

APPENDIX 4E
PRELIMINARY FINAL REPORT
JOYCE CORPORATION LTD
FOR THE PERIOD ENDED 30 JUNE 2008

Name of Entity:	Joyce Corporation Ltd	
1. Details of the current and prior reporting period		
Current Period:	1 July 2007 to 30 June 2008	
Prior Period:	1 July 2006 to 30 June 2007	
2. Results for announcement to the market		
	\$A'000	
2.1 Revenues from ordinary activities (excludes property revaluations)	Up 44.0% to	\$16,440
2.2 Profit (loss) from ordinary activities after tax attributable to members	Down 86.0% to	\$437
2.3 Net profit (loss) for the period attributable to members	Down 35.0% to	\$2,066
2.4 Dividend distributions	Amount per security	Franked amount per security
Dividend paid on November 2007	3.0 cents	Nil
Dividend paid May 2008	3.0 cents	Nil
PREVIOUS CORRESPONDING PERIOD		
Dividend paid November 2006.	3.0 cents	Nil
Return of Capital Paid May 2007.	3.5 cents	Nil
2.5 Record date for determining entitlements to the dividend	November 2008 3.0 cents per security – Unfranked	
2.6 Explanation of any of the figures in 2.1 to 2.5 that may be required.	<p>The operating results from ordinary activities for the financial year include rental income from the investment properties, the Bedshed franchise operation and the operation of company owned stores.</p> <p>The profit attributable to members includes the profit of \$1.629M from the sale of the South Australian property. Details on the calculation of the profit will be included in the Annual Report and the transaction was settled in August 2008.</p>	
3. Income Statement with notes	Refer below	
4. Balance Sheet with notes	<p>The receivables in the Balance sheet for the Parent includes \$4.2M for the sale of the SA property and the inventory value for the Economic Entity takes into account the stock purchased for the new company owned Bedshed stores. The increase in inventory (\$2.86M) is reflected in the payments to suppliers section of the Statement of Cash Flows</p>	

5. Statement of Cash Flows with notes	Refer below	
6. Details of Dividends or Distributions		
Dividend paid 1 November 2007	3.0 cents per share	Total Paid \$621K
Dividend paid May 2008	3.0 cents per share	Total Paid \$621K
Dividend to be paid November 2008 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	\$0.88	\$0.81
Net assets per ordinary share, excluding Deferred Tax Liabilities resultant from asset revaluations, is \$1.44 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 in New South Wales and Queensland were revalued as at 30 June 2008. They are classified as investment properties and the valuations took into account existing leasing arrangements. This approach is consistent with the valuations reported in the 1997 Annual Report. The property market this financial year has reported a negative growth of \$20K compared to an increase of \$4.066M excluding tax effect in the 2007 accounts.</p> <p>Asset valuations were completed by qualified valuers in accordance with AASB 116(6) (Fair Value).</p> <p>During the financial year Bedshed opened six company operated stores, closed a company store in Queensland and became the operator of a franchised store due to the franchisee experiencing financial difficulties. This expansion has impacted on results for company stores due to significant initial set up costs and the lead time to trade profitably. The outlook for the 2009 financial year is extremely promising for these company owned stores.</p>		
13. Accounting Standards used by foreign entities	N/A	
14. Commentary on the result		
14.1 Earnings per share	2008 – 10.00 cents	2007 – 15.44 cents
14.2 Distributions to Shareholders		
A dividend of 3.0 cents per share has been proposed and will be payable in November 2008		

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

**JOYCE CORPORATION LTD 80 009 116 269
AND CONTROLLED ENTITIES
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Economic Entity		Parent Entity	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Sales revenue	15,372	9,810	-	-
Cost of sales	(5,261)	(3,656)	-	-
Gross profit	10,111	6,154	-	-
Other revenues from ordinary activities	1,068	5,282	747	568
Distribution expenses	-	-	-	-
Administration expenses	(4,525)	(4,017)	(964)	(1,039)
Store Expenses	(5,050)	(2,231)		
Other expenses	(373)	(632)	(25)	(89)
Finance Costs	(869)	(323)	(928)	(217)
Share of net profits of associates and joint ventures accounted for using the equity method	-	-	-	-
Profit from ordinary activities before significant items and income tax expense	362	4,233	(1,170)	(777)
Significant Items				
Profit from Ordinary activities before income tax expense	362	4,233	(1,170)	(777)
Income tax (expense)/benefit relating to ordinary activities	75	(1,036)	75	(75)
Profit from ordinary activities after related income tax expense	437	3,197	(1,095)	(852)
Profit (loss) from sale of business item after related income tax expense/(revenue)	1,629	-	1,629	-
Net profit	2,066	3,197	534	(852)
Net profit attributable to outside equity interests				
Net profit attributable to members of the parent entity	2,066	3,197	534	(852)
Overall Operations				
Basic earnings per share (cents per share)	10.00	15.44		

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 2008**

	Economic Entity		Parent Entity	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
CURRENT ASSETS				
Cash assets	4,687	4,279	106	98
Receivables	3,714	5,248	4,500	46
Other Current Assets	5,911	50	-	26
Inventories	4,148	1,289	-	-
TOTAL CURRENT ASSETS	18,460	10,866	4,606	170
NON-CURRENT ASSETS				
Receivables	528	152	24,941	22,789
Other financial assets	6	6	1,891	1,891
Property, plant and equipment	2,705	1,211	513	517
Investment Property	20,800	22,660	-	1,840
Deferred Tax Asset	425	500	-	75
Intangible Assets	9,116	9,010	-	-
TOTAL NON-CURRENT ASSETS	33,580	33,539	27,345	27,112
TOTAL ASSETS	52,040	44,405	31,951	27,282
CURRENT LIABILITIES				
Payables	7,865	7,063	198	178
Interest-bearing liabilities	4,820	19	4,820	-
Provisions	474	-	261	-
TOTAL CURRENT LIABILITIES	13,159	7,082	5,279	178
NON-CURRENT LIABILITIES				
Interest-bearing liabilities	8,514	7,850	7,939	7,846
Deferred Tax Liability	3,332	3,760	-	362
Provisions	548	287	590	282
TOTAL NON-CURRENT LIABILITIES	12,394	11,897	8,529	8,490
TOTAL LIABILITIES	25,553	18,979	13,808	8,668
NET ASSETS	26,487	25,426	18,143	18,614
EQUITY				
Contributed equity	15,617	15,595	15,617	15,595
Reserves	4,694	5,190	-	496
Retained profits	6,176	4,641	2,526	2,523
TOTAL EQUITY	26,487	25,426	18,143	18,614

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 2008**

	Economic Entity		Parent Entity	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	16,449	8,474	430	826
Interest received	5	88	519	73
Distributions from unit trust & dividend income	-	-	-	-
Other Income	-	-	-	-
Payments to suppliers and employees	(17,625)	(7,058)	(1,074)	(1,106)
Borrowing costs	(868)	(197)	(847)	(174)
Net cash provided by (used in) operating activities	(2,039)	1,307	(972)	(381)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale of property, plant and equipment	-	203	-	-
Proceeds from Sale of Business	-	-	-	-
Purchase of non current assets	(142)	(3,404)	-	-
Loan to Subsidiaries	715	169	(2,710)	(4,793)
Purchase of property, plant and equipment	(1,816)	(5)	-	(5)
Net cash provided by (used in) investing activities	(1,243)	(3,037)	(2,710)	(4,798)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	-	(350)	-	(350)
Proceeds from borrowings	4,910	6,855	4,910	6,855
Proceeds from partly paid shares	22	25	22	25
Dividends paid by parent entity	(1,242)	(1,346)	(1,242)	(1,346)
Net cash provided by (used in) financing activities	3,690	5,184	3690	5,184
Net increase in cash held	408	3,454	8	5
Cash at 1 July 2007	4,279	825	98	93
Cash at 30 June 2008	4,687	4,279	106	98

The accompanying notes form part of these financial statements.

Retained Profits

	Economic Entity		Parent Entity	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Retained profits at the beginning of the financial year	4,641	2,763	2,523	4,720
Net profit attributable to the members of the parent entity	2,067	3,197	534	(851)
Dividends provided for or paid	(1,240)	(1,346)	(1,240)	(1,346)
Transfer from Asset Revaluation Reserve	708	-	708	-
Retained profits at the end of the financial year	6,176	4,641	2,525	2,523

PARTICULARS IN RELATION TO CONTROLLED ENTITIES

Particulars in relation to controlled entities -

NAME OF ENTITY	COUNTRY OF INCORPORATION	% OWNED	
		2008 %	2007 %
Parent Company			
Joyce Corporation Ltd	Australia	-	-
Controlled Entities			
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

Segment Reporting
Primary Reporting – Business Segments

	Bedshed Franchising	Bedshed Stores	Investment Property/Joyce	Economic Entity
	2008	2008	2008	2008
REVENUE				
External sales	5,788	9,708		15,496
Other Revenue			2,573	2,573
Segment Revenue	5,788	9,708	2,573	18,069
RESULT				
Segment Result	1,278	(582)	1,465	2,161
Revaluation of land and buildings to segment result			(20)	(20)
Profit before income tax expense				2,141
Income tax expense				(75)
Profit after income tax expense				2,066
ASSETS				
Segment Assets	7,936	2,011	42,093	52,040
Total Assets				
LIABILITIES				
Segment Liabilities	3,321	576	21,655	25,552
Total Liabilities				

EVENTS SUBSEQUENT TO BALANCE DATE

Since balance date the sale of the South Australian property has been finalised and full payment of funds have been received.