

**STYLE LIMITED
(ABN 87 009 248 720) AND CONTROLLED ENTITIES**

31 August 2010

Company Announcements Office
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
PERTH, WA 6000

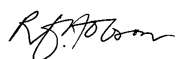
Dear Sir/Madam

RELEASE OF PRELIMINARY RESULTS FOR THE YEAR ENDED 30 JUNE 2010

Please find attached the Company's Appendix 4E Preliminary Final Report under listing rule 4.3A.

Yours faithfully

Style Limited



Richard Hobson
Company Secretary

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STYLE LIMITED (ABN 87 009 248 720) AND CONTROLLED ENTITIES

Commentary by the Chief Executive Officer

FY2010 Financials:

Style Limited announces today a preliminary unaudited net loss after tax of \$6.1 million for the year ended 30 June 2010 ("FY2010"). The result compares with a net loss after tax of \$15.5 million in FY2009.

In the half year report, Style announced a loss of \$ 332,000 on sales of \$ 6.5 million. Sales in North America practically halted during most of the year whilst the Company and its exclusive North American distributor went into legal dispute over the distribution agreement. A settlement agreement was reached in April 2010 which allowed Style to have direct access to the USA market.

During the year, the Company has accelerated its efforts in Marketing and Research & Development. In marketing, our improved communication tools with distributors were well received. R&D has been mainly focused on significant patented improvement in the manufacture of strand-woven wood flooring products, from the preparation of raw materials to the design of specialised manufacturing equipment. As a result, the Company expanded in February 2010 its international patent portfolio with the filing of five new patents relating to the utilisation of timber species in the manufacture of new strand-woven flooring products.

The Company successfully raised capital of \$2.7 million net for the year to fund trading shortfall and future sales activities.

Key points:

- Sales were significantly affected in North America for most of FY2010 as a result of the legal dispute with our North American distributor which started in October 2009 and resolved in April 2010.
- Selling prices were upheld amidst aggressive discounting from most of the flooring competitors as a reaction to the GFC.
- Operating EBITDA loss of \$1.6 million is lower than the potential loss considering the sales set back.
- Net loss before abnormal items and tax of \$2.4 million.

Year ending 30 June (\$m)	FY2010	FY2009
Revenue	10.9	20.7
Operating EBITDA	(1.6)	(6.4)
Loss before abnormal items and tax	(2.4)	(7.6)
Income tax	-	1.1
Net operating loss after tax	(2.4)	(6.5)
One-off write-downs & expenses	(3.7)	(9.0)
Net loss after tax (reported)	(6.1)	(15.5)
Earnings per share (reported) (cents)	(1.6)	(14.0)

Operating EBITDA = earnings before interest, tax, depreciation and amortisation and abnormal expenses

EPS - Basic earnings (loss) per share

Operating result

The operating result for FY2010 was primarily a function of:

- Lower revenue due to the legal dispute in North America
- Recovered lost margin of previous years
- Leaner overheads structure

STYLE LIMITED (ABN 87 009 248 720) AND CONTROLLED ENTITIES

Quarterly results	Q1'10	Q2'10	Q3'10	Q4'10	FY10	Q1'09	Q2'09	Q3'09	Q4'09	FY09
Revenue (\$m)	3.9	2.6	2.2	2.2	10.9	6.0	6.7	2.5	5.5	20.7
EBITDA (\$m)	0.2	(0.1)	(0.8)	(0.9)	(1.6)	(0.9)	(0.6)	(2.2)	(2.7)	(6.4)

Cash flow and funding

Closing cash balance as at 30 June 2010 was \$1.3 million.

Set back in sales had resulted in negative operating cash of \$3.8 million. This shortfall was covered by existing cash balances and capital injections from shareholders.

Chinese bank debt was lowered from 20 million Chinese Yuan to 16.5 million Chinese Yuan with an aim to consolidate multiple loans into one single loan later in the new financial year.

Outlook

The manufacturing restructuring which started last year has stabilized our product quality and delivered consistent margin amidst fierce international competition. Overheads restructuring also gave rise to a leaner administrative team.

The North America settlement agreement gives Style direct access to the USA market and will have benefits expected to flow through in FY2011 and beyond. Over the last few months, Style has signed direct distribution agreements with five US distributors with a combined coverage of around 75% of the US market.

In August this year, Style secured national distribution in China through a distribution agreement with Asia Timber Products Ltd. This followed several other significant distribution agreements in Russia and Europe, and a revised marketing format for the Australian market.

Going forward, key initiatives for FY2011 will include:

- Capitalize on the new distribution agreements
- Further improve manufacturing costs through economies of scale
- Intensify global marketing activities to strengthen Style's positioning as the green alternative to hardwood
- Commercialize strand woven wood products

ABOUT STYLE LIMITED

Style operates in the renewable building materials industry and owns and operates manufacturing facilities in China. The company was listed on the Australian Stock Exchange (ASX: SYP) in April 2004.

Style's products are environmentally friendly, of a high-quality and innovative, based on a range of proprietary technologies. The Company's main product line is a range of flooring products made from strand-woven bamboo with a timber appearance and extremely high hardness rating. The products are a green alternative to traditional hardwood and suitable for all types of uses, from residential housing and apartments through to commercial buildings.

A complete background on the Company and its products is available through its web site at <http://www.stylelimited.com>.

STYLE LIMITED
ABN 87 009 248 720
AND
CONTROLLED ENTITIES

APPENDIX 4E

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2010

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**STYLE LIMITED
(ABN 87 009 248 720) AND CONTROLLED ENTITIES**

**Appendix 4E
Preliminary Final Report**

Name of entity: **STYLE LIMITED**
 ABN: **87 009 248 720**
 Current Reporting Period **30 June 2010**
 Previous Reporting period **30 June 2009**

Results for announcement to the market

	Result \$'000	Increase / (Decrease) %	Increase / (Decrease) \$'000
Revenues from continuing activities	10,920	(47.2)	(9,773)
Profit (loss) from continuing activities after tax attributable to members	(6,074)	n/a	9,401
Net profit (loss) for the period attributable to members	(6,074)	n/a	9,401

Dividends	Amount per security	Franked amount per security
Final dividend proposed	Nil	n/a
Interim dividend	Nil	n/a
Record date for determining entitlement to the dividend (if any)	n/a	n/a

Comments in respect of results announced to the market

Please refer to the commentary by Chief Executive Officer.

Net Tangible assets per security

	2010	2009
NTA Backing		
Net tangible asset backing per ordinary share on issue	0.5c	1.8c

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**STYLE LIMITED
(ABN 87 009 248 720) AND CONTROLLED ENTITIES**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	Economic Entity	
		2010	2009
		\$'000	\$'000
Revenues from continuing activities	2	10,920	20,693
Changes in inventories of finished goods and work in progress		2,205	(5,873)
Raw materials and consumables used		(9,745)	(13,056)
Employee benefits expense		(2,784)	(2,883)
Depreciation and amortisation expense		(595)	(559)
Borrowing costs expense		(210)	(760)
Research and development		(363)	(31)
Foreign currency loss		(4)	-
Allowance for doubtful debts		(119)	(848)
Travel costs		(449)	(780)
Consultants and contractors		(660)	(885)
Marketing, advertising and promotion		(278)	(182)
Occupancy costs		(161)	(277)
Legal costs and claims		(3,455)	(1,368)
Other expenses		(88)	(4,243)
Impairment of inventories		-	(1,362)
Impairment of intangibles		(108)	(3,656)
Impairment of property, plant and equipment		(156)	(567)
Profit/(Loss) before income tax expense		(6,050)	(16,637)
Income tax (expense)/benefit		(24)	1,162
Profit/(Loss) from continuing operations		(6,074)	(15,475)
Other comprehensive income:			
Net gain/(loss) arising from the translation of foreign controlled entities		(670)	2,624
Income tax on other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		(6,744)	(12,851)
Basic loss per share (cents per share)	5	(1.6)	(14.0)
Diluted loss per share (cents per share)	5	(1.6)	(14.0)

The accompanying notes form part of these financial statements.

**STYLE LIMITED
(ABN 87 009 248 720) AND CONTROLLED ENTITIES**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010**

	Note	Economic Entity	
		2010 \$'000	2009 \$'000
CURRENT ASSETS			
Cash and cash equivalents		1,289	2,001
Trade and other receivables		476	1,693
Inventories		3,884	2,030
Other current assets		458	361
TOTAL CURRENT ASSETS		6,107	6,085
NON-CURRENT ASSETS			
Property, plant and equipment		6,854	8,193
Intangible assets		1,416	1,676
TOTAL NON-CURRENT ASSETS		8,270	9,869
TOTAL ASSETS		14,377	15,954
CURRENT LIABILITIES			
Trade and other payables		6,020	4,017
Bank trade finance and loans		2,979	3,968
Loan – capital raising advance		1,000	-
Convertible notes	4	500	-
Provisions		72	155
TOTAL CURRENT LIABILITIES		10,571	8,140
NON-CURRENT LIABILITIES			
Trade and other payables		-	168
Deferred tax liabilities		256	268
TOTAL NON-CURRENT LIABILITIES		256	436
TOTAL LIABILITIES		10,827	8,576
NET ASSETS		3,550	7,378
EQUITY			
Issued capital	3	32,969	31,296
Convertible notes	4	1,000	-
Reserves		2,110	2,667
Accumulated losses		(32,529)	(26,585)
TOTAL EQUITY		3,550	7,378

The accompanying notes form part of these financial statements.

**STYLE LIMITED
(ABN 87 009 248 720) AND CONTROLLED ENTITIES**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010**

Economic Entity	Issued Capital \$'000	Convertible Note - Equity \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserve \$'000	Options Reserve \$'000	Asset Revaluation Reserve \$'000	Total \$'000
Balance at 1.7.2008	16,164	-	(11,110)	(591)	232	402	5,097
Shares issued during the year	15,132	-	-	-	-	-	15,132
Comprehensive Loss	-	-	(15,475)	2,624	-	-	(12,851)
Balance at 30.6.2009	31,296	-	(26,585)	2,033	232	402	7,378
Balance at 1.7.2009	31,296	-	(26,585)	2,033	232	402	7,378
Shares issued during the year	1,970	-	-	-	-	-	1,970
Convertible notes issued	-	1,050	-	-	-	-	1,050
Fund raising costs	(297)	(50)	-	-	162	-	(185)
Options expired	-	-	130	-	(130)	-	-
Comprehensive Loss	-	-	(6,074)	(670)	-	-	(6,744)
Directors' options expense	-	-	-	-	81	-	81
Balance at 30.6.2010	32,969	1,000	(32,529)	1,363	345	402	3,550

The accompanying notes form part of these financial statements.

**STYLE LIMITED
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	Economic Entity	
		2010	2009
		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		11,913	21,745
Payments to suppliers and employees		(15,510)	(19,513)
Interest received		1	118
Borrowing costs		(210)	(760)
Income tax (paid) / refund		(36)	-
Net cash provided by (used in) operating activities		(3,842)	1,590
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(59)	(674)
Sale proceeds of non-current assets		22	-
Payments for intangible assets		-	(238)
Net cash provided by (used in) investing activities		(37)	(912)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	3	1,850	-
Proceeds from convertible notes	4	1,550	-
Payments for equity raising costs		(185)	-
Proceeds from borrowings		1,800	169
Repayment of borrowings		(1,795)	(1,446)
Proceeds from third party loans repaid		-	41
Net cash provided by (used in) financing activities		3,220	(1,236)
Net decrease in cash held		(659)	(558)
Cash at start of period		2,001	2,559
Effect of exchange rates on cash holdings in foreign currencies		(53)	-
Cash at end of period		1,289	2,001

The accompanying notes form part of these financial statements.

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STYLE LIMITED (ABN 87 009 248 720) AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE 1: BASIS OF PREPARATION

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. The report covers the economic entity of Style Limited and controlled entities.

The accounting policies adopted in the preparation of the preliminary final report have been applied consistently to all periods presented in this report and are consistent with those disclosed in the 2009 financial report except for the following:

AASB 101 Presentation of Financial Statements ('AASB 101')

The Company has applied revised AASB 101 from 1 July 2009 and now presents a Statement of Comprehensive Income which incorporates the income statement and all non-owner changes in equity. As a result, the company now presents all owner changes in the Statement of Changes in Equity. The balance sheet is now referred to as the Statement of Financial Position. There is a requirement to present a third Statement of Financial Position if there is a restatement of comparatives through either a correction of error, change in accounting policy or a reclassification. The cash flow statement is now referred to as the Statement of Cash Flows.

AASB 7 Financial Statements: Disclosure ('AASB 7')

This amended standard is applicable from 1 July 2009 and requires additional disclosure about fair value measurement of financial instruments, using a three-level fair value hierarchy. The amendments also clarify the disclosure requirements about liquidity risks for derivative transactions and assets used for liquidity management.

AASB 8 Operating Segments ('AASB 8')

The Company has applied AASB 8, which replaces AASB 114 Segment Reporting, from 1 July 2009. AASB 8 requires a management approach to segment reporting based on the information reported internally.

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

NOTE 2: REVENUE

	Economic Entity	
	2010	2009
	\$'000	\$'000
Operating activities		
— sale of goods	10,483	19,572
— foreign currency gain	-	844
— interest	1	118
— other revenue	436	159
	<u>10,920</u>	<u>20,693</u>

**STYLE LIMITED
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NOTE 3: ISSUED EQUITY

	Economic Entity	
	2010	2009
	\$'000	\$'000
ISSUED CAPITAL		
446,707,179 (2009: 317,419,886) fully paid ordinary shares	32,969	31,296
	32,969	31,296

	Economic Entity	
	2010	2010
	No.	\$'000
a. Ordinary shares		
At the beginning of the reporting period	317,419,886	31,296
Shares issued during the year		
- 24 November 2009	40,000,000	600
- 23 December 2009	83,287,293	1,250
- 21 June 2010	6,000,000	120
Capital raising costs – cash		(135)
Capital raising costs – options		(162)
At reporting date	446,707,179	32,969
b. Options over unissued ordinary shares		
At the beginning of reporting period	22,500,000	232
Options granted during the year		
- 23 December 2009	5,000,000	117
- 21 June 2010	5,000,000	45
- 21 June 2010	7,000,000	81
Options lapsed during the year	(12,500,000)	(130)
At reporting date	27,000,000	345

Options over Ordinary Shares issued during the year

On 23 December 2009, the Company issued 5,000,000 options at an exercise price of \$0.04 per share, expiring 31 December 2012, as part consideration for the share rights issue underwriting costs.

On 21 June 2010, the Company issued 5,000,000 options at an exercise price of \$0.06 per share, expiring 31 December 2012, as part consideration for the share rights issue underwriting costs.

On 21 June 2010, the Company issued 7,000,000 options at an exercise price of \$0.02 per share, expiring 9 June 2013 to directors following shareholder approval on 10 June 2010. These options vest when the Company's share price closes at a weighted average of \$0.05 for 20 consecutive trading days.

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**STYLE LIMITED
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NOTE 4: CONVERTIBLE NOTES

	Economic Entity	
	2010 \$'000	2009 \$'000
Convertible Notes – Current Liabilities:		
Notes issued during the year	500	-
At the end of the financial year	500	-
Convertible Notes – Equity:		
Notes issued during the year	1,050	-
Fund raising costs	(50)	-
At the end of the financial year	1,000	-

Convertible Notes Terms

- 1,050,000 Convertible Unsecured Notes (with a face value of \$1.00 each)

These Notes were issued on dates ranging from 19 April 2010 to 10 May 2010. The Notes have a term of 12 months from the date of issue and are convertible to ordinary fully paid shares at 1.75 cents per share for a total of 60,000,000 shares. Interest is accrued at a rate of 10% per annum. The Notes are convertible into ordinary shares at the option of both the Company and the Noteholders. The Company may only elect to convert the Notes into shares 5 business days before the expiry date of the term of the Notes. If the Company, at any time while the Notes are outstanding, issues or sells any ordinary shares for a consideration of less than 1.75 cents, then immediately after such dilutive issue the denominator used in calculating the conversion price shall be reduced to equal the new issue price.

These Notes are classified as equity under Accounting Standard AASB 132 “Financial Instruments: Presentation” due to the nature of the fixed conversion terms.

- 500,000 Convertible Secured Notes (with a face value of \$1.00 each)

These Notes were issued on 20 May 2010. The Notes have a term of 12 months from the date of issue and are convertible to ordinary fully paid shares at the lesser of 1.75 cents per share, the price of any new issue of securities during the term, or, in the case of the Company electing to convert the Notes, the 20 day volume weighted average price for the 20 days immediately prior to the date of conversion. Interest is accrued at a rate of 10% per annum. The Notes are convertible into ordinary shares at the option of both the Company and the Noteholders. The Company may only elect to convert the Notes into shares 5 business days before the expiry date of the term of the Notes. If the Company, at any time while the Notes are outstanding, issues or sells any ordinary shares for a consideration of less than 1.75 cents, then immediately after such dilutive issue the denominator used in calculating the conversion price shall be reduced to equal the new issue price.

These Notes are classified as liabilities under Accounting Standard AASB 132 “Financial Instruments: Presentation” due to the nature of the variable conversion terms.

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**STYLE LIMITED
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NOTE 5: EARNINGS PER SHARE

	Economic Entity	
	2010 \$'000	2009 \$'000
a. Reconciliation of earnings to net loss		
Net Profit/(Loss)	(6,074)	(15,475)
Loss used in the calculation of basic and diluted EPS	(6,074)	(15,475)
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	384,939,299	109,660,413
Weighted average number of options outstanding	20,294,521	49,243,842
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	<u>384,939,299</u>	<u>109,660,413</u>

As a loss has been incurred for both the 2010 and 2009 years, the options outstanding were not considered dilutive.

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**STYLE LIMITED
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NOTE 6 : SEGMENT REPORTING – PRIMARY REPORTING BUSINESS SEGMENTS

	Manufacturing		Distribution		Eliminations		Economic entity	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
External sales	173	6,234	10,310	13,338	-	-	10,483	19,572
Inter-segment sales	10,045	10,568	-	-	(10,045)	(10,568)	-	-
Total segment revenue	10,218	16,802	10,310	13,338	(10,045)	(10,568)	10,483	19,572
Unallocated revenue							-	-
Other revenue	379	204	58	84	-	833	437	1,121
Total revenue from continuing activities	10,597	17,006	10,368	13,422	(10,045)	(9,735)	10,920	20,693
RESULT								
Segment result	(1,076)	(2,450)	(4,809)	(8,690)	(165)	(5,497)	(6,050)	(16,637)
Unallocated expenses net of unallocated revenue							-	-
Profit/(Loss) from continuing activities before income tax expense							(6,050)	(16,637)
Income tax expense							(24)	1,162
Profit/(Loss) from continuing activities after income tax expense							(6,074)	(15,475)
Net profit/(loss)							(6,074)	(15,475)

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**STYLE LIMITED
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NOTE 6 : SEGMENT REPORTING – PRIMARY REPORTING BUSINESS SEGMENTS

	Manufacturing		Distribution		Eliminations		Economic entity	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS								
Segment assets	16,230	16,919	16,593	18,306	(18,446)	(19,271)	14,377	15,954
Unallocated assets							-	-
Total assets							14,377	15,954
LIABILITIES								
Segment liabilities	6,202	6,206	10,804	7,946	(7,679)	(5,576)	9,327	8,576
Unallocated liabilities							1,500	-
Total liabilities							10,827	8,576
OTHER								
Depreciation and amortisation of segment assets	308	224	287	334	-	-	595	558

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STYLE LIMITED (ABN 87 009 248 720) AND CONTROLLED ENTITIES

NOTE 6: SEGMENT REPORTING (CONT'D)

Business Segments:

The economic entity has the following two business segments:

- Manufacturing division manufactures bamboo flooring products at its factories in the People's Republic of China. Intersegment transactions have resulted from the sale of product to the parent entity Style Limited and to Style Distribution Limited.
- The Distribution segment markets and sells bamboo flooring products throughout the world via wholesale channels. This segment is responsible for the marketing of product manufactured by Anji Ya Feng Bamboo Products Co. Ltd

NOTE 7: GAIN OF CONTROL OVER ENTITIES IN PERIOD

Nil

NOTE 8: LOSS OF CONTROL OVER ENTITIES IN PERIOD

Nil

NOTE 9: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Nil

NOTE 10: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned	
		2010	2009
Parent Entity:			
Style Limited	Australia		
Subsidiaries of Style Limited			
Style Asia Pacific Pty Ltd	Australia	100%	100%
Anji Ya Feng Bamboo Products Limited	China	100%	100%
Style Plantation Ospark Pty Ltd	Australia	100%	100%
Style Distribution Limited	Hong Kong	100%	100%
Style Distribution Asia Limited	China	100%	100%
Zhejiang Ya Feng Bamboo Plantation Technology Company	China	100%	100%
Subsidiary of Anji Ya Feng Bamboo Products Limited			
Wannian Tianfeng Bamboo Products Limited	China	100%	100%

NOTE 11: SUBSEQUENT EVENTS

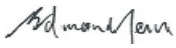
On 2 July 2010, the Company issued 139,000,000 fully paid ordinary shares at 1.85 cents per share in accordance with a share placement raising \$2,571,500.

**STYLE LIMITED
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Compliance Statement

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

	The accounts have been audited		The accounts have been subject to review.
X	The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed

Signed: _____ Date: 31 August 2010

 (Chief Financial Officer)

Print name: Edmond Tern

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