

CASH CONVERTERS

International Franchise Group

Appendix 4D

Company: Cash Converters International Limited
ABN: 39 069 141 546

Reporting period: Half-year ended 31 December 2005

“Results for announcement to the market”

- Revenues from ordinary activities up 14.6% to \$11,367,410;
- Profit from ordinary activities after income tax expense up 36.1% to \$2,072,400;
- Profit from ordinary activities, after tax, attributable to members, up 35.2% to \$2,047,334;
- Basic earnings per share of 1.40 cents, up 28.4% on last years figure of 1.09 cents;
- The Directors of the Company recommend an interim, fully franked dividend, of 0.75(three quarters) cent per share to be paid on 31 March 2006 to those shareholders on the register at close of business on 17 March 2006.

Appendix 4D continued

Net tangible assets per security

For the current period the net tangible assets per security are 0.058;
For the corresponding period they were 0.041.

Details over entities over which control has been gained or lost

The Company has no information to disclose in regard to entities over which control has been gained or lost.

Dividends

The Directors of the Company recommend an interim, fully franked dividend, of 0.75(three quarters) cent per share to be paid on 31 March 2006 to those shareholders on the register at close of business on 17 March 2006.

Details of associates and joint venture entities

The Company has no information to disclose in regard to associates and joint venture entities.

Audit review of accounts

The financial report accompanying appendix 4D has been subject to a review by our auditors. The review report to the members is attached to the financial report.

Appendix 4D *continued*

Financial Report

A consolidated income statement is included with the financial report lodged with appendix 4D;

A consolidated balance sheet is included with the financial report lodged with appendix 4D;

A consolidated statement of recognised income and expense is included with the financial report lodged with appendix 4D;

A consolidated cash flow statement is included with the financial report lodged with appendix 4D;

The segment results can be seen in *note 2 on pages 14 & 15* of the financial report.

Chairman's and Managing Director's review

For a commentary on the results for the period please refer to the Chairman's and Managing Director's review included with the financial report.

Also please refer to the directors' statement in the financial report.

Earnings per security

The basic earnings per share for this period are 1.40 cents per share;
The diluted earnings per share for this period are 1.40 cents per share;

The basic earnings per share for the previous corresponding period are 1.09 cents per share;
The diluted earnings per share for the previous corresponding period are 0.99 cents per share.

Ralph Groom
Company Secretary
3 March 2006

CASH CONVERTERS INTERNATIONAL LIMITED
A.B.N 39 069 141 546

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Chairman & Managing Director's Review

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Profit

The six month period to 31 December 2005 has produced an excellent result with an after tax net profit of \$2,047,334 which is up 35.2% on the corresponding period's profit of \$1,513,984.

The result was in line with Company expectations and reflects the impact that the growth in recurring income has had on our performance. The large one-off fees received by way of renewals from the Australian network and the licence fees received from UK franchisees, (2004: \$762,573, 2005: \$311,025) are being replaced by growth in weekly fees, cash advance commission and cheque cashing fees.

The group recorded earnings before interest expense, tax, depreciation and amortisation (EBITDA) of \$3,324,255 (2004: \$2,669,937) up 24.5%

Net profit from ordinary activities (before outside equity interests) of \$2,072,400 was after a charge for:

- Income tax \$912,711
- Amortisation and depreciation \$261,765
- Interest \$77,379

Revenue

Operating revenue for the period was \$11,367,410 (2004: \$9,915,847)

The major variances in revenue relate to:

- Increase in financial services commission of \$844,028;
- Increase in weekly fees of \$72,818;
- Increase in cheque cashing commission of \$118,524;
- Increase in corporate store revenue of \$554,194;
- Increase in computer levies of \$522,679;
- Decrease in licence fees of \$379,753.

Financial services

Australian Cash Advance Statistics

12 months ending 30 June 2005:

- Total principal loaned: \$ 68,619,318
- Average loan amount: \$ 226
- Group commissions: \$ 1,755,754
- Customers: 105,195

Six months ending 31 December 2005:

- Total principal loaned: \$49,110,092
- Average loan amount: \$230
- Group commissions: \$ 1,467,482
- Customers: 130,449

It can be seen from these figures that the Cash Advance business is growing rapidly. The first half results for this year already represent 84% of last year's total commissions. There are now 92 of our 119 stores participating, which is six more than at June 2005 with further stores earmarked to come on stream in the second half of the year.

The Company provides an ethical product to customers who require a short-term cash loan. Our experience to date suggests that there is a huge market for this product and, with our distribution network, we are ideally placed to become the biggest provider of short-term cash loans in Australia.

Chairman & Managing Director's Review

*CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005*

Other financial services

The UK cheque cashing business contributed \$617,242 for the half and Western Union money transfer commissions contributed \$96,814.

To further strengthen the business in Australia and to increase overall returns for the Group, additional personal financial services are being introduced. These include unsecured personal loans of \$1,000 to \$2,000 and secured personal loans of up to \$10,000. After an initial phase of testing in Queensland, a national rollout of this product is under way. The commission received from these products amounted to \$113,588 in this period (2004:\$54,473).

Australian and International division

The Australian and International division recorded a net profit before tax of \$ 2,731,354, (2004: \$2,073,762) up 31.7%.

One new traditional Cash Converters store was opened in Craigieburn (Victoria) in December and a further four buys and loans centres opened during the period taking the total number to 15. A stand-alone personal finance centre was also opened in Brisbane CBD in May this year - it is performing well ahead of budget. A further five franchisees will be opening personal finance centres in their stores during the six months to June 2006.

The introduction of personal finance centres and the definition of new jewellery standards will be followed with a full review of the overall standard of presentation of stores to ensure that the network has a look and feel that will take us into the future.

A great deal of progress has been made in the half in regard to establishing a clear strategic direction for the Cash Converters brand and a framework for communicating this to the market. Market research has also been undertaken to support the repositioning of the business and to identify customer attitudes towards the product range offered.

The establishment of the auction site in the UK has also lead to opportunities in Australia. A scoping study has been completed and the proposed launch of the site is mid-year. We hope that, following an initial, relatively slow introduction (as with cash advance), the auction site can be similarly successful to cash advance in generating a high level of commission.

Our attention remains focussed on strengthening the business model and network and refreshing the appeal of the Cash Converters brand. At the same time we continue to consider alternative ways of capitalising on the brand for greater profit.

The International network contributed \$106,582 in royalties for the half-year.

Cash Converters UK division

The first half result was in line with expectations, producing a profit before tax of \$248,540.

During the period store numbers have continued to grow in the UK with a new store opening in Birmingham at the end of December taking the total to 110.

New stores are being opened both by new franchisees and by internal growth from existing multi-site owners.

Cash Converters stores are now at record numbers and further growth is planned for the New Year with three more stores anticipated to be open in March. With more stores already in the pipeline this growth will continue throughout this year

A new television campaign is being planned for later this year when the current campaign ends in April. The BBC is currently filming a second series of "Skint" that will be aired later this year. These two activities will ensure that that the Cash Converters brand remains high profile through 2006.

The CCWIN system first introduced to UK stores in January 2002, is now in over ninety stores and is introduced into each new store as standard. Apart from the obvious benefits in management controls for the network, this is now an additional income stream that will have a positive effect on UK profitability

Relationships have been developed with a number of financial providers to add to the portfolio of services provided to Cash Converters customers. Income via commissions is already earned from Western Union and Log Book loans. This will be added to in the second half of this financial year by foreign exchange, personal loan providers and other services that are being trialled presently.

In summary the first half has seen growth in weekly fees, cheque cashing commission and other financial services income which has offset a drop in revenue from the one-off licence fee income received in the same period last year. This augurs well for the future.

Chairman & Managing Director's Review

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Corporate Stores

The corporate store rollout program is beginning to gain momentum with the opening of our third store in Rochdale in February 2006. A site for the fourth store has been secured in Blackburn ready for a store opening in May 2006. As reported previously, the first store opened in Bolton in November 2004 and the store in Burnley opened in June 2005. Both stores have performed in line with budget and steady growth is being experienced in the buyback and pawnbroking loan books in both stores.

The trading figures for the period are;

	BOLTON	BURNLEY
Gross profit	£66,603	£42,475
Total overhead	£75,612	£57,322
EBITDA	£ 9,009 profit	£14,847 loss

It is encouraging that the Burnley store is performing to the same level as the Bolton store did for its first six months of trading.

UK Online Auction Site

The Cash Converters auction site was launched in September 2005. It is anticipated that this will grow into a significant income stream over the next few years as franchisees move into the world of e-trading. CCUK will be paid a commission on every successful auction.

The site has had 10 stores participating to date, uploading a minimum amount of stock as part of a soft launch before the national rollout which will begin in earnest from March onwards. The site has not been advertised during this soft launch, however, the statistics below indicate that there is already a considerable amount of traffic visiting the site with over 5,000 registered customers.

Number of unique visitors since launch	161,596
Average per day	1,056
Total page views	2,190,040
Average per day	13,991
Total number of products sold	781
Number of registered customers	5,196

When the number of stores participating and the number of products available for auction increases to a commercial level, a comprehensive marketing strategy will be implemented to grow the business. It will also be supported by a PR campaign highlighting the advantages our bricks and mortar retail network brings to an online auction site.

Our experience to date shows that the site is the busiest between 12 noon and 2 pm, Monday to Friday which suggests that our customers are workers with access to the internet, a demographic that we have been trying to reach for years. This represents a wonderful opportunity to increase our customer base.

Dividend payment

The Board is pleased to announce the payment of an interim dividend of 0.75 (three-quarter) cent per share, fully franked. The dividend will be paid on 31 March 2006 to those shareholders on the register at the close of business on 17 March 2006.

As disclosed previously, the Board is committed to the proposition that dividends once begun must be sustainable. Accordingly the Board expects the Company to be in a position to continue to pay a six monthly dividend.

Chairman & Managing Director's Review

*CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005*

The future

The future looks bright with the continued growth of cash advance and other financial services. The corporate store network in the UK is gaining momentum and the UK online auction site is also growing in line with our expectation.

The increase in dividend payment reflects the steady improvement in the Company's finances over a number of years and it is the Board's intention to continue to pay dividends and to reassess the quantum at the end of each reporting period in line with the Company's performance.

In closing we wish to thank our fellow Directors, management and staff for a job well done.

Reg Webb
Chairman

Peter Cumins
Managing Director

Perth, Western Australia
Date 3 March 2006

Directors' Report continued

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Directors' report

In respect of the half-year ended 31 December 2005 the Directors of Cash Converters International Limited, the Company and parent entity, submit the following report made out in order to comply with the provisions of the Corporations Act 2001.

Directors

The following persons held office as Directors of the Company during or since the end of the half-year:

Mr Reginald Webb (Chairman)
Mr Peter Cumins (Managing Director)
Mr Michael Cooke (Executive Director)
Mr John Yeudall (Non-executive Director)
Mr Andrew Moffat (Non-executive Director) appointed 16 February 2006.

Dividends

The Directors of the Company recommend that an interim dividend of 0.75 (three quarters) cents per share be paid on 31 March 2006 to those shareholders on the register at the close of business on 17 March 2006.

Review of operations

A summary of consolidated revenues and results by significant industry segments is set out below:

	Segment revenues		Segment results	
	2005	2004	2005	2004
Australia and International franchise division	5,238,214	4,293,173	2,731,354	2,073,762
Finance Corporation division	187,694	202,554	30,217	10,406
UK division	5,934,701	5,384,111	248,540	265,374
US division	6,801	36,009	(11,818)	7,198
	<u>11,367,410</u>	<u>9,915,847</u>	<u>2,998,293</u>	<u>2,356,740</u>
Less: Unallocated expenses			<u>(13,182)</u>	<u>(65,836)</u>
Operating profit			2,985,111	2,290,904
Income tax attributable to operating profit			<u>(912,711)</u>	<u>(768,257)</u>
Operating profit after income tax			2,072,400	1,522,647
Less: Profit attributable to outside equity interests			<u>(25,066)</u>	<u>(8,663)</u>
Profit attributable to members of Cash Converters International Limited			<u>2,047,334</u>	<u>1,513,984</u>

Comments on the operations and the results of those operations are set out below:

Cash Converters Australia and International Franchise Division

One new traditional Cash Converters store was opened in Craigieburn (Victoria) in December and a further four buys and loans centres opened during the period taking the total number to 15. A stand-alone personal finance centre was also opened in Brisbane CBD in May this year - it is performing well ahead of budget. A further five franchisees will be opening personal finance centres in their stores during the six months to June 2006.

The additional personal finance initiatives offered by these centres – unsecured and secured personal loans, cash advances, cheque cashing, and both local (Australian) and international money transfers are delivering improved returns to the franchisees. A recent trial of extended warranty (extended from three months warranty cover to twelve months) on selected product has been successful and this will be another service the franchise network will offer on selected second hand goods.

Directors' Report *continued*

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Cash Converters Australia and International Franchise Division *continued*

The concept of cash advance has continued to make significant progress and the net commissions for this product have risen from \$713,697 last year to \$1,483,223 this year, a 107.8% increase. The number of stores now offering the service is 92.

The introduction of personal finance centres and the definition of new jewellery standards will be followed with a full review of the overall standard of presentation of stores to ensure that the network has a look and feel that will take us into the future.

A great deal of progress has been made in the half in regard to establishing a clear strategic direction for the Cash Converters brand and a framework for communicating this to the market. Market research has also been undertaken to support the repositioning of the business and to identify customer attitudes toward the product range offered.

The establishment of the auction site in the UK has also lead to opportunities in Australia. A scoping study has been completed and the proposed launch of the site is mid-year. Hopefully following an initial, relatively slow introduction (as with cash advance) the auction site can be similarly successful to cash advance in generating a high level of commission.

Our attention remains focussed on strengthening the business model and network and refreshing the appeal of the Cash Converters brand. At the same time we continue to consider alternative ways of capitalising on the brand for greater profit.

The International network contributed \$106,582 in royalties for the half-year.

Cash Converters UK Division

During the period store numbers have continued to grow in the UK with a new store opening in Birmingham at the end of December taking the total to 110. Stores are being opened by both new franchisees and by internal growth from existing multi-site owners. Store numbers are now at record levels and further growth is planned for the second half of the financial year with three more stores anticipated to be open in March.

The corporate store division is due to expand in February 2006 with its third store in Rochdale and the fourth has had the lease secured in Blackburn. The two existing stores located in Bolton and Burnley are trading well and achieving the financial targets set.

The Cash Converters auction site, launched last September, has successfully completed its trials and is now open to every franchisee in the UK. The auction site will provide each store with its own web site - this can be accessed individually or as part of the general auction site.

Levels of visitors to the site, page views and registered customer numbers have all shown strong growth and there is now a planned schedule to increase store numbers and stock levels in order to drive sales forward. The site will continue to be developed through a test computer server established specifically for the auction site. The marketing possibilities to registered customers are being explored, as is the promotion of the site through a linked PR and advertising campaign.

A clear boost was given to the UK network of stores during 2005 as a result of Cash Converters appearing in the BBC programme 'Skint'. This was combined with a planned advertising TV campaign and it is estimated that approximately twenty two million viewers were reached. As a result, the stores performance has shown positive growth in all key indicators and this is despite difficult trading conditions that remain in UK retailing as a whole.

A new television campaign is being planned for later this year when the current campaigns ends in April. The BBC is currently filming a second series of 'Skint' that will be aired later this year. These two activities will ensure that that the Cash Converters brand remains high profile throughout 2006.

The CCWIN system, first introduced to UK stores in January 2002, is now in over ninety stores and is installed into each new store as a standard requirement. Apart from the obvious benefits in management controls for the network, this is now an additional income stream that will have a positive effect on UK profitability.

Cheque cashing has shown good growth over the past few years and shows no sign of abating. Training courses for cheque cashing procedures are run at regular intervals and a high degree of focus is given to in store development to ensure this growth continues.

Directors' Report *continued*

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Cash Converters UK Division *continued*

Relationships have been developed with a number of financial providers to add to the portfolio of services provided to Cash Converters customers. Income via commissions is already earned from Western Union, and Log Book loans, this will be added to in the second half of this financial year by foreign exchange, personal loan providers and other services that are currently being trialled.

In summary the first half has seen growth in weekly fees, cheque cashing commission and other financial services income which has offset a drop in revenue from the one off licence fee income (2004: \$556,391, 2005: \$176,638) received in the same period last year, which augurs well for the future.

Independent declaration by Auditor

The Auditor's independence declaration is included on page 24 of this financial report.

For and on behalf of the Board, signed in accordance with a resolution of directors pursuant to s306(3) of the Corporations Act 2001.

Michael Cooke
Director

Perth, Western Australia
Date 3 March 2006

Consolidated income statement for the half-year ended 31 December 2005

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

		Consolidated	
	Notes	Half-year ended 31 December 2005 \$	Half-year ended 31 December 2004 \$
Revenue	2/3	11,367,410	9,915,847
Employee benefits expenses		2,357,233	2,021,849
Depreciation and amortisation expenses		261,765	265,195
Finance costs		83,084	113,838
Legal fees / legal settlements		194,002	222,030
Raw materials / consumable items		2,634,565	2,794,581
Area agents fees / commissions		150,116	139,288
Rental expense on operating lease		312,274	275,374
Cost of asset sales		13,319	22,870
Motor vehicle / travel costs		388,918	432,244
Bad debts		5,598	-
Professional and registry costs		405,574	74,532
Auditing and accounting services		112,895	145,246
Bank charges		156,804	149,647
Cost of sales – retail stores		359,231	72,962
Other expenses from ordinary activities	3	946,921	895,287
Profit before income tax expense		2,985,111	2,290,904
Income tax expense		(912,711)	(768,257)
Profit from continuing operations		2,072,400	1,522,647
Profit attributable to minority interest		(25,066)	(8,663)
Profit attributable to members of the parent entity		2,047,334	1,513,984
Earnings per share			
Basic earnings per share (cents per share)		1.40	1.09
Diluted earnings per share (cents per share)		1.40	0.99

The accompanying notes form an integral part of the consolidated income statement.

Consolidated balance sheet as at 31 December 2005

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Consolidated 31 December 2005 \$	30 June 2005 \$
Current assets		
Cash and cash equivalents	5,860,018	5,172,719
Receivables	3,855,996	2,817,970
Inventories	394,014	241,855
Prepayments	116,290	247,471
	<u>10,226,318</u>	<u>8,480,015</u>
Total current assets		
Non-current assets		
Receivables	2,303,785	2,215,623
Plant and equipment	1,048,717	1,099,630
Intangibles	9,293,093	9,331,167
Deferred tax asset	153,039	190,117
	<u>12,798,634</u>	<u>12,836,537</u>
Total non-current assets		
Total assets	<u>23,024,952</u>	<u>21,316,552</u>
Current liabilities		
Payables	2,183,303	1,846,070
Interest bearing liabilities	436,289	663,318
Current tax liabilities	691,238	326,550
Provisions	260,510	958,544
	<u>3,571,340</u>	<u>3,794,482</u>
Total current liabilities		
Non-current liabilities		
Payables	514,837	565,092
Interest bearing liabilities	1,135,637	1,141,191
Deferred tax liabilities	1,145,499	1,215,510
	<u>2,795,973</u>	<u>2,921,793</u>
Total non-current liabilities		
Total liabilities	<u>6,367,313</u>	<u>6,716,275</u>
Net assets	<u>16,657,639</u>	<u>14,600,277</u>
Equity		
Parent entity interest		
Issued capital	6,093,100	6,093,100
Reserves	(64,271)	(49,234)
Retained earnings	10,477,025	8,429,692
Total parent entity interest	<u>16,505,854</u>	<u>14,473,558</u>
Minority interest	151,785	126,719
Total equity	<u>16,657,639</u>	<u>14,600,277</u>

The accompanying notes form an integral part of the consolidated balance sheet.

Consolidated statement of recognised income and expense for the half-year ended 31 December 2005

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Consolidated Half-year ended 31 December 2005 \$	Half-year ended 31 December 2004 \$
Translation of foreign operations		
Exchange differences	(15,037)	(98,773)
Net income and expenses recognised directly in equity	(15,037)	(98,773)
Profit for the period	2,072,400	1,522,647
Total recognised income and expenses for the period	2,057,363	1,423,874
Attributable to:		
Equity holders of the parent	2,032,297	1,415,211
Minority interest	25,066	8,663
	2,057,363	1,423,874

The accompanying notes form an integral part of the consolidated statement of recognised income and expense.

**Consolidated cash flow statement for the half-year ended
31 December 2005**

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Consolidated	
	Half-year ended 31 December 2005 \$	Half-year ended 31 December 2004 \$
Cash flows from operating activities		
Receipts from customers	9,918,026	8,859,756
Payments to suppliers and employees	(7,494,778)	(7,668,675)
Interest received	141,342	86,552
Interest and costs of finance paid	(66,892)	(103,617)
Income tax paid	(574,659)	(875,001)
Net cash flows from operating activities	1,923,039	299,015
Cash flows applied to investing activities		
Purchase of franchise licence	-	(50,000)
Proceeds from sale of plant and equipment	18,917	30,592
Purchase of plant and equipment	(187,135)	(312,343)
Loan repayments from non related entities	9,775	8,543
Loan repayments to non-related entities	-	(35,700)
Instalment credit loans made to franchisees	(515,556)	(622,598)
Instalment credit loans repaid by franchisees	469,489	595,558
Net cash flows used in investing activities	(204,510)	(385,948)
Cash flows from financing activities		
Repayment of borrowings	(200,000)	(954,155)
Capital element of finance lease and hire purchase payments	(39,361)	(35,183)
Unsecured deposits repaid	-	(70,000)
Redemption of unsecured notes by controlled entity	(123,534)	(200)
Issue of unsecured notes by controlled entity	141,547	152,322
Dividends	(730,803)	-
Issue of shares by controlling entity	-	75,000
Net cash flows used in financing activities	(952,151)	(832,216)
Net increase/(decrease) in cash held	766,378	(919,149)
Cash and cash equivalents at the beginning of the period	5,172,719	4,632,582
Exchange rate variations on foreign cash balances	(79,079)	(56,453)
Cash and cash equivalents at the end of the period	5,860,018	3,656,980

The accompanying notes form an integral part of the consolidated cash flow statement.

Consolidated cash flow statement for the half-year ended 31 December 2005

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

1. Basis of preparation of half-year financial report

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 "Interim Financial Reporting". Compliance with AASB 134 ensures compliance with IAS 34 "Interim Financial Reporting". The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the 2005 annual financial report.

With the exception of the amended accounting policies noted below that have arisen through the transition to A-IFRS, the significant accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the 2005 annual financial report.

The principal accounting policies adopted in the preparation of the financial report are set out below.

Application of AASB1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards

This interim financial report is the first Cash Converters International Limited interim financial report to be prepared in accordance with AIFRSs. AASB1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards* has been applied in preparing these financial statements. The date of transition for the group was 1 July 2004.

Financial statements of Cash Converters International Limited until 30 June 2005 had been prepared in accordance with previous Australian Generally Accepted Accounting Policies (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing the Cash Converters International Limited interim financial report for the half year ended 31 December 2005 and the comparative information in note 7, management has amended certain accounting treatments applied in the previous AGAAP financial statements to comply with AIFRS. With exception of financial instruments, the comparative figures were restated to reflect these adjustments. The Group has taken the exemption available under AASB 1 to only apply AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* from 1 July 2005.

Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRSs on the Group's equity and its net income are given in note 7.

Early adoption of standard

The directors have elected under s334(5) of the Corporations Act 2001 to apply Accounting Standard AASB 119 *Employee benefits* (December 2004) and the consequential amendments effected by AASB 2004-3 "Amendments to Australian Accounting Standards" even these standards are not required to be applied until annual reporting periods beginning on or after 1 January 2006.

Financial assets – loans and receivables

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

Intangible Assets

Tradenames and licences are recorded at cost less amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives of 20 years, after allowance is made for a suitable residual value. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Consolidated cash flow statement for the half-year ended 31 December 2005

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Impairment

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Income tax

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the assets is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Consolidated cash flow statement for the half-year ended **31 December 2005**

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
 FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

2. Segment information

Information on business segments						
Segment revenues	External Sales		Inter-segment		Total	
	2005	2004	2005	2004	2005	2004
	\$	\$	\$	\$	\$	\$
Franchising	11,048,446	9,634,454		-	11,048,446	9,634,454
Financing	177,720	194,841		-	177,720	194,841
Total of all segments	11,226,166	9,829,295		-	11,226,166	9,829,295
Eliminations					-	-
Unallocated					141,244	86,552
Consolidated revenue					11,367,410	9,915,847
Segment assets & liabilities	Assets		Liabilities			
	2005	2004	2005	2004		
	\$	\$	\$	\$		
Franchising	19,826,447	17,600,262	3,379,770	4,212,935		
Financing	3,198,506	3,607,006	2,987,544	3,429,151		
Total of all segments	23,024,953	21,207,268	6,367,314	7,642,086		
Eliminations	-	-	-	-		
Unallocated	-	-	-	-		
Consolidated	23,024,953	21,207,268	6,367,314	7,642,086		
Segment results			Total			
			2005	2004		
			\$	\$		
Franchising			2,968,076	2,346,334		
Financing			30,217	10,406		
Total of all segments			2,998,293	2,356,740		
Eliminations			-	-		
Unallocated			(13,182)	(65,836)		
Profit from ordinary activities before tax			2,985,111	2,290,904		
Income tax expense relating to ordinary activities			(912,711)	(768,257)		
Net profit from ordinary activities after related income tax expense			2,072,400	1,522,647		

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

2. Segment information *continued*

Other segment information	Franchising		Financing	
	2005	2004	2005	2004
	\$	\$	\$	\$
Acquisition of segment assets	187,135	392,318	-	-
Depreciation and amortisation of segment assets	261,765	265,195	-	-

Information on geographical segments			
Geographical segments	Revenue from external customers	Segment assets	Acquisition of segment assets
	2005	2005	2005
	\$	\$	\$
Australia	5,319,326	19,274,141	45,532
UK Division	5,934,701	3,736,164	141,603
US Division	6,801	14,648	-
Rest of the World	106,582	-	-
Consolidated	<u>11,367,410</u>	<u>23,024,953</u>	<u>187,135</u>

- The economic entity operates predominantly in the following industries:

Franchising

This involves the sale of franchises for the retail sale of second hand goods, and sales of master licences for the development of franchises in countries around the world.

Finance

The finance division was established to provide loans to existing franchisees within Australia, for the development of their businesses.

- Intersegment pricing is based upon an agreed interest rate between Cash Converters Pty Ltd and Cash Converters Finance Corporation Limited.
- Under the geographical segment the revenue included under the 'rest of the world' is the percentage revenue due to the consolidated entity from the sub-master franchisors at a contracted percentage rate of their revenue generated from operations in their countries.

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

3. Profit from operations

Revenue from continuing operations consisted of the following items:

	Half-year ended 31 December 2005 \$	Half-year ended 31 December 2004 \$
Revenue:		
Sales revenue		
Weekly franchisee fees	3,427,552	3,354,734
Initial fees	193,582	197,406
Licence fees	176,638	556,391
Ten-year renewals	134,387	206,182
Ten-year renewals – renewed at six years	-	-
Sub-franchisor licence sales	-	63,945
Advertising levy	155,650	139,700
Instalment credit loan interest	177,720	194,841
Wholesale/retail sales	2,770,803	2,960,063
Cheque cashing commission	617,242	498,718
Corporate store revenue	643,041	88,847
Computer levy	649,658	126,979
Training levy	471,082	474,610
Financial services commission	1,723,241	879,213
Rent received	36,693	38,833
Interest revenue	141,244	86,552
Other income		
Asset sales	18,917	30,592
Other revenue	29,960	18,241
	<u>11,367,410</u>	<u>9,915,847</u>

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

4. Subsequent events

The Directors recommend an interim dividend of 0.75 cents per share. This dividend will be 100% franked and will be paid on 31 March 2006. The financial effect has not been reported in this financial report.

Apart from the above the Directors are not aware of any matter or circumstance that has significantly affected or may significantly affect the operations of the economic entity or the state of affairs of the economic entity in subsequent financial periods.

5. Contingent liabilities

In the course of its normal business the economic entity occasionally receives claims and writs for damages and other matters arising from its operations. Where in the opinion of the Directors it is deemed appropriate a specific provision is made, otherwise the Directors deem such matters are either without merit or of such kind or involved such amounts that would not have a material adverse effect on the operating results or financial position of the economic entity if disposed of unfavourably.

There have been no changes in the details of contingent liabilities or contingent assets since the last reporting date.

6. Dividends

	2005		2004	
<i>Recognised amounts</i>	Cents per share	Total \$	Cents per share	Total \$
<i>Fully paid ordinary shares</i>				
Final dividend: Franked to 30%	0.05	730,802	0.05	730,802

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

7. Explanation of transition to Australian Equivalents to IFRS.

(1) Reconciliation of equity reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to equity under Australian equivalents to IFRS (AIFRS)

(a) At the date of transition to AIFRS: 1 July 2004	Note	Consolidated		
		AGAAP actual \$	A-IFRS impact \$	A-IFRS \$
Current assets				
Cash assets		4,632,582	-	4,632,582
Receivables		3,514,012	-	3,514,012
Inventories		136,084	-	136,084
Prepayments		202,033	-	202,033
Total current assets		8,484,711	-	8,484,711
Non-current assets				
Receivables		2,349,295	-	2,349,295
Investments		-	-	-
Plant and equipment		809,368	-	809,368
Intangibles		9,553,231	-	9,553,231
Deferred tax assets		166,275	-	166,275
Total non-current assets		12,878,169	-	12,878,169
Total assets		21,362,880	-	21,362,880
Current liabilities				
Payables		2,978,412	-	2,978,412
Interest bearing liabilities		1,434,540	-	1,434,540
Current tax liabilities		612,714	-	612,714
Provisions		198,752	-	198,752
Total current liabilities		5,224,418	-	5,224,418
Non-current liabilities				
Payables		511,591	-	511,591
Interest bearing liabilities		2,293,086	-	2,293,086
Deferred tax liabilities		1,260,965	-	1,260,965
Total non-current liabilities		4,065,642	-	4,065,642
Total liabilities		9,290,060	-	9,290,060
Net assets		12,072,820	-	12,072,820
Equity				
Issued capital		5,133,100	-	5,133,100
Reserves	a	(449,006)	449,006	-
Retained earnings	a	7,272,597	(449,006)	6,823,591
Total parent equity interest		11,956,691	-	11,956,691
Minority interest		116,129	-	116,129
Total equity		12,072,820	-	12,072,820

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

7. Explanation of transition to Australian Equivalents to IFRS. *continued*

(b) At the end of the last half year reporting period under previous AGAAP: 31 December 2004

	Note	AGAAP actual \$	A-IFRS impact \$	A-IFRS \$
Current assets				
Cash assets		3,686,102	-	3,686,102
Receivables		4,019,453	-	4,019,453
Inventories		204,863	-	204,863
Prepayments		293,818	-	293,818
Total current assets		8,204,236	-	8,204,236
Non-current assets				
Receivables		2,387,069	-	2,387,069
Plant and equipment		995,979	-	995,979
Intangibles		9,442,199	-	9,442,199
Deferred tax assets		177,784	-	177,784
Total non-current assets		13,003,031	-	13,003,031
Total assets		21,207,267	-	21,207,267
Current liabilities				
Payables		2,420,582	-	2,420,582
Interest bearing liabilities		631,486	-	631,486
Current tax liabilities		506,722	-	506,722
Provisions		214,227	-	214,227
Total current liabilities		3,773,017	-	3,773,017
Non-current liabilities				
Payables		435,013	-	435,013
Interest bearing liabilities		2,179,747	-	2,179,747
Deferred tax liabilities		1,254,312	-	1,254,312
Total non-current liabilities		3,869,072	-	3,869,072
Total liabilities		7,642,089	-	7,642,089
Net assets		13,565,178	-	13,565,178
Equity				
Issued capital		5,201,584	-	5,201,584
Reserves	a	(547,779)	449,006	(98,773)
Retained earnings	a	8,786,581	(449,006)	8,337,575
Total parent equity interest		13,440,386	-	13,440,386
Minority interest		124,792	-	124,792
Total equity		13,656,178	-	13,656,178

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

7. Explanation of transition to Australian Equivalents to IFRS. *continued*

(c) At the end of the last half year reporting period under previous AGAAP: 30 June 2005	Note	AGAAP actual \$	A-IFRS impact \$	A-IFRS \$
Current assets				
Cash assets		5,172,719	-	5,172,719
Receivables		2,817,970	-	2,817,970
Inventories		241,855	-	241,855
Prepayments		247,471	-	247,471
Total current assets		8,480,015	-	8,480,015
Non-current assets				
Receivables		2,215,623	-	2,215,623
Investments		-	-	-
Plant and equipment		1,099,630	-	1,099,630
Intangibles		9,331,167	-	9,331,167
Deferred tax assets		190,117	-	190,117
Total non-current assets		12,836,537	-	12,836,537
Total assets		21,316,552	-	21,316,552
Current liabilities				
Payables		1,846,070	-	1,846,070
Interest bearing liabilities		663,318	-	663,318
Current tax liabilities		326,550	-	326,550
Provisions		958,544	-	958,544
Total current liabilities		3,794,482	-	3,794,482
Non-current liabilities				
Payables		565,092	-	565,092
Interest bearing liabilities		1,141,191	-	1,141,191
Deferred tax liabilities		1,215,510	-	1,215,510
Total non-current liabilities		2,921,793	-	2,921,793
Total liabilities		6,716,275	-	6,716,275
Net assets		14,600,277	-	14,600,277
Equity				
Issued capital		6,093,100	-	6,093,100
Reserves	a	(498,240)	449,006	(49,234)
Retained earnings	a	8,878,698	(449,006)	8,429,692
Total parent equity interest		14,473,558	-	14,473,558
Minority interest		126,719	-	126,719
Total equity		14,600,277	-	14,600,277

Effect of A-IFRS on the Balance Sheet

a) This adjustment relates to the transfer of the foreign currency translation reserve as at 1 July 2004 to retained earnings.

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

7. Explanation of transition to Australian Equivalents to IFRS. *continued*

(2) Reconciliation of profit under previous AGAAP to profit under Australian equivalents to IFRS (AIFRS)

(a) Reconciliation of profit for the half-year ended 31 December 2004

	Note	AGAAP actual \$	A-IFRS impact \$	A-IFRS \$
Revenue		9,915,847	-	9,915,847
Employee benefits expenses		2,021,849	-	2,021,849
Depreciation and amortisation expenses		265,195	-	265,195
Finance costs		113,838	-	113,838
Legal fees/legal settlements		222,030	-	222,030
Raw materials/consumable items		2,867,543	-	2,867,543
Area agents fees/commissions		139,288	-	139,288
Rental expense on operating leases		275,374	-	275,374
Cost of asset sales		22,870	-	22,870
Motor vehicle/travel costs		432,244	-	432,244
Management fees		-	-	-
Bad debts		-	-	-
Professional and registry costs		74,532	-	74,532
Auditing and accounting services		145,246	-	145,246
Bank charges		149,647	-	149,647
Other expenses from ordinary activities		895,287	-	895,287
Profit before income tax expense		2,290,904	-	2,290,904
Income tax expense		768,257	-	768,257
Profit from continuing operations		1,522,647	-	1,522,647
Profit attributable to minority interest		8,663	-	8,663
Profit attributable to members of the parent entity		1,513,984	-	1,513,984
Net exchange differences on translation of financial report of foreign controlled entities		(98,773)	-	(98,773)
Total revenues, expenses and valuation adjustments attributable to members of the parent entity recognised directly in equity		(98,773)	-	(98,773)
Total changes in equity other than those resulting from transactions with owners as owners		1,415,211	-	1,415,211

Notes, to the consolidated financial statements

CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

7. Explanation of transition to Australian Equivalents to IFRS. *continued*

(b) Reconciliation of profit for the year ended 30 June 2005	Note	AGAAP actual \$	A-IFRS impact \$	A-IFRS \$
Revenue		18,608,542	-	18,608,542
Employee benefits expenses		(3,953,578)	-	(3,953,578)
Depreciation and amortisation expenses		(576,387)	-	(576,387)
Finance costs		(199,771)	-	(199,771)
Legal fees/legal settlements		(519,753)	-	(519,753)
Raw materials/consumable items		(4,296,697)	-	(4,296,697)
Area agents fees/commissions		(357,892)	-	(357,892)
Rental expense on operating leases		(562,341)	-	(562,341)
Cost of asset sales		(40,992)	-	(40,992)
Motor vehicle/travel costs		(834,392)	-	(834,392)
Management fees		-	-	-
Bad debts		(78,798)	-	(78,798)
Professional and registry costs		(252,496)	-	(252,496)
Auditing and accounting services		(252,943)	-	(252,943)
Bank charges		(301,839)	-	(301,839)
Cost of sales – retail stores		(278,484)	-	(278,484)
Other expenses from ordinary activities		(1,627,554)	-	(1,627,554)
Profit before income tax expense		4,474,625	-	4,474,625
Income tax expense		(1,396,329)	-	(1,396,329)
Profit from continuing operations		3,078,296	-	3,078,296
Profit attributable to minority interest		(10,590)	-	(10,590)
Profit attributable to members of the parent entity		3,067,706	-	3,067,706
Net exchange differences on translation of financial report of foreign controlled entities		(49,234)	-	(49,234)
Total revenues, expenses and valuation adjustments attributable to members of the parent entity recognised directly in equity		(49,234)	-	(49,234)
Total changes in equity other than those resulting from transactions with owners as owners		3,018,472	-	3,018,472

Directors declaration

*CASH CONVERTERS INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2005*

Directors' declaration

The Directors declare that:

- (a) in the directors opinion, there are reasonable grounds to believe that the disclosing entity will be able to pay its debts as and when they become due and payable; and
- (b) in the directors opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors

Michael Cooke
Director

Perth, Western Australia
Date 3 March 2006

The Board of Directors
Cash Converters International Limited
Level 18, Citibank House
37 St Georges Terrace
PERTH WA 6000

3 March 2006

Dear Sirs

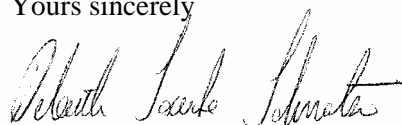
Cash Converters International Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Cash Converters International Limited.

As lead audit partner for the review of the financial statements of Cash Converters International Limited for the half-year ended 31 December 2005, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



KEITH F JONES

Partner

Chartered Accountants

Independent review report to the members of Cash Converters International Limited

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of recognised income and expense, selected explanatory notes and the directors' declaration for the consolidated entity for the half-year ended 31 December 2005 as set out on pages 8 to 22. The consolidated entity comprises both Cash Converters International Limited (the company) and the entities it controlled at the end of the half-year or from time to time during the half-year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with Accounting Standards in Australia and the Corporations Act 2001. This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review Approach

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 the Corporations Act 2001 and Accounting Standards AASB 134 "Interim Financial Reporting" and AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards", so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations, its changes in equity and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity'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.

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 Cash Converters International Limited is not in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 "Interim Financial Reporting" and AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" and the Corporations Regulations 2001.



DELOITTE TOUCHE TOHMATSU



KEITH F JONES

Partner

Chartered Accountants

Perth, 3 March 2006