Broadcast Services Australia Limited
ABN: 50 088 412 748

ASX Announcement:
Half Year Report & Accounts as at 31 December 2003

Wednesday, 25 February 2004

BSA advises that the results for the first half of the 2004 financial year, of revenue $48.7Mil ($26.9Mil HY 2003) and EBITDA $3.4Mil ($1.6Mil HY 2003) are on target to meet the full year revenue and EBITDA guidance previously provided by the Directors. Revenue for the year is expected to exceed $100 million with an EBITDA of $7 million.

Of particular importance has been the continued growth in revenue and profitability in businesses other than the Company's traditional subscription TV market. The Directors have for the last couple of years concentrated on expanding and diversifying the revenue base of the Group to reduce reliance and risk on any individual market sector. The current results are evidence of the success of that strategy.

The achievement of budget at the half year occurred despite a number of specific budgeted contracts and projects being deferred or delayed in both the Contracting Solutions and Transmission Solutions Divisions. This indicates that the Company has reached a size and level of activity where it is now more resilient to changes in operating conditions in one or more of its areas of activity.

A number of sectors in both the Contracting Solutions and Transmission Solutions divisions have shown growth.

For the Transmission Solutions division the digital roll-out of broadcasters equipment and infrastructure across the country, has maintained its pace and telecommunications infrastructure projects seem to be gathering momentum once again. BSA continues to consolidate its position in these markets with it's outstanding engineering capabilities being the focus of carriers and broadcasters alike.

The Contracting Solutions division business units related to FOXTEL, OPTUS and Telstra have also enjoyed growth. FOXTEL and OPTUS growth is being driven by increased subscriber bases to subscription TV while BSA's ability to increased telephony capabilities and contracting workforce has driven the growth in the telecommunications sector.

For further information contact:

Ian McGregor
Company Secretary,
Broadcast Services Australia Limited.
(02) 9935 5903

Broadcast Services Australia Limited (ASX Code: BSA) has two divisions: 1) Contracting Solutions (BSA CS) - Australia's largest provider of domestic and commercial satellite installations for the subscription TV industry. BSA CS also provides quality high volume contracting services to the telecommunications industry and; 2) Transmission Solutions (BSA TS) - a major turn key equipment & infrastructure services supplier to the broadcast industry. BSA TS represents some of the world's best broadcast equipment and its Engineering department has an outstanding reputation in the broadcast industry. For more information please see our website: www.bsa.com.au

APPENDIX 4D
HALF-YEAR INFORMATION GIVEN TO THE ASX UNDER LISTING RULE 4.2A

Name of entity	**Broadcast Services Australia Limited**
ABN	**50 088 412 748**
Half year ended	**31 December 2003**
Previous corresponding period	**31 December 2002**

The information contained in this report should be read in conjunction with the most recent annual financial report.

Contents	**Item**
Results for announcement to the market	**1.**
Net tangible assets per ordinary share	**2.**
Details of controlled entities	**3.**
Details of associates and joint venture entities	**4.**
Dividends	**5.**
Accounting Standards	**6.**
Audit Disputes or Qualifications	**7.**

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue from ordinary activities	up	***81.0*** %	to $	***48,693***
Profit(Loss) from ordinary activities after income tax attributable to members	up	***300.0*** %	to $	***1,208***
Net profit (loss) for the period attributable to members	up	***300.0*** %	to $	***1,208***

No interim dividend was declared or paid.

Explanation of Results

Broadcast Services Australia Limited (BSA) half year results for the 2004 financial year show an EBITDA of $3.4Mil ($1.6Mil HY 2003) on revenue of $48.7Mil ($26.9Mil HY 2003). This growth is a result of the acquisition of BSA Transmission Solutions (BSA TS) and growth in the Contracting Solutions (BSA CS) division from new business and organic growth.

This result is in line with the Company's ASX guidance announcement of 10th February 2004.

	Current Period	Previous corresponding period
2. **NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA backing)**	0.3 cents	(0.6) cents

3. DETAILS OF CONTROLLED ENTITIES

3.1 Control Gained Over Entities During the Period Nil

3.2 Loss of Control of Entities During the Period Nil

4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

4.1 Equity Accounted Associates and Joint Venture Entities Nil

4.2 Aggregate Share of Profits(Losses) of Associates and Joint Venture Entities Nil

5. DIVIDENDS

5.1 Dividends per Share Nil

5.2 Total Dividends Nil

5.3 Dividend Reinvestment Plans Nil

6. ACCOUNTING STANDARDS

AASB Standards, other AASB authoriative pronouncements and Urgent Issues Consensus Views have been used in compiling the information contained in this Appendix 4D.

7. AUDIT DISPUTES OR QUALIFICATIONS Nil

BROADCAST SERVICES AUSTRALIA LIMITED

FINANCIAL REPORT

for the half year ended 31 December 2003

ABN 50 088 412 748

Broadcast Services Australia Limited and its Controlled Entities
Directors' Report

Your directors present their report on the consolidated entity consisting of Broadcast Services Australia Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2003.

Directors

The names of persons who were directors of Broadcast Services Australia Limited during the whole of the half-year up to the date of this report are:

Brian Raymond Baldwin
Brett Thomas Crowley
Mark Gerard Foley
Daniel Leon Lipshut
Gregory Mullane
John Howard Sambell
Robert Hallas was a director from the beginning of the half-year until his resignation on 01 July 2003.

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

The Contracting Solutions division has agreements with high profile clients in the Broadcast and Telecommunication industry such as Telstra, FOXTEL and Optus. Revenue in this area has grown by 40% to $34.7Mil ($24.7Mil HY 2003). This increase is due to the successful winning of the FOXTEL and Optus contracts as announced in May 2003 and the expansion of services delivered under the current Telstra framework agreement.

The Transmission Solutions division remains solid in the delivery of projects and product sales. We have seen some change in the mix to include not only low end transmission requirements but also some high end transmission requirements. This market is being driven by the change in technology from analogue to digital transmission standards required to be met by all TV and radio broadcasters and carriers. The comparative revenue for the HY 2003 only includes one month's activity due to the recent acquisition of this division, but when compared to the 2HY 2003 the revenue has grown to $14Mil for the current HY from $10.8 Mil for the HY ended June 2003.

Review of Operations

A summary of the consolidated revenues and results by division are set out below:

	Segment Revenues		Segment Results	
	2003 $'000	**2002 $'000**	**2003 $'000**	**2002 $'000**
BSA Contracting Solutions Division	34,666	24,705	1,027	432
BSA Transmission Solutions Division	14,027	2,193	1,002	93
	48,693	26,898	2,029	525
Profit from ordinary activities before income tax			2,029	525
Income tax expense			(810)	(289)
Profit from ordinary activities after income tax			1,219	236
Net profit/(loss) attributable to outside equity interest			(11)	66
Net profit attributable to members of Broadcast Services Australia Limited			1,208	302

Rounding of Amounts to the Nearest Thousand Dollars

The company satisfies the requirements of Class Order 98/0100 issued by the Australian Investments and Securities Commission relating to "rounding off" of amounts in the directors' report and the financial report to the nearest thousand dollars. Amounts have been rounded off in the directors' report and financial report in accordance with that Class Order.

This report is made in accordance with a resolution of the Board of Directors and is signed for and behalf of the directors by:

D Lipshut
Director

M Foley
Director

SYDNEY
25-Feb-04

Broadcast Services Australia Limited

Statement of Financial Performance
for the Half-Year Ended 31 December 2003

		Consolidated Entity	
		Half Year	
	Note	2003	2002
		$'000	$'000
Revenue from operating activities		48,693	26,898
Revenue from ordinary activities	2	48,693	26,898
Changes in inventories of finished goods		(36,677)	(19,267)
Employee benefits expense		(4,886)	(3,594)
Depreciation and amortisation expenses		(1,112)	(933)
Borrowing cost expense		(297)	(139)
Other expenses		(3,692)	(2,440)
Profit from ordinary activities before income tax expense	2	2,029	525
Income tax expense		(810)	(289)
Profit from ordinary activities after income tax expense		1,219	236
Net profit/(loss) attributable to outside equity interest		(11)	66
Net profit attributable to members		1,208	302
Total changes in equity other than those resulting from transactions with owners as owners		1,208	302
		Cents	**Cents**
Basic earnings per share		0.77 cents	0.33 cents
Diluted earnings per share		0.77 cents	0.33 cents

The above Consolidated Statement of Financial Performance should be read in conjunction with the accompanying notes.

Broadcast Services Australia Limited

Statement of Financial Position
for the Half-Year Ended 31 December 2003

	Note	Consolidated Entity 31 December 2003 $'000	Consolidated Entity 30 June 2003 $'000
CURRENT ASSETS			
Cash assets		301	1,341
Receivables		17,441	14,813
Other financial assets		235	290
Inventories		2,583	2,783
Total Current Assets		**20,560**	**19,227**
NON-CURRENT ASSETS			
Property, plant and equipment		2,623	2,700
Deferred tax assets		682	346
Intangible assets		21,052	21,930
Total Non-Current Assets		**24,357**	**24,976**
TOTAL ASSETS		**44,917**	**44,203**
CURRENT LIABILITIES			
Payables		15,402	13,402
Interest-bearing liabilities		4,587	5,294
Current tax liabilities		258	1,411
Provisions		837	756
Total Current Liabilities		**21,084**	**20,863**
NON-CURRENT LIABILITIES			
Interest-bearing liabilities		564	2,023
Deferred tax liabilities		1,036	11
Other		17	289
Total Non-Current Liabilities		**1,617**	**2,323**
TOTAL LIABILITIES		**22,701**	**23,186**
NET ASSETS		**22,216**	**21,017**
EQUITY			
Contributed equity	4	46,577	46,577
Accumulated losses		(24,480)	(25,668)
Total parent entity interest		22,097	20,909
Outside equity interest in controlled entities		119	108
TOTAL EQUITY		**22,216**	**21,017**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Broadcast Services Australia Limited

Statement of Cash Flows
for the Half-Year Ended 31 December 2003

	Consolidated Entity	
	Half Year	
	2003	2002
	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	44,988	28,370
Payments to suppliers and employees	(40,117)	(24,014)
Interest and other costs of finance paid	(297)	(140)
GST Paid	(1,594)	(444)
Income taxes paid	(961)	(877)
Net cash inflow from operating activities	2,019	2,895
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(403)	-
Cash acquired on acquisition of subsidiary and due diligence costs paid	-	25
Payment for other non-current assets	(94)	-
Proceeds from sale of equipment	11	77
Net cash (outflow)/inflow from operating activities	(486)	102
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings from related parties	(1,000)	-
Repayment of borrowings	(1,750)	(3,621)
Dividends paid by controlled entity to outside equity interest	(20)	-
Net cash (outflow)/inflow from financing activities	(2,770)	(3,621)
NET DECREASE IN CASH HELD	(1,237)	(624)
Net cash at beginning of period	(2,813)	(1,402)
NET CASH AT END OF PERIOD	(4,050)	(2,026)

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Note 1. Basis of Preparation of Half-Year Financial Statements

This general purpose financial report for the interim half-year reporting period ended 31 December 2003 has been prepared in accordance with Australian Accounting Standard 1029: Interim Financial Reporting, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

This interim financial report has also been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The concept of accrual accounting has been adopted in the preparation of the interim financial report.

This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2003 and any public announcements made by Broadcast Services Australia Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those applied in the 30 June 2003 annual report.

Note 2. Segment Information

Primary reporting - business segments

Half-year 2003	Contracting Solutions $'000	Free to Air $'000	Broadcast Transmissions $'000	Intersegment Eliminations $'000	Consolidated $'000
Total segment revenue	29,941	4,725	14,027	-	48,693
Intersegment sales	-	-	-	-	-
Total sales revenue	29,941	4,725	14,027	-	48,693
Share of net profits of associates included in segment revenues above					-
Revenue from ordinary activities					48,693
Segment result	717	310	1,002	-	2,029
Unallocated expenses					-
Profit from ordinary activities before income tax expense					2,029

Half-year 2002	Contracting Solutions $'000	Free to Air $'000	Broadcast Transmissions $'000	Intersegment Eliminations $'000	Consolidated $'000
Total segment revenue	19,972	4,733	2,193	-	26,898
Intersegment sales	-	-	-	-	-
Total sales revenue	19,972	4,733	2,193	-	26,898
Share of net profits of associates included in segment revenues above					-
Revenue from ordinary activities					26,898
Segment result	391	41	93	-	525
Unallocated expenses					-
Profit from ordinary activities before income tax expense					525

Note 3. Dividends

	Half Year 2003 $'000	Half Year 2002 $'000
Ordinary Shares		
Dividends provided for or paid during the half-year	20	-
Paid by a controlled entity to outside equity interests.		

Note 4. Equity Securities Issued

	Half Year 2003 Shares	Half Year 2002 Shares	Half Year 2003 $'000	Half Year 2002 $'000
Issues of Ordinary Shares During the Half-Year				
Conversion of debt to equity	6,437,500	1,857,877	472	45
Shares issued to vendors of BSA Pty Ltd	-	70,810,133	-	9,914
	6,437,500	72,668,010	472	9,959

Note 5. Contingent Liabilities

There have been no changes in contingent liabilities or contingent assets since the last annual reporting date, 30 June 2003.

Note 6. Earnings per Share

	Half Year 2003	Half Year 2002
Basic earnings per share	0.77 cents	0.33 cents
Diluted earnings per share	0.77 cents	0.33 cents

Note 7. Rounding of Amounts

The company satisfies the requirements of Class Order 98/0100 issued by the Australian Investments and Securities Commission relating to "rounding off" of amounts in the directors' report and the financial report to the nearest thousand dollars. Amounts have been rounded off in the directors' report and financial report in accordance with that Class Order.

Broadcast Services Australia Limited and its Controlled Entities

Declaration by Directors

The directors of the company declare that:

1. The financial statements, comprising the Statements of Financial Performance, Position and Cash Flows, and accompanying notes, are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and the Corporations Regulations 2001; and

   (b) give a true and fair view of the financial position as at 31 December 2003 and of the performance for the half-year ended on that date of the consolidated entity.

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 and is signed for and on behalf of the directors by:

D Lipshut
Director

M Foley
Director

SYDNEY
25-Feb-04

Chartered Accountants
& Advisers

Level 19, 2 Market St. Sydney NSW 2000
GPO Box 2551 Sydney NSW 2001
Tel (61 2) 9286 5555
Fax (61 2) 9286 5599
Email bdosyd@bdosyd.com.au
www.bdo.com.au

INDEPENDENT REVIEW REPORT

To the members of Broadcast Services Australia Limited

Scope

We have reviewed the financial report of Broadcast Services Australia Limited for the half-year ended 31 December 2003 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, accompanying notes and Directors' Declaration. The financial report includes the financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half-year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029: Interim Financial Reporting, other mandatory professional reporting requirements in Australia 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 disclosing entity to lodge the financial report with the Australian Securities & Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the disclosing 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 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 Broadcast Services Australia Limited 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 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.

BDO

BDO
Chartered Accountants

RDGoodman

R D GOODMAN
Partner

Sydney, 25th February 2004