

FORM: Half yearly/preliminary final report

Name of issuer

BELL IXL INVESTMENTS LIMITED

ACN or ARBN

113 669 908

Half yearly
(tick)

Preliminary
final (tick)

✓

Half year/financial year ended
(‘Current period’)

30 JUNE 2007

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

				\$A
Revenue (item 1.1)	up/down	496%	to	664,874
Profit (loss) for the period (item 1.9)	up/down	310%	to	247,621
Profit (loss) for the period attributable to members of the parent (item 1.11)	up/down	310%	to	247,621
Dividends		Current period		Previous corresponding period
Franking rate applicable:				
Final dividend (preliminary final report only)(item 10.13-10.14)				
Amount per security		TBA		No final dividend
Franked amount per security		TBA		No final dividend
Interim dividend (Half yearly report only) (item 10.11 – 10.12)				
Amount per security		No interim dividend		1.0 cents
Franked amount per security		No interim dividend		1.0 cents
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

Consolidated income statement *(The figures are not equity accounted)**(see note 3)**(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - \$A	Previous corresponding period - \$A
1.1 Revenues <i>(item 7.1)</i>	664,874	134,144
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	240,092	33,759
1.3 Finance costs		
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>		
1.5 Profit (loss) before income tax	424,782	100,385
1.6 Income tax expense <i>(see note 4)</i>	177,161	20,572
1.7 Profit (loss) from continuing operations	247,621	79,813
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>		
1.9 Profit (loss) for the period	247,621	79,813
1.10 Profit (loss) attributable to minority interests		
1.11 Profit (loss) attributable to members of the parent	247,621	79,813
1.12 Basic earnings per security <i>(item 9.1)</i>	1.96 cents	0.78 cents
1.13 Diluted earnings per security <i>(item 9.1)</i>	1.96 cents	0.78 cents
1.14 Dividends per security <i>(item 9.1)</i>	TBA	1.00 cents

Comparison of half-year profits*(Preliminary final statement only)*

	Current period - \$A	Previous corresponding period - \$A
2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i>	101,045	78,931
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year	146,576	882

Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

Current assets		Current period - \$A	Previous corresponding period - \$A
3.1	Cash and cash equivalents	11,635	985,115
3.2	Trade and other receivables	962,822	25,973
3.3	Investments - trading portfolio	2,479,604	1,470,039
3.4	Other current assets (provide details if material)		
3.5	Total current assets	3,454,061	2,481,127
Non-current assets			
3.6	Available for sale investments		
3.7	Other financial assets		
3.8	Investments in associates		
3.9	Deferred tax assets	87,024	68,921
3.10	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)		
3.11	Development properties (mining entities)		
3.12	Property, plant and equipment (net)		
3.13	Investment properties		
3.14	Goodwill		
3.15	Other intangible assets		
3.16	Other (provide details if material)	12,500	
3.17	Total non-current assets	99,524	68,921
3.18	Total assets	3,553,585	2,550,048
Current liabilities			
3.19	Trade and other payables	11,789	8,070
3.20	Short term borrowings	110,000	
3.21	Current tax payable	72,934	41,206
3.22	Short term provisions		
3.23	Current portion of long term borrowings		
3.24	Other current liabilities (provide details if material)		
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)		
3.26	Total current liabilities	194,723	49,276

Non-current liabilities		Current period - \$A	Previous corresponding period - \$A
3.27	Long-term borrowings		
3.28	Deferred tax liabilities	150,837	20,368
3.29	Long term provisions		
3.30	Other (provide details if material)		
3.31	Total non-current liabilities	150,837	20,368
3.32	Total liabilities	345,560	69,644
3.33	Net assets		
	Equity		
3.34	Share capital	2,863,754	2,383,754
3.35	Other reserves		
3.36	Retained earnings	344,271	96,650
	Amounts recognised directly in equity relating to non-current assets classified as held for sale		
3.37	Parent interest	3,208,025	2,480,404
3.38	Minority interest		
3.39	Total equity	3,208,025	2,480,404

Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

	Current period – A\$	Previous corresponding period – A\$
Revenues recognised directly in equity:		
Expenses recognised directly in equity:		
4.1 Net income recognised directly in equity		
4.2 Profit for the period	247,621	79,813
4.3 Total recognised income and expense for the period	247,621	79,813
Attributable to:		
4.4 Members of the parent	247,621	79,813
4.5 Minority interest		
Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):		
4.6 Members of the parent entity		
4.7 Minority interest		

Consolidated statement of cash flows

(See note 6)

(as per AASB 107: Cash Flow Statements)

		Current period - \$A	Previous corresponding period - \$A
	Cash flows related to operating activities		
5.1	Sale of investments	629,402	492,833
5.1A	Purchase of investments	(1,737,716)	(557,843)
5.2	Payments to suppliers and employees	(55,691)	(31,424)
5.3	Interest received	47,219	15,460
5.3A	Dividends received	43,168	15,873
5.4	Income taxes paid	(11,837)	(37,972)
5.5	Other (provide details if material)	1,975	2,166
5.6	Net operating cash flows	(1,083,480)	(100,907)
	Cash flows related to investing activities		
5.7	Payments for purchases of property, plant and equipment		
5.8	Proceeds from sale of property, plant and equipment		
5.9	Payment for purchases of equity investments		
5.10	Proceeds from sale of equity investments		
5.11	Loans to other entities		
5.12	Loans repaid by other entities		
5.13	Interest and other similar items received		
5.14	Dividends received		
5.15	Other (provide details if material)		
5.16	Net investing cash flows		
	Cash flows related to financing activities		
5.17	Proceeds from issues of securities (shares, options, etc.)		583,000
5.18	Proceeds from borrowings	173,750	
5.19	Repayment of borrowings	(63,750)	(98,522)
5.20	Dividends paid		(106,600)
5.21	Other (provide details if material)		(67,813)
5.22	Net financing cash flows	110,000	310,065
	Net increase (decrease) in cash and cash equivalents	(973,480)	209,158
5.23	Cash at beginning of period (see Reconciliations of cash)	985,115	775,957
5.24	Exchange rate adjustments to item 5.23		
5.25	Cash at end of period (see Reconciliation of cash)	11,635	985,115

Notes to the financial statements

Details of revenues and expenses

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

	Current period - \$A	Previous corresponding period - \$A
Revenue		
Net realised gains on trading portfolio	90,315	48,328
Net unrealised gains on trading portfolio	457,840	20,826
Income from trading portfolio	70,767	37,681
Other revenue	45,952	27,309
7.1 Total Revenue	664,874	134,114
Expenses		
Impairment of assets	182,062	
Other expenses	58,030	33,759
7.2 Total Expenses	240,092	33,759
Profit (loss) before tax	424,782	100,385

Ratios

	Current period	Previous corresponding period
Profit before tax / revenue		
8.1 Consolidated profit (loss) before tax (item 1.5) as a percentage of revenue (item 1.1)	63.89%	74.83%
Profit after tax / equity interests		
8.2 Consolidated profit (loss) after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37)	8.65%	3.22%

Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

The weighted average number of ordinary shares on issue during the period used to calculate earnings per share is 12,620,989.

There were no dilutive securities on issue during the period.

Dividends

- 10.1 Date the dividend is payable TBA
- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer) TBA
- 10.3 If it is a final dividend, has it been declared?
(Preliminary final report only) NO
- 10.4 The *dividend or distribution plans* shown below are in operation.

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

- 10.5 Any other disclosures in relation to *dividends or distributions*

The directors of the company have not yet determined whether or not to pay a final dividend for the year ended 30 June 2007. A determination will be made following completion of the statutory audit of the financial records of the company.

Dividends paid or provided for on all securities*(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)*

	Current period - \$A	Previous corresponding period - \$A	Franking rate applicable
Dividends paid or provided for during the reporting period			
10.6 Current year interim		106,600	100%
10.7 Franked dividends		106,600	100%
10.8 Previous year final			
10.9 Franked dividends			
Dividends proposed and not recognised as a liability			
10.10 Franked dividends			

Dividends per security*(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)*

	Current year	Previous year	Franking rate applicable
Dividends paid or provided for during the reporting period			
10.11 Current year interim		1.0	100%
10.12 Franked dividends – cents per share		1.0	100%
10.13 Previous year final			
10.14 Franked dividends – cents per share			
Dividends proposed and not recognised as a liability			
10.15 Franked dividends – cents per share			

Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current period \$A	Previous corresponding period \$A
11.1 Opening balance		
11.2 Expenditure incurred during current period		
11.3 Expenditure written off during current period		
11.4 Acquisitions, disposals, revaluation increments, etc.		
11.5 Expenditure transferred to Development Properties		
11.6 Closing balance as shown in the consolidated balance sheet (item 3.10)		

Development properties

(To be completed only by issuers with mining interests if amounts are material)

	Current period \$A	Previous corresponding period \$A
12.1 Opening balance		
12.2 Expenditure incurred during current period		
12.3 Expenditure transferred from exploration and evaluation		
12.4 Expenditure written off during current period		
12.5 Acquisitions, disposals, revaluation increments, etc.		
12.6 Expenditure transferred to mine properties		
12.7 Closing balance as shown in the consolidated balance sheet (item 3.11)		

Discontinued Operations

(see note 18) (as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

	Current period – A\$	Previous corresponding period – A\$
13.1 Revenue		
13.2 Expense		
13.3 Profit (loss) from discontinued operations before income tax		
13.4 Income tax expense <i>(as per para 81 (h) of AASB 112)</i>		
13.5 Gain (loss) on sale/disposal of discontinued operations		
13.6 Income tax expense <i>(as per paragraph 81(h) of AASB 112)</i>		

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid- up value (cents)	Current period – A\$	Previous corresponding period – A\$
14.1	Preference securities <i>(description)</i>					
14.2	Balance at start of period					
14.3	a) Increases through issues					
14.4	a) Decreases through returns of capital, buybacks etc.					
14.5	Balance at end of period					
14.6	Ordinary securities <i>(description)</i>					
14.7	Balance at start of period	11,580,000	11,580,000			2,383,754
14.8	a) Increases through issues	1,600,000	1,600,000			
14.9	b) Decreases through returns of capital, buybacks etc.					
14.10	Balance at end of period	13,180,000	13,180,000		2,863,754	
14.11	Convertible Debt Securities <i>(description & conversion factor)</i>					
14.12	Balance at start of period					
14.13	a) Increases through issues					
14.14	b) Decreases through maturity, converted.					
14.15	Balance at end of period					

		Number issued	Number listed	Paid- up value (cents)	Current period – A\$	Previous corresponding period – A\$
14.16	Options <i>(description & conversion factor)</i> EXERCISE PRICE \$0.25 EXPIRY 31/03/2008					
14.17	Balance at start of period	500,000	0			
14.18	Issued during period					
14.19	Exercised during period					
14.20	Expired during period					
14.21	Balance at end of period	500,000	0			
14.22	Debentures <i>(description)</i>					
14.23	Balance at start of period					
14.24	a) Increases through issues					
14.25	b) Decreases through maturity, converted					
14.26	Balance at end of period					
14.27	Unsecured Notes <i>(description)</i>					
14.28	Balance at start of period					
14.29	a) Increases through issues					
14.30	b) Decreases through maturity, converted					
14.31	Balance at end of period					
14.32	Total Securities	13,680,000	13,180,000			

		Current period – A\$	Previous corresponding period – A\$
Reserves			
14.33	Balance at start of period		
14.34	Transfers to/from reserves		
14.35	Total for the period		
14.36	Balance at end of period		
14.37	Total reserves		
Retained earnings			
14.38	Balance at start of period	96,650	123,437
14.39	Changes in accounting policy		
14.40	Restated balance		
14.41	Profit for the balance		
14.42	Profit for the period	247,621	79,813
14.43	Dividends		(106,600)
14.44	Balance at end of period	344,271	96,650

Details of aggregate share of profits (losses) of associates and joint venture entities

(equity method)

(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)

Name of associate or joint venture entity

Reporting entities percentage holding

		Current period - \$A	Previous corresponding period - \$A
15.1	Profit (loss) before income tax		
15.2	Income tax		
15.3	Profit (loss) after tax		
15.4	Impairment losses		
15.5	Reversals of impairment losses		
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)		
15.7	Share of net profit (loss) of associates and joint venture entities		

Control gained over entities having material effect

(See note 8)

16.1 Name of *issuer* (or *group*)

16.2 Consolidated profit (loss) after tax of the *issuer* (or *group*) since the date in the current period on which control was acquired

16.3 Date from which profit (loss) in *item 16.2* has been calculated

16.4 Profit (loss) after tax of the *issuer* (or *group*) for the whole of the previous corresponding period

\$A

Loss of control of entities having material effect*(See note 8)*17.1 Name of *issuer* (or *group*)17.2 Consolidated profit (loss) after tax of the entity (or *group*) for the current period to the date of loss of control17.3 Date from which the profit (loss) in *item 17.2* has been calculated17.4 Consolidated profit (loss) after tax of the entity (or *group*) while controlled during the whole of the previous corresponding period

17.5 Contribution to consolidated profit (loss) from sale of interest leading to loss of control

\$A

Material interests in entities which are not controlled entities*The economic entity has an interest (that is material to it) in the following entities.*

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) (<i>item 1.9</i>)	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A	Previous corresponding period \$A
				<i>Equity accounted</i>	
18.2	Total				
18.3	Other material interests			Non equity accounted (i.e. part of <i>item 1.9</i>)	
18.4	Total				

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the presentation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

	Current period - \$A	Previous corresponding period - \$A
Segments		
Revenue:		
19.1 External sales		
19.2 Inter-segment sales		
19.3 Total (consolidated total equal to <i>item 1.1</i>)		
19.4 Segment result		
19.5 Unallocated expenses		
19.6 Operating profit (equal to <i>item 1.5</i>)		
19.7 Interest expense		
19.8 Interest income		
19.9 Share of profits of associates		
19.10 Income tax expense		
19.11 Net profit (consolidated total equal to <i>item 1.9</i>)		
Other information		
19.12 Segment assets		
19.13 Investments in equity method associates		
19.14 Unallocated assets		
19.15 Total assets (equal to <i>item 3.18</i>)		
19.16 Segment liabilities		
19.17 Unallocated liabilities		
19.18 Total liabilities (equal to <i>item 3.32</i>)		
19.19 Capital expenditure		
19.20 Depreciation		
19.21 Other non-cash expenses		

NOTE:

The company operates solely in one business and geographical segment, being the acquisition and realisation of investments in Australia.

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	24.34 cents	21.42 cents

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1	The company has placed a total of 1,600,000 fully paid ordinary shares and limited voting ordinary shares as part consideration for the acquisition of securities issued by companies listed on the ASX market. All shares were issued at a deemed issue price of 30 cents per share. In issuing the shares the company has had regard to the market prices for the securities of the company together with the underlying value of those securities. The company is of the view that the assets acquired represent fair value for the securities that were issued.
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International Financial Reporting Standards

Under paragraph 39 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1	
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Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2	
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Comments by directors

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]

1. The company has fully repaid an unsecured interest free loan of \$110,000 that was owed at balance date to a related party.
2. The company has received cash of \$951,205 being the proceeds for securities disposed of prior to 30 June 2007 but for which payment had not been received at balance date.
3. A transaction has been negotiated with related parties of the company under which the company will dispose of listed securities to those parties and receive cash totalling \$362,500. The National Stock Exchange of Australia Limited has granted a waiver of listing rule 6.43 to permit the sale to be carried out without shareholder approval. The directors expect that the transaction will be completed in the near future.

1. The performance of the company during the financial year was adversely affected by the failure of Betta Stores Limited (ACN 009 710 605) ("BSL") and the subsequent appointment of Receivers and Managers and Liquidators over that company. The company has reported an asset impairment of \$182,062 being the full value of its investment in BSL. On 7 June 2007 the liquidators declared that there was no likelihood that shareholders of BSL would receive any distribution from the liquidation.
2. From the date of incorporation of the company on 5 April 2005 until 28 February 2007, a company associated with certain directors of the company provided office space to the company at no cost and paid various other expenses on behalf of the company without seeking reimbursement. This support was provided during the start-up phase of the company and to allow time for the company to establish itself and become profitable. With effect from 1 March 2007 the company acquired a lease over office premises at Level 2, 651-653 Doncaster Road, Doncaster from which the company conducts its business. The company is now also responsible for meeting all expenses directly relevant to the operations of the company.

Franking credits available to the company are approximately \$36,658. The company will frank future dividends to the maximum possible extent having regard to the level of available credits.

(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)

in Accounting Estimates and Errors,

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. (as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)

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Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year (as per paragraph 16(d) of AASB 134: Interim Financial Reporting)

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Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report (as per paragraph 16(j) of AASB 134: Interim Financial Reporting)

In its annual report and financial statements for the year ended 30 June 2006, the company reported a contingent liability arising from an offer made by the company to purchase shares in Betta Stores Limited (ACN 009 710 605) ("BSL"). The offer was withdrawn following the failure of BSL and the appointment of Receivers and Managers and Liquidators to that company. The company no longer has a contingent liability under the share offer.

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence (as per paragraph 16(c) of AASB 134: Interim Financial Reporting)

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Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations (as per paragraph 16(i) of AASB 134: Interim Financial Reporting)

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Annual meeting

(Preliminary final statement only)

The annual meeting will be held as follows:

Place	TBA
Date	30 November 2007
Time	6:00 PM
Approximate date the annual report will be available	15 October 2007

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

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2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement ~~does not~~ *(delete one)* give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- | | |
|--|---|
| <input type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input checked="" type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications ~~are attached~~ will follow immediately they are available* *(delete one). (Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.)*
6. The ~~issuer has~~ *(delete one)* does not have* a formally constituted audit committee.

Sign here: 

Date: **14 September 2007**

Print name: **Massimo Livio Cellante**
Executive Chairman and Managing Director