



EUMUNDI GROUP

20 August 2009

Company Announcements Office
Australian Stock Exchange Limited
SYDNEY NSW 2000

Eumundi Group Limited Property Valuations and Profit Update for June 2009

Eumundi Group Limited wishes to advise that each of the Group's investment property assets were recently revalued either by members of the Australian Property Institute or by directors.

Investment property assets are valued at approximately \$47,585,000 as at 30 June 2009. The Eumundi Group investment properties are quality, long-term assets delivering strong cash flows and most having further development potential.

Based upon the financial accounts as at 31 December 2008, and incorporating subsequent redevelopment expenditure, the valuations are expected to represent a decrement of between \$1,800,000 and \$2,200,000 to the profit and loss (before income tax) subject to finalisation of redevelopment expenditure accruals. As a result revaluation decrements for the full year will be between \$6,200,000 and \$6,600,000.

Based upon accounts which are presently undergoing annual audit, the estimated result for Eumundi Group Limited for the year to 30 June 2009 is expected to be a loss after income tax of between \$4,200,000 and \$4,600,000.

A contingent asset and contingent liability presently exist in respect of the Bribie Harbour Shopping Village redevelopment. The potential impact of these contingencies is between a decrease to the fair value decrement of \$260,000 before tax and an increase to the fair value decrement of \$1,600,000 before tax. Eumundi is awaiting independent assessment to determine the validity and amount of these contingencies.

By comparison, the prior year to 30 June 2008 included revaluation increments on Investment properties of \$1,377,000, and resulted in a profit after tax of \$1,863,000.

In addition, the Group's land and building assets were valued at \$12,510,000 by a member of the Australian Property Institute for Bank purposes as at 30 June 2009. Based upon the financial accounts as at 31 December 2008, and incorporating subsequent redevelopment expenditure, the valuations represent a decrement of \$1,162,000 which will appear as a reduction to the Asset Revaluation Reserve of \$813,000 (net of tax). Land and building revaluation decrements for the full year are \$2,721,000 before tax.

Eumundi Group Limited is finalising negotiations with its corporate banker in respect of commercial bill facilities totaling \$24,815,000 drawn at \$23,750,000 as at 30 June 2009 and which are presently due to expire on 31 January 2010, to renew these facilities for a further 2 years.

Debt reduction, capital management and cost control remain the prime objectives of board and management during this difficult economic period.

Yours faithfully



Leni Stanley
Company Secretary