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ASX Media release

30 October 2009

CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING – 30 OCTOBER 2009

When we met last year we were in the last stages of major transitions for our businesses and the world had just gone into financial turmoil.

A year later we have completed our substantial transitions and there is a rainbow of opinions as to the world's financial status.

I'm no sage of world economies so I'll confine my comments to our Company.

Internally we are now through the major transitions, including the IT roll-out, although as a Company with over 100 locations and so many employees, customers, suppliers and products, things are always changing somewhere.

The transitions we've been through have been documented in our annual report and elsewhere so I won't go into detail on those today.

SLIDE 1

Our gasket business improved its performance in F2009, especially in the second half and it continues to trade well in the first quarter of this year. Demand in its sector has been good.

SLIDE 2

Coventry's auto business, which was losing money a year ago, has returned to profitability under Michael Hurley's leadership, despite strong competition in what has been a softening market place across its mix. This return to profitability has included benchmarking the business against like businesses and improving our internal and external performance. Our service levels in WA are now the best they have ever been and (arguably) the best in the State.

SLIDE 3

The Industrial business is the area where market demand has softened markedly, starting late in calendar year 2008. We have acted strongly to maximize our market position and reduce our cost base.

SLIDE 4

The achievements of the last two years have required a fresh approach and the slide you are looking at now shows that there are fresh faces in most senior roles. As you can see, half have been promoted from within and half are fresh to Coventry. Nearly all have been in their new role for at least a year now so we are really getting the benefits now.

As you can see, these actions have brought us back into profits but there is more to do here. We are now seeing a higher level of business enquiry but we also need to further improve our market and internal initiatives.

Today I am able to report that for the quarter ended September 30, 2009, the Company had an unaudited net profit after tax of \$1.85 million, with each of our 3 business areas contributing positively.

As most of you are also aware, last month we paid our first dividend since 2007.

Recommencing dividends is a measure of the confidence we have in our Company's future.

SLIDE 5

As you can see from the chart on the screen, our share price, which has traded well below our gradually increasing NTA value for the last 22 months, is now rising. Following the release of our F2009 results a number of Directors and management have bought shares in Coventry.

SLIDE 6

The Company's net debt has been greatly reduced over the last 2 years, dropping from a peak of \$83 million in June 2007 to \$15 million at our last balance date. At the end of September 2009 it was under \$11 million. This has been a substantial achievement given it has essentially been done without an equity raising. In this way, value has been preserved for existing shareholders.

It is our intention to continue paying dividends and we anticipate that we will be in a position to pay one after our half year results are announced.

After a period of your Board concentrating on improving our operations, we are now looking actively to grow our Company for long term shareholder value creation. Any initiatives in this area will be well disciplined.

By way of examples of this responsible growth I'm pleased to announce that whereas we closed a number of uneconomic branches in F2009, we opened a new branch in Broome this month and we are planning a further two branch openings in the next few months.

With a debt to equity ratio of 6% we are well placed to act.

Whilst the primary focus of our growth will be externally directed, it may be that one of our most value adding options is to buy back our shares and to that end we are announcing today that we intend to file with the ASX the requisite documents that allow us to buy back up to 10% of our shares on-market over the next 12 months. The actual number of shares purchased will depend upon the circumstances over time and there is no fixed minimum number we will buy back.

Looking forward we are guardedly optimistic about our expectation of an improving trend in our overall trading outlook. Likely near term interest rate rises are not expected to impact us as our borrowing rate is effectively fixed at above the current spot rate.

Finally, a few important comments on the human side of our Company.

SLIDE 7

I'm pleased to report that our number of lost time injuries has continued to fall, having halved over the last 2 years. It reflects the interest staff at all levels have taken in safety and the fact that we are conducting the business in a more disciplined way.

I also want to record my appreciation today for the efforts and adaptability of so many of our people as we have needed to change to more efficient business structures through this tough economic period.

Labour turnover has been a huge and expensive problem for us. I'm pleased to be able to report that this calendar year it has reduced markedly for us, but again, we need to improve this further.

Our competitors have improved and so must we if we are to remain competitive and viable.

Importantly I want to additionally recognise the support of our shareholders and the many encouraging comments they have made.

(END OF CHAIRMAN'S ADDRESS)

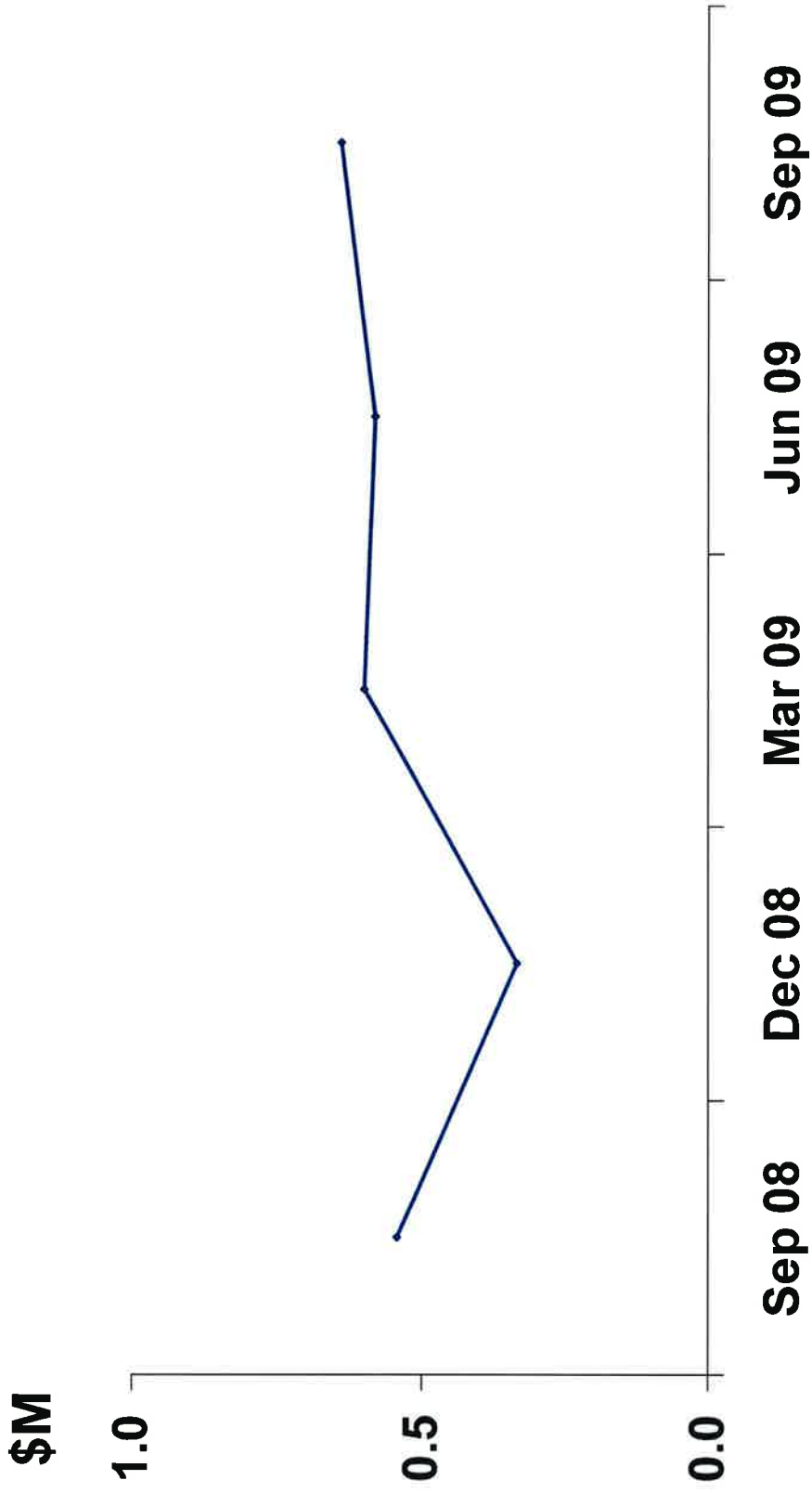
For further information, please contact:

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Executive Chairman
Coventry Group Ltd

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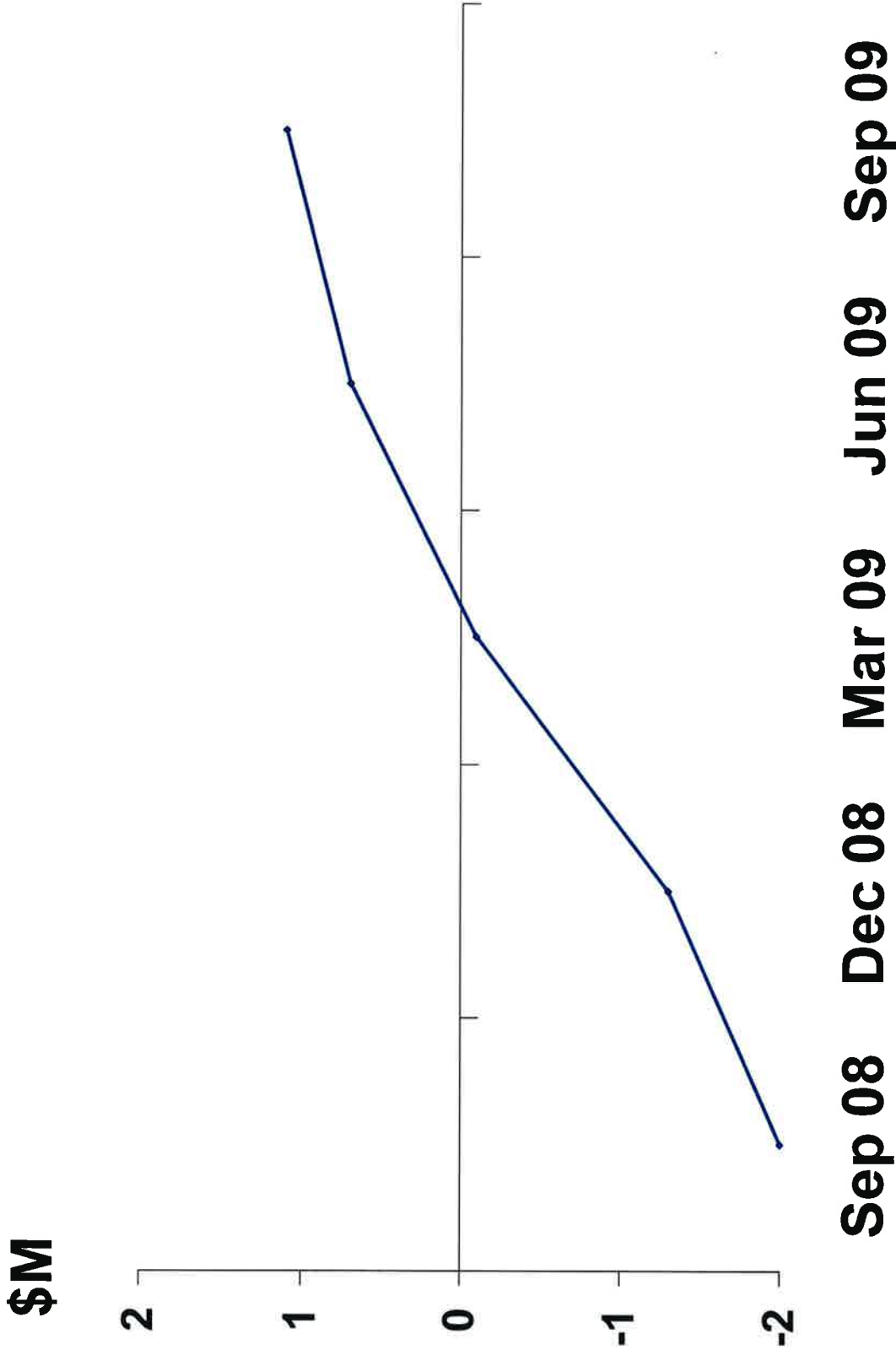
GASKETS EARNINGS (EBIT)





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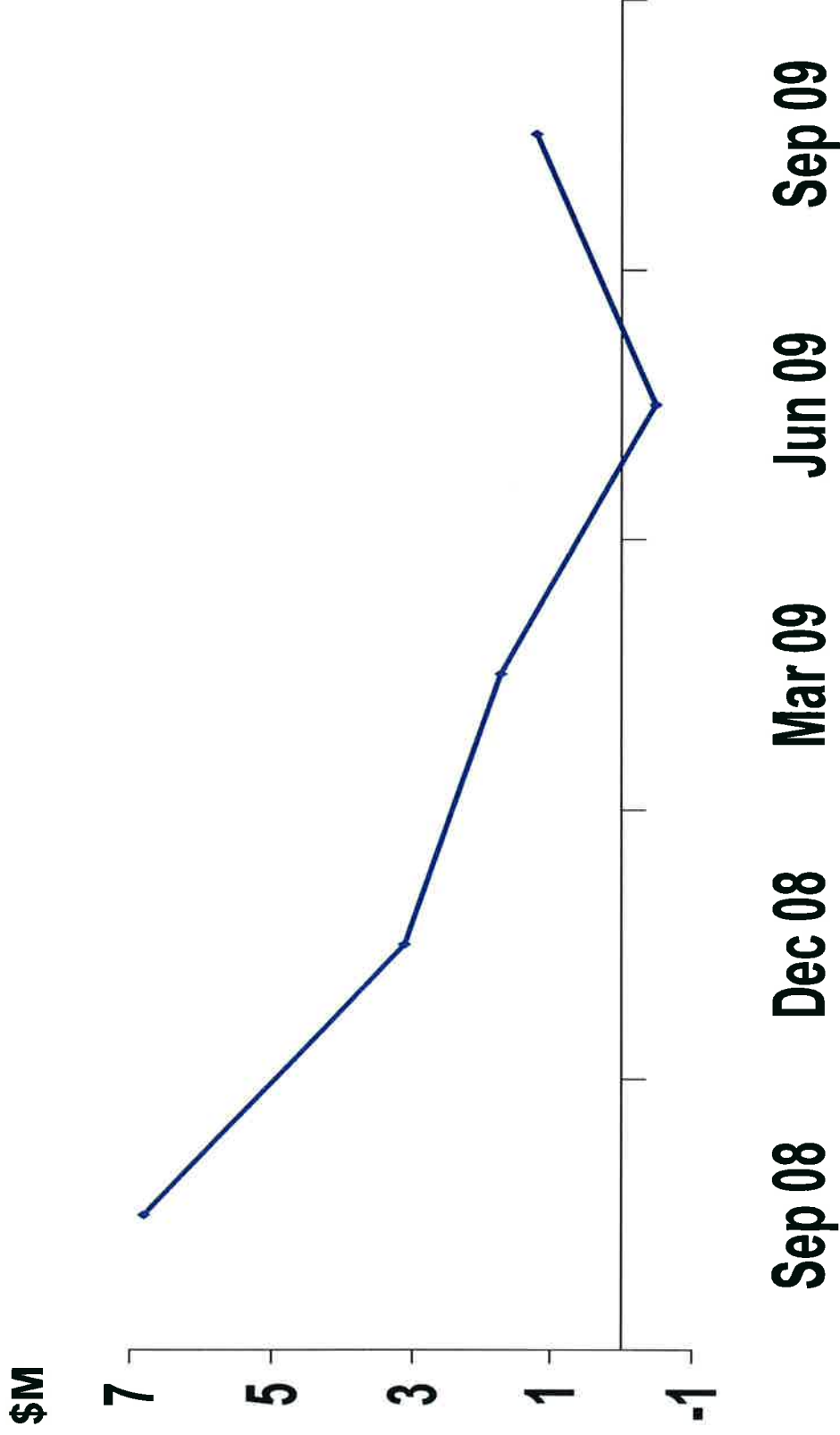
AUTOMOTIVE EARNINGS (EBIT)





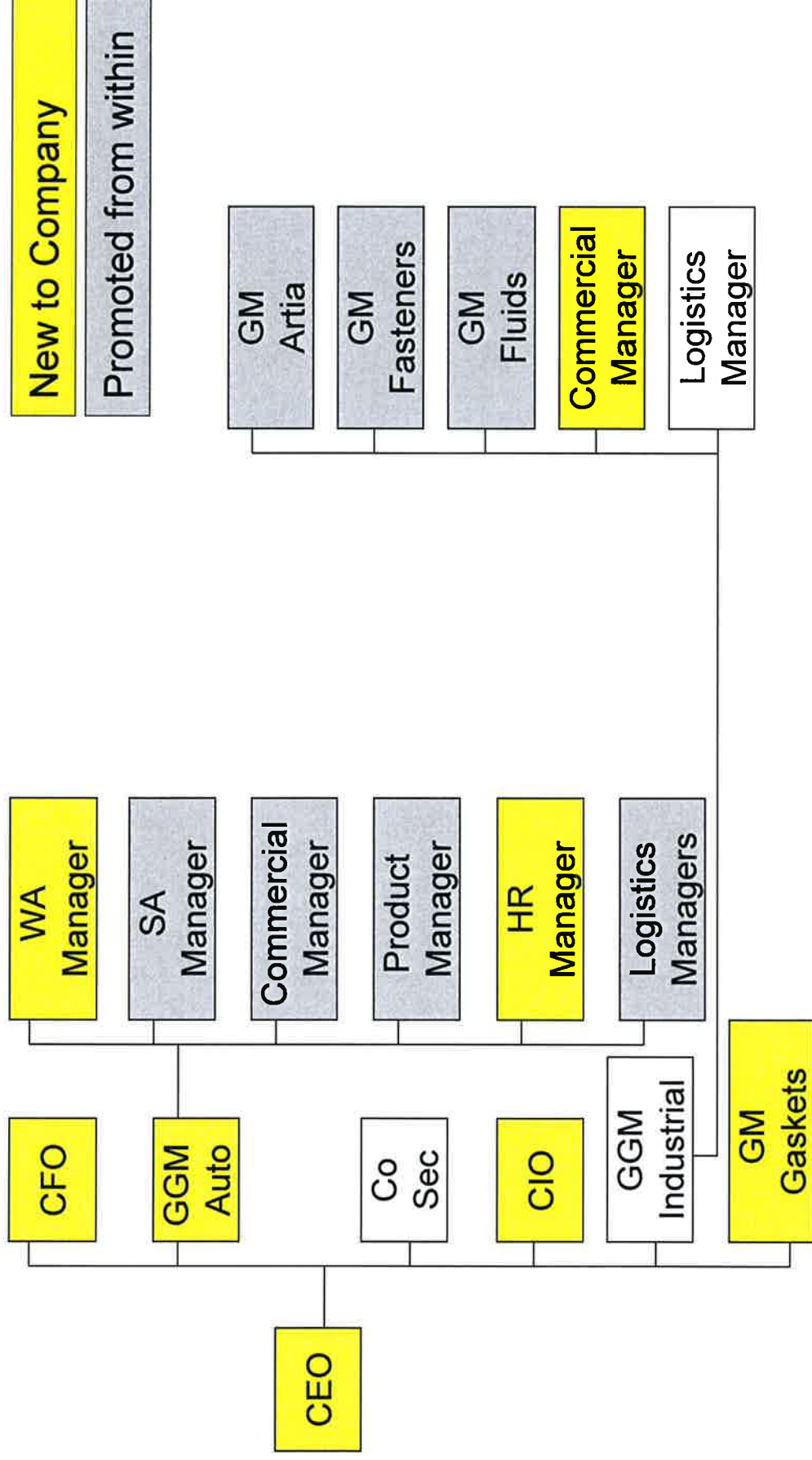
Coventry Group Ltd

INDUSTRIAL EARNINGS (EBIT)



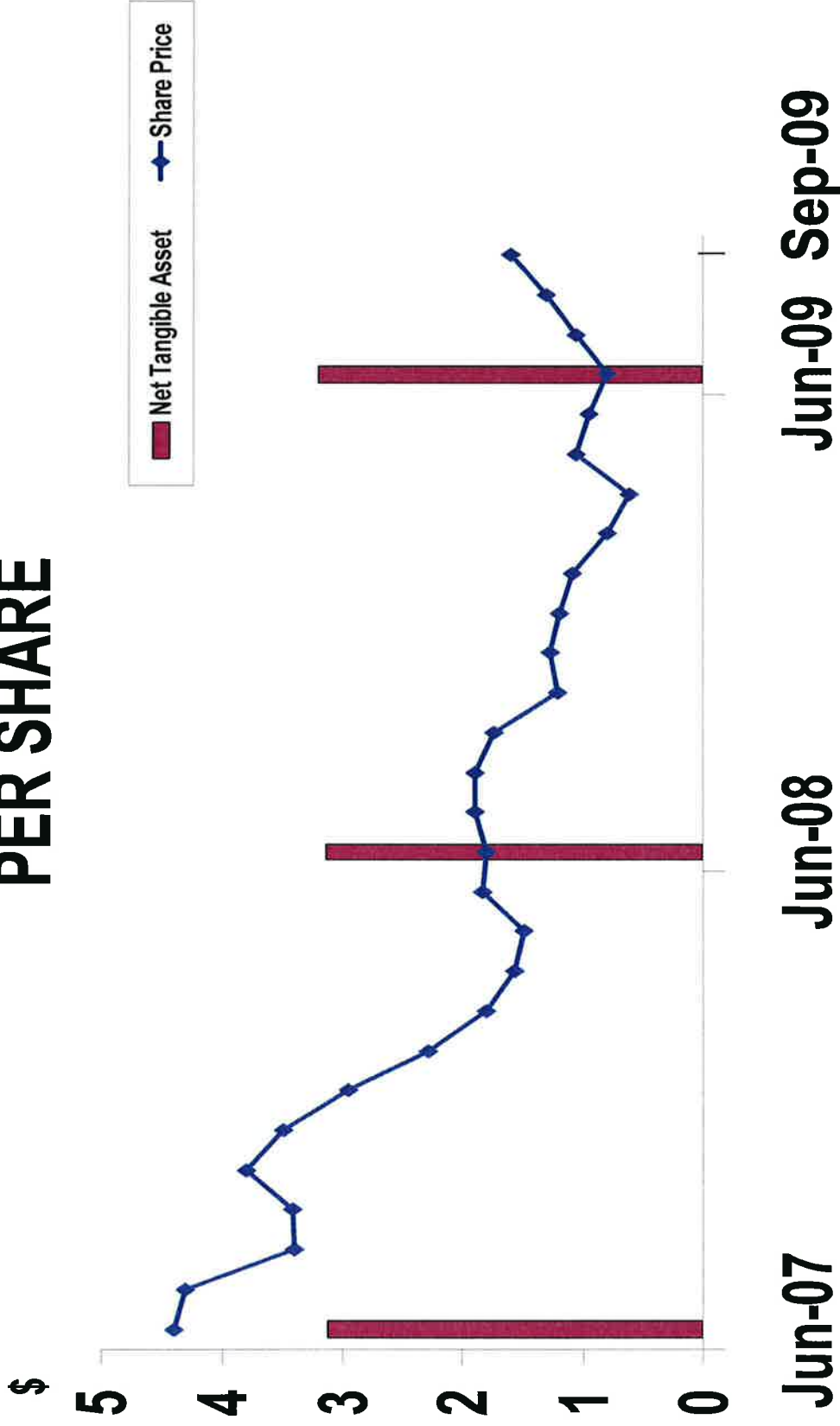


New leadership matched to tasks and creating a stable team



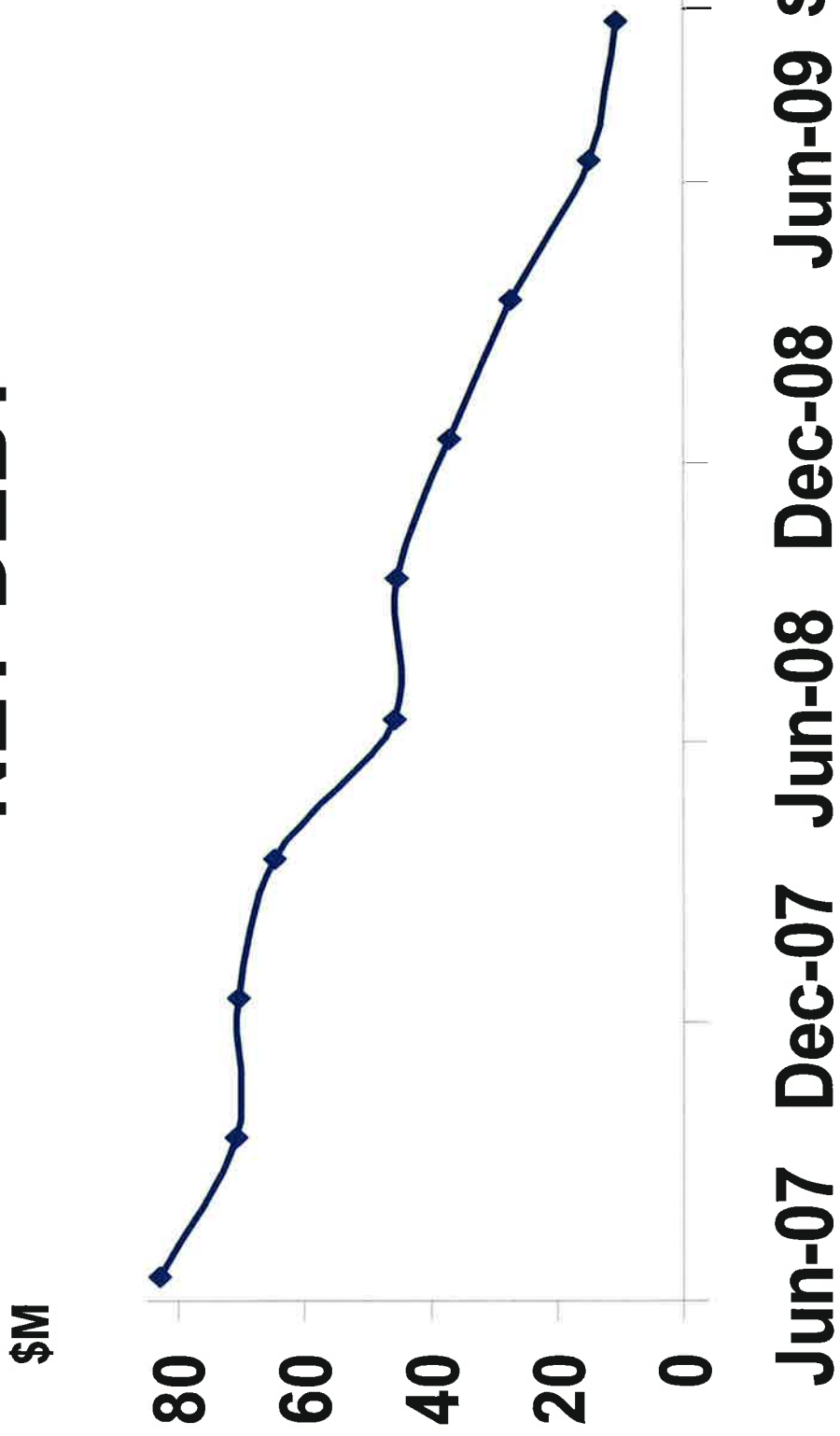


SHARE PRICE & NET TANGIBLE ASSETS PER SHARE





NET DEBT





LOST TIME INJURIES PER YEAR

