



FACSIMILE TRANSMITTAL SHEET

TO: George Wyatt

FROM: Robert Payne

COMPANY: Bendigo Stock Exchange
Company Announcements Office

DATE: 15 MARCH 2004

FAX NUMBER: 03 5444 0033

TOTAL NO. OF PAGES INCLUDING COVER: 28

PHONE NUMBER: 03 5444 0055

SENDER'S REFERENCE NUMBER:

RE: Half Year Review

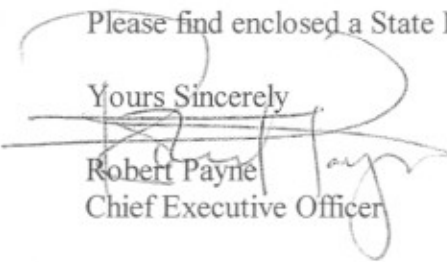
YOUR REFERENCE NUMBER:

☐ URGENT ☒ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Please find enclosed a State Development Fund Limited company announcement

Yours Sincerely


Robert Payne
Chief Executive Officer

State Development Fund Limited

A.C.N. 093 639 064

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2003

STATE DEVELOPMENT FUND LIMITED
ACN 093 639 064
DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

The Board of Directors of State Development Fund Limited have pleasure in submitting the financial report of the Company for the half year ended 31 December 2003 and report as follows:

DIRECTORS

The names and particulars of the Directors of the company in office at any time during or since the end of the period:

| | |
|-------------------------|---------------------------|
| Laurence MacDonald Muir | Appointed 30 July 2002 |
| Michael McDonald | Appointed 5 July 2000 |
| John Nissen | Appointed 5 July 2000 |
| Peter King | Appointed 5 July 2000 |
| Leigh Davis | Appointed 30 July 2002 |
| Andrew Ludekens | Appointed 8 December 2003 |

RESULTS AND REVIEW OF OPERATIONS

The economic entity continued to engage in its principal activity. The loss of the economic entity for the half-year, after providing for income tax and eliminating outside equity interests, amounted to \$210,213.

In view of the objective of the SDF Board to redirect the profits and distributions of its investee companies directly back into the investee companies to further enhance their growth, the half-year result is directly in line with expectation.

Australian Regional Airports Pty Ltd ("ARA")

Revenue of the Burnie Airport Corporation Unit Trust (BAC) is generated from passenger and freight levies, landing charges and property management and development. BAC has enjoyed a sharp increase in revenue and profits in the last period and BAC benefited from an excellent working relationship between the management of ARA and the Burnie City Council.

The Burnie City Council (BCC) has in the last period granted BAC planning permission on the residential development of 7.2 hectares of airport land. This complements the 64.61 hectares of land already zoned for immediate industrial development.

The first industrial development has been undertaken by Vestas Wind Systems (Vestas), a major Danish manufacturer of wind turbines, which has constructed a \$15 million nacelle assembly plant on approximately 5 hectares of airport land provided by BAC. Vestas commenced its nacelle (turbine framework) manufacturing operations during July 2003 under contract to the Hydro Electric Commission of BAC. Vestas installs wind power capacity on a global basis. The management of BAC and ARA are excited about the future prospects of the airport and this development.

STATE DEVELOPMENT FUND LIMITED
ACN 093 639 064
DIRECTORS' REPORT (CONT'D)
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

Auspep Holdings Pty Ltd ("Auspep")

Auspep continues to develop a GMP accredited manufacturing facility to be completed by the end of the first quarter of 2004. Construction of this plant has commenced at rented premises, at Tullamarine in Victoria. If GMP accreditation is granted, this will have a significant positive effect on Auspep's business in the next 2 to 3 years, as Auspep will then seek TGA, CEMark and FDA approvals for its peptide products.

Auspep, while contending with the challenges of expansion into new premises and pursuing a growth strategy, based on the sale of predominantly GMP grade custom peptides, continues to meet its revenue and profit targets.

Signed in accordance with a resolution of Directors



.....
LM Muir
Chairman and Director

15 March 2004
Melbourne

**INDEPENDENT REVIEW REPORT TO THE MEMBERS OF
STATE DEVELOPMENT FUND LIMITED
FOR THE HALF YEAR ENDED 31 DECEMBER 2003**

Scope

We have reviewed the financial report of State Development Fund Limited for the half-year ended 31 December 2003 comprising the Condensed Statement of Financial Performance, Condensed Statement of Financial Position, Condensed Statement of Cash Flows, Notes to the Financial Statements and the Directors Declaration. The financial report includes the consolidated financial statements of the consolidated entity comprising the company and the entities it controlled at the end of the half year or from time to time during the half year.

The company's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029: Interim Financial Reporting, other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the Company's financial position and performance as represented by the results of its operations and its cash flows, and in order for the Company to meet its obligations to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the company's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of State Development Fund Limited is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2003 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.



PKF

Chartered Accountants



R A Dean
Partner

15 March 2004
Melbourne

STATE DEVELOPMENT FUND LIMITED
ACN 093 639 064
DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

In the opinion of the directors of State Development Fund Limited:

- a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001, comply with the Accounting Standards and give a true and fair view of the Consolidated Entity's financial position as at 31 December 2003, and of its performance for the half year ended on that date; and
- b) at the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with the resolution of the directors



.....
LM Muir
Chairman and Director

15 March 2004
Melbourne

STATE DEVELOPMENT FUND LIMITED
CONDENSED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

| | 31 December 2003 \$'000 |
|---|--|
| REVENUES FROM ORDINARY ACTIVITIES | |
| Sales Revenue | 1,538,120 |
| Interest | 890 |
| Other Revenue | 21,372 |
| Cost of Sales | (988,128) |
| Administrative Expenses | (553,401) |
| Marketing Expense | (255,848) |
| Occupancy Expense | (42,253) |
| Borrowing Costs | (977) |
| Share of Net Profit of associate accounted for using the equity method | 63,129 |
| LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE | (217,096) |
| Income tax expense attributable to ordinary activities | (4,730) |
| LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX | (221,826) |
| Net profit attributable to outside equity interest | (9,105) |
| NET LOSS ATTRIBUTABLE TO MEMBERS OF STATE DEVELOPMENT FUND LIMITED | (230,931) |
| TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS | (230,931) |
| Basic earnings per share (cents per share) | (0.83) cents |
| Diluted earnings per share (cents per share) | (0.83) cents |

The above statement of financial performance is to be read in conjunction with the attached notes.

STATE DEVELOPMENT FUND LIMITED
CONDENSED STATEMENT OF FINANCIAL POSITION
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

| | 31 December 2003 \$'000 | 30 June 2003 \$'000 |
|--------------------------------------|--|------------------------------------|
| CURRENT ASSETS | | |
| Cash assets | 263,227 | 269,750 |
| Receivables | 655,249 | 488,633 |
| Inventories | 172,373 | 160,678 |
| TOTAL CURRENT ASSETS | 1,090,849 | 919,061 |
| NON-CURRENT ASSETS | | |
| Equity accounted investments | 1,090,552 | 978,423 |
| Property, plant and equipment | 517,762 | 338,812 |
| Intangible assets | 4,238,475 | 4,347,572 |
| Deferred tax assets | 81,367 | 66,749 |
| TOTAL NON-CURRENT ASSETS | 5,928,156 | 5,731,556 |
| TOTAL ASSETS | 7,019,005 | 6,650,617 |
| CURRENT LIABILITIES | | |
| Payables | 908,278 | 399,151 |
| Interest bearing liabilities | 4,593 | 11,178 |
| Provisions | 33,632 | 75,451 |
| TOTAL CURRENT LIABILITIES | 946,503 | 485,750 |
| NON-CURRENT LIABILITIES | | |
| Payables | 142,073 | 132,139 |
| Interest bearing liabilities | 30,493 | 29,385 |
| Provisions | 71,335 | 20,874 |
| TOTAL NON-CURRENT LIABILITIES | 243,901 | 182,398 |
| TOTAL LIABILITIES | 1,190,404 | 668,148 |
| NET ASSETS | 5,828,601 | 5,982,469 |
| SHAREHOLDERS EQUITY | | |
| Contributed equity | 5,546,177 | 5,528,619 |
| Reserves | 370,822 | 337,012 |
| Accumulated losses | (857,522) | (626,591) |
| TOTAL PARENT ENTITY INTEREST | 5,059,477 | 5,239,040 |
| TOTAL OUTSIDE EQUITY INTEREST | 769,124 | 743,429 |
| TOTAL SHAREHOLDERS EQUITY | 5,828,601 | 5,982,469 |

The above statement of financial position is to be read in conjunction with the attached notes.

STATE DEVELOPMENT FUND LIMITED
CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

| | 31 December 2003 \$'000 |
|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers | 1,502,887 |
| Payments to suppliers and employees | (1,414,575) |
| Interest received | 890 |
| Interest paid | (977) |
| Distributions Received | 95,275 |
| Income Tax Paid | (4,730) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | <hr/> 178,770 <hr/> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Payments for property, plant and equipment | (217,280) |
| NET CASH FLOWS USED IN INVESTING ACTIVITIES | <hr/> (217,280) <hr/> |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Net proceeds from share issue | 37,464 |
| Lease principal repayments | (5,477) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | <hr/> 31,987 <hr/> |
| NET DECREASE IN CASH HELD | (6,523) |
| Cash at beginning of period | 269,750 |
| CASH AT THE END OF PERIOD | <hr/> 263,277 <hr/> |

The above statement of cash flows is to be read in conjunction with the attached notes.

STATE DEVELOPMENT FUND LIMITED
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

NOTE 1 BASIS OF PREPARATION

(a) Basis of accounting

The half year consolidated financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1029 "Interim Financial Reporting". The 31 December 2003 half year financial report is to be read in conjunction with financial report for the year ended 30 June 2003 and any public announcements made by State Development Fund Limited during the half year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

Notes of a type normally included in an annual financial report are not included.

The accounting policies adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the 30 June 2003 annual financial report. AASB 1029: Interim Financial Reporting is being applied for the first time and the transitional provisions in the standard permit the non inclusion of comparatives where they are not readily available. In this financial report it is not considered practical to provide comparatives for the statement of financial performance and statement of cash flows.

NOTE 2 SEGMENT INFORMATION

31 December 2003

| | PDF Activities | Airport Management | Peptide Manufacturing | Eliminations | Total |
|---------|---------------------------|-------------------------------|----------------------------------|---------------------|--------------|
| Revenue | 805 | 63,161 | 1,559,545 | - | 1,623,511 |
| Results | (185,472) | 47,415 | (55,936) | (27,833) | (221,826) |

NOTE 3 SIGNIFICANT AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial period which have significantly affected or may significantly affect the operations of the economic entity, the results of the operations, or the state of affairs of the economic entity in future financial periods.

NOTE 4 CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent assets or contingent liabilities since the last annual report date.



Annexure 3A

BSX Listing Rules

Half yearly/Yearly Disclosure

References Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

STATE DEVELOPMENT FUND LIMITED

Name of entity

093 639 064

ABN, ACN or ARBN

Half yearly (tick)

Annual (tick)



Half year ended 31/12/03

Half year/financial year ended
('Current period')

Summary

| | | | \$A,000 |
|---|--|----|---------|
| Sales revenue or operating revenue | | to | 1,560 |
| (loss) before abnormal items and after tax | | to | (222) |
| Abnormal items before tax | | | - |
| (loss) after tax but before outside equity interests | | to | (222) |
| Extraordinary items after tax attributable to members | | | |
| (loss) for the period attributable to members | | to | (231) |

| | | |
|---|--------------------------|-----|
| Dividends (distributions) | Franking rate applicable | NA |
| Current period | Final | NA¢ |
| | Interim | NA¢ |
| Previous corresponding period | Final | NA¢ |
| | Interim | NA¢ |
| Record date for determining entitlements to the dividend, (in the case of a trust distribution) | | NA |

Annexure 3A Half Yearly/Yearly Disclosure

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

NA

Consolidated profit and loss account

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|--|------------------------|---------------------------------------|
| Sales revenue or operating revenue | 1,560 | - |
| Expenses from ordinary activities | (1,840) | - |
| Borrowing costs | - | - |
| Share of net profit (loss) of associates and joint venture entities | 63 | - |
| Profit (loss) from ordinary activities before tax | (217) | - |
| Income tax on ordinary activities | (5) | - |
| Profit (loss) from ordinary activities after tax | (222) | - |
| Outside equity interests | (9) | - |
| Profit (loss) from ordinary activities after tax attributable to members | (231) | - |
| Profit (loss) from extraordinary activities after tax attributable to members | - | - |
| Profit (loss) for the period attributable to members | (231) | - |
| Retained profits (accumulated losses) at the beginning of the financial period | (626) | - |
| Net transfers to and from reserves | - | - |
| Net effect of changes in accounting policies | - | - |
| Dividends paid or payable | - | - |
| Retained profits (accumulated losses) at end of financial period | (857) | - |

Profit restated to exclude amortisation of goodwill

Annexure 3A Half Yearly/Yearly Disclosure

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|---|------------------------|---|
| Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill | (331) | - |
| Less (plus) outside equity interests | (9) | - |
| Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members | (340) | - |

Revenue and expenses from operating activities

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|---------------------------------|------------------------|---|
| Details of revenue and expenses | | |
| Sales | 1,560 | - |
| Cost of sales | (988) | - |
| Administrative Expenses | (553) | - |
| Marketing Expenss | (255) | - |
| Occupancy Costs | (42) | - |
| Borrowing Costs | (206) | - |

Intangible and extraordinary items

| | Consolidated - current period | | |
|--|-------------------------------|------------------------|----------------------|
| | Before tax \$A'000 | Related tax \$A'000 | After tax \$A'000 |
| Amortisation of goodwill | 109 | - | 109 |
| Amortisation of other intangibles | | | |
| Total amortisation of intangibles | 109 | - | 109 |
| Extraordinary items (details) | - | - | - |
| Total extraordinary items | - | - | - |

Annexure 3A
Half Yearly/Yearly Disclosure

Comparison of half year profits

(Annual statement only)

| | Current year - \$A'000 | Previous year - \$A'000 |
|--|------------------------|-------------------------|
| Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year | - | - |
| Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year | - | - |

Consolidated balance sheet

| Current assets | At end of current period \$A'000 | As shown in last annual report \$A'000 | As in last half yearly statement \$A'000 |
|---|----------------------------------|--|--|
| Cash | 263 | 270 | - |
| Receivable | 656 | 489 | - |
| Investments | - | - | - |
| Inventories | 172 | 161 | - |
| Other (provide details if material) | - | - | - |
| Prepayment | - | - | - |
| Capitalised Capital Raising Cost | - | - | - |
| Total current assets | 1,091 | 920 | - |
| Non-current assets | | | |
| Receivables | | - | - |
| Investments | 1,091 | 978 | - |
| Inventories | | - | - |
| Other property, plant and equipment (net) | 518 | 339 | - |
| Intangibles (net) | 4,238 | 4,347 | - |
| Other (provide details if material) | 81 | 66 | - |
| Other Financial Assets | | | |
| Total non-current assets | 5,928 | 5,730 | - |
| Total assets | 7,019 | 6650 | - |
| Current liabilities | | | |
| Accounts payable | 908 | 399 | |
| Borrowings | 5 | 11 | |

Annexure 3A
Half Yearly/Yearly Disclosure

| | | | |
|---|--------------|--------------|----------|
| Provisions | 34 | 75 | - |
| Other (provide details if material) | | | |
| Other | | | |
| Total current liabilities | 947 | 485 | - |
| Non-current liabilities | | | - |
| Accounts payable | 142 | 132 | - |
| Borrowings | 30 | 29 | - |
| Provisions | 71 | 20 | - |
| Other (provide details if material) | | - | - |
| Amount owed to Director related entity | - | - | - |
| Total non-current liabilities | 243 | 181 | - |
| Total liabilities | 1,190 | 666 | - |
| Net assets | 5,829 | 5,984 | - |
| Equity | | | |
| Capital | 5,546 | 5,529 | - |
| Asset Revaluation Reserves | 371 | 337 | - |
| Retained profits (accumulated losses) | (857) | (626) | - |
| Equity attributable to members of the parent entity | 5,060 | 5,240 | - |
| Outside equity interests in controlled entities | 769 | 744 | - |
| Total equity | 5,829 | 5,984 | - |
| Preference capital and related premium included | - | - | - |

Consolidated statement of cash flows

Cash flows related to operating activities

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|---|------------------------|---------------------------------------|
| Receipts from customers | 1,503 | - |
| Payments to suppliers and employees | (1,414) | - |
| Dividends received | 95 | - |
| Interest and other items of similar nature received | 1 | - |

Annexure 3A
Half Yearly/Yearly Disclosure

| | | |
|--|--------------|----------|
| Interest and other costs of finance paid | (1) | - |
| Income taxes paid | (5) | - |
| Other (provide details if material) | - | - |
| Net operating cash flows | 179 | - |
| Cash flows related to investing activities | | |
| Payments for purchases of property, plant and equipment | (217) | - |
| Proceeds from sale of property, plant and equipment | - | - |
| Payment for purchases of equity investments | - | - |
| Proceeds from sale of equity investments | - | - |
| Loans to other entities | - | - |
| Loans repaid by other entities | - | - |
| Other (provide details if material) | - | - |
| Net investing cash flows | (217) | - |
| Cash flows related to financing activities | | |
| Proceeds from issues of securities (shares, options, etc.) | 37 | - |
| Proceeds from borrowings | | |
| Repayment of borrowings | (5) | - |
| Dividends paid | | |
| Other (provide details if material) | | |
| Net financing cash flows | 32 | - |
| Net increase (decrease) in cash held | (6) | |
| Cash at beginning of period (see Reconciliation of cash) | 270 | - |
| Exchange rate adjustments | - | - |
| Cash at end of period (see Reconciliation of cash) | 264 | - |

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.

None

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|-----------------------------|---------------------------|---|
| Cash on hand and at bank | 263 | 270 |
| Deposits at call | - | - |
| Bank overdraft | - | - |
| Other (provide details) | - | - |
| Total cash at end of period | 263 | 270 |

Ratios

Profit before tax/sales

Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue

Current period

(13.9)%

Previous
corresponding period

-

Profit after tax/equity interests

Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period

(3.9)%

-

Earnings per security (EPS)

Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share

(a) Basic EPS

(0.83) cents

-

(b) Diluted EPS (if materially different from (a))

(0.83) cents

-

NTA backing

Net tangible asset backing per ordinary security

Current period

5.7cents

Previous
corresponding period

-

Annexure 3A
Half Yearly/Yearly Disclosure

Details of specific receipts/outlays, revenues/expenses

| | Current period A\$'000 | Previous corresponding period \$A'000 |
|---|------------------------|---------------------------------------|
| Interest revenue included | 1 | - |
| Interest revenue included but not yet received (if material) | - | - |
| Interest costs excluded from borrowing costs capitalised in asset values | (1) | - |
| Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material) | - | - |
| Depreciation (excluding amortisation of intangibles) | 38 | - |
| Other specific relevant items | - | - |

Control gained over entities having material effect

Name of entity

NA

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired

NA

Date from which such profit has been calculated

NA

Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period

NA

Control gained over entities having material effect

Name of entity

NA

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired

NA

Date from which such profit has been calculated

NA

Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period

NA

Loss of control of entities having material effect

| | |
|--|------|
| Name of entity | NA |
| Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control | \$NA |
| Date from which the profit (loss) has been calculated | NA |
| Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period | \$NA |
| Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control | \$NA |

Reports for industry and geographical segments

Segments

The company operates solely within the Australian investment sector.

31 December 2003

| | PDF Activities | Airport Management | Peptide Manufacturing | Eliminations | Total |
|---------|---------------------------|-------------------------------|----------------------------------|---------------------|--------------|
| Revenue | 805 | 63,161 | 1,559,545 | - | 1,623,511 |
| Results | (185,472) | 47,415 | (55,936) | (27,833) | (221,826) |

Dividends

| | |
|--|----|
| Date the dividend is payable | NA |
| Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm) | NA |

Amount per security

| | | <i>Franking rate applicable</i> | % | % | % |
|-----------------------------|--------------|---------------------------------|-----|-----|-----|
| <i>(annual report only)</i> | | | | | |
| Final dividend: | Current year | NA¢ | N/A | NA¢ | N/A |

Annexure 3A
Half Yearly/Yearly Disclosure

| Previous year | | NA¢ | NA¢ | NA¢ | NA¢ |
|--|---------------|-----|-----|-----|-----|
| <i>(Half yearly and annual statements)</i> | | | | | |
| Interim dividend: | Current year | NA¢ | N/A | NA¢ | N/A |
| | Previous year | NA¢ | NA¢ | NA¢ | NA¢ |

Annexure 3A
Half Yearly/Yearly Disclosure

Total annual dividend (distribution) per security

(Annual statement only)

| | Current year | Previous year |
|-----------------------|--------------|---------------|
| Ordinary securities | NA¢ | NA¢ |
| Preference securities | NA¢ | NA¢ |

Total dividend (distribution)

| | Current period \$A'000 | Previous corresponding period - \$A'000 |
|-----------------------|---------------------------|---|
| Ordinary securities | \$- | \$- |
| Preference securities | \$- | \$- |
| Total | \$- | \$- |

Half yearly report – interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities

| | Current period \$A'000 | Previous corresponding period - \$A'000 |
|-----------------------|---------------------------|---|
| Ordinary securities | \$- | \$- |
| Preference securities | \$- | \$- |
| Total | \$- | \$- |

The dividend or distribution plans shown below are in operation.

NA

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

Any other disclosures in relation to dividends (distributions)

NA

Annexure 3A
Half Yearly/Yearly Disclosure

Equity accounted associated entities and other material interests

Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

| Entities share of: | Current period A\$'000 | Previous corresponding period A\$'000 |
|--|---------------------------|--|
| Profit (loss) from ordinary activities before tax. | 63 | - |
| Income tax | - | - |
| Profit (loss) from ordinary activities after tax | 63 | - |
| Extraordinary items net of tax | - | - |
| Net profit (loss) | 63 | - |
| Outside equity interests | (20) | - |
| Net profit (loss) attributable to members | 43 | - |

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

| Name of entity | Percentage of ownership interest held at end of period or date of disposal | | Contribution to profit (loss) from ordinary activities and extraordinary items after tax | |
|--|--|-------------------------------------|--|--|
| Equity accounted associates and joint venture entities | Current period | Previous corresponding period | Current period A\$'000 | Previous corresponding period A\$'000 |
| Burnie Airport Corporation Pty Ltd as Trustee for the Bernie Airport Corporation Unit Trust. | 49% | - | 63 | - |
| | - | - | - | - |
| | - | - | - | - |
| Total | | | 63 | - |

Annexure 3A
Half Yearly/Yearly Disclosure

| | | | | |
|---------------------------------|----|----|----|----|
| Other material interests | NA | NA | NA | NA |
| Total | NA | NA | NA | NA |

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities

| | Number issued | Number listed | Issue Price (cents) | Paid-up value (cents) |
|--|---------------|---------------|------------------------------|------------------------------|
| Preference securities (description) | NA | NA | NA | NA |
| Changes during current period | NA | NA | NA | NA |
| Ordinary securities | | | | |
| Opening Balance | 27,684,000 | 20,364,000 | 10 cents, 20 cents, 25 cents | 10 cents, 20 cents, 25 cents |
| Changes during current period | 326,000 | 326,000 | 5 cents, 25 cents | 5 cents, 5 cents |
| | 28,010,000 | 20,690,000 | | |
| Convertible debt securities (description and conversion factor) | NA | NA | NA | NA |
| Changes during current period | NA | NA | NA | NA |

| | | | Exercise price | Expiry date |
|--|----|----|----------------|-------------|
| Options (description and conversion factor) | NA | NA | NA | NA |
| Changes during current period | NA | NA | NA | NA |

Annexure 3A
Half Yearly/Yearly Disclosure

| | | | | |
|---------------------------------|----|----|----|----|
| Exercised during current period | NA | NA | NA | NA |
| Expired during current period | NA | NA | NA | NA |
| Debentures | NA | NA | NA | NA |
| Unsecured Notes | NA | NA | NA | NA |

Discontinuing Operations

Consolidated profit and loss account

| | Continuing operations | | Discontinuing operations | | Total entity | |
|--|--------------------------|---|--------------------------|---|--------------------------|---|
| | Current period - \$A'000 | Previous corresponding period - \$A'000 | Current period - \$A'000 | Previous corresponding period - \$A'000 | Current period - \$A'000 | Previous corresponding period - \$A'000 |
| Sales revenue or operation revenue | - | - | - | - | - | - |
| Other revenue | - | - | - | - | - | - |
| Expenses from ordinary activities | - | - | - | - | - | - |
| Profit (loss) before tax | - | - | - | - | - | - |
| Less tax | - | - | - | - | - | - |
| Profit (loss) from ordinary activities after tax | - | - | - | - | - | - |

Consolidated statement of cash flows

| | Continuing operations | | Discontinuing operations | | Total entity | |
|--|--------------------------|---|--------------------------|---|--------------------------|---|
| | Current period - \$A'000 | Previous corresponding period - \$A'000 | Current period - \$A'000 | Previous corresponding period - \$A'000 | Current period - \$A'000 | Previous corresponding period - \$A'000 |

Annexure 3A
Half Yearly/Yearly Disclosure

| | | | | | | |
|--------------------------|---|---|---|---|---|---|
| Net operating cash flows | - | - | - | - | - | - |
| Net investing cash flows | - | - | - | - | - | - |
| Net financing cash flows | - | - | - | - | - | - |

Other disclosures

| | Current period A\$'000 | Previous corresponding period A\$'000 |
|--|---------------------------|--|
| Carrying amount of items to be disposed of: | - | |
| - total assets | | |
| - total liabilities | - | |
| Profit (loss) on disposal of assets or settlement of liabilities | - | |
| Related tax | | |
| Net profit (loss) on discontinuance | - | |

Description of disposals

NA

Comments by *directors*

Basis of accounts preparation

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Annexure 3A
Half Yearly/Yearly Disclosure

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

None

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

None

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

None

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

None

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

None

Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

NA

Annexure 3A
Half Yearly/Yearly Disclosure

A statement of the fees and commissions payable to the management company or responsible entity.

NA

Identify:

- Initial service charges
- Management fees
- Other fees

Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

NA

Date

NA

Time

NA

Approximate date the annual report will be available

NA

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/are not* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does (*delete one*) give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:

(Tick one)

☐ The financial statements have been audited.

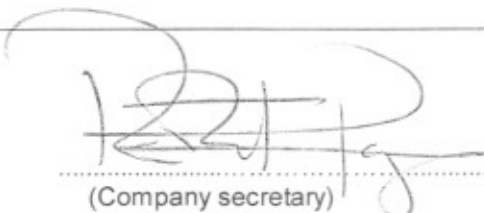
☒ The financial statements have been subject to review by a registered auditor (or overseas equivalent).

The financial statements are in the process of being audited or subject to review.

☐ The financial statements have *not* yet been audited or reviewed.

- 6 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*).
- 7 The entity has* (*delete one*) a formally constituted audit committee.

Sign here:


.....
(Company secretary)

Date: 15 March 2004

Print name: Dr Robert Payne

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.