

VICTORIAN LIVESTOCK EXCHANGE LIMITED
ABN 72 078 839 031

INTERIM FINANCIAL REPORT
HALF-YEAR ENDED 31 DECEMBER 2003

DIRECTORS' REPORT

Directors

Mr Christopher Sleigh
Mr Graham Osborne
Mr Michael Quinert
Mr Michael Everitt
Mr Gregory Walsh
Mr Bruce Barron (resigned 29 April 2004)

The directors advise shareholders that profit increases of this magnitude are not sustainable, and that in the current period the increase is has been driven primarily by the sale of over 8 hectares of excess industrial land surrounding the livestock exchange complex. The land sale revenues were \$1,623,527, the sub-division and land costs \$862,987 showing a trading margin of \$760,540.

The recent announcement to the stock exchange should be borne in mind for next year's financial results whereby VLE has entered into Heads of Agreement on a conditional sale for 4.8 hectares of land at a value of \$2,280,000. The directors caution that the sale is conditional and that it is a "one off" event.

Directors are confident of a satisfactory year end result.

This report is signed in accordance with a resolution of the Board of Directors.

Dated this day of 2004

VICTORIAN LIVESTOCK EXCHANGE LIMITED
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STATEMENT OF FINANCIAL PERFORMANCE
HALF-YEAR ENDED 31 DECEMBER 2003

	31 December 2003	31 December 2002
	\$	\$
Revenues from ordinary activities	2,391,373	997,901
Depreciation and amortisation expenses	(154,688)	(146,164)
Borrowing costs expense	(118,500)	(163,674)
Salaries and employee benefits expense	(205,327)	(195,467)
Other expenses from ordinary activities	(1,135,656)	(379,505)
PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE	777,202	113,091
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	(236,995)	(37,627)
NET PROFIT	540,207	75,464
Basic earnings per share (cents per share)	16.9	2.4

VICTORIAN LIVESTOCK EXCHANGE LIMITED
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STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2003

	31 December 2003	30 June 2003
	\$	\$
CURRENT ASSETS		
Cash assets	238,730	323,859
Receivables	1,757,578	104,102
Inventories	97,146	259,431
Other	22,459	27,163
TOTAL CURRENT ASSETS	2,115,913	714,555
NON-CURRENT ASSETS		
Other financial assets	-	-
Property, plant and equipment	5,962,143	6,079,286
Deferred tax assets	7,640	132,824
Intangible assets	150,659	161,818
TOTAL NON-CURRENT ASSETS	6,120,442	6,373,928
TOTAL ASSETS	8,236,355	7,088,483
CURRENT LIABILITIES		
Payables	536,635	91,991
Current tax liabilities	104,502	-
Provisions	170,831	9,982
TOTAL CURRENT LIABILITIES	811,968	101,973
NON-CURRENT LIABILITIES		
Interest-bearing liabilities	3,550,000	3,500,000
Deferred tax liabilities	267,830	260,521
TOTAL NON-CURRENT LIABILITIES	3,817,830	3,760,521
TOTAL LIABILITIES	4,629,798	3,862,494
NET ASSETS	3,606,557	3,225,989
EQUITY		
Contributed equity	3,061,169	3,061,169
Retained profits	545,388	164,820
TOTAL EQUITY	3,606,557	3,225,989

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
HALF-YEAR ENDED 31 DECEMBER 2003

	31 December 2003	31 December 2002
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	734,261	787,581
Payments to suppliers and employees	(726,304)	(521,380)
Interest received	3,636	1,509
Borrowing costs	(119,271)	(165,154)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(107,678)	102,556
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(29,758)	(45,535)
Proceeds from sale of property, plant and equipment	2,307	6,081
Loans advanced	-	(460)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(27,451)	(39,914)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowings – other	(100,000)	(3,900,000)
Drawdown of borrowings – other	150,000	4,150,000
Payment of prospectus and listing costs	-	(18,018)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	50,000	231,982
NET INCREASE/(DECREASE) IN CASH HELD	(85,129)	294,624
Add opening cash brought forward	323,859	(79,912)
CLOSING CASH CARRIED FORWARD	238,730	214,712

VICTORIAN LIVESTOCK EXCHANGE LIMITED
ABN 72 078 839 031

NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2003

1. BASIS OF PREPARATION

The half-year financial statements are a general-purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2003 and any public announcements made by Victorian Livestock Exchange Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the company and are consistent with those applied in the 30 June 2003 annual report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

	31 December 2003	31 December 2002
2. DIVIDENDS	\$	\$
2003 proposed final unfranked ordinary dividend of 5.0 (2002: Nil) cents per share paid on 30 January 2004	159,640	-

3. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date

4. EVENTS SUBSEQUENT TO REPORTING DATE

On 30 January 2004, 79,020 new shares were issued under the Dividend Re-Investment Plan.

On 16 February 2004, the company entered into Heads of Agreement on a conditional sale for 4.8 hectares of land at a value of \$2,280,000.

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NOTES TO THE FINANCIAL STATEMENTS
HALF-YEAR ENDED 31 DECEMBER 2003

5. SEGMENT INFORMATION

Primary reporting – Business segments

	Livestock Operations		Land Subdivision		Consolidated	
	2003	2002	2003	2002	2003	2002
	\$	\$	\$	\$	\$	\$
Revenue						
Sales to customers outside the the company	767,846	866,690	1,623,527	131,211	2,391,373	997,901
Results						
Segment result before income Tax	27,495	92,435	749,707	20,656	777,202	113,091
Income tax expense					(236,995)	(37,627)
Net profit					540,207	75,464

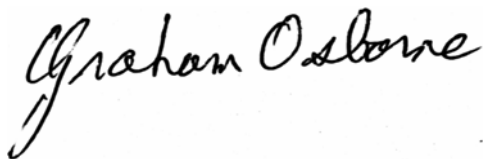
VICTORIAN LIVESTOCK EXCHANGE LIMITED
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DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements as set out on the attached Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes:
 - (a) comply with Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations; and
 - (b) give 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.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink that reads "Graham Osborne". The signature is written in a cursive, flowing style.

Graham Osborne
Managing Director



SINCLAIR WILSON
A u d i t S e r v i c e s

VICTORIAN LIVESTOCK EXCHANGE LTD

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
VICTORIAN LIVESTOCK EXCHANGE LTD**

Scope

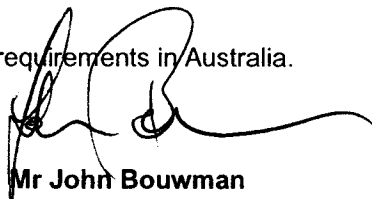
We have reviewed the financial report of Victorian Livestock Exchange Ltd for the half-year ended 31 December 2003 as set out on the attached pages. The company's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, 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 and other mandatory professional reporting requirements in Australia 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 lodge the financial report with the Australian Securities and Investments Commission/Bendigo Stock Exchange Limited.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company 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.

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 Victorian Livestock Exchange Ltd 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.



Mr John Bouwman

Sinclair Wilson
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BRANCHES

Cobden
Mortlake
Timboon
Terang
Port Fairy
Camperdown
Mt. Gambier
Hamilton