



**STW COMMUNICATIONS GROUP LIMITED**

ABN 84 001 657 370

**APPENDIX 4D**

**30 JUNE 2012**

# Appendix 4D

## Half year report

### 1. Company details

Name of entity

**STW Communications Group Limited**

ABN or equivalent company  
reference

**84 001 657 370**

Half year ended ('current period')

**30 June 2012**

Half year ended ('previous period')

**30 June 2011**

### 2. Results for announcement to the market

\$A'000's

2.1	Revenues from ordinary activities	Up	3.9%	to	\$164,998
2.2	Profit (loss) from ordinary activities after tax attributable to members	Up	4.7%	to	\$17,987
2.3	Net profit (loss) for the period attributable to members	Up	4.7%	to	\$17,987
2.4	<b>Dividends</b>	Amount per security		Franked amount per security	
	Interim dividend declared	3.3¢		3.3¢	
2.5	Record date for determining entitlements to the dividend.	27 August 2012			

### 3. NTA backing

	Current period	Previous corresponding Period
Net tangible asset backing per ordinary security	(9) ¢	(6) ¢

## 4 Dividends

### Individual dividends per security

		Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
	<b>Interim Dividend:</b> Current year	10 September 2012	3.3¢	3.3¢	Nil
	Previous year	9 September 2011	3.0¢	3.0¢	Nil

## 5 Dividend Reinvestment Plans

The dividend or distribution plans shown below are in operation.

A dividend reinvestment plan will not be in operation

The last date(s) for receipt of election notices for the dividend or distribution plans

N/A

## 6 Details of associates and joint venture entities

		Consolidated Entity	
		2012	2011
	Note	\$'000	\$'000
Share of equity accounted investments contribution to net profit:			
J. Walter Thompson Group	(a)	567	636
GroupM Communications (Mindshare)		1,521	1,433
Ogilvy Public Relations Group		331	520
Other contributions		1,993	923
Equity share of associated entities' net profit		4,412	3,512
(a) The J. Walter Thompson Group comprises Marketing Communications Holdings Australia Pty Limited, i2i Communications Pty Ltd and J. Walter Thompson International Ltd (New Zealand).			
		Ownership Interest	
Name		2012	2011
Bohemia Group Pty Limited	37.5% (i)	-	-
Campaigns and Communications Group Pty Limited	20%	20%	20%
Catalyst Advertising Pty Limited	(iii)	50%	50%
Enigma Communication Pty Limited	20% (i)	-	-
Evocatif Pty Limited	49%	49%	49%
Ewa Heidelberg Pty Limited (formerly i2i Communications Pty Limited)	49%	49%	49%
Feedback ASAP Pty Ltd (STW's effective ownership interest is 20.4%)	40%	40%	40%
Houston Group Pty Limited	40% (i)	-	-
Ikon3 LLC	20%	20%	20%
Ikon Perth Pty Limited	45%	45%	45%
J. Walter Thompson International Limited (New Zealand)	49%	49%	49%
Jamshop Pty Limited	40%	40%	40%
Marketing Communications Holdings Australia Pty Limited and its subsidiaries	49%	49%	49%
Massive Media Pty Limited and its subsidiaries	49%	49%	49%
M Media Group Pty Limited and its subsidiaries	47.5%	47.5%	47.5%
Ogilvy Public Relations Worldwide Pty Limited and its subsidiaries	49%	49%	49%
Paragon Design Group Pty Limited	49%	49%	49%
Purple Communications Australia Pty Ltd	49% (ii)	-	-
Spinach Advertising Pty Limited	20%	20%	20%
Straterjee Pty Limited	(iv)	25%	25%
TaguchiMarketing Pty Limited	20%	20%	20%
TCO Pty Limited	40%	40%	40%
The Origin Agency Pty Limited	49%	49%	49%
White Digital Pty Limited	49%	49%	49%

- (i) The Company purchased shares in this entity during the second half of the 2011 financial year.
- (ii) The Company purchased shares in this entity during the first half of the 2012 financial year.
- (iii) The Company purchased additional shares in this entity during the first half of the 2012 financial year resulting in the acquisition of a controlling interest. As a result, this investment has been consolidated as a subsidiary in the current period and is no longer accounted for under the equity method.
- (iv) The Company purchased additional shares in this entity during the second half of the 2011 financial year resulting in the acquisition of a controlling interest. As a result, this investment has been consolidated as a subsidiary in the current period and is no longer accounted for under the equity method.

## 7 Acquisitions

<b>Entity Acquired</b>	<b>Principal Activity</b>	<b>Date control acquired</b>	<b>Acquired %</b>	<b>Total Current Ownership Interest %</b>	<b>Cost of Acquisition \$'000</b>
Buchanan Group Pty Limited	Advertising Agency	1 <sup>st</sup> April 2012	100%	100%	9,500
Yellow Edge Pty Limited	Advertising Agency	1 <sup>st</sup> March 2012	80%	80%	1,000
Edge Pty Limited	Advertising Agency	1 <sup>st</sup> January 2012	100%	100%	4,389
Catalyst Advertising Pty Limited	Advertising Agency	1 <sup>st</sup> January 2012	25%	75%	1,344
Picnic Software Pty Limited	Production software	30 <sup>th</sup> June 2012	70%	70%	700

On 1 April 2012, STW Media Services (“SMS”) acquired 100% of Buchanan Group Pty Limited (“Buchanan”). Buchanan is a full service advertising agency which operates out of Canada, the United Kingdom, Malaysia, Singapore and Australia.

On 1 March 2012, SMS acquired 80% of Yellow Edge Pty Limited (“Yellow Edge”). Yellow Edge is a training and facilitation agency which operates out of the ACT, New South Wales, Queensland, Victoria and New Zealand.

On 1 January 2012, SMS acquired 100% of Edge Pty Limited (“Edge”). Edge is a full service advertising agency which operates out of Thailand, Vietnam, Singapore and Hong Kong.

On 1 January 2012, SMS acquired an additional 25% of Catalyst Advertising Pty Limited (“Catalyst”) thereby increasing SMS’s ownership to 75%. Catalyst is a full service advertising agency which operates out of Melbourne.

On 30 June 2012, SMS acquired 70% of Picnic Software Pty Limited (“Picnic”). Picnic is a production software company which operates out of Melbourne.



Robert Mactier  
Chairman  
Sydney  
9 August 2012



Michael Connaghan  
CEO & Managing Director  
Sydney  
9 August 2012