TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
ABN 50 007 870 760

APPENDIX 4D

Half Year Information given to ASX under listing rule 4.2A

Information should be read in conjunction with the most recent annual financial report.

TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
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RESULTS FOR ANNOUNCEMENT TO MARKET

		$A'000			$A'000
Revenues from ordinary activities	up	286	1.6%	to	17,952
Profit from ordinary activities before tax attributable to members	down	827	36.3%	to	1,453
Net Operating Profit from ordinary activities before tax	down	100	6.1%	to	1,553
Profit from ordinary activities after tax attributable to members	down	1,002	45.3%	to	1,212
Net profit for the period attributable to members	down	1,002	45.3%	to	1,212

Revenues from ordinary activities are marginally up on last year due to the continuing favourable conditions prevailing in the Australian equity markets.

The profit from ordinary activities is $1.553M after adding back the $100,000 writedown of the receivable due from sale of the Albury funds administration business.

All key divisions made positive contributions and the Directors are pleased with the reported result.

TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
ABN 50 007 870 760

INTERIM FINANCIAL REPORT

DIRECTORS' REPORT

Your directors submit the financial report for the half-year ended 31 December 2004.

Directors

The names of directors who held office during or since the end of the half-year:

Mr John R Harry	Mr Ian M Johnson (resigned 2 July 2004)
Mr John Wilson	Mr Russell A McKimm (resigned 31 December 2004)
Mr Craig A Graham-Smith	Mr Peter F Chapman (resigned 23 November 2004)
Mr G Andrew McDouall	Mr Peter B Leigh (appointed 1 October 2004)

Review of Operations

The reported Group pre-tax profit for the half year ended 31 December 2004 was $1,453,237, which compares to a pre-tax profit of $2,280,664 for the previous corresponding period.

The Group operating profit for the half year ended 31 December 2004 is $1,553,237, which compares to the operating profit of the previous corresponding period of $1,653,560. The Directors consider this a good result with most divisions contributing positively to the ongoing profitability of the Group.

Revenues are marginally up on last year but increased staff and compliance costs and increased legal contingencies and doubtful debts are higher than the corresponding period last year. Costs resulting from strengthening the administration of the business in 2004 have permanently increased the fixed cost base required to service retail broking clients.

The operating profit results for the last three six monthly periods have been:

Operating net profit for the six months ended:	Operating Profit
31 December 2004	$1,553,237
30 June 2004	$1,164,085
31 December 2003	$1,653,560

As announced on 14 January 2005, we have concluded the negotiation and settlement with the purchaser of our funds administration business in Albury which has resulted in a $100,000 writedown of the receivable.

We continue to increase our market share in Equities and Options, our core businesses, and are pleased that our dealers and research teams work so diligently to find investment opportunities and strategies for our Retail clients.

Tolhurst is having success building its Equity Capital Markets, Corporate Advisory and Institutional Broking capabilities. Corporate Advisory has an on-going corporate advisory mandate with an ASX 100 company and advised City Pacific on the takeover offer for two listed companies during the six month period.

The rebuilding of our institutional business is progressing well and ahead of management expectations. The recruitment of key institutional advisers in Sydney has been an important factor in the recent increase in the market share and ranking of our stockbroking business.

The strong profitability and orderly sale of non-core assets over the past 18 months have seen our cash reserves and capital adequacy ratios greatly increase. Importantly for shareholders, our franking account is building and as at 30 June 2004 was over $2.4M.

DIRECTORS' REPORT

The Board would like to thank John Wilson and the executive team for their tremendous endeavour and commitment in guiding the Company forwards a brighter future.

We must give our thanks to the key business writers, analysts and back office staff who make these results possible. We wish all our employees a successful and rewarding 2005.

Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 5 and forms part of the director's report for the half year ended 31 December 2004.

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

John R Harry
Chairman
24 February 2005

To the Directors
Tolhurst Noall Group Ltd
Level 29, 35 Collins Street
MELBOURNE VIC 3000

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of Tolhurst Noall Group Ltd:

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2004 there have been:

(i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and

(ii) No contraventions of any applicable code of professional conduct in relation to the review.

Moore Stephens HF.

MOORE STEPHENS HF
Chartered Accountants

S D PITT
Partner

Melbourne, 23 February 2005

Moore Stephens HF ABN 39 533 589 331
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Telephone: +61 3 9614 4444 Facsimile: +61 3 9614 6039 Email: firm@mshf.com.au Web: www.mshf.com.au

TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
ABN 50 007 870 760

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004

	Note	31-Dec-04 $	31-Dec-03 $
Revenue from ordinary activities		**17,952,492**	**17,666,270**
Dealers rebates		-7,562,478	-7,777,877
Administration costs expense		-3,093,691	-2,733,096
Depreciation and amortisation expense		-318,667	-359,854
Borrowing costs expense		-246,225	-259,954
Salaries and wages		-3,898,728	-3,403,345
Occupancy costs		-720,181	-803,401
Communication costs		-658,437	-659,773
Profit on equity accounting		0	627,104
Net unrealised loss from investments		-849	-15,410
Profit from ordinary activities before income tax expense		**1,453,237**	**2,280,664**
Income tax expense relating to ordinary activities	4 & 5	241,728	67,384
Profit from ordinary activities after income tax expense		**1,211,509**	**2,213,280**
Net profit attributable to members of the parent entity		**1,211,509**	**2,213,280**
Earnings per share			
Basic		1.22	3.06
Diluted		1.22	3.06

TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
ABN 50 007 870 760

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2004

	Note	31-Dec-04	30-Jun-04
		$	$
CURRENT ASSETS			
Cash		17,039,171	13,656,260
Receivables		21,418,157	24,370,997
Other		704,045	230,721
Financial assets		196,116	427,613
TOTAL CURRENT ASSETS		**39,357,489**	**38,685,591**
NON-CURRENT ASSETS			
Financial assets		1,974,475	1,925,675
Property, plant and equipment		911,900	1,098,919
Deferred tax assets		590,089	450,213
Other		2,128	70,759
TOTAL NON-CURRENT ASSETS		**3,478,592**	**3,545,566**
TOTAL ASSETS		**42,836,081**	**42,231,157**
CURRENT LIABILITIES			
Payables		28,110,653	29,104,378
Interest-bearing liabilities		330,756	123,907
Current tax liabilities		460,857	416,918
Provisions		406,849	584,372
TOTAL CURRENT LIABILITIES		**29,309,115**	**30,229,575**
NON-CURRENT LIABILITIES			
Interest-bearing liabilities		2,633,911	2,665,645
Provisions		865,484	519,875
TOTAL NON-CURRENT LIABILITIES		**3,499,395**	**3,185,520**
TOTAL LIABILITIES		**32,808,510**	**33,415,095**
NET ASSETS		**10,027,571**	**8,816,062**
EQUITY			
Contributed equity		21,036,478	21,036,478
Retained profits/(Accumulated losses)		-11,008,907	-12,220,416
TOTAL EQUITY		**10,027,571**	**8,816,062**

TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
ABN 50 007 870 760

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004

	31-Dec-04	31-Dec-03
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	19,372,061	15,494,879
Payments to suppliers and employees	-16,095,151	-14,291,708
Dividends received	75,613	113,684
Interest received	466,222	233,481
Borrowing costs	-246,225	-259,953
Income tax paid	-336,247	-35,339
Net cash flows from operating activities	**3,236,273**	**1,255,044**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	190,192	1,892,520
Acquisition of property, plant & equipment	-92,081	-263,312
Purchases of shares	-48,800	-14,400
Proceeds from sale of property, plant & equipment	0	7,420
Net cash flows from investing activities	**49,311**	**1,622,228**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-44,445	-1,007,545
Proceeds of share issues	0	953,988
Net cash flows from financing activities	**-44,445**	**-53,557**
Net increase in cash held	**3,241,139**	**2,823,715**
Cash at the beginning of the year	13,596,229	5,065,124
Cash at the end of the year	**16,837,368**	**7,888,839**
Represented by:		
Cash at bank and on hand	17,039,171	9,590,633
Bank overdraft	-201,803	-1,701,794
	16,837,368	**7,888,839**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004

Note 1: Basis of Preparation

The half-year consolidated 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 2004 and any public announcements made by Tolhurst Noall Group Limited and its controlled entities 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 entities in the economic entity and are consistent with those applied in the 30 June 2004 annual report.

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

Note 2: Segment Information

2004	**Stock - broking**	**Funds manage - ment**	**Property investment**	**Consolidated**
Revenue				
Revenue from outside the economic entity	17,862,050	48,140	42,302	17,952,492
Share of net profit of equity accounted investment	0	0	0	0
Total segment revenue	17,862,050	48,140	42,302	17,952,492
Result				
Segment result	1,541,514	-107,951	19,674	1,453,237
Unallocated expenses				0
Consolidated entity profit from ordinary activities before income tax				1,453,237
Income tax expense				241,728
Net profit from ordinary activities				1,211,509
2003				
Revenue				
Revenue from outside the economic entity	17,504,021	58,255	103,994	17,666,270
Share of net profit of equity accounted investment	0	627,104	0	627,104
Total segment revenue	17,504,021	685,359	103,994	18,293,374
Result				
Segment result	1,753,648	521,890	5,126	2,280,664
Unallocated expenses				0
Consolidated entity profit from ordinary activities before income tax				2,280,664
Income tax expense				67,384
Net profit from ordinary activities				2,213,280

Note 3: Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. An IFRS committee has been established to oversee and manage the economic entity's transition to IFRS. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The directors are of the opinion that the key differences in the economic entity's accounting policies which will arise from the adoption of IFRS are:

Income Tax
Currently, the economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under the Australian equivalent to IAS 12, AASB 112, the economic entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

Share Based Payments
Under the new IFRS, share based compensation is to recognised at fair value as an expense in the Statement of Financial Performance. For employee-related transactions, the expense will be determined based on the fair value of on grant date as adjusted for the cash amount of any employee contribution. As at 30 June 2004, The Tolhurst Noall Group had outstanding options over ordinary share capital. Any options taken up to date may potentially need to be expensed as a share based payment.

Goodwill on Consolidation
Under the proposed changes to the IAS 22: Business Combinations, goodwill is to be capitalised to the statement of financial position and subjected to an annual impairment test. Amortisation of goodwill is to be prohibited. Current accounting policy of the entity is to amortise goodwill on a straight line basis over the period of 10 years.

Impairment of Assets
The economic entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

Non-current Assets Held for Sale
Under the pending AASB 5: Non-current assets held for sale and discontinuing operations, non-current assets classified as held for sales are to be measured at the lower of its carrying amount and the fair value less present value of the costs to sell. The Tolhurst Group holds various shareholdings in unrelated companies that it trades for profit. The carrying value of these shares does not currently include a provision for costs likely to be incurred when the investments are sold.

The above should not be regarded as a complete list of changes in accounting policies that will result from the transition to Australian equivalents to IFRS, as not all standards have been analysed as yet, and some decisions have not yet been made where choices of accounting policies are available. For these reasons it is not yet possible to quantify the impact of the transition to Australian equivalents to IFRS on the Tolhurst Noall Group's financial position and reported results.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004

Note 4: Income Tax	**31-Dec-04**	**31-Dec-03**
	$	**$**
The income tax expense for the period consists of:		
Expense for the period	382,538	67,384
Benefit of income tax overprovided in prior period	(140,810)	-
Income Tax Expense	**241,728**	**67,384**

Note 5: Income Tax Losses

Future income tax benefit not brought to account as assets:

	31-Dec-04	**30-Jun-04**
Tax losses - revenue	105,157	1,116,954
Tax losses - capital	124,460	900,389
	229,617	2,017,343

Following the repeal of the grouping provisions contained in the income tax law, Tolhurst Noall Group Ltd and its wholly owned subsidiaries have chosen to enter into the Tax Consolidation regime from 1 July 2003. In order to maximise the benefits obtained from entering into the Tax Consolidations regime, Tolhurst Noall Group Ltd has been required to cancel part of its tax losses in order to achieve a reasonable recoupment rate for the tax losses that have become available for use in the Tax Consolidated Group.

Tax benefits will only be obtained if the Company:

a) has a future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions to be realised;
b) continues to comply with the conditions for deductibility imposed by the income tax law (e.g. continues to satisfy the continuity of ownership test and/or the same business tests); and
c) is not adversely affected by changes in income tax legislation in relation to the benefit from the deductions.

Note 6: Net Tangible Asset Backing	**31-Dec-04**	**30-Jun-04**
Net tangible asset backing per ordinary security	10.13 cents	8.91 cents

TOLHURST NOALL GROUP LTD AND CONTROLLED ENTITIES
ABN 50 007 870 760

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 11:
    a. comply with Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations; and
    b. give a true and fair view of the economic entity's financial position as at 31 December 2004 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.

....
John R Harry
Managing Director

Dated this 24th day of February 2005.

INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
TOLHURST NOALL GROUP LTD

Scope

We have reviewed the financial report of Tolhurst Noall Group Ltd and controlled entities (the consolidated entity) for the half-year ended 31 December 2004 as set out on pages 6 to 12. The directors are responsible for the financial report. 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. 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 out attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standards AASB 1029 'Interim Financial Reporting' and other mandatory professional reporting requirements and statutory requirements, 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 and its cash flows, and in order for the company to lodge the financial report with the Australian 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 consolidated 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.

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 Tolhurst Noall Group Ltd and controlled entities is not in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2004 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standards, AASB 1029 'Interim Financial Reporting' and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

Moore Stephens HF.

MOORE STEPHENS HF
Chartered Accountants

S D PITT
Partner

Melbourne,23 February 2005