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APPENDIX 4E

Strathfield Group Limited

(ABN 63 053 687 728)

Preliminary Final Report for the 52 weeks ended 29 June 2008

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

Current Reporting Period: 52 weeks Ended 29 June 2008

Previous Corresponding Period: 52 weeks Ended 1 July 2007

STRATHFIELD GROUP LIMITED

Results For Announcement To The Market For the 52 weeks ended 29 June 2008

Revenue and Net Profit		Change %	Change \$m	Amount \$ Million
Revenue from ordinary shares	Down	4.5%	7.8 to	164.1
Profit from ordinary activities after tax attributable to members	Down	92.3%	3.1 to	0.3
Net profit attributable to members of the parent entity	Down	266.8%	9.1 to	(5.7)

Brief Explanation of Revenue, Net Profit and Dividends

Results summary

Refer press release

Earnings per share

Basic earnings per share (cents per share)	(0.8)	0.5
Diluted earnings per share (cents per share)	(0.8)	0.5

Earnings per share (underlying)

Basic earnings per share (cents per share)	0.04	0.5
Diluted earnings per share (cents per share)	0.04	0.5

Dividends

	Amount per security	Franked amount per security
Dividends paid and proposed	-	-

No dividends were paid or proposed during the period (2007: nil)

STRATHFIELD GROUP LIMITED

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STRATHFIELD GROUP LIMITED

Directors' Report

The directors of Strathfield Group Limited submit herewith the financial report for the 52 weeks ended 29 June 2008. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of the Directors who held office during and since the end of the year, except as otherwise noted, are:

Name

Richard Poole (Non-Executive Director)

Warwick Mirzikinian (Non-Executive Director)

John Fries (Non-Executive Chairman)

Review of Operations

Refer press release

STRATHFIELD GROUP LIMITED

Directors' Report

Rounding of Amounts

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the Financial Report have been rounded off to the nearest thousand dollars.

Subsequent Events

As per the ASX announcement on the 7th August 2008, Strathfield announced it had entered into conditional agreements to purchase the m8 Telecom Pty Ltd and Clear Equipment Group Pty Ltd businesses. Full details on this are contained within the release.

Outlook

Refer press release

Signed in accordance with a resolution of the directors.

On behalf of the directors



Chairman: John Fries

Sydney, 29 August 2008

STRATHFIELD GROUP LIMITED

Directors' Declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the disclosing entity will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with the accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors, pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the directors



Chairman: John Fries

Sydney, 29 August 2008

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STRATHFIELD GROUP LIMITED

Income Statement for the 52 weeks ended 29 June 2008

	Note	Consolidated	
		(52 Weeks) 29 June 2008 \$'000	(52 Weeks) 1 July 2007 \$'000
Sales revenue	2(a)	161,824	169,591
Cost of sales		(112,216)	(116,117)
Gross Profit		49,608	53,474
Other income	2(a)	2,242	2,245
Selling and distribution expenses		(18,688)	(18,455)
Marketing expenses		(5,280)	(4,055)
Occupancy expenses		(11,125)	(12,162)
Administrative expenses		(14,721)	(15,168)
Impairment of Cavastowe receivable	5	(4,355)	-
Finance costs		(3,372)	(2,467)
Profit/(loss) before income tax expense		(5,691)	3,412
Income tax expense			-
Net Profit/(loss) attributable to members of the parent entity		(5,691)	3,412
Earnings per share:			
Basic earnings per share (cents per share)		(0.8)	0.5
Diluted earnings per share (cents per share)		(0.8)	0.5

STRATHFIELD GROUP LIMITED

Balance Sheet as at 29 June 2008

	Note	Consolidated	
		29 June 2008 \$'000	1 July 2007 \$'000
Current Assets			
Cash and cash equivalents		1,917	1,491
Receivables		11,973	14,065
Inventories		26,417	26,230
Other		5,274	4,158
Total Current Assets		45,581	45,944
Non-Current Assets			
Receivables		3,113	1,775
Property, plant and equipment		4,980	5,114
Goodwill		3,282	3,710
Other		285	441
Total Non-Current Assets		11,660	11,040
Total Assets		57,241	56,984
Current Liabilities			
Payables		19,968	19,095
Borrowings		-	36
Provisions		2,163	2,034
Other liabilities		548	262
Total Current Liabilities		22,679	21,427
Non-Current Liabilities			
Interest Bearing Liabilities		22,371	18,463
Provisions		55	57
Other liabilities		1,455	774
Total Non-Current Liabilities		23,881	19,294
Total Liabilities		46,560	40,721
Net Assets		10,681	16,263
Equity			
Issued capital		74,727	74,727
Reserves		753	644
Accumulated losses		(64,799)	(59,108)
Total Equity		10,681	16,263

Notes to the financial statements are included on pages 11 to 15

STRATHFIELD GROUP LIMITED

Statement of Changes in Equity For the year ended 29 June 2008

	Consolidated	
	(52 weeks) 29 June 2008 \$'000	(52 weeks) 1 Jul 2007 \$'000
Net income recognised directly in equity		-
Profit/(Loss) for the period	(5,691)	3,412
Total recognised income and expense for the period	(5,691)	3,412
Attributable to: equity holders of the parent	(5,691)	3,412

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Cash Flow Statement For the year ended 29 June 2008

	Consolidated	
	(52 weeks) 29 June 2008 \$'000	(52 weeks) 1 July 2007 \$'000
Cash Flows From Operating Activities		
Receipts from customers	177,432	182,737
Payments to suppliers and employees	(175,128)	(184,207)
Interest received	454	622
Interest and other costs of finance paid	(3,372)	(2,467)
Net cash used in operating activities	(614)	(3,315)
Cash Flows From Investing Activities		
Payment for property, plant and equipment	(2,868)	(1,340)
Proceeds from sale	-	2
Net cash used in investing activities	(2,868)	(1,338)
Cash Flows From Financing Activities		
Proceeds from issue of ordinary shares	-	4
Payment for share issue costs	-	-
Proceeds from borrowings	6,261	4,950
Repayment of borrowings	(2,353)	-
Net cash provided by financing activities	3,908	4,954
Net (decrease)/increase in cash and cash held	426	301
Cash at the beginning of the financial period	1,491	1,190
Cash at the end of the financial year period	1,917	1,491

Notes to the financial statements are included on pages 11 to 15

STRATHFIELD GROUP LIMITED

Notes to the Financial Statements For the 52 weeks ended 29 June 2008

1. Summary of Accounting Policies

(a) Basis of Preparation

The preliminary final report relates to the consolidated entity consisting of Strathfield Group Limited ("Strathfield") and each of its subsidiaries. The report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of the ASX Appendix 4E.

The financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards.

The financial report has been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated, under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to the International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) Going Concern

To continue as a going concern the consolidated entity requires:

- the continued support of its bankers and creditors; and or
- generation of sufficient funds from operating activities

The generation of sufficient funds as tabled in previous reports is the continued sourcing of new ranges of products, the continued roll-out of the franchising model and cost saving initiatives. Strathfield has also recently announced a takeover of the Clear and M8 business subject to due diligence which will add needed working capital and cash profits into the business. The continued roll-out of the franchising model will also eliminate costs within the business while also increasing sales and profits.

At the date of this report and having considered the above factors, the directors are confident that the generation of sufficient funds from operating and financing activities is expected to be achieved through the implementation of the above initiatives and also that the consolidated entity will continue to satisfy the financial covenants of its financier.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

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STRATHFIELD GROUP LIMITED

Notes to the Financial Statements For the 52 weeks ended 29 June 2008

Consolidated	
(52 weeks) 29 June 2008 \$'000	(52 weeks) 1 July 2007 \$'000

2. Profit/(loss) From Operations

Profit/(loss) from operations before income tax includes the following items of revenue and expense:

(a) Operating Revenue

Sales revenue	161,824	169,591
Other income	2,242	2,245

(b) Expenses

Cost of sales	112,216	116,117
Selling and distribution expenses	18,688	18,455
Marketing expenses	5,280	4,055
Occupancy expenses	11,125	12,162
Administrative expenses	14,721	15,168
	162,030	165,957

3. Dividends

No dividends have been declared or paid in respect of the 52 weeks ended 29 June 2008 (2007: \$nil).

2008 cents	2007 cents
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4. Net Tangible Assets Per Security

Net tangible assets per security	1.00	1.71
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STRATHFIELD GROUP LIMITED

Notes to the Financial Statements For the 52 weeks ended 29 June 2008

Consolidated	
(52 weeks) 29 June 2008	(52 weeks) 1 July 2007
\$'000	\$'000

5. Significant Transactions

Profit/(loss) after income tax includes the following significant items:

Impairment of Assets	604	-
Less applicable income tax	-	-
Independent operational business review	567	-
Less applicable income tax	-	-
Vodafone settlement	428	-
Less applicable income tax	-	-
Impairment of Cavastowe receivable	4,355	-
Less applicable income tax	-	-
	<u>5,954</u>	<u>-</u>

6. Seasonality of Operations

Sales in the retail sector are seasonal with sales volumes increasing during the Christmas trading period.

7. Segment Information

The consolidated entity retails consumer electronics, electrical goods, mobile phones and car audio and operates only in Australia.

8. Issued Capital

	Number of Ordinary Shares	\$'000
<u>Issued and fully paid ordinary shares</u>		
Movements in ordinary shares on issue:		
At 1 July 2007	708,303,874	74,727
Issued		-
At 29 June 2008	708,303,874	74,727

STRATHFIELD GROUP LIMITED

Notes to the Financial Statements For the 52 weeks ended 29 June 2008

8. Issued Capital (Cont'd)

Listed options

	Number of Options	\$'000
Movements in Listed options:		
At 1 July 2007	230,012,409	-
Converted into Ordinary Shares	-	-
Expiration of listed options	(230,012,409)	
At 29 June 2008	-	-

Unlisted options

17,000,000 Unlisted Options over Ordinary shares were issued on the 1st February 2008. The Unlisted options shall be exercised at 5c per share on or before 31st December 2011

Consolidated	
(52 weeks) 29 June 2008 \$'000	(52 weeks) 1 July 2007 \$'000

9. Contingent Liabilities

Borrowing and Bank Guarantees

449

413

Guarantees are in relation to store leases and rental deposits.

10. Subsequent Events

As per the ASX announcement on the 7th August 2008, Strathfield announced it had entered into conditional agreements to purchase the m8 Telecom Pty Ltd and Clear Equipment Group Pty Ltd businesses. Full details on this are contained within the release.

STRATHFIELD GROUP LIMITED

Notes to the Financial Statements For the 52 weeks ended 29 June 2008

11. Subsidiaries

Name of entity	Country of incorporation	Ownership interest	
		2008 %	2007 %
Parent entity			
Strathfield Group Limited	Australia		
Subsidiaries			
Cellphone Pty Limited	Australia		100
Strathfield Group Wholesale Pty Ltd	Australia		100
Multimedia Universe Pty Ltd	Australia		100
Mobiletronics Pty Ltd	Australia		100
Strathfield Ventures Pty Ltd	Australia		100
Planet Strathfield Pty Ltd	Australia		100
Strathfield Investments Pty Ltd	Australia		100
Strathfield Installations Pty Ltd	Australia		100
Ozbuy.com Pty Ltd	Australia		100
Hi Fi Corporation Australia Pty Ltd	Australia		100
Zoom Sound and Vision Pty Ltd	Australia		100

12. Information on Audit or Review

This preliminary final 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 not yet been audited or reviewed. |

Description of likely dispute or qualification if the accounts have not yet been audited or subject to review or are in the process of being audited or subjected to review.