

## Announcement to Market

### FOR THE HALF YEAR ENDED 31 DECEMBER 2009

#### 1. Results for announcement to the market

		\$	Up / down	Movement %
1.1	Revenues from ordinary activities	13,401,225	down	10.6%
1.2	Profit/(loss) from ordinary activities after tax attributable to members	892,550	down	37.6%
1.3	Net profit/(loss) for the period attributable to members	892,550	down	37.6%
1.4	Dividends	Amount per Security (cents)	Franked amount per security (cents)	
	<i>Current Period</i>			
	Final Interim – payable 09 April 2010	N/A 1.25	N/A 1.25	

#### 2. Earnings Per Share

	31 Dec 2009	31 Dec 2008
Earnings Per share	2.0 cents	2.98 cents

Trading for the six month period has remained challenging. This is primarily due to the choice available to the consumer of competitive product at a heavily discounted price which is driving their purchasing behaviour. Sales are responding to new initiatives with revised incentive plans driving increased recruitment and sales activity across the 1,600 strong distributor network. A review of the product offering and timing of offerings was initiated and this has led to the launch of a new outerwear brand, providing clear segmentation of UnderCoverWear product offerings. Early indications from within the distributor network are extremely positive. However, the benefits of these will flow into the second half trading.

As further changes are implemented to the product range in the second half, there will be improvement to the margin in the fourth quarter of 2010.

In the first half of the financial year, the Board has reviewed all aspects of the business including consultant incentives, product development and design. The focus remains to improve sales volumes, gross margin and the bottom line.

The Board is confident the product review and design focus will lead to strengthening appeal to customers, resulting in increasing sales. Margins will improve over the medium term with a tighter control on inventory manufacture, variable and fixed costs. Sales since December have remained behind budget, however have improved year on year.