



4th August 2011

CADENCE CAPITAL LIMITED ANNOUNCES RECORD FULL YEAR RESULT

RESULTS FOR THE YEAR ENDED 30th JUNE 2011

- ***Record Profit after tax up 357% to \$13.148m***
- ***Gross portfolio up +82.00% out performing All Ordinaries Accumulation Index by 69.83% and Small Ordinaries Accumulation Index by 65.59%***
- ***Morningstar/ ASX June 2011 report ranks Cadence Capital Limited one of the top three performing LIC's in Australia over all periods since listing***
- ***Record franking credit balance of \$5.214m being the equivalent of 18.9 cents of franking per Cadence Capital Limited share***
- ***9.0c of Fully Franked Dividends were declared in the financial year ended 30 June 2011***
- ***After tax net tangible assets increased to \$1.45 per share during the financial year***
- ***The Company recently announced a 1:1 Bonus Issue of Options to Shareholders on the Register on the 19th August 2011***

Cadence Capital Limited

Cadence Capital Limited (CDM) is pleased to announce a record net profit after tax of \$13.148 Million for the year ended 30 June 2011. Over the past twelve months, the portfolio returned 82.0%, outperforming the All Ordinaries Accumulation Index by 69.83% and the Small Ordinaries Accumulation Index by 65.59%.

Later this year CDM will celebrate 5 years of being listed on the Australian Stock Exchange (ASX). CDM listed on the ASX in December 2006 at \$1.16 and is currently trading at \$1.36 and has declared 23.5 cents of fully franked dividends since listing. Over the same period the All Ordinaries Accumulation index is up 3%. This period includes one of the worst stock market crashes over the last 75 years.

CDM has accumulated a record franking credit balance of \$5.214 Million being the equivalent of 18.9 cents of franking per share. These franking credits have substantial value.

CDM has also recently announced a 1 for 1 bonus issue of Options to CDM Shareholders at a strike price of \$1.25 exercisable on or before 15 September 2012.

Commenting on the Bonus issue of Options the Chairman Karl Siegling noted:

“The issue of a Bonus Option combined with the payment of a 6.0 cent fully franked dividend should meet a number of objectives;

- *attract new long term investors, particularly those investors who value a fully franked yield and capital growth;*
- *expand the market capitalisation of CDM thereby improving liquidity, and*
- *improve CDM's ratings by equity investment research houses.*

Hopefully these measures enable CDM Shares to trade closer to their Net Tangible Asset (NTA) backing.

I would also like to once again take this opportunity to thank our investors for their continued support.”

Ends:

Contact:

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