FORM: Half yearly/~~preliminary~~ final report

Name of *issuer*

PRINT MAIL LOGISTICS LIMITED

ACN ~~or ARBN~~	Half yearly (tick)	Preliminary final (tick)	Half year/~~financial~~ year ended ('Current period')
103 116 856	✓		31 December 2009

For announcement to the market

Extracts from this statement for announcement to the market *(see note 1)*.

Revenue *(item 1.1)*	up/~~down~~	A$ 209,054 5.5%	to	A$ 3,982,364
Profit (loss) for the period *(item 1.9)*	up/~~down~~	A$420,868	to	A$ 27,681
Profit (loss) for the period attributable to members of the parent *(item 1.11)*	up/~~down~~	A$420,868	to	A$ 27,681

Dividends	Current period	Previous corresponding period
Franking rate applicable:	NA	NA
Final dividend *(preliminary final report only)(item 10.13-10.14)*	Nil	Nil
Amount per *security*	Nil	Nil
Franked amount per *security*	Nil	Nil
Interim dividend *(Half yearly report only) (item 10.11 – 10.12)*	Nil	Nil
Amount per *security*	Nil	Nil
Franked amount per *security*	Nil	Nil

Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Nil

Consolidated income statement *(The figures are not equity accounted)*

(see note 3)

(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)

		Current period - $A	Previous corresponding period - $A
1.1	Revenues *(item 7.1)*	3,982,364	3,773,310
1.2	Expenses, excluding finance costs *(item 7.2)*	(3,869,737)	(3,979,541)
1.3	Finance costs	(151,189)	(186,956)
1.4	Share of net profits (losses) of associates and joint ventures *(item 15.7)*	(239)	-
1.5	**Profit (loss) before income tax**	**(38,801)**	**(393,187)**
1.6	Income tax (expense) benefit *(see note 4)*	66,482	-
1.7	Profit (loss) from continuing operations	27,681	(393,187)
1.8	Profit (loss) from discontinued operations *(item 13.3)*	-	-
1.9	**Profit (loss) for the period**	**27,681**	**(393,187)**
1.10	Profit (loss) attributable to minority interests	-	-
1.11	**Profit (loss) attributable to members of the parent**	**27,681**	**(393,187)**
1.12	Basic earnings (loss) per *security (item 9.1)*	0.14 cents per share	(10.88) cents per share
1.13	Diluted earnings (loss) per *security (item 9.1)*	0.14 cents per share	(10.88) cents per share
1.14	Dividends per *security (item 9.1)*	Nil	Nil

Comparison of half-year profits

(Preliminary final statement only)

		Current period - $A	Previous corresponding period - $A
2.1	Consolidated profit (loss) after tax attributable to members reported for the 1st half year (*item 1.11* in the half yearly statement)	Not applicable for half yearly report	Not applicable for half yearly report
2.2	Consolidated profit (loss) after tax attributable to members for the 2nd half year	Not applicable for half yearly report	Not applicable for half yearly report

Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

	Current assets	Current period -$A	Previous corresponding period - $A
3.1	Cash and cash equivalents	40,858	30,170
3.2	Trade and other receivables	538,596	543,412
3.3	Inventories	99,536	146,865
3.4	Other current assets (provide details if material)	43,307	158,638
3.5	**Total current assets**	**722,297**	**879,085**
	Non-current assets		
3.6	Available for sale investments	-	-
3.7	Other financial assets	-	-
3.8	Investments in associates	815,761	-
3.9	Deferred tax assets	216,539	191,812
3.10	Exploration and evaluation expenditure capitalised *(see para. 71 of AASB 1022 – new standard not yet finalised)*	-	-
3.11	Development properties *(mining entities)*	-	-
3.12	Property, plant and equipment (net)	3,013,793	2,450,827
3.13	Investment properties	-	-
3.14	Goodwill	-	-
3.15	Other intangible assets	-	-
3.16	Other (provide details if material)	-	-
3.17	**Total non-current assets**	**4,046,093**	**2,642,639**
3.18	**Total assets**	**4,768,390**	**3,521,724**
	Current liabilities		
3.19	Trade and other payables	1,407,512	1,214,596
3.20	Short term borrowings	605,550	705,527
3.21	Current tax payable	-	-
3.22	Short term provisions	228,898	341,880
3.23	Current portion of long term borrowings	430,537	412,710
3.24	Other current liabilities (provide details if material)	-	-
		2,672,497	**2,674,713**
3.25	Liabilities directly associated with non-current assets classified as held for sale *(para 38 of AASB 5)*	-	-
3.26	**Total current liabilities**	**2,672,497**	**2,674,713**

	Non-current liabilities		
		Current period - $A	Previous corresponding period - $A
3.27	Long-term borrowings	468,865	2,298,232
3.28	Deferred tax liabilities	13,104	54,859
3.29	Long term provisions	88,563	85,603
3.30	Other (provide details if material)	-	
3.31	**Total non-current liabilities**	**570,532**	**2,438,694**
3.32	**Total liabilities**	**3,243,029**	**5,113,407**
3.33	**Net assets (liabilities)**	**1,525,361**	**(1,591,683)**
	Equity		
3.34	Issued capital	7,691,107	4,601,744
3.35	Other reserves	-	-
3.36	Retained earnings (Accumulated losses)	(6,165,746)	(6,193,427)
	Amounts recognised directly in equity relating to non-current assets classified as held for sale		
3.37	**Parent interest**	**1,525,361**	**(1,591,683)**
3.38	**Minority interest**	**-**	**-**
3.39	**Total equity**	**1,525,361**	**(1,591,683)**

Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

		Current period – A$	Previous corresponding period – A$
	Revenues recognised directly in equity:	-	-
	Expenses recognised directly in equity:		
	Transaction costs	(541,637)	-
4.1	**Net income recognised directly in equity**	**(541,637)**	**-**
4.2	**Profit (loss) for the period**	**27,681**	**(393,187)**
4.3	**Total recognised income and expense for the period**		
	Attributable to:		
4.4	Members of the parent	(541,637)	-
4.5	Minority interest	-	-
	Effect of changes in accounting policy *(as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors)*:		
4.6	Members of the parent entity	-	-
4.7	Minority interest	-	-

Consolidated statement of cash flows
(See note 6)

(as per AASB 107: Cash Flow Statements)

		Current period -$A	Previous corresponding period - $A
	Cash flows related to operating activities		
5.1	Receipts from customers	4,501,128	3,748,221
5.2	Payments to suppliers and employees	(3,798,258)	(4,021,773)
5.3	Interest and other costs of finance paid	(100,874)	(122,621)
5.4	Income taxes paid	-	-
5.5	Other (provide details if material)	-	-
5.6	**Net cash used in operating activities**	**601,996**	**(396,173)**
	Cash flows related to investing activities		
5.7	Payments for purchases of property, plant and equipment	(905,162)	(101,793)
5.8	Proceeds from sale of property, plant and equipment	-	6,300
5.9	Payment for purchases of equity investments	(816,000)	-
5.10	Proceeds from sale of equity investments	-	-
5.11	Loans to other entities	-	-
5.12	Loans repaid by other entities	-	-
5.13	Interest and other items of similar nature received	-	-
5.14	Dividends received	-	-
5.15	Other (provide details if material)	-	-
5.16	**Net cash used in investing activities**	**(1,721,162)**	**(95,493)**
	Cash flows related to financing activities		
5.17	Proceeds from issues of securities (shares, options, etc.)	3,089,363	403,876
5.18	Proceeds from borrowings	-	847,310
5.19	Repayment of borrowings	(1,672,229)	(418,789)
5.20	Dividends paid	-	-
5.21	Payments for convertible notes paid out	(250,000)	(250,000)
5.22	**Net cash used in financing activities**	**1,167,134**	**582,397**
	Net increase (decrease) in cash and cash equivalents		
5.23	Cash at beginning of period (*see Reconciliations of cash*)	47,968	90,731
5.24	Exchange rate adjustments to item 5.23	(103,725)	(45,431)
5.25	**Cash at end of period** (*see* Reconciliation of cash)	**(55,757)**	**45,300**

Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

		Current period $A	Previous corresponding period $A
6.1	**Profit (Loss)** *(item 1.9)*	**27,681**	**(393,187)**
	Adjustments for:		
6.2	Depreciation	342,196	417,984
6.3	Interest on Convertible Notes per AASB 132	48,591	64,178
6.4	Profit on sale of property, plant and equipment	-	(6,300)
6.5	Increase/decrease in trade and other receivables	4,456	53,221
6.6	Increase/decrease in inventories	47,329	(36,189)
6.7	Increase/decrease in other current assets	115,331	(22,981)
6.8	Increase/decrease in deferred tax asset	(24,727)	-
6.9	Increase/decrease in trade and other payables	192,916	(606,547)
6.10	Increase/decrease in short term provisions	(112,982)	132,119
6.11	Increase/decrease in long term provisions	2,960	-
6.12	Increase/decrease in deferred tax liabilities	(41,755)	-
6.13	**Net cash from operating activities** *(item 5.6)*	**601,996**	**(397,702)**

Notes to the financial statements

Details of revenues and expenses

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

		Current period - $A	Previous corresponding period - $A'000
	Revenue		
	Revenue from ordinary activities	3,980,043	3,773,161
	Interest income	2,321	149
7.1	**Total Revenue**	**3,982,364**	**3,773,310**
	Expenses		
	Change in inventories	(47,329)	(811)
	Raw materials and consumables used	(1,569,741)	(1,586,699)
	Employee benefits expense	(1,393,900)	(1,367,171)
7.2	Depreciation and amortisation expense	(342,196)	(417,984)
	Finance costs	(151,189)	(186,956)
	Other expenses	(516,571)	(606,876)
	Share of net profits (loss) of associates	(239)	-
	Total Expenses	**(4,021,165)**	**(4,166,497)**
	Profit (loss) before tax	**(38,801)**	**(393,187)**

Ratios		**Current period**	**Previous corresponding period**
	Profit (Loss) before tax / revenue		
8.1	Consolidated profit (loss) before tax *(item 1.5)* as a percentage of revenue *(item 1.1)*	(0.97%)	(10.42%)
	Profit (Loss) after tax / equity interests		
8.2	Consolidated profit (loss) after tax attributable to members *(item 1.11)* as a percentage of equity (similarly attributable) at the end of the period	1.81%	(24.70%)

(item 3.37)

Earnings per *Security*

9.1 *Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:*

Para. 70(a) The numerator is equal to Profit (Loss) after tax:

Current period: A$ 27,681

Prior corresponding period: A$ (393,187)

Para 70.(b) The denominator is equal to the weighted average number of ordinary shares on issue:

Current period: 19,112,518

Prior corresponding period: 3,614,389.

Para 70.(c) At reporting date, the Company has on issue four (4) separate convertible notes that could, at the option of the Noteholder, be converted into 125,000 ordinary shares each at the price of $ 2.00 per share (i.e. a total of 500,000 ordinary shares at $ 2.00 each totalling A$ 1,000,000). The convertible notes are excluded from the calculation of basic and diluted earnings per share because they are anti-dilutive for the period(s) presented.

Para 70.(d) There have been no ordinary share transactions or potential ordinary share transactions that have occurred after the reporting date that would have changed significantly the number of ordinary shares or potential ordinary shares outstanding at the end of the period if those transactions had occurred before the end of the reporting period.

Para 70.1 (a) Nil.

Dividends

10.1	Date the dividend is payable	-
10.2	Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)	-

10.3 If it is a final dividend, has it been declared?

(Preliminary final report only)

10.4 The *dividend or distribution plans* shown below are in operation.

Nil

The last date(s) for receipt of election notices to the *dividend or distribution plans*	-

10.5 Any other disclosures in relation to *dividends or distributions*

Nil

Dividends paid or provided for on all *securities*

(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)

		Current period - $A	Previous corresponding period - $	Franking rate applicable
	Dividends paid or provided for during the reporting period			
10.6	Current year interim	Nil	Nil	NA
10.7	Franked dividends	Nil	Nil	
10.8	Previous year final	Nil	Nil	NA
10.9	Franked dividends	Nil	Nil	
	Dividends proposed and not recognised as a liability			
10.10	Franked dividends	Nil	Nil	NA

Dividends per *security*
(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)

		Current year	Previous year	Franking rate applicable
	Dividends paid or provided for during the reporting period			
10.11	Current year interim	Nil	Nil	NA
10.12	Franked dividends – cents per share	Nil	Nil	
10.13	Previous year final	Nil	Nil	NA
10.14	Franked dividends – cents per share	Nil	Nil	
	Dividends proposed and not recognised as a liability			
10.15	Franked dividends – cents per share	Nil	Nil	NA

Exploration and evaluation expenditure capitalised

To be completed only be issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

		Current period $	Previous corresponding period $A
11.1	Opening balance	NA	NA
11.2	Expenditure incurred during current period	NA	NA
11.3	Expenditure written off during current period	NA	NA
11.4	Acquisitions, disposals, revaluation increments, etc.	NA	NA
11.5	Expenditure transferred to Development Properties	NA	NA
11.6	**Closing balance as shown in the consolidated balance sheet** (item 3.10)	NA	NA

Development properties

(To be completed only by issuers with mining interests if amounts are material)

		Current period $A	Previous corresponding period $A
12.1	Opening balance	NA	NA
12.2	Expenditure incurred during current period	NA	NA
12.3	Expenditure transferred from exploration and evaluation	NA	NA
12.4	Expenditure written off during current period	NA	NA
12.5	Acquisitions, disposals, revaluation increments, etc.	NA	NA
12.6	Expenditure transferred to mine properties	NA	NA
12.7	**Closing balance as shown in the consolidated balance sheet** (item 3.11)	NA	NA

Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

		Current period – A$'000	Previous corresponding period – A$'000
13.1	Revenue	-	-
13.2	Expense	-	-
13.3	**Profit (loss) from discontinued operations before income tax**	-	-
13.4	Income tax expense *(as per para 81 (h) of AASB 112)*	-	-
13.5	**Gain (loss) on sale/disposal of discontinued operations**	-	-
13.6	Income tax expense *(as per paragraph 81(h) of AASB 112)*	-	-

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid-up value	Current period – A$	Previous corresponding period – A$
14.6	**Ordinary securities** Issued units					
14.7	Balance at start of period	15,100,000	-	A$ 0.2848	4,300,118	3,559,215
14.8	a) Increases through issues	12,103,334	27,203,334	A$ 0.3000	3,631,000	403,875
14.9	b) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.10	Balance at end of period	**27,203,334**	**27,203,334**	**$A 0.2915** **(weighted average)**	**7,931,118**	**3,963,090**

		Number issued	Number listed	Paid-up value	Current period – A$	Previous corresponding period – A$
14.11	**Convertible Debt Securities**					
	At reporting date, the Company had on issue four (4) separate Convertible Notes. Each Note is secured by a separate fixed and floating charge over the Company. Each Note has a face value of $ 250,000 (with the consequential right of conversion at the rate of $ 2.00 per share into 125,000 ordinary shares in the Company) and bears interest at the rate of 1% per annum payable on Maturity. The Notes mature on 30 June 2010, 31 December 2010, 30 June 2011 and 31 December 2011.					
14.12	Balance at start of period	5 Notes with a face value of $ 1,250,000 convertible into 625,000 ordinary shares	-	-	$ 1,250,000	$ 1,500,000
14.13	a) Increases through issues	-	-	-	-	-
14.14	b) Decreases through maturity, converted.	1 Note with a face value of $ 250,000 convertible into 125,000 ordinary shares	-	-	$ 250,000	$ 250,000
14.15	Balance at end of period	4 Notes with a face value of $ 1,000,000 convertible into 500,000 ordinary shares	-	-	$ 1,000,000 (The Equity Component per AASB 132 is $ 414,065)	$ 1,250,000 (The Equity Component per AASB 132 is $ 414,065)
14.32	**Total *Securities***	**27,203,334**	**27,203,334**	**7,931,118**	**8,345,113**	**4,377,155**

		Current period – A$	Previous corresponding period – A$
	Reserves		
14.33	Balance at start of period	-	-
14.34	Transfers to/from reserves	-	-
14.35	Total for the period	-	-
14.36	Balance at end of period	-	-
14.37	**Total reserves**	-	-
	Retained earnings		
14.38	**Balance at start of period**	**(5,927,955)**	**(6,267,299)**
14.39	Changes in accounting policy	-	-
14.40	Restated balance	(265,472)	2,439
14.41	Profit for the period	27,681	(393,187)
14.42	Total for the period	(237,791)	(390,748)
14.43	Dividends	-	-
14.44	**Balance at end of period**	**(6,165,746)**	**(6,658,047)**

Details of aggregate share of profits (losses) of associates and joint venture entities

(equity method)

(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)

Name of associate or joint venture entity	ARMSTRONG REGISTRY SERVICES LIMITED
Reporting entities percentage holding	30%

		Current period - $A	Previous corresponding period - $A
15.1	Profit (loss) before income tax	**(797)**	**-**
15.2	Income tax	**-**	**-**
15.3	**Profit (loss) after tax**	**(797)**	**-**
15.4	Impairment losses	**-**	**-**
15.5	Reversals of impairment losses	**-**	**-**
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)	**-**	**-**
15.7	**Share of net profit (loss) of associates and joint venture entities**	**(239)**	**-**

Control gained over entities having material effect
(*See note 8*)

16.1	Name of *issuer* (or *group*)	na

		$A
16.2	Consolidated profit (loss) after tax of the *issuer* (or *group*) since the date in the current period on which control was acquired	-
16.3	Date from which profit (loss) in *item 16.2* has been calculated	-
16.4	Profit (loss) after tax of the *issuer* (or *group*) for the whole of the previous corresponding period	-

Loss of control of entities having material effect
(See note 8)

17.1	Name of *issuer* (or *group*)	NA

		$A
17.2	Consolidated profit (loss) after tax of the entity (or *group*) for the current period to the date of loss of control	-
17.3	Date from which the profit (loss) in *item 17.2* has been calculated	-
17.4	Consolidated profit (loss) after tax of the entity (or *group*) while controlled during the whole of the previous corresponding period	-
17.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	-

Material interests in entities which are not controlled entities
The economic entity has an interest (that is material to it) in the following entities.

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) *(item 1.9)*	
18.1	**Equity accounted associated entities**	Current period	Previous corresponding period	Current period $A	Previous corresponding period $A
				Equity accounted	
	ARMSTRONG REGISTRY SERVICES LIMITED	30%	-	(239)	-
18.2	**Total**	30%	-	(239)	-
18.3	**Other material interests**			Non equity accounted (i.e. part of *item 1.9*)	
18.4	**Total**	-	-	-	-

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

		Current period - $A	Previous corresponding period - $A
	Segments	Refer to attached Interim Financial Report – Note 4 prepared in accordance with AASB 108	Refer to attached Interim Financial Report – Note 4 prepared in accordance with AASB 108
	Revenue:		
19.1	External sales		
19.2	Inter-segment sales		
19.3	**Total** (consolidated total equal to *item 1.1*)		
19.4	Segment result		
19.5	Unallocated expenses		
19.6	**Operating profit** (equal to *item 1.5*)		
19.7	Interest expense		
19.8	Interest income		
19.9	Share of profits of associates		
19.10	Income tax expense		
19.11	**Net profit** (consolidated total equal to *item 1.9*)		
	Other information		
19.12	Segment assets		
19.13	Investments in equity method associates		
19.14	Unallocated assets		
19.15	**Total assets** (equal to *item 3.18*)		
19.16	Segment liabilities		
19.17	Unallocated liabilities		
19.18	**Total liabilities** (equal to *item 3.32*)		
19.19	Capital expenditure		
19.20	Depreciation		
19.21	Other non-cash expenses		

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset (liability) backing per ordinary *security*	A$ 0.03	(A$ 0.11)

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1	NA

International Financial Reporting Standards

Under paragraph 39 of AASB 1: First –time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1	NA

Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2	NA

Comments by *director*s

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

Basis of accounts preparation

If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations *(as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)*

NA

Any other factors which have 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.

NA

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

NA

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.
(Disclose changes in the half yearly statement in accordance with paragraph16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)

NA

An *issuer* shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. *(as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)*

NA

Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

NA

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assts since the last annual report *(as per paragraph 16(j) of AASB 134: Interim Financial Reporting)*

NA

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

NA

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

Issued Capital

During the period, the Company listed on the National Stock Exchange of Australia and raised $3,631,000-20 by way of issuing 12,103,334 ordinary shares in accordance with the Prospectus dated 17 August 2009. The share issue, together with the cost of the issue, is accounted for in equity as follows:

	Consolidated	
	31.12.2009	**30.06.2009**
	$	**$**
Ordinary shares	7,931,118	4,300,118
Transaction costs	(654,076)	(112,439)
Convertible notes recognised in equity	414,065	414,065
Issued Capital	7,691,107	4,601,744

The movement in the number of shares on issue is accounted for as follows:

	Consolidated
	31.12.2009
	Number of shares on issue
Movement in ordinary shares on issue	
Ordinary shares on hand at 30.06.2009	15,100,000
Issued during the period	12,103,334
Ordinary shares on hand at 31.12.2009	27,203,334

Annual meeting
(Preliminary final statement only)

The annual meeting will be held as follows:

Place	NA
Date	NA
Time	NA
Approximate date the annual report will be available	NA

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used	NA

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.

3. This statement does/~~does not~~* *(delete one)* give a true and fair view of the matters disclosed (see note 2).

4. This statement is based on financial statements to which one of the following applies:

   ☐ ~~The financial statements have been audited.~~

   ☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent).

   ☐ ~~The financial statements are in the process of being audited or subject to review.~~

   ☐ ~~The financial statements have *not* yet been audited or reviewed.~~

5. ~~If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available~~* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

6. The *issuer* has/~~does not have*~~ (*delete one*) a formally constituted audit committee.

Sign here: .... Date: 11 February 2010
(*Director*/~~Company secretary~~)

Print name: Nigel Benjamin Elias

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show the amount of the change up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. *Issuers* are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.

2. **True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the *issuer* must attach a note providing additional information and explanations to give a true and fair view.

3. **Consolidated statement of financial performance**

   Item 1.1 The definition of "revenue" is set out in *AASB 118: Revenue*

   Item 1.6 This item refers to the total tax attributable to the amount shown in *item 1.5.* Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg. fringe benefits tax).

4. **Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the issuer must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franking rate applicable" for items in *section 9*.

5. **Consolidated statement of financial position**

   Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 134: Interim Financial Reporting, and AASB 101: Presentation of Financial Statements.* Banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

   Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last annual report, the *issuer* must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 116: Property, Plant and Equipment*. If the *issuer* has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.

6. **Consolidated statement of cash flows** For definitions of "cash" and other terms used in this statement see *AASB 107: Cash Flow Statements*. *Issuer*s should follow the form as closely as possible, but variations are permitted if the *director*s (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 107.*

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary *securities* (i.e. all liabilities, preference shares, outside equity interests, etc). Mining *issuer*s are *not* required to state a net tangible asset backing per ordinary *security*.

8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the consolidated financial statements. Details must include the contribution for each gain or loss that increased or decreased the *issuer*'s consolidated operating profit (loss) after tax by more than 5% compared to the previous corresponding period.

9. **Equity accounting** If an *issuer* adopts equity accounting, no comparative equity accounting figures are required in the first period following its adoption.

10. **Rounding of figures** This statement anticipates that the information required is given to the nearest $1,000. However, an *issuer* may report exact figures, if the $A'000 headings are amended. If an *issuer* qualifies under *ASIC* Class Order 98/0100 dated 15 July 2004, it may report to the nearest million dollars, or to the nearest $100,000, if the $A'000 headings are amended.

11. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 101: Presentation of Financial Statements* or *AASB 134: Interim Financial Reporting* as appropriate and are the unadjusted figures from the last annual or half year report as appropriate. However, if the previously reported figures are adjusted to achieve greater comparability, in accordance with an accounting standard or other reason, a note explaining the adjustment must be included with this statement. If no adjustment is made despite a lack of comparability, a note explaining the position should be attached.

12. **Additional information** An *issuer* may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement. The requirement under the listing rules for an *issuer* to complete this statement does not prevent the *issuer* issuing statements more frequently. Additional material lodged with the *ASIC* under the *Corporations Act* must also be given to the *Exchange*. For example, a *director*s' report and declaration, if lodged with the *ASIC*, must be given to the *Exchange*.

13. **Accounting Standards** the *Exchange* will accept, for example, the use of International Accounting Standards for *foreign issuer*s. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.

14. **Borrowing corporations** This statement may be able to be used by an *issuer* required to comply with the *Corporations Act* as part of its half yearly financial statements if prepared in accordance with Australian Accounting Standards.

15. **Details of expenses** *AASB 101: Presentation of Financial Statements* requires disclosure of expenses according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by the *Exchange*. *Issuers* must disclose details of expenses using the layout (by nature or function) employed in their accounts.

    The information in *items 7.1 - 7.2* may be provided in an attachment to Appendix 3

    Relevant items *AASB 101: Presentation of Financial Statements* requires the separate disclosure of specific revenues and expenses which are of a size, nature or incidence that disclosure is *relevant,* as defined in *AASB 101,* in explaining the financial performance of the *issuer*. There is an equivalent requirement in *AASB 134: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by the *Exchange*.

16. **Dollars** If reporting is not in A$, all references to $A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

17. **Discontinuing operations**

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by *paragraph 7.5 (g) of AASB 134: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their accounts in accordance with *AASB 5: Non-current Assets for Sale and Discontinued Operations*

In any case, the information may be provided as an attachment to this Appendix 3

Print Mail Logistics Limited

ABN 14 103 116 856

Interim Financial Report

for the Half-Year ended

31 December 2009

TABLE OF CONTENTS

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2009.

Directors

The names of directors who held office during or since the end of the half-year:

Mr. Robert Keith Stewart
Chairman
Non-executive director
Mr. Nigel Benjamin Elias
Managing director
Executive director
Mr. John William Woods
Non-executive director

Review of operations

For the half year ending 31 December 2009 the Company recorded a net profit after income tax of $ 27,681 ($ 393,187 loss for the half year ending 31 December 2008). During the period the Company:-

- listed on the National Stock Exchange of Australia Limited and raised $3,631,000.20 by way of the IPO. A significant proportion of the funds raised was applied to reduction of debt and the Company now has a positive net worth.
- acquired 30% of the issued capital of Armstrong Registry Services Limited which in turn acquired 10% of the issued capital of the Company. Material synergistic benefits are anticipated to flow from this cross-shareholding.
- completed the re-equipping of its finishing department. No major capital expenditures are anticipated for the next two years.
- opened a sales office in Sydney.
- reduced its FTE count from 39.60 at 30 June 2009 to 36.80 at 31 December 2009.
- entered into agreements with its employees which are compliant with current industrial relations legislation.

Auditor's declaration

The lead auditor's independence declaration under Section 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 December 2009.

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

Nigel Benjamin Elias
Director

Dated this 9th day of February, 2010.

WHK Horwath

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the directors of Print Mail Logistics Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2009 there have been:

a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

Signed at Brisbane, 11 February 2010

WHK Horwath

WHK HORWATH
ABN 79 981 227 862

VdeWaal

VM DE WAAL
PRINCIPAL

Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Note	Consolidated 31.12.2009 $	Consolidated 31.12.2008 $
Revenue	2	3,980,043	3,773,161
Interest Income		2,321	149
Changes in inventories of finished goods and work in progress		(47,329)	(811)
Raw materials and consumables used		(1,569,741)	(1,586,699)
Employee benefits expense		(1,393,900)	(1,367,171)
Depreciation and amortisation expense		(342,196)	(417,984)
Finance costs		(151,189)	(186,956)
Other expenses	2	(516,571)	(606,876)
Share of net profits/(loss) of associates		(239)	-
Profit/(Loss) before income tax		**(38,801)**	**(393,187)**
Income tax (expense)/benefit		66,482	-
Profit/(Loss) for the period from continuing operations		**27,681**	**(393,187)**
Other comprehensive income			
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive income for the period		**27,681**	**(393,187)**
Profit attributable to:			
Owners of the parent entity		27,681	(393,187)
Non-controlling interest		-	-
Profit/(Loss) for the period		**27,681**	**(393,187)**
Total comprehensive income attributable to:			
Owners of the parent entity		27,681	(393,187)
Non-controlling interest		-	-
Total comprehensive income for the period		**27,681**	**(393,187)**
Earnings per share			
From continuing operations:			
Basic and Diluted earnings per share (cents)		0.14	(10.88)

The accompanying notes form part of these statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2009

	Note	Consolidated		
		31.12.2009	30.06.2009	01.07.2008
		$	$	
ASSETS				
CURRENT ASSETS				
Cash and cash equivelents		40,858	30,170	713
Trade and other receivables		538,596	543,412	554,490
Inventories		99,536	146,865	121,099
Other current assets		43,307	158,638	32,255
TOTAL CURRENT ASSETS		**722,297**	**879,085**	**708,557**
NON-CURRENT ASSETS				
Property, plant and equipment		3,013,793	2,450,827	2,352,433
Financial assets		-	-	414,766
Investments accounted for using the equity method		815,761	-	-
Deferred tax assets		216,539	191,812	-
TOTAL NON-CURRENT ASSETS		**4,046,093**	**2,642,639**	**2,767,199**
TOTAL ASSETS		**4,768,390**	**3,521,724**	**3,475,756**
CURRENT LIABILITIES				
Trade and other payables		1,407,512	1,214,596	1,500,678
Borrowings		605,550	705,527	1,054,933
Other financial liabilities		430,537	412,710	379,529
Non-interest bearing liabilities		-	-	1,404,147
Short term provisions		228,898	341,880	241,430
TOTAL CURRENT LIABILITIES		**2,672,497**	**2,674,713**	**4,580,717**
NON-CURRENT LIABILITIES				
Borrowings		-	1,609,535	-
Other financial liabilities		468,865	688,697	1,101,407
Long term provisions		88,563	85,603	85,212
Deferred tax liabilities		13,104	54,859	-
TOTAL NON-CURRENT LIABILITIES		**570,532**	**2,438,694**	**1,186,619**
TOTAL LIABILITIES		**3,243,029**	**5,113,407**	**5,767,336**
NET ASSETS / (LIABILITIES)		**1,525,361**	**(1,591,683)**	**(2,291,580)**
EQUITY				
Issued capital	6	7,691,107	4,601,744	3,973,280
Accumulated losses		(6,165,746)	(6,193,427)	(6,264,860)
TOTAL EQUITY		**1,525,361**	**(1,591,683)**	**(2,291,580)**

The accompanying notes form part of these statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Ordinary Shares	Equity Compenent of Convertible Notes	Total Issued Capital	Accumulated Losses	**Total**
	$	$	$	$	**$**
Balance at 1 July 2008	3,559,215	414,065	3,973,280	(6,264,860)	**(2,291,580)**
Total comprehensive income for the period					
Profit/(Loss) for the period	-	-	-	(393,187)	**(393,187)**
Total comprehensive income for the period	-	-	-	(393,187)	**(393,187)**
Transactions with owners recorded directly in equity					
Contributions by owners					
-Shares issued	403,875		403,875	-	**403,875**
-Transaction costs	-		-	-	**-**
Total contributions by owners	403,875	-	403,875	-	**403,875**
Balance at 31 December 2008	**3,963,090**	**414,065**	**4,377,155**	**(6,658,047)**	**(2,280,892)**
Balance at 1 July 2009	4,187,679	414,065	4,601,744	(6,193,426)	**(1,591,682)**
Total comprehensive income for the period					
Profit/(Loss) for the period	-	-	-	27,681	**27,681**
Total comprehensive income for the period	-	-	-	27,681	**27,681**
Transactions with owners recorded directly in equity					
Contributions by owners					
-Shares issued	3,631,000	-	3,631,000	-	**3,631,000**
-Transaction costs	(541,637)	-	(541,637)	-	**(541,637)**
Total contributions by owners	3,089,363	-	3,089,363	-	**3,089,363**
Balance at 31 December 2009	**7,277,042**	**414,065**	**7,691,107**	**(6,165,746)**	**1,525,362**

The accompanying notes form part of these statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Note	Consolidated 31.12.2009 $	31.12.2008 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,501,128	3,748,221
Payments to suppliers and employees		(3,798,258)	(4,021,773)
Interest received		2,321	149
Finance costs		(103,195)	(122,770)
NET CASH (USED IN) / PROVIDED BY OPERATING ACTIVITIES		**601,996**	**(396,173)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		-	6,300
Purchase of plant and equipment		(905,162)	(101,793)
Investment in associate		(816,000)	-
NET CASH (USED IN) / PROVIDED BY INVESTING ACTIVITIES		**(1,721,162)**	**(95,493)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		3,089,363	403,876
Payments for convertible notes paid out		(250,000)	(250,000)
Proceeds from borrowings raised		-	847,310
Repayment of borrowings		(1,672,229)	(418,789)
NET CASH FLOWS (USED IN) / PROVIDED BY FINANCING ACTIVITIES		**1,167,134**	**582,397**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVELENTS		**47,968**	**90,731**
CASH AND CASH EQUIVELENTS AT BEGINNING OF PERIOD		**(103,725)**	**(45,431)**
CASH AND CASH EQUIVELENTS AT END OF PERIOD		**(55,757)**	**45,300**

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2009 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Print Mail Logistics Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2009, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

Accounting Standards not Previously Applied

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to the current interim period. Disclosures required by these Standards that are deemed material have been included in these financial statements on the basis that they represent a significant change in information from that previously made available.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 1: BASIS OF PREPARATION (Continued)

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes applicable to these financial statements include:

- the replacement of Income Statement with the Statement of Comprehensive Income. Total comprehensive income includes the changes in equity during the period other than those changes resulting from transactions with owners in their capacity as owners. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income';
- the adoption of the separate income statement and statement of comprehensive income approach / single statement approach to the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Standard; and
- presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments

From 1 January, 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the group chief operating decision maker which, for the Group, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 1: BASIS OF PREPARATION (Continued)

Business Combinations and Consolidation Procedures

Revised AASB 3 is applicable prospectively from 1 July 2009. Changes introduced by this Standard, or as a consequence of amendments to other Standards relating to business combinations which are expected to affect the Group, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the change relates to circumstances which existed at acquisition date.
- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- The proportionate interest in losses attributable to non-controlling interest is assigned to non-controlling interests irrespective of whether this results in a deficit balance. Previously, losses causing a deficit to non-controlling interests were allocated to the parent entity.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be remeasured to fair value at the date that control is lost.

Revenue Recognition

Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits. Previously, such dividends were treated as a return of capital invested. Such dividends may be an indicator of impairment where the carrying amount of the investment exceeds the consolidated net assets relating to that investment or where the dividend exceeds the total comprehensive income of the respective investee in the period the dividend is declared.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 1: BASIS OF PREPARATION (Continued)

Material Prior Period Error

Subsequent to 31 December 2009, the entity identified a material error in the prior period financial statements relevant to the accounting treatment of a compound financial instrument in accordance with AASB 132. In accordance with AASB 108 paragraph 42, the entity has corrected the material prior period error retrospectively in the first financial report authorised for issue after the discovery by restating the comparative amounts for the prior period(s) presented in which the error occurred. The statement of comprehensive income has not been restated given that this interim financial report for the half-year ended 31 December 2009 is the first interim financial report prepared by the entity.

The amount of the correction for each financial statement line item affected and basic and diluted earnings per share is outlined below:

	30.06.2009		
	Previously stated	Correction	Restated
	$	$	$
CURRENT LIABILITIES			
Other financial liabilities	386,472	26,238	412,710
TOTAL CURRENT LIABILITIES	2,648,475	26,238	2,674,713
NON-CURRENT LIABILITIES			
Other financial liabilities	520,068	168,629	688,697
TOTAL NON-CURRENT LIABILITIES	2,270,065	168,629	2,438,694
TOTAL LIABILITIES	4,918,540	194,867	5,113,407
NET ASSETS	(1,396,816)	(194,867)	(1,591,683)
Issued capital	4,531,139	70,605	4,601,744
Accumulated losses	(5,927,955)	(265,472)	(6,193,427)
TOTAL EQUITY	(1,396,816)	(194,867)	(1,591,683)
BASIC AND DILUTIVE EARNINGS PER SHARE	0.03	(0.01)	0.02

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 1: BASIS OF PREPARATION (Continued)

	01.07.2008		
	Previously stated	Correction	Restated
	$	$	$
CURRENT LIABILITIES			
Other financial liabilities	628,098	(248,569)	379,529
TOTAL CURRENT LIABILITIES	4,829,286	(248,569)	4,580,717
NON-CURRENT LIABILITIES			
Other financial liabilities	906,557	194,850	1,101,407
TOTAL NON-CURRENT LIABILITIES	991,769	194,850	1,186,619
TOTAL LIABILITIES	5,821,055	(53,719)	5,767,336
NET ASSETS	(2,345,299)	53,719	(2,291,580)
Issued capital	3,922,000	51,280	3,973,280
Accumulated losses	(6,267,299)	2,439	(6,264,860)
TOTAL EQUITY	(2,345,299)	53,719	(2,291,580)
BASIC AND DILUTIVE EARNINGS PER SHARE	0.06	(0.06)	0.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 2: PROFIT/ (LOSS) FOR THE PERIOD

	Note	Consolidated 31.12.2009 $	Consolidated 31.12.2008 $
The following revenue and expense items are relevant in explaining the financial performance for the interim period:			
Revenue			
Profit on foreign currency translation	(i)	61,629	-
		61,629	-
Expense			
Bad and doubtful debts	(ii)	71,674	46,973
		71,674	46,973

(i) On 13 October 2009, a loan in the amount of £ 205,000 (translated to $ 421,629 at 30 June 2009) was settled for $ 360,000 resulting in a profit on foreign currency translation of $ 61,269.
(ii) During the period, the consolidated entity assigned its interest in a non-trade debtor that was written off as at 30 June 2009. This transaction resulted in the full recovery of a non-trade debtor that was previously written off.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 3: DIVIDENDS

There were no dividends paid or provided as at the reporting date (2008: Nil).

NOTE 4: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing the performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or service;
- the distribution method; and
- external regulatory requirements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 4: OPERATING SEGMENTS (Continued)

Types of products and services by segment

(i) Printing

The printing segment prepares, prints, finishes and delivers printed material for public and private entities. All products and services are aggregated as one reportable segment as the products and services are similar in nature, they are manufactured and distributed to similar types of customers and they are subject to a similar regulatory environment.

Significant plant and equipment, including computer software, printing and finishing equipment, form the basis of the operating assets in this segment.

The mailing and distribution segment receives products from this segment. Transfer pricing is not applicable between segments given that clients are invoiced on a mutually exclusive basis for goods and services supplied by each segment.

(ii) Mailing and distribution

The mailing and distribution segment inserts printed material into envelopes and distributes envelopes and printed material both domestically and internationally. Distribution is primarily achieved through the engagement of 3rd party suppliers.

Significant plant and equipment, primarily mail insertion machines, form the basis of the operating assets in this segment.

The mailing and distribution segment receives products from the printing segment. Transfer pricing is not applicable between segments given that clients are invoiced on a mutually exclusive basis for goods and services supplied by each segment.

NOTE 4: OPERATING SEGMENTS (Continued)

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

Transfer pricing is not applicable between segments given that clients are invoiced on a mutually exclusive basis for goods and services supplied by each segment.

Overhead expenditure is allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of directors believe this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

There are no inter-segment loans receivable or payable.

Segment assets

Where any asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 4: OPERATING SEGMENTS (Continued)

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated.

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been re-stated to conform to the requirements of the revised Standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 4: OPERATING SEGMENTS (Continued)

(i) Segment performance

	Printing $	Mailing & Distribution $	Total $
Six months ended 31 December 2009			
Revenue			
External sales	2,468,813	1,437,654	3,906,467
Interest revenue	1,467	854	2,321
Total segment revenue	**2,470,280**	**1,438,508**	**3,908,788**
Reconciliation of segment revenue to group revenue			
Profit on foreign currency translation			61,629
Other un-allocated income			11,947
Total group revenue			3,982,364
Segment net profit before tax	**236,015**	**84,569**	**320,584**
Reconciliation of segment result to group net profit/(loss) before tax			
Amounts not included in segment result but reviewed by the Board:			
Profit on foreign currency translation			61,629
Other un-allocated income			11,947
Share of net Profits/(Losses) of associates			(239)
Unallocated items:			
Corporate charges			(281,533)
Finance costs			(151,189)
Net profit/(loss) before tax from continuing operations			**(38,801)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 4: OPERATING SEGMENTS (Continued)

(i) Segment performance (continued)

	Printing $	Mailing & Distribution $	Total $
Six months ended 31 December 2008			
Revenue			
External sales	2,274,081	1,451,662	3,725,743
Interest revenue	91	58	149
Total segment revenue	**2,274,172**	**1,451,720**	**3,725,892**
Reconciliation of segment revenue to group revenue			
Revaluation of financial asset			47,418
Total group revenue			3,773,310
Segment net profit before tax	**78,983**	**12,573**	**91,556**
Reconciliation of segment result to group net profit/(loss) before tax			
Amounts not included in segment result but reviewed by the Board:			
Profit on revaluation of financial asset			47,418
Unallocated items:			
Corporate charges			(345,205)
Finance costs			(186,956)
Net Profit/(Loss) before tax from continuing operations			**(393,187)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 4: OPERATING SEGMENTS (Continued)

(ii) Segment assets

	Printing	Mailing & Distribution	Total
	$	$	$
31 December 2009			
Segment assets	2,624,421	318,702	2,943,123
	2,624,421	318,702	2,943,123
Additions to Segment Assets			
Reconciliation of segment assets to group assets			
Unallocated assets:			792,967
Deferred tax assets			216,539
Investment in associates			815,761
Total group assets from continuing operations			**4,768,390**

	Printing	Mailing & Distribution	Total
	$	$	$
30 June 2009			
Segment assets	2,087,704	387,459	2,475,163
	2,087,704	387,459	2,475,163
Reconciliation of segment assets to group assets			
Unallocated assets:			854,749
Deferred tax assets			191,812
Investment in associates			-
Total group assets from continuing operations			**3,521,724**

(iii) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the geographical location of the external customer:

	For the six months ended 31 December 2009	For the six months ended 31 December 2008
	$	$
Australia	3,906,467	3,702,692
Norfolk Island	-	23,051
Total revenue	**3,906,467**	**3,725,743**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 4: OPERATING SEGMENTS (Continued)

(iv) Assets by geographical region

The location of segment assets is disclosed below, based on the geographical location of the assets:

	Balance as at 31 December 2009	Balance as at 30 June 2009
Australia	2,943,123	2,475,163
Total assets	**2,943,123**	**2,475,163**

(v) Major customers

The Group has a number of customers to which it provides both products and services. The Group has one external customer which accounts for 11% (2008: 9%) of Printing revenue, 23% (2008: 21%) of Mailing and distribution revenue and 16 % (2008: 14%) of total external revenue.The next largest major customer accounts for 14% (2008: 8%) of Printing revenue, 14% (2008: 14%) of Mailing and distribution revenue and 14 % (2008: 10%) of total external revenue.

NOTE 5: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date (2008: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 6: MATERIAL EVENTS & TRANSACTIONS

Issued Capital

During the period, the Company listed on the National Stock Exchange of Australia and raised $3,631,000.20 by way of issuing 12,103,334 ordinary shares in accordance with the Prospectus dated 17 August 2009. The share issue, together with the cost of the issue, is accounted for in equity as follows:

	Consolidated	
	31.12.2009	**30.06.2009**
	$	**$**
Ordinary shares	7,931,118	4,300,118
Transaction costs	(654,076)	(112,439)
Convertible notes recognised in equity	414,065	414,065
Issued Capital	7,691,107	4,601,744

The movement in the number of shares on issue is accounted for as follows:

	Consolidated 31.12.2009 Number of shares on issue
Movement in ordinary shares on issue	
Ordinary shares on hand at 30.06.2009	15,100,000
Issued during the period	12,103,334
Ordinary shares on hand at 31.12.2009	27,203,334

Plant and equipment

At 30 June 2009, the company had contracted to purchase material items of plant and equipment totalling $ 949,958. That equipment was installed during the period.

Investment in Associates

During the period, the Group acquired 30% of the issued capital of Armstrong Registry Services Limited.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

On 3 February, 2010, the Group entered into an Asset Finance Facility wherein a loan totaling $ 329,613 was extended to the Group. That loan is secured by a registered first fixed and floating charge over 666666 Pty Ltd and is repayable over 3 years.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 23 are in accordance with the *Corporations Act 2001*, including:
   a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
   b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

____

Nigel Benjamin Elias
Director

Dated this 9th day of February, 2010.

WHK Horwath

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF PRINT MAIL LOGISTICS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Print Mail Logistics Limited, which comprises the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Print Mail Logistics Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Print Mail Logistics Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Print Mail Logistics Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

WHK Horwath

WHK HORWATH
ABN 79 981 227 862

VM DE WAAL
PRINCIPAL

Signed at Brisbane, 11 February 2010

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