that the financial report complies with International Financial Reporting Standards.

### Review and results of operations

Runge achieved profit after tax of \$7.9 million for the year ended 30 June 2009, which is a 33% increase from \$5.9 million profit after tax recorded in the previous financial year. Basic earnings per share in 2009 increased by 21% to 6.4 cents per share (2008: 5.3 cents).

Consolidated revenue over the same period increased by 19% to \$83.3 million (2008: \$70.3 million).

This performance was underpinned by:

- Growth in consulting revenue in Indonesia, where the Group is a pre-eminent provider, coupled with similar strong growth in consulting revenue in China;
- Consulting revenue in the USA, which grew over 10% in real terms and 32% in the Group's presentation currency despite the difficult conditions in the latter half of the year;
- Increased revenues from software maintenance; and
- The first full year operations of GeoGAS Laboratory revenue doubled in 2009, and expectations are of continuing growth in this sector.

During its first full year as a listed company Runge relocated to new premises with sufficient room to accommodate future growth and implemented a state-of-the-art IT network.

The Group's debtors grew in line with revenue and the quality of the debtors' ledger has not deteriorated. Strong operational cashflow enabled Runge to pay down 59% of its debt to leave \$3.5 million debt at the end of the year (2008: \$8.4 million) and a net cash position of \$3.2 million (2008: \$4.2 million).

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Despite the global financial crisis and slow down in mining activities worldwide, in 2009 the Group increased the global movement of consultants, resulting in sharing of knowledge, improved utilisation and strong regional growth. This enabled Runge to grow employee numbers in the 2009 year to 372 (2008: 337). More than 36% of the Group's employees were located outside of Australia at the end of the 2009 financial year (2008: 35%).

During the year the Group opened a new office in Hong Kong to support the growing market of international mining companies accessing this financial hub of South East Asia.

Despite the challenging conditions in 2009, Runge achieved a record software sales contract valued at over \$2.7 million, the largest sale in Runge's 32 year history.

There were a number of one-off expenses in FY08 that significantly impacted the FY08 result. Also, in FY09 Runge incurred a full year of legal costs in defending the litigation against its US subsidiary. After adjusting for these non-operating costs, a comparison of the FY09 performance against FY08 can be summarised as follows:

	Consolidated	
	2009	2008
	\$'000	\$'000
Profit before tax as reported in the statutory accounts	10,435	8,202
Adjustments for significant non-operating items:		
- Shareholder sell-down expenses	-	1,670
- Professional fees – pre IPO proposed trade sale	-	530
- Legal fees – US litigation	1,323	352
<b>Profit before tax, as adjusted</b>	<b>11,758</b>	<b>10,754</b>

In addition, Runge benefited from foreign exchange gains in FY09 of \$620,000 (2008: losses of \$322,000). In view of these items the directors consider the results for FY09 to be reasonable given the difficult economic conditions, particularly in the second half.

## Matters subsequent to the end of the financial year

No other matter or circumstance has arisen since 30 June 2009 that has significantly affected, or may significantly affect:

- The Group's operations in future financial years, or
- The results of those operations in future financial years, or
- The Group's state of affairs in future financial years.

### 3. Consolidated balance sheet

Refer to the 2009 Financial Report.

### 4. Consolidated income statement

Refer to the 2009 Financial Report.

### 5. Consolidated cash flow statement

Refer to the 2009 Financial Report.

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## 6. Dividends

Dividends paid to members during the financial year were as follows:

	Date of payment	Cents per share	Total Amount \$ '000
2008 Final dividend ordinary share fully franked	6 October 2008	1.5	1,861
2009 Interim dividend ordinary share fully franked	7 April 2009	2.0	2,482
<b>Total</b>			<b>4,343</b>

In addition to the above dividends, since the end of financial year the directors have declared the payment of a final ordinary fully franked dividend of \$3,102,000 (2.5 cents per share) with a record date of 15 September 2009 to be paid on 6 October 2009.

## 7. Retained profits

	Consolidated	
	2009 \$'000	2008 \$'000
Balance at the beginning of the financial year	5,413	6,917
Net profit for the year	7,918	5,943
Dividends provided for or paid	(4,343)	(7,447)
<b>Balance at the end of the financial year</b>	<b>8,988</b>	<b>5,413</b>

## 8. Net tangible assets per ordinary share

	Consolidated	
	2009 cents	2008 cents
Ordinary shares	11.6	7.9

## 9. Control gain or lost over entities in the financial year

### Name of entities where control was gained in the financial year

Runge Asia Limited (Hong Kong) – control gained 27 October 2008.

PT Runge Indonesia (Indonesia) – control gained 27 April 2009.

### Name of entities where control was lost in the financial year

Not applicable.

## 10. Audited report

The report is based on audited accounts. The audit opinion is unqualified.

## 11. Statement if Financial Report is audited

The Financial Report has been audited and is not subject to disputes or qualifications.

## 12. Other information

For more detailed information on the consolidated entity's financial performance and financial position, refer to the notes to the 2009 Financial Report.

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