



Mr. Ian Craig
Markets Manager
Bendigo Stock Exchange
1/257 Collins Street
Melbourne, VIC 3000

Tuesday, April 05, 2005

Dear Mr Craig:

As discussed please find enclosed the amended Annexure 3A for the period ending 31 December 2004. As a result of the Audit review, amendments have been made to disclosure of the quantum of the revenue recognised in the period ending 31 December 2004.

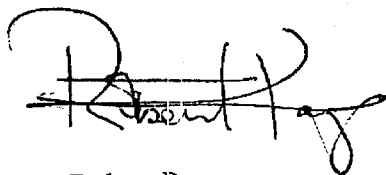
The amendments do not effect the reported results and the financial position of the group. The audit is complete and an unqualified audit opinion has been issued by PKF.

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A.C.N. 093 639 064

E mail: robertp@statedevelopmentfund.com
Website: www.statedevelopmentfund.com

If you have any queries please contact me at your convenience

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Robert Payne', written over a horizontal line.

Robert Payne
Chief Executive Officer
State Development Fund Limited

Level 5, 459 Collins Street, Melbourne, Victoria, 3000
Tel: +61 3 9629 1299, Fax: +61 3 9629 1399
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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)

√

31/12/2004

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

Summary

					\$A,000
Sales revenue or operating revenue	up/down	52%	to	2,370	
Profit (loss) before abnormal items and after tax	up/down	N/A %	to	42	
Abnormal items before tax		gain (loss) of		—	
Profit (loss) after tax but before outside equity interests	up/down	N/A %	to	42	
Extraordinary items after tax attributable to members		gain (loss) of		—	
Profit (loss) for the period attributable to members	up/down	N/A %	to	40	

Dividends (distributions)

Franking rate applicable

—

Current period

Final

—¢

Interim

—¢

Previous corresponding period

Final

—¢

Interim

—¢

Record date for determining entitlements to the dividend, (in the case of a trust distribution)

N/A

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:

N/A

Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	2,370	1,560
Expenses from ordinary activities	(2,393)	(1,840)
Borrowing costs	(12)	—
Share of net profit (loss) of associates and joint venture entities	77	63
Profit (loss) from ordinary activities before tax	42	(217)
Income tax on ordinary activities	—	(5)
Profit (loss) from ordinary activities after tax	42	(222)
Outside equity interests	(2)	(9)
Profit (loss) from ordinary activities after tax attributable to members	40	(231)
Profit (loss) from extraordinary activities after tax attributable to members	—	—
Profit (loss) for the period attributable to members	40	(231)
Retained profits (accumulated losses) at the beginning of the financial period	(1,284)	(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	(1,244)	(857)

Annexure 3A
Half Yearly/Yearly Disclosure

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	152	(331)
Less (plus) outside equity interests	2	9
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	150	(340)

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Details of Revenue and Expenses		
Sales Revenue	2,370	1,560
Cost of Sales	(911)	(988)
Administrative Expenses	(486)	(553)
Marketing Expenses	(310)	(255)
Occupancy Expenses	(82)	(42)
Borrowing Costs	(12)	(2)
Share of Net Profit of Associate	77	63
Net Value of Investments disposed of	607	—

Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill	110	—	110
Amortisation of other intangibles	—	—	—
Total amortisation of intangibles	110	—	110
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

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
Current assets			
Cash	1,204	596	263
Receivable	393	590	656
Investments	—	—	—
Inventories	197	179	172
Other (provide details if material)	—	11	—
Total current assets	1,794	1,376	1,091
Non-current assets			
Receivables	—	—	—
Investments	2,864	1,185	1,091
Inventories	—	—	—
Other property, plant and equipment (net)	683	534	518
Intangibles (net)	3,996	4,158	4,238
Other (provide details if material)	51	51	81
Total non-current assets	7,594	5,928	5,928
Total assets	9,388	7,304	7,019
Current liabilities			
Accounts payable	581	672	908
Borrowings	17	18	5
Provisions	107	114	34
Other (provide details if material)	11	11	—
Total current liabilities	716	815	947

Annexure 3A
Half Yearly/Yearly Disclosure

Non-current liabilities			
Accounts payable	–	–	142
Borrowings	35	37	30
Provisions	19	27	71
Other (provide details if material)	–	–	–
Total non-current liabilities	54	64	243
Total liabilities	770	879	1,190
Net assets	8,618	6,425	5,829
Equity			
Capital	6,576	6,576	5,546
Reserves	1,481	371	371
Retained profits (accumulated losses)	(1,244)	(1,284)	(857)
Equity attributable to members of the parent entity	6,813	5,663	5,060
Outside equity interests in controlled entities	1,805	762	769
Total equity	8,618	6,425	5,829
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	1,454	1,503
Payments to suppliers and employees	(1,630)	(1,414)
Dividends received	89	95
Interest and other items of similar nature received	3	1
Interest and other costs of finance paid	(11)	(1)
Income taxes paid	–	(5)
Other (provide details if material)	–	–
Net operating cash flows	(95)	179
Cash flows related to investing activities		
Payments for purchases of property, plant and equipment	(181)	(217)

Annexure 3A
Half Yearly/Yearly Disclosure

Proceeds from sale of property, plant and equipment	23	—
Payment for purchases of equity investments	—	—
Proceeds from sale of equity investments	889	—
Loans to other entities	—	—
Loans repaid by other entities	—	—
Other (provide details if material)	—	—
Net investing cash flows	731	(217)
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)	—	37
Proceeds from borrowings	—	—
Repayment of borrowings	(28)	(5)
Dividends paid	—	—
Other (provide details if material)	—	—
Net financing cash flows	(28)	32
Net increase (decrease) in cash held	608	(6)
Cash at beginning of period (see Reconciliation of cash)	596	269
Exchange rate adjustments	—	—
Cash at end of period (see Reconciliation of cash)	1,204	263

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

Annexure 3A
Half Yearly/Yearly Disclosure

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	1,204	263
Deposits at call	—	—
Bank overdraft	—	—
Other (provide details)	—	—
Total cash at end of period	1,204	263

Ratios

	Current period	Previous corresponding period
Profit before tax/sales		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	1.8%	(13.9%)
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	0.5%	(3.9)%

Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
(a) Basic EPS	0.13 cents	(0.83) cents
(b) Diluted EPS (if materially different from (a))	0.13 cents	(0.83) cents

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	14.2 cents	5.7 cents

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	3	1
Interest revenue included but not yet received (if material)	—	—
Interest costs excluded from borrowing costs capitalised in asset values	—	—
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	—	—
Depreciation (excluding amortisation of intangibles)	39	38
Other specific relevant items	—	—

Control gained over entities having material effect

Name of entity	N/A
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	N/A
Date from which such profit has been calculated	N/A
Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period	N/A

Loss of control of entities having material effect

Name of entity	N/A
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	N/A
Date from which the profit (loss) has been calculated	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period	N/A
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	N/A

Annexure 3A
Half Yearly/Yearly Disclosure

Reports for industry and geographical segments

Segments

31 December 2004

	PDF Activities	Airport Management	Peptide Manufacturing	Eliminations	Total
Revenue	888,950	102,555	1,468,200	(9,983)	2,449,722
Results	196,568	(31,015)	(111,108)	(12,018)	42,427

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

N/A

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

N/A

Amount per security

		<i>Franking rate applicable</i>	%	%	%
<i>(annual report only)</i>					
Final dividend:	Current year	N/A¢	N/A¢	N/A¢	N/A¢
	Previous year	N/A¢	N/A¢	N/A¢	N/A¢
<i>(Half yearly and annual statements)</i>					
Interim dividend:	Current year	N/A¢	N/A¢	N/A¢	N/A¢
	Previous year	N/A¢	N/A¢	N/A¢	N/A¢

Annexure 3A
Half Yearly/Yearly Disclosure

Total annual dividend (distribution) per security

(Annual statement only)

	Current year	Previous year
Ordinary securities	N/A¢	N/A¢
Preference securities	N/A¢	N/A¢

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.

N/A

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

N/A

Any other disclosures in relation to dividends (distributions)

N/A

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.	77	63
Income tax	—	—
Profit (loss) from ordinary activities after tax	77	63
Extraordinary items net of tax	—	—
Net profit (loss)	77	63
Outside equity interests	(24)	(20)
Net profit (loss) attributable to members	53	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	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
Equity accounted associates and joint venture entities				
Burnie Airport Corporation Pty Ltd as trustee for the Burnie Airport Corporation Unit Trust.	49%	49%	77	63
Total			77	63
Other material interests				

Annexure 3A
Half Yearly/Yearly Disclosure

	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

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 <i>(description)</i>	N/A	N/A	N/A	N/A
Changes during current period	N/A	N/A	N/A	N/A
Ordinary securities	32,534,000	32,534,000	10 cents 20 cents 25 cents	Fully Paid
Changes during current period	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
Convertible debt securities <i>(description and conversion factor)</i>	N/A	N/A	N/A	N/A
Changes during current period	N/A	N/A	N/A	N/A

			Exercise price	Expiry date
Options <i>(description and conversion factor)</i>	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
Changes during current period	N/A	N/A	N/A	N/A

Annexure 3A
Half Yearly/Yearly Disclosure

Exercised during current period	N/A	N/A	N/A	N/A
Expired during current period	N/A	N/A	N/A	N/A
Debentures	N/A	N/A		
Unsecured Notes	N/A	N/A		

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	N/A	N/A	N/A	N/A	N/A	N/A
Other revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenses from ordinary activities	N/A	N/A	N/A	N/A	N/A	N/A
Profit (loss) before tax	N/A	N/A	N/A	N/A	N/A	N/A
Less tax	N/A	N/A	N/A	N/A	N/A	N/A
Profit (loss) from ordinary activities after tax	N/A	N/A	N/A	N/A	N/A	N/A

Annexure 3A
Half Yearly/Yearly Disclosure

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
Net operating cash flows	N/A	N/A	N/A	N/A	N/A	N/A
Net investing cash flows	N/A	N/A	N/A	N/A	N/A	N/A
Net financing cash flows	N/A	N/A	N/A	N/A	N/A	N/A

Other disclosures

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

Description of disposals

None

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.

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

During the financial period the company reduced its holding in its subsidiary Auspep Holdings Limited from 90% to 77%. A gain on disposal of these shares of \$282,012 has been recognised in the statement of financial performance.

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

Annexure 3A
Half Yearly/Yearly Disclosure

Additional disclosure for trusts

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

N/A

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

Identify:

- Initial service charges
- Management fees
- Other fees

N/A

Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

N/A

Date

Time

Approximate date the annual report will be available

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/does not* (*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~~/does not have* (*delete one*) a formally constituted audit committee.

Sign here: Date:
(Director/Company secretary)

Print name:

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.

Annexure 3A
Half Yearly/Yearly Disclosure

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.

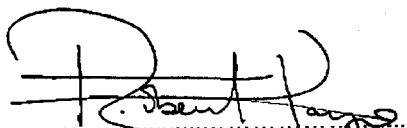
☐

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~~ does not have* (*delete one*) a formally constituted audit committee.

Sign here:


(Director/Company secretary)

Date:

5/4/2005

Print name:

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.

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