25-27 WARATAH STREET KIRRAWEE NSW 2232
PO BOX 3006, KIRRAWEE DELIVERY CENTRE NSW 2232
TEL: 61 (2) 9521 8444 ◙ FAX: 61 (2) 9521 4561

27 August 2008

Company Announcements Office
Australian Securities Exchange Limited

For Release to the Market

Preliminary Final Report (Appendix 4E)

Please find attached* for release to the market a Preliminary Final Report (Appendix 4E) for PPK Group Limited in respect of the period ended 30 June 2008.

Yours faithfully
PPK GROUP LIMITED

Robert Nicholls
Company Secretary

Contact regarding Announcement: Mr David Hoff, Managing Director on (02) 9521-8444

PPK GROUP LIMITED

ABN 65 003 964 181

PRELIMINARY FINAL REPORT

APPENDIX 4E

FINANCIAL YEAR ENDED 30 JUNE 2008

Previous Corresponding Year
30 June 2007

This information is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.3A.

PPK GROUP LIMITED

HIGHLIGHTS OF RESULTS FOR ANNOUNCEMENT TO THE MARKET

(figures are in A$000s)

SALES REVENUE FROM CONTINUING OPERATIONS	UP	49.8 %	TO	4,251
RENTAL INCOME FROM INVESTMENT PROPERTIES	CONSTANT		AT	4,396
PROFIT BEFORE INCOME TAX	DOWN	96.1 %	TO	702
PROFIT AFTER TAX ATTRIBUTABLE TO MEMBERS	DOWN	94 %	TO	607
EARNINGS PER SHARE	DOWN	93.7 %	TO	1.0 cents

	Current Year	**Previous Year**
Special Dividend	-	5.0 cents
Interim Dividend	3.25 cents	3.25 cents
Final Dividend	3.25 cents	3.25 cents
	6.50 cents	11.5 cents

RECORD DATE FOR DETERMINING ENTITLEMENT TO FINAL DIVIDEND TOTALLING 3.25 CENTS PER SHARE	14 November 2008

GROUP LIMITED

COMMENTARY ON RESULTS

As outlined in the Performance Update released to the market on 5th June 2008, the significant volatility in the Australian share market has impacted on PPK's full year result.

Profit after tax for the year ended 30 June 2008 was $607,000, an Earnings Per Share (EPS) of 1.0 cent.

PPK made strategic investments during the year, which are fully outlined in the Review of Operations. The accounting treatment in respect of these investments and the impact of required adjustments in the current reporting period is outlined below:

- When investments are by way of convertible notes and options they are classified as derivatives in the Balance Sheet. Adjustments to the fair value of derivatives are included in the Consolidated Income Statement, and a gain of $186,000 from such an adjustment is included for the current reporting period.

- When investments are by way of shares, they are classified in the Balance Sheet as available-for-sale financial assets. Adjustments to the fair value of available for sale financial assets are not included in the Consolidated Income Statement (unless impaired) but are adjusted through reserves in the Balance Sheet. When the shares are sold the reserve is written back and the gain or loss is included in the Consolidated Income Statement. A gain of $1.309 million on the sale of shares is included in the Consolidated Income Statement for the current reporting period.

  However, if the available-for-sale financial assets (shares) have a substantial or prolonged period of impairment to the original purchase price then the value of the asset has to be written down and the impairment booked to the Consolidated Income Statement. A write-down of $2.37 million has been included in the Consolidated Income Statement for the current reporting period. If after this write-down the shares increase in value in subsequent periods then that gain is adjusted through reserves in the Balance Sheet and not shown as a gain in the Consolidated Income Statement, until the shares are actually sold.

The above adjustments to fair value reflect the position as at 30 June 2008.

The Australian share market has remained volatile though to a lesser degree than that experienced in the second half of the reporting period. This volatility could continue to impact on the value attributed to these investments in future reporting periods.

PPK's manufacturing business, Rambor, has delivered an improved performance over the previous reporting period. Sales increased from $2.8 million to $4.25 million and profit before tax increased from $189,000 to $650,000. Rambor is holding significant orders and is expecting to provide further improved earnings in subsequent reporting periods.

During the reporting period:

- The on market share buy back announced by PPK on 16th October 2006 and approved by shareholders on 21 November 2006 ("Subsequent On Market Share Buy Back") ended on 21 November 2007;

- PPK acquired 184,381 shares at a cost of $153,000 under the Subsequent On Market Share Buy Back;

- PPK announced a further on market share buy back scheme for the purchase of up to 10% of the issued capital of the Company on 19 December 2007 ("Existing On Market Share Buy Back"). The Existing On Market Share Buy Back commenced on 7 January 2008. As at 30 June 2008 PPK has acquired an additional 1,749,203 shares at a cost of $1,387,000 thereby reducing the number of PPK shares on issue at 30 June 2008 to 59,252,613.

Following the sale of PPK's plastic packaging business in 2007, PPK paid a special fully franked dividend of 5c per share in September 2007. PPK also announced that it would look to maintain a 6.5c fully franked dividend for the next three years.

Notwithstanding the full year result for 2008, the Directors have resolved to pay a final fully franked dividend of 3.25c per share on 21 November 2008, bringing the total fully franked dividend for the year ended 30 June 2008 to 6.5 cents per share.

The Directors will continue to monitor the effect current share market volatility has on PPK's investments, and dividends will be assessed on PPK's performance in future periods.

CONSOLIDATED INCOME STATEMENT

	CURRENT YEAR $000s	PRIOR YEAR $000s
Sales Revenue from continuing operations	4,251	2,837
Cost of sales	(2,527)	(1,683)
GROSS PROFIT	1,724	1,154
Interest Received	898	257
Gain on sale of fixed assets	-	1,305
Gain on sale of available-for-sale financial assets	1,309	-
Foreign exchange (losses)	(84)	(55)
Rental Income from investment properties	4,396	4,403
Fair value adjustment on derivatives	186	2,644
Other income	89	227
Warehouse & Distribution expenses	(47)	(15)
Selling Expenses	(74)	(188)
Administrative expenses	(3,816)	(3,487)
Impaiment of available-for-sale financial assets	(2,370)	-
Finance costs	(1,509)	(146)
PROFIT FROM CONTINUING OPERATIONS BEFORE INCOME TAX EXPENSE	702	6,099
Income tax (expense) / credit attributable to profit from Continuing operations	(95)	(1,478)
PROFIT AFTER INCOME TAX FROM CONTINUING OPERATIONS	607	4,621
Profit after income tax from discontinued operations	-	5,490
PROFIT AFTER INCOME TAX	607	10,111
Earnings per share		
Continuing operations	1.0 cents	7.2 cents
Discontinuing operations	0.0 cents	8.7 cents
Total	1.0 cents	15.9 cents
Diluted Earnings per share	1.0 cents	15.9 cents
INDIVIDUALLY SIGNIFICANT ITEMS - Gains or (losses)		
Sale of Plastics Packaging business	-	10,708
Sale of York Precision Plastics	-	(159)
Sale of rental property	-	1,295
Fair value adjustment on derivatives	186	2,644
Gain on sale of Industrea Ltd shares	1,309	-
Impairment in investment in Frigrite Ltd	(2,122)	
Impairment in investment in unlisted companies	(248)	-
	(875)	14,488
DEPRECIATION AND AMORTISATION COSTS		
Depreciation & amortisation of property, plant & equipment	858	1,597
Amortisation of intangibles	101	14
	959	1,611

CONSOLIDATED BALANCE SHEET

	30-Jun-08 $000s	30-Jun-07 $000s
Current Assets		
Cash	1,349	624
Trade and other Receivables	3,263	2,915
Inventories	1,051	741
Other	362	362
	6,025	4,642
Assets classified as held for sale	703	-
Total Current Assets	6,728	4,642
Non Current Assets		
Trade and other Receivables	5,219	5,612
Available-for-sale financial assets	3,276	6,697
Investment Property	40,466	41,256
Other Property Plant & Equipment	2,149	2,187
Intangibles	892	913
Deferred Tax Assets	2,070	1,276
Derivatives	3,344	890
Total non current assets	57,416	58,831
TOTAL ASSETS	**64,144**	**63,473**
Current Liabilities		
Payables	1,027	1,164
Borrowings	2,856	1,374
Current Tax Liabilities	866	3,254
Provisions	310	538
Other	-	343
	5,059	6,673
Total Current Liabilities	5,059	6,673
Non Current liabilities		
Borrowings	19,562	8,434
Deferred Tax Liabilities	876	1,117
Provisions	338	290
Total Non Current liabilities	20,776	9,841
TOTAL LIABILITIES	**25,835**	**16,514**
NET ASSETS	**38,309**	**46,959**
Equity		
Contributed equity	32,033	33,573
Reserves	(152)	567
Retained profits	6,428	12,819
TOTAL EQUITY	**38,309**	**46,959**

CONSOLIDATED CASH FLOW STATEMENT

	Year Ended 30-Jun-08 $000s	Year Ended 30-Jun-07 $000s
Cash flows related to operating activities		
Receipts from customers	8,556	38,285
Payments to suppliers and employees	(6,434)	(38,074)
Other Revenue	66	3,883
Interest Revenue	898	257
Dividends received	23	-
Income taxes paid	(3,210)	(175)
Other taxes paid	(199)	(851)
Net Operating Cash Flows	**(300)**	**3,325**
Cash flows related to investing activities		
Payment for purchases of property, plant and equipment	(733)	(755)
Proceeds from sale of property, plant and equipment	-	3,707
Payment for purchases of equity investments net of cash acquired	-	(4,567)
Proceeds from sale of Subsidiaries	-	51,454
Proceeds from sale of available for sale financial assets	3,772	-
Purchase of available for sale financial assets	(2,439)	-
Purchase of derivatives	(2,268)	-
Payment for intangibles	(99)	(364)
Net Investing cash flows	**(1,767)**	**49,475**
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc)	-	-
Payment for buyback of shares	(1,540)	(5,312)
Proceeds from borrowings	11,498	-
Repayment of borrowings	(397)	(40,413)
Loans repaid	229	-
Dividends paid	(6,998)	(4,562)
Interest and costs of borrowings	(1,509)	(1,503)
Net financing cash flows	**1,283**	**(51,790)**
Net increase (decrease) in cash held	**(784)**	**1,010**
Cash at beginning of period	(377)	(1,387)
Cash at end of period	(1,161)	(377)

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

Continuing operations		
Cash on hand and at bank	1,349	624
Bank Overdraft	(2,510)	(1,001)
Total cash at end of period	**(1,161)**	**(377)**

Non Cash Financing and Investing Activities during the year

	$000s	
Fair value adjustments in Derivatives - increase in value	186	2,644

Earnings per security (EPS)

Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of *AASB 1027 : Earnings per share* are as follows:

	2008	**2007**
Earnings used in the calculation of basic EPS	607,000	10,111,000
Earnings used in the calculation of diluted EPS	607,000	10,111,000
Weighted average number of ordinary shares outstanding During the year used in the calculation of:		
Basic EPS	60,490,849	63,783,326
Diluted EPS	60,490,849	63,783,326
Basic EPS - Cents	1.0	15.9
Diluted EPS - Cents	1.0	15.9

NTA Backing	Current period	Previous corresponding period
Net tangible asset backing per share	61.9 cents	75.3 cents

DIVIDENDS

Final dividend resolved to be paid	3.25 cents / share fully franked
Date dividend is payable	21 November 2008
Record date	14 November 2008
Ex dividend date	10 November 2008

	Current Year	**Previous Year**
Special Dividend	-	5.00 cents
Interim Dividend	3.25 cents	3.25 cents
Final Dividend	3.25 cents	3.25 cents
	6.50 cents	11.5 cents

The amount of retained profits and reserves that could be distributed as fully franked dividends from franking credits that exist or will arise after payment of income tax in the next year in respect to the 2008 year is $8,442,200.
We anticipate that dividends will be fully franked for the foreseeable future.

	Current Year $000s	Prior Year $000s
Amount of special dividend payable - fully franked	-	3,059
Amount of final dividend payable - fully franked	1,926	1,989

Both current and prior year dividends were fully franked.

CONSOLIDATED RETAINED PROFITS	Current Year $000s	Prior Year $000s
Net profit attributable to members	607	10,111
Net effect of changes in accounting policies	-	-
Dividends paid	(6,998)	(4,563)
Retained profits at the end of the financial year	6,428	12,819

ORDINARY SHARES ON ISSUE	NUMBER
Number of securities on issue at beginning of year	61,186,197
Shares repurchased through approved buyback scheme	(1,933,584)
	59,252,613

OPTIONS

There were no options outstanding as at balance date.

All options expired during the year and none were exercised

POST BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent periods.

AUDIT STATUS

The accounts are currently in the process of being audited.