

**APPENDIX 4E**  
**PRELIMINARY FINAL REPORT**  
**JOYCE CORPORATION LTD**  
**FOR THE PERIOD ENDED 30 JUNE 2007**

Name of Entity:	Joyce Corporation Ltd	
1. Details of the current and prior reporting period		
Current Period:	1 July 2006 to 30 June 2007	
Prior Period:	1 July 2005 to 30 June 2006	
2. Results for announcement to the market		
	\$A'000	
2.1 Revenues from ordinary activities	Up 387.0% to	\$11,436
2.2 Profit (loss) from ordinary activities after tax attributable to members	Up 218.0% to	\$3,197
2.3 Net profit (loss) for the period attributable to members	Down 28.0% to	\$3,197
Net profit for the financial year 2006 included \$2,986K from the sale of the foam businesses.		
2.4 Dividend distributions	Amount per security	Franked amount per security
Dividend paid on 1 November 2006	3.0 cents	Nil
Dividend paid May 2007	3.5 cents	Nil
<b>PREVIOUS CORRESPONDING PERIOD</b>		
Dividend paid 1 November 2005.	2.5 cents	Nil
Return of Capital Paid 1 February 2006.	6.0 cents	Nil
2.5 Record date for determining entitlements to the dividend	November 2007 3.0 cents per security – Unfranked	
2.6 Explanation of any of the figures in 2.1 to 2.5 that may be required.	The ordinary operating results for 2006 excluded the foam businesses from 1 December 2005 and only included the investment property and the Bedshed Franchising business for seven months. The 2007 financials includes the investment property and the Bedshed business for the full financial year.	
3. Income Statement with notes	Refer below	
4. Balance Sheet with notes	Refer below	
5. Statement of Cash Flows with notes	Refer below	
6. Details of Dividends or Distributions		
Dividend paid 1 November 2006	3.0 cents per share	Total Paid \$621K
Dividend paid May 2007	3.5 cents per share	Total Paid \$725K
Dividend to be paid November 2007 as per 2.5 note		

7. Details of dividend reinvestment plan	The Company has a dividend reinvestment plan that is currently suspended. The plan provides that shareholders may elect to receive all or a portion of their dividend entitlements in the form of fully paid shares in the Company, issued at a discount (currently 2.5%) to market price and free of brokerage or any other costs	
8. Statement of Retained earnings showing movements	Refer below	
	Current Period	Previous Corresponding Period
9. Net tangible asset backing per ordinary security	\$1.25	\$1.16
Net tangible asset per ordinary share, excluding Deferred Tax Liabilities resultant from asset revaluations, is \$1.41 per share.		
10. Control Gained over entities during the period	N/A	
10.1 Name of entity		
10.2 The date of the gain or loss of control		
10.3 Where material, the contribution of above entities to the consolidated result.	N/A	
11 Details of associates and joint venture entities		
12. Other Significant Information	N/A	
<p>The investment properties have been revalued as at 30 June 2006 to take into existing leasing arrangements which were not taken into account by the valuation companies for that period. Full explanation regarding the effect this has had on the Balance Sheet as at 30 June 2006 will be explained in the annual report. The Directors have adopted this approach to provide consistent and accurate reporting for this financial year.</p> <p>The land and buildings are now classified as investment assets and have been revalued as at 30 June 2007 . The movement in the asset values from 1 July 2006 to 30 June 2007 of \$4,120,000 has been accounted for in the Income Statement. Asset valuations were completed by qualified valuers in accordance with AASB 116(6) (Fair Value). The company has received official offers of sale for the properties and these offers are in excess of the value bought to account under the accounting standard.</p>		
13. Accounting Standards used by foreign entities	N/A	
14. Commentary on the result		
14.1 Earnings per share	2007 – 15.44 cents	2007 – 21.46 cents
14.2 Distributions to Shareholders		
A dividend of 3.0 cents per share has been proposed and will be payable in November 2007		
14.3 Significant features of operating performance		
14.4 Segment Results	Refer below	
15. Audit / review of accounts upon which this report		
16. Accounts not yet audited or reviewed	Audit not yet completed	

17. Qualifications of audit / Review	No Qualifications
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**JOYCE CORPORATION LTD 80 009 116 269  
AND CONTROLLED ENTITIES  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Sales revenue	9,811	2,277	-	-
Cost of sales	(3,656)	(956)	-	-
Gross profit	6,155	1,321	-	-
Other revenues from ordinary activities	5,281	1,631	568	788
Distribution expenses		-		-
Administration expenses	(6,248)	(1,197)	(1,101)	-
Borrowing costs expense	(323)	(37)	(217)	(35)
Other expenses from ordinary activities	(632)	(516)	(27)	(270)
Share of net profits of associates and joint ventures accounted for using the equity method	-	263	-	-
Profit from ordinary activities before significant items and income tax expense	4,233	1,465	(777)	483
Significant Items		-		-
Profit from Ordinary activities before income tax expense	4,233	1,465	(777)	483
Income tax (expense)/benefit relating to ordinary activities	(1,036)	-	(75)	-
Profit from ordinary activities after related income tax expense	3,197	1,465	(852)	483
Profit (loss) from sale of business item after related income tax expense/(revenue)	-	2,986	-	2,986
Net profit	3,197	4,451	(852)	3,469
Net profit attributable to outside equity interests				
Net profit attributable to members of the parent entity	3,197	4,451	(852)	3,469
Basic earnings per share (cents per share)	15.44	21.46		
Diluted earnings per share (cents per share)	N/A	N/A		

The accompanying notes form part of these financial statements.

**JOYCE CORPORATION LTD 80 009 116 269  
AND CONTROLLED ENTITIES  
BALANCE SHEET AS AT 30 JUNE 2007**

	Economic Entity		Parent Entity	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000
<b>CURRENT ASSETS</b>				
Cash assets	4,279	825	99	93
Receivables	4,196	3,196	72	1,506
Other Current Assets	1,102	36	-	23
Inventories	1,289	1,982	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>10,866</b>	<b>6,039</b>	<b>170</b>	<b>1,622</b>
<b>NON-CURRENT ASSETS</b>				
Receivables	152	19	16,548	17,323
Other financial assets	6	6	1,891	1,891
Property, plant and equipment	23,871	19,917	2,357	2,282
Deferred Tax Asset	200	-	-	-
Intangible Assets	9,010	6,654	803	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>33,239</b>	<b>26,596</b>	<b>21,599</b>	<b>21,496</b>
<b>TOTAL ASSETS</b>	<b>44,105</b>	<b>32,635</b>	<b>21,769</b>	<b>23,118</b>
<b>CURRENT LIABILITIES</b>				
Payables	6,981	4,869	170	91
Interest-bearing liabilities	19	21	-	-
Provisions	82	78	8	1
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,082</b>	<b>4,968</b>	<b>178</b>	<b>92</b>
<b>NON-CURRENT LIABILITIES</b>				
Interest-bearing liabilities	7,850	1,367	2,408	1,344
Deferred Tax Liability	3,460	2,224	287	266
Provisions	287	553	282	505
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>11,597</b>	<b>4,144</b>	<b>2,977</b>	<b>2,115</b>
<b>TOTAL LIABILITIES</b>	<b>18,679</b>	<b>9,112</b>	<b>3,155</b>	<b>2,207</b>
<b>NET ASSETS</b>	<b>25,426</b>	<b>23,523</b>	<b>18,614</b>	<b>20,911</b>
<b>EQUITY</b>				
Contributed equity	15,595	15,570	15,595	15,570
Reserves	5,190	5,190	496	621
Retained profits	4,641	2,763	2,523	4,720
<b>TOTAL EQUITY</b>	<b>25,426</b>	<b>23,523</b>	<b>18,614</b>	<b>20,911</b>

The accompanying notes form part of these financial statements.

**JOYCE CORPORATION LTD 80 009 116 269  
AND CONTROLLED ENTITIES**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	8,474	37,739	826	35,031
Interest received	88	95	73	94
Distributions from unit trust & dividend income	-	177	-	-
Other Income	-	803	-	803
Payments to suppliers and employees	(7,058)	(31,999)	(1,106)	(29,618)
Borrowing costs	(197)	(415)	(174)	(399)
Net cash provided by (used in) operating activities	1,307	6,400	(381)	5,911
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of property, plant and equipment	203	-	-	-
Proceeds from Sale of Business	-	8,683	-	8,683
Purchase of non current assets	(3,404)	(3,796)	(800)	(3,620)
Loan to Bedshed Franchising	169	(1,020)	(1,320)	(1,020)
Loan to Sierra Bedding	-	-	(2,673)	-
Purchase of property, plant and equipment	(5)	-	(5)	-
Net cash provided by (used in) investing activities	(3,037)	3,867	(4,798)	4,043
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	(350)	(10,444)	(350)	(10,444)
Proceeds from borrowings	6,855	995	6,855	995
Proceeds from partly paid shares	25	32	25	32
Dividends paid by parent entity	(1,346)	(1,750)	(1,346)	(1,750)
Net cash provided by (used in) financing activities	5,184	(11,167)	5,184	(11,167)
Net increase in cash held	3,454	(900)	5	(1,213)
Cash at 1 July 2006	825	1,725	93	1,306
Cash at 30 June 2007	4,279	825	98	93

The accompanying notes form part of these financial statements.

<b>Retained Profits</b>	Economic Entity		Parent Entity	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Retained profits at the beginning of the financial year	2,763	71	4,720	1511
Net profit attributable to the members of the parent entity	3,197	4,452	(852)	3469
Dividends provided for or paid	(1,346)	(1,760)	(1,346)	(1760) 1500
Retained profits at the end of the financial year	4,641	2,763	2,523	4720

#### **PARTICULARS IN RELATION TO CONTROLLED ENTITIES**

Particulars in relation to controlled entities -

NAME OF ENTITY	COUNTRY OF INCORPORATION	% OWNED	
		2007 %	2006 %
<b>Parent Company</b>			
Joyce Corporation Ltd	Australia	-	-
<b>Controlled Entities</b>			
Joyce Rural Pty Ltd	Australia	100	100
Bedding Investments Pty Ltd	Australia	100	100
Joyce Industries Pty Ltd	Australia	100	100
Marfoam Pty Ltd	Australia	100	100
Sierra Bedding Pty Ltd	Australia	100	100
Joyce Indpac Limited	Australia	100	100
Votraint No 611 Pty Ltd	Australia	100	100
Joyce Asia Pte Ltd*	Singapore	100	100
Bedshed Franchising Pty Ltd	Australia	100	100

**Not Segment Reporting****e****Primary Reporting - Business Segments**

	Investment Property 2007	Bedshed 2007	Eliminations 2007 \$000	Economic Entity 2007 \$000
<b>REVENUE</b>				
External Sales	1,161	9,811	-	10,972
Other segments				-
Total sales revenue	1,161	9,811	-	10,972
Share of net profits of equity accounted associates and joint venture entities			-	
Total segment revenue	1,161	9,811	-	10,972
Unallocated revenue				
Total Revenue from ordinary activities				10,972
<b>RESULT</b>				
Segment result	(199)*	312*	-	113
Revaluation of land and buildings to segment result				4,120
Profit from ordinary activities before income tax expense				4,233
Income Tax (Expense)/Benefit				-1,036
Profit from ordinary activities after income tax expense				3,197

Extraordinary  
items after income  
tax expense  
Net profit

**3,197**

**ASSETS**

Segment assets  
Unallocated assets  
Total assets

31,055

13,050

44,105

-

**44,105**

**LIABILITIES**

Segment liabilities  
Unallocated  
liabilities  
Total liabilities

6,238

12,441

18,679

-

**18,679**

**OTHER**

Investments  
accounted for  
using the equity  
method

**\*This result is net of \$750,000,000 relating to goodwill write off and provisioning**

**EVENTS SUBSEQUENT TO BALANCE DATE**

The Directors are not aware of any material events subsequent to Balance Date