

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED

ABN 57 000 004 320

Financial Year Ended 30 April 2005

RESULTS FOR ANNOUNCEMENT TO THE MARKET APPENDIX 4E - PRELIMINARY FINAL REPORT

				\$'000
Revenue from ordinary activities <i>(Appendix 4E item 2.1)</i>	Up	16.3%	to	3,424,634
Profit before interest, tax, depreciation & amortisation	Up	55.5%	to	70,739
Profit before interest, tax & depreciation	Up	60.1%	to	65,022
Profit before tax	Up	60.4%	to	43,917
Profit/(loss) from ordinary activities after tax attributable to members <i>(Appendix 4E item 2.2)</i>	Up	61.1%	to	29,721
Net profit/(loss) from ordinary activities after tax attributable to members <i>(Appendix 4E item 2.3)</i>	Up	61.1%	to	29,721

Dividends/distributions <i>(Appendix 4E item 2.4)</i>	Amount per security	Franked Amount per security
Final dividend	6.75 cents	6.75 cents
Interim dividend	6.25 cents	6.25 cents

Record date for determining entitlements to the interim dividend

19 July 2005

(Appendix 4E item 2.5)

Explanation of result

(Appendix 4E item 2.6)

Refer to separate commentary on the operating result



**AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED
AND CONTROLLED ENTITIES**

ABN 57 000 004 320
Year Ended 30 April 2005

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AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR
ENDED 30 APRIL 2005

	Consolidated	
	Year ended 30 April 2005 \$'000	Year ended 30 April 2004 \$'000
Revenue from the sale of goods	3,351,625	2,895,585
Revenue from rendering of services	59,674	46,585
Other revenues from ordinary activities	<u>13,335</u>	<u>1,890</u>
Total revenue	<u>3,424,634</u>	<u>2,944,060</u>
Cost of sales	(3,040,011)	(2,680,940)
Warehousing & distribution expenses	(106,940)	(101,355)
Marketing & sales expenses	(119,588)	(51,674)
Administration & general expenses	(103,845)	(77,303)
Borrowing costs	(10,338)	(5,509)
Share of net profit of associate	<u>5</u>	<u>101</u>
Profit from ordinary activities before related income tax expense	43,917	27,380
Income tax expense relating to ordinary activities	<u>(14,196)</u>	<u>(8,936)</u>
Net profit	<u>29,721</u>	<u>18,444</u>
Decrease in retained earnings on initial adoption of Revised AASB 1028 "Employee Benefits"	-	(296)
Net exchange difference relating to self-sustaining foreign operations	<u>3,848</u>	<u>(202)</u>
Total changes in equity from non-owner related transactions	<u><u>33,569</u></u>	<u><u>17,946</u></u>
Basic earnings per share (cents per share)	12.3	8.2
Diluted earnings per share (cents per share)	12.3	8.2

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2005

	Consolidated	
	Full year ended 30 April 2005 \$'000	Full year ended 30 April 2004 \$'000
CURRENT ASSETS		
Cash assets	31,076	7,557
Receivables	428,797	389,866
Inventories	322,556	232,239
Current tax asset	5,208	5,185
Other	4,833	2,117
TOTAL CURRENT ASSETS	<u>792,470</u>	<u>636,964</u>
NON-CURRENT ASSETS		
Receivables	7,901	-
Investments (equity accounted)	754	667
Property, plant and equipment	86,255	58,772
Intangible assets	215,419	117,131
Deferred tax assets	12,291	9,071
TOTAL NON-CURRENT ASSETS	<u>322,620</u>	<u>185,641</u>
TOTAL ASSETS	<u>1,115,090</u>	<u>822,605</u>
CURRENT LIABILITIES		
Payables	567,507	392,473
Interest bearing liabilities	69,995	71,499
Provisions	25,802	14,441
TOTAL CURRENT LIABILITIES	<u>663,304</u>	<u>478,413</u>
NON-CURRENT LIABILITIES		
Payables	350	-
Interest bearing liabilities	3,453	2,069
Deferred tax liabilities	54	1,041
Provisions	4,315	2,674
TOTAL NON-CURRENT LIABILITIES	<u>8,172</u>	<u>5,784</u>
TOTAL LIABILITIES	<u>671,476</u>	<u>484,197</u>
NET ASSETS	<u>443,614</u>	<u>338,408</u>
EQUITY		
Contributed equity	419,499	316,668
Reserves	4,978	1,130
Retained profits	19,137	20,610
TOTAL EQUITY	<u>443,614</u>	<u>338,408</u>

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2005

	Year ended 30 April 2005 \$'000	Year ended 30 April 2004 \$'000
Cash flows from operating activities		
Receipts from customers	4,046,799	3,173,730
Payments to suppliers and employees	(3,952,611)	(3,175,408)
Interest received	914	314
Interest paid	(10,338)	(5,509)
Income taxes paid	(11,805)	(13,697)
Net cash provided by/(used in) operating activities	<u>72,959</u>	<u>(20,570)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(16,674)	(15,260)
Proceeds from sale of property, plant and equipment	12,479	1,576
Payment for purchase of controlled entities (net of cash acquired)	(11,261)	-
Payment for intangible assets	-	(253)
Net cash used in investing activities	<u>(15,456)</u>	<u>(13,937)</u>
Cash flows from financing activities		
(Repayments)/Proceeds from borrowings	(5,280)	54,414
Lease payments	(828)	(836)
Dividends paid	(31,194)	(29,353)
Repayments of depositors loans	(199)	(184)
Proceeds from issue of shares	656	76
Payments for buy-back of shares	-	(8,753)
Net cash provided by/(used in) financing activities	<u>(36,845)</u>	<u>15,364</u>
Net increase/(decrease) in cash held	20,658	(19,143)
Cash at the beginning of the financial period	(74)	18,893
Effects of exchange rate fluctuation on the balance of cash held in foreign currencies	(504)	176
Cash at the end of the period	<u>20,080</u>	<u>(74)</u>

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

1. Profit from ordinary activities before income tax expense

Individually significant expenses included in profit from ordinary activities before income tax expense:-

	Consolidated	
	30 April 2005	30 April 2004
	<u>\$'000</u>	<u>\$'000</u>
Revenue		
Net gain on sale of Kingsgrove land and building	(5,024)	-
Expenses		
Manufacturing plant production losses arising from the voluntary closure	-	10,586
Redundancy costs - Business Rationalisation	-	2,100
IT development - salary costs	-	1,561
Redundancy costs - Integration Process	1,461	-
Kingsgrove manufacturing plant closure:-		
- Provision for redundancy	2,073	-
- Fixed assets written off	2,180	-
- Stock write off	1,541	-
	<u>2,231</u>	<u>14,247</u>

2. Contingent liabilities

The details and estimated maximum amounts of contingent liabilities that may become payable are set out below. The directors are not aware of any circumstances or information which would lead them to believe that these liabilities will crystallise. The guarantees at reporting date relating to trading accounts paid by pharmacy customers have subsequently been paid to third parties with no liability to the Company, consequently no provisions are included in the financial statements in respect of these matters.

	Consolidated	
	30 April 2005	30 April 2004
	<u>\$'000</u>	<u>\$'000</u>
Guarantee of bank accounts of pharmacy customers	77,767	87,347
Guarantee of trading accounts of pharmacy customers	63,057	66,048
	<u>140,824</u>	<u>153,395</u>

3. Earnings per share

Only ordinary shares have been included in basic earnings per share.

Options outstanding under the Executive Share Option Plan have been classified as potential ordinary shares and are included in diluted earnings per share.

Weighted average number of shares used as the denominator for basic earnings per share
 242,588,756 (2004 : 225,357,001)

Weighted average number of shares used as the denominator for diluted earnings per share
 242,588,756 (2004: 225,677,001)

	Consolidated	
	30 April 2005	30 April 2004
Basic earnings per share - cents	12.3	8.2
Diluted earnings per share - cents	12.3	8.2

4. Dividends

	Consolidated	
	30 April 2005	30 April 2004
	<u>\$'000</u>	<u>\$'000</u>
Dividends recognised in the current year by the Company are:		
Interim -2005 paid 30/1/2005 @ 6.25 cents per share fully franked (last year 6.25 cents per share fully franked paid 30/1/2004)	16,084	14,047
Final - 2004 paid 2/8/2004 @ 6.75 cents per share fully franked (last year 6.75 cents per share fully franked paid 1/8/2005)	15,110	15,306
	<u>31,194</u>	<u>29,353</u>

Subsequent to reporting date

Since 30 April 2005 the directors have declared a final ordinary dividend of 6.75 cents per share (fully franked) to be paid on 1 August 2005. The total of this dividend is \$17,370,886. The financial effect of the final dividend for April 2005 has not been brought to account in the financial statements for the period ended 30 April 2005 and will be recognised in subsequent financial reports.

5. Retained profits

	Consolidated	
	30 April 2005	30 April 2004
	<u>\$'000</u>	<u>\$'000</u>
Retained profits at the beginning of the year	20,610	16,509
Net profit attributable to members	29,721	18,444
Net effect on initial adoption of:		
Revised AASB 1028 "Employee Benefits"	-	(296)
AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	-	15,306
Dividends	(31,194)	(29,353)
Retained profits at end of year	<u>19,137</u>	<u>20,610</u>

6. Contributed Equity

	Consolidated	
	30 April 2005	30 April 2004
	<u>\$'000</u>	<u>\$'000</u>
Issued and paid-up capital		
257,346,455 (2004 : 223,526,455) ordinary shares, fully paid	419,499	316,668
Movements in ordinary share capital		
Balance at the beginning of the reporting period	316,668	325,345
Shares issued		
-33,500,0000 shares issued as consideration for the New Price Retail business at \$3.05 per share	102,175	-
- 320,000 (2004 : 40,000) ordinary share options were exercised at an exercise price of \$2.05 (2004 : \$1.90)	656	76
Shares bought back		
- No shares were bought back during the current accounting period (2004: 3,269,148 shares were bought back at prices ranging between \$2.55 and \$2.74)	-	(8,753)
	<u>419,499</u>	<u>316,668</u>

7. Acquisition/disposal of controlled entities

The following controlled entities were acquired or disposed of during the period:

Acquisition 2005

Name	Date	Consolidated Entities interest	Consideration	Contribution to Consolidated Entity
	Acquired	%	\$,000	\$,000
Synapse Finance Pty Ltd	7 Oct 2004	100	133,400	11,750

The consideration paid includes cash of \$26.917 million and the issue of 33,500,000 shares at the issue price of \$3.05 per share, the Company share price on the date of issue of the shares at the completion of the transaction. Deferred consideration may be payable based upon the excess of the API share price above \$3.00, at the end of three years, times 20,000,000.

The consolidated entity did not dispose of or lose control of any entities during the year.

2004

The consolidated entity did not gain control, and did not dispose of or lose control over, any entities during the prior corresponding period.

8. Notes to Statement of Cash Flows

	Consolidated	
	30 April 2005	30 April 2004
	<u>\$'000</u>	<u>\$'000</u>

Reconciliation of cash and cash equivalents

Cash includes cash on hand, at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	31,076	7,557
Bank overdrafts	<u>(10,996)</u>	<u>(7,631)</u>
	<u>20,080</u>	<u>(74)</u>

9. International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005, the consolidated entity must comply with Australian equivalents to International Financial Reporting Standards (AIFRS) as issued by the Australian Accounting Standards Board.

This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP) applicable for reporting periods ending on 30 April 2005.

Implementation Project

An implementation project has been established to assess the impact of transition to AIFRS and to achieve compliance with AIFRS reporting for the financial year commencing 1 May 2005. The implementation project consists of three phases: Assessment and planning; Design; and Implementation.

Assessment and planning phase

The assessment and planning phase generated a high level overview of the impacts of conversion to AIFRS on existing accounting and reporting policies and procedures, systems and processes, business structures and staff. This phase included:

- high level identification of the key differences in accounting policies and disclosures that are expected to arise from adopting AIFRS;
- assessment of new information requirements affecting management information systems, as well as the impact on the business and its key processes;
- evaluation of the implications for staff, for example training requirements; and
- preparation of a conversion plan for expected changes to accounting policies, reporting structures, systems, accounting and business processes and staff training.

The assessment and planning phase is completed in most respects as at 30 April 2005.

Design phase

The design phase aims to formulate the changes required to existing accounting policies and procedures and systems and processes in order to transition to AIFRS. The design phase has commenced with a project team working on areas as treasury operations, application of impairment requirements and transitional elections.

The design phase incorporates:

- formulating revised accounting policies and procedures for compliance with AIFRS requirements;
- identifying potential financial impacts as at the transition date and for subsequent reporting periods prior to adoption of AIFRS;
- developing revised AIFRS disclosures;
- designing accounting and business processes to support AIFRS reporting obligations;
- identifying and planning required changes to financial reporting and business source systems; and
- developing training programs for staff.

The design phase is expected to be completed before 30 September 2005.

Implementation phase

The implementation phase will include implementation of identified changes to accounting and business procedures, processes and systems and operational training for staff. It will enable the consolidated entity to generate the required disclosures of AASB 1 as it progresses through its transition to AIFRS.

Except for certain training that has been given to its AIFRS project team, the consolidated entity has not yet commenced the implementation phase. However, this phase is expected to be substantially complete by 30 September 2005.

9. International Financial Reporting Standards (continued)

Impact of transition to AIFRS

Those standards where the differences between Australian Generally Accepted Accounting Principles (Australian GAAP) and Australian equivalents to International Financial Reporting Standards (AIFRS) are identified as potentially having a significant impact on the consolidated entity's financial performance and financial position are summarised below. The summary should not be taken as an exhaustive list of all differences between current Australian GAAP and AIFRS.

AASB138 - Intangible Assets (Goodwill)

AASB119 - Employee Benefits (defined benefit superannuation plans; share options)

AASB112 - Income Tax

AASB116 - Property, Plant & Equipment

AASB136 - Impairment of Assets

AASB139 - Financial Instruments

AASB103 - Business Combinations

No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented.

The standards noted above should not be regarded as a complete list of those that may lead to changes resulting from the transition to AIFRS. Some standards have not been fully analysed and some decisions are yet to be made where choices of accounting policies are available. For these reasons it is not possible to quantify the impact of the transition on the Group's financial position and reported results.

10. Events Subsequent to Reporting Date

Sale of non-core businesses

Hospital Supplies Distribution Business

On 21 April 2005, API announced the sale of its hospital supplies distribution business, Hospital Supplies of Australia ("HSA") into a newly formed joint venture, that is owned 50% by API and 50% by ABN AMRO Capital (Belgium) NV, the private arm of ABN AMRO Bank.

The acquisition of HSA by the joint venture was completed on 27 May 2005 along with the concurrent acquisition of Clifford Hallam Pharmaceuticals Pty Limited from Spotless Group Limited.

Halas Dental Business

On 16 May 2005, API announced the sale of its Halas Dental business to Henry Schein, Inc. for a maximum of \$19.75 million, which includes a performance earn-out of \$3 million and approximates the book value of Halas Dental. This sale includes the New Zealand Halas Dental subsidiary, Shalfoon Brothers.

11. Segment Reporting

	DISTRIBUTION								RETAILING		MANUFACTURING				ELIMINATIONS		CONSOLIDATED	
	PHARMACY DISTRIBUTION		HEALTHCARE DISTRIBUTION		AUSTRALIA		NEW ZEALAND		AUSTRALIA		AUSTRALIA		NEW ZEALAND					
	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000	2005 \$,000	2004 \$,000
Primary reporting - Business segments																		
Revenue																		
External segment revenue	2,117,744	1,982,988	621,347	568,797	377,789	337,004	14,830	16,218	255,353	-	7,933	10,075	29,638	28,978			3,424,634	2,944,060
Internal segment revenue	4,792	6,295	1,948	1,230	2,248	-	-	-	-	-	6,450	6,116	3,540	5,738	(18,978)	(19,379)	-	-
Total segment revenue	2,122,536	1,989,283	623,295	570,027	380,037	337,004	14,830	16,218	255,353	-	14,383	16,191	33,178	34,716	(18,978)	(19,379)	3,424,634	2,944,060
Unallocated revenue																	3,424,634	2,944,060
Total revenue																		
Earnings before interest, tax, depreciation, amortisation, equity accounted result and unallocated corporate expenses	53,812	37,900	5,042	4,663	3,956	7,278	1,188	1,882	23,093	-	(17,039)	(9,055)	777	2,825			70,829	45,493
Amortisation taken to Profit & Loss	(1,242)	(1,242)	(1,749)	(1,749)	(652)	(652)			(821)	-	(338)	(335)	(916)	(916)			(5,718)	(4,894)
Earnings before interest, tax, depreciation equity accounted result, and unallocated corporate expenses	52,570	36,658	3,293	2,914	3,304	6,626	1,188	1,882	22,272	-	(17,377)	(9,390)	(139)	1,909	-	-	65,111	40,599
Depreciation taken to Profit & Loss	(4,328)	(4,766)	(890)	(1,015)	(966)	(1,003)	(57)	(42)	(3,106)	-	(585)	(456)	(835)	(750)			(10,767)	(8,032)
Earnings before interest, and tax	48,242	31,892	2,403	1,899	2,338	5,623	1,131	1,840	19,166	-	(17,962)	(9,846)	(974)	1,159	-	-	54,344	32,567
Interest charged to Profit & Loss	(5,325)	(2,682)	(137)	(158)	(1,938)	(1,441)	-	(19)	(2,009)	-	(600)	(600)	(329)	(264)			(10,338)	(5,164)
Share of net profit/(loss) of equity accounted investments	-	-	5	101	-	-	-	-	-	-	-	-	-	-	-	-	5	101
Unallocated corporate expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(94)	(124)
Segment result (Profit before income tax)	42,917	29,210	2,271	1,842	400	4,182	1,131	1,821	17,157	-	(18,562)	(10,446)	(1,303)	895	-	-	43,917	27,380
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,196)	(8,936)
Net profit																	29,721	18,444
Non-cash expenses other than amortisation and depreciation	5,159	3,737	596	6	2,388	529	105	(5)	930	-	5,253	1,245	14	172			14,445	5,684
Individually significant items																		
Manufacturing plant voluntary closure costs	-	-	-	-	-	-	-	-	-	-	-	10,586	-	-	-	-	-	10,586
Redundancy costs - business rationalisation	-	2,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,100
IT development - salary costs	-	1,561	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,561
Net gain on sale of land and buildings	(5,024)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,024)	-
Redundancy costs - integration process	1,461	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,461	-
Kingsgrove manufacturing plant closure:-																		
- provision for redundancy	-	-	-	-	-	-	-	-	-	-	2,073	-	-	-	-	-	2,073	-
- fixed assets written off	-	-	-	-	-	-	-	-	-	-	2,180	-	-	-	-	-	2,180	-
- stock write off	-	-	-	-	-	-	-	-	-	-	1,541	-	-	-	-	-	1,541	-
																	2,231	14,247
Assets																		
Segment assets	608,571	504,055	160,223	120,406	107,329	123,054	7,363	6,694	172,863	-	18,576	37,600	39,411	30,129			1,114,336	821,938
Equity accounted investments	-	-	754	667	-	-	-	-	-	-	-	-	-	-			754	667
Unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-
Consolidated total assets																	1,115,090	822,605
Liabilities																		
Segment liabilities	339,361	286,744	111,737	80,150	80,831	89,714	1,065	1,590	101,411	-	23,663	16,216	12,695	8,986			670,763	483,400
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-			713	797
Consolidated total liabilities																	671,476	484,197
Acquisition of non-current assets	10,519	9,623	636	2,188	110	1,037	48	-	2,844	-	1,319	1,122	1,198	1,290			16,674	15,260

	AUSTRALIA		NEW ZEALAND		CONSOLIDATED	
	2005 \$'000	2004 \$,000	2005 \$'000	2004 \$,000	2005 \$'000	2004 \$,000
Secondary reporting - geographical segments						
External segment revenue by location of customers	2,762,615	2,334,867	662,019	609,193	3,424,634	2,944,060
Segment assets by location of assets	908,738	671,404	206,352	151,201	1,115,090	822,605
Acquisition of non-current assets	14,792	11,782	1,882	3,478	16,674	15,260

Business Segments

The consolidated entity comprises the following five operating divisions:-

Pharmacy Distribution

Australia - Distribution of pharmaceutical and medical products to pharmacy; provider of retail services to pharmacy customers; loan & lease origination to pharmacy customers.

Pharmacy Distribution

New Zealand - Distribution of pharmaceutical and medical products to pharmacy; and retail services

Healthcare Distribution

Australia - Distribution of dental and allied products to dental practices; distribution of medical and pharmaceutical products to hospitals and doctors.
New Zealand - Distribution of dental and allied products to dental practices

Retailing

Australia - the purchase and sale of various health, beauty and lifestyle products within the retail industry in Australia

Manufacturing:

Australia - Manufacture of pharmaceutical medicines
New Zealand - Manufacture of pharmaceutical medicines and consumer toiletries

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED

SUPPLEMENTARY APPENDIX 4E INFORMATION

	30 April	30 April
	<u>2005</u>	<u>2004</u>
<u>NTA Backing (Appendix 4E item 9)</u>		
Net tangible asset backing per ordinary share	\$0.89	\$0.99

Controlled entities acquired or disposed of (Appendix 4E item 10)

On 7th October 2004, Australian Pharmaceutical Industries Limited acquired the health, beauty and lifestyle retailer New Price Retail (the Synapse Finance Pty Ltd Group) which operates in Australia as Priceline, Priceline Pharmacy, House and Price Attack.

The purchase consideration for the business was 33,500,000 shares in the Company at \$3.05 per share and cash of \$26.917 million. The fair value of the net assets acquired was \$51.854 million resulting in goodwill and brand name on acquisition of \$81.546 million which includes acquisition costs of \$4.307 million. Deferred consideration may be payable based upon the excess of the API share price above \$3.00, at the end of three years, times 20,000,000.

The consolidated entity did not dispose of or lose control of any entities during the year. Note that subsequent to year end, two businesses have been sold (see note 10).

Annual meeting

The annual meeting will be held as follows:

Place: API Head Office
11 Grand Avenue, Camellia NSW

Date: Friday 30th September, 2005

Time: 2:30pm


Approximate date the annual report will be available: Friday 26th August,

Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
- 2 This report, and the accounts upon which the report is based use the same accounting policies.
- 3 This report gives a true and fair view of the matters disclosed.
- 4 This report is based on accounts to which one of the following applies.

<input type="checkbox"/>	The ⁺ accounts have been audited.	<input type="checkbox"/>	The ⁺ accounts have been subject to review.
<input checked="" type="checkbox"/>	The ⁺ accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The ⁺ accounts have <i>not</i> yet been audited or reviewed.
- 5 The entity has a formally constituted audit committee.

Sign here:


C J Gardoll, Secretary

Date: 27.06.05