



# ANGAS SECURITIES

## INVESTOR NEWS | March 2010

### SOLID PROFIT ANNOUNCED FOR HALF YEAR

Angas Securities has finalised its Financial Report for the Half Year to 31 December 2009 announcing a solid pre-tax profit of \$1,690,559 (FY08: \$1,059,956) being an operating profit after tax of \$1,185,058 (FY08: \$733,269). This solid lift in earnings reflects the return to normalised trading conditions gradually experienced during calendar year 2009. A summary of the Half Year Report is set out on pages 2 & 3 of this edition of Investor News. The Balance Sheet shows growth in debenture funds invested in Angas Securities, cash and other assets including receivables, issued capital and retained earnings. The Cashflow Statement shows increased cashflow from operating activities including receipts from customers and interest. Cash and equivalents held at the end of the period were \$27,774,809 (FY08: \$22,020,197). The Financial Statements disclosed in this edition of Investor News reflect those of Angas Securities only and not those of the consolidated entity of which it is grouped for accounting purposes.

A Consolidated Financial Report of Angas Securities has been prepared for the Half Year end 31 December 2009 and a copy of the Report can be obtained on the Angas Securities website. The Auditors of Angas Securities, Deloitte Touche Tohmatsu, have reviewed the 31 December 2009 Consolidated Financial Report.

### REGULATORY UPDATE ABOUT CREDIT RATINGS DISCLOSURE

The December 2009 edition of Investor News provided a detailed report upon new regulation announced by Australian Securities & Investments Commission ("ASIC") concerning credit rating agencies. This regulation led Standard & Poor's to announce that its credit ratings would no longer be available to retail investors as and from 1 January 2010. These developments were likely to impact on Angas Securities and the thousands of debenture investors in Angas Securities fixed interest financial products. The issue is solely one of disclosure. Angas Securities was rated by Standard & Poor's and remains rated. The Angas Securities rating has not changed but can no longer be disclosed to retail investors as and from 1 January 2010 in offer documents, marketing material, on the website or in Investor News.

Following the release of further regulatory guidance from ASIC last month, Standard & Poor's have confirmed to Angas Securities the restrictions that will apply to the disclosure of the rating. Certain transitional arrangements are now in place. Prospectus No.10 was lodged by Angas Securities on 9 October 2009 and is the current Product Disclosure Statement issued to retail investors. Details of the rating by Standard & Poor's are set out in Prospectus No.10. ASIC has advised that this can continue to be issued to retail investors until 30 April 2010 and must then be withdrawn. Angas Securities will lodge Prospectus No. 11 in the next month or so. This will contain updated information including a summary of Financial Statements as at the Half Year to 31 December 2009. However details of the Standard & Poor's rating will not be permitted to be included in Prospectus No.11.



**BOARD OF DIRECTORS**

Standing: Matthew Hower. Seated: Kimley Lyons, Andrew Luckhurst-Smith and Paul McCarthy.

Earn **9.0%** p.a. fixed for 3 years

ANGAS SECURITIES LIMITED ACN 091 942 728 AFS LIC NO 232 479

STATEMENT OF FINANCIAL POSITION - HALF YEAR	31 December 2008	31 December 2009
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	22,020,197	27,774,809
Trade and other receivables	4,421,441	8,495,102
Other assets	30,566	30,677
Loans	92,318,430	109,707,392
Deferred tax assets	628,868	1,284,927
Property, plant and equipment	604,144	552,170
Investment Property	2,500,000	2,562,384
Other financial assets	8,000,000	8,000,000
Other intangible assets	135,630	87,629
Goodwill	645,484	645,484
<b>Total assets</b>	<b>131,304,760</b>	<b>159,140,574</b>
<b>Liabilities</b>		
Trade and other payables	2,032,678	1,603,650
Interest bearing liabilities	122,627,778	147,595,780
Current tax liabilities	11,018	1,100,727
Provisions	190,682	187,718
Unearned income	9,675	767,101
<b>Total liabilities</b>	<b>124,871,831</b>	<b>151,254,976</b>
<b>Net assets</b>	<b>6,432,929</b>	<b>7,885,598</b>
<b>Equity</b>		
Issued capital	697,351	787,903
Retained earnings	5,735,578	7,097,695
<b>Total equity</b>	<b>6,432,929</b>	<b>7,885,598</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>		
Operating profit	1,059,956	1,690,559
Income Tax attributable to operating profit	326,687	505,501
<b>Operating profit after income tax</b>	<b>733,269</b>	<b>1,185,058</b>

The Financials disclosed in this newsletter reflect Company Financials only in a concise format. A Consolidated Financial Report of Angas Securities has been prepared for the half year end 31 December 2009 and a copy of the Report can be obtained on the Angas Securities website. The Auditors of Angas Securities, Deloitte Touche Tomatsu have reviewed the 31 December 2009 Consolidated Financial Report.

CASH FLOW STATEMENT	31 December 2008	31 December 2009
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	1,819,630	4,066,798
Payments to suppliers and employees	(3,224,233)	(3,425,259)
Receipt of property investment distribution	84,362	71,211
Interest received	6,726,697	8,708,949
Interest paid	(5,223,492)	(6,011,335)
Income tax received	—	148,825
Income tax paid	(850,858)	—
<b>Net cash provided by/(used in) operating activities</b>	<b>(667,894)</b>	<b>3,559,189</b>
<b>Cash flows from investing activities</b>		
Proceeds from repayment of mortgage loans	32,180,530	31,046,377
Payments for mortgage loans	(29,959,248)	(40,010,943)
Proceeds from property, plant and equipment	—	1,562
Payment for property, plant and equipment	(245,064)	(44,927)
Proceeds from investments	—	1,800,000
Payment for investments	—	(3,800,000)
Payment for investment property	(2,500,000)	(62,384)
<b>Net cash provided by/(used in) investing activities</b>	<b>(523,782)</b>	<b>(11,070,315)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(49,454)	(96,543)
Proceeds from issue of equity securities	27,879	90,552
Proceeds for share buy-back		
- member of the parent entity	(15,335)	—
Proceeds from issues of debt securities	19,297,268	27,841,483
Repayment of debt securitites	(16,291,000)	(8,625,219)
Dividends paid		
- member of the parent entity	(2,333,063)	(600,000)
<b>Net cash provided by financing activities</b>	<b>636,295</b>	<b>18,610,273</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(555,381)</b>	<b>11,099,147</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>22,575,578</b>	<b>16,675,662</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>22,020,197</b>	<b>27,774,809</b>

DEBENTURE RATE  
**8.0%**

p.a. fixed for 1 year

THE FIXED INTEREST SPECIALIST  
INVESTOR SERVICE LINE 1800 010 800



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## FIXED INTEREST DEBENTURE STOCK

You could be earning

**9.0%** p.a.  
fixed for 3 years

**INVESTOR SERVICE LINE 1800 010 800**

Interest paid Monthly or Reinvested

Listed on the National Stock Exchange of Australia

Investments only by the application form contained in our Prospectus  
which sets out an independent risk assessment of loss of capital.

This is not a bank deposit.

#### IMPORTANT NOTICE

This newsletter does not contain investment advice. You should carefully consider the content of our Prospectus and seek advice from your own qualified financial adviser. This newsletter contains general information only and does not take into account your individual objectives, financial situation or needs. Debentures are not bank deposits.



TO VIEW THE CONSOLIDATED FINANCIAL STATEMENTS FOR HALF YEAR TO 31 DECEMBER 2009

**VISIT ANGAS SECURITIES ON THE WEB**  
[www.angassecurities.com](http://www.angassecurities.com)