CPT Global Limited

ABN 16 083 090 895

Half-Year Financial Report

for the half-year ended 31 December 2004

Corporate Information

ABN 16 083 090 895

Directors
Fred S Grimwade (Chairperson)
Gerard (Gerry) Tuddenham (Managing Director)
Glenn Fielding (Non-Executive Director)
Peter Wright (Executive Director)
Peter Corrigan (resigned 9th November 2004)

Company Secretary
Mark Carroll

Registered Office
Level 1, 4 Riverside Quay
Southbank
Melbourne, Victoria 3006
+61 3 9690 3911

Solicitors
Piper Alderman

Bankers
ANZ Banking Group Limited

Share Register
Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford Vic 3067
Telephone: 1300 850 505
Facsimile: +613 94732500

Auditors
Moore Stephens HF

Internet Address
www.CPTglobal.com

Contents

Results for announcement to the market

				A $000's
Revenues from ordinary activities	up	2%	to	14,894
Net Profit (Loss) from ordinary activities **before tax** attributable to members	up	34%	to	1,469
Net Profit (Loss) from ordinary activities **before tax** (before amortisation of goodwill) attributable to members	up	27%	to	1,725
Net Profit (Loss) from ordinary activities **after tax (before amortisation** of goodwill) attributable to members	up	44%	to	1,173
Net Profit (Loss) from ordinary activities **after tax** attributable to members	up	64%	to	917

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Interim Dividend payable 21st March 2005	$0.025	$0.025
Record date for determining entitlements to the final dividend.	9th March 2005	

Earnings per security (EPS)	**Current period**	**Previous corresponding period**
Basic EPS	2.66¢	1.62¢
Diluted EPS	2.66¢	1.62¢

NTA backing

Net tangible asset backing per ordinary security	19¢	16¢

Directors' Report

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

DIRECTORS

The names and details of the company's directors in office during the half-year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Fred S Grimwade (Chairperson)

Gerard (Gerry) Tuddenham (Managing Director)

Glenn Fielding (Non-Executive Director)

Peter Wright (Executive Director)

Peter Corrigan (resigned 9th November 2004)

REVIEW AND RESULTS OF OPERATIONS

The half year ended 31 December 2004 has been one in which CPT Global maintained momentum - all key financial indicators show substantial improvement over the corresponding period last year.

CPT Global strengthened its market position in Australia and recorded substantial results from its international operations. The effort exerted by consultants and management alike is being rewarded and CPT Global believes it is well positioned to deliver continued revenue and profit growth in the coming year.

Locally, CPT Global has continued to focus on the development and successful delivery of outcome based services to its clients. Most notably, CPT Global has made significant ground in becoming accepted as an independent industry leader in assisting clients through the process of selective sourcing and IT sourcing governance change programs.

Whilst the main focus internationally remains on mainframe cost reduction services, CPT Global is in a good position to leverage client relationships into other core CPT Global services and midrange technologies to build annuity revenue.

CPT Global's revenue for the half year ended 31 December 2004 was $14.9 million, increasing on the previous year's result of $14.5 million. CPT Global has retained all key accounts in the Australian market and has made positive inroads into its targeted international markets. CPT Global has a positive view of current market conditions and believes it is well placed to capitalise on them.

CPT Global's net profit before tax for the half year ended 31 December 2004 was $1.47 million, an increase of 34% on the prior year. Net profit before tax and pre amortisation was $1.73 million, an increase of 27% on the prior year. CPT Global's net profit after tax for the half year ended 31 December 2004 was $0.9 million, an increase of 64% on the prior year. All costs, including those associated with the expansion of international operations as well as new product development, were expensed.

An interim dividend of 2.5 cents per share (fully franked) has been declared and is payable on 21st March 2005, with a record date of 9th March 2005. This interim dividend represents a 25% increase on the interim dividend declared and paid for the half year ended 31 December 2003. Earnings per share amounted to 2.66 cents per share whilst earnings per share (pre amortisation) amounted to 3.40 cents per share.

Notable achievements in CPT Global's operations include:

Board Level

- Appointment of Mr. Fred Grimwade as independent Chairperson.
- Appointment of Mr. Gerry Tuddenham as Managing Director.

These appointments provide the CPT Global Board with an independent Chair and enable Gerry Tuddenham to play a more active role in driving growth across the whole organisation.

Human Resources

- Expansion of the management team across all regions including the recent appointment of Chris Bird (formerly Optus CIO) to the Sydney Regional Manager role.
- Appointment of Paul Fielding to the National Business Development Manager role in conjunction with his duties as the Melbourne Regional Manager.
- Recruitment of highly skilled consultants and leading industry experts.
- Institution of a successful campaign to win-back ex-CPT Global consultants who previously left CPT Global to seek permanent employment opportunities.

The focus of recruitment is to facilitate growth while maintaining the quality of service delivered to clients.

Operations

- Returning a profit for international operations.
- Converting business opportunities into longer term engagements as a result of the concentrated international marketing effort championed by Gerry Tuddenham in 2004.
- Leveraging the mainframe cost reduction services to include midrange technologies.
- Increased penetration based on relationships with existing tier one clients.
- Maturity of the Risk/Reward model which is promoting potential growth in client exposure, sales and profitability.
- Relocating the Canberra office to a more strategic city-based location.
- Achieving ISO9001:2000 quality certification and maturing quality control processes.

Outlook

CPT Global is realising the results of the hard work undertaken over the past three years. With the continued improvement in the general market sentiment and attitude to IT spending, CPT Global is poised for further growth.

CPT Global is committed to consultant care and has reintroduced a formal consultant training program to ensure consultants are suitably equipped to deliver services of the utmost quality to clients. In addition CPT Global is finalising an Employee Share Option Plan which will be ready to be implemented in the last quarter of the 2005 fiscal year as an alternate measure for rewarding consultant performance and further encouraging growth and loyalty to the Company.

After a number of years of developing and cultivating business in Europe and the United Kingdom, CPT Global has recorded increased profitability over the past six months. Progress in the overseas markets has been encouraging, a stronger forward load and consistency of work now exists and the outlook for these regions is exciting.

CPT Global's key strategy is to continue building its management team and consultant base. Coupled with the improving market conditions, CPT Global is excited at the opportunities and prospects that lay ahead for the future.

We look forward to providing shareholders with an update on the full financial year results in the 2005 Annual Report.

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

The lead auditor's independence declaration is set out on page 7 and forms part of the directors' report for the half-year ended 31 December 2004.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors.

G J Tuddenham

Gerard (Gerry) Tuddenham
Managing Director

Melbourne, 15 February 2005

To the Directors
CPT Global Ltd
Level 1, 4 Riverside Quay
Southbank
MELBOURNE VIC 3006

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of CPT Global Limited:

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,
15 February 2005

Moore Stephens HF ABN 39 533 589 331
14th Floor, 607 Bourke Street, Melbourne, Victoria, 3000 Australia.
Telephone: +61 3 9614 4444 Facsimile: +61 3 9614 6039 Email: firm@mshf.com.au Web: www.mshf.com.au

Condensed Statement of Financial Performance

HALF-YEAR ENDED 31 DECEMBER 2004	Notes	CONSOLIDATED	
		2004	2003
		$'000	$'000
REVENUE FROM ORDINARY ACTIVITIES		**14,894**	14,544
Changes in inventories of finished goods and work in progress		**118**	13
Raw materials and consumables used		**(118)**	(13)
Depreciation and amortisation expenses		**(316)**	(315)
Salaries and employee benefits expense		**(912)**	(991)
Consultants benefits expense		**(10,763)**	(10,797)
Lease expenses		**(270)**	(276)
Other expenses from ordinary activities		**(1,164)**	(1,065)
PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		**1,469**	1,100
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES		**(552)**	(540)
PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		**917**	560
NET PROFIT		**917**	560
NET PROFIT ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED		**917**	560
Net exchange difference on translation of financial report of foreign controlled entity		**20**	(9)
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED AND RECOGNISED DIRECTLY IN EQUITY		**20**	(9)
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		**937**	551
Basic earnings per share (cents per share)		**2.66**	1.62
Diluted earnings per share (cents per share)		**2.66**	1.62

The Condensed Statement of Financial Performance is to be read in conjunction with the Notes to the Financial Statements.

Condensed Statement of Financial Position

HALF-YEAR ENDED 31 DECEMBER 2004	Notes	CONSOLIDATED	
		AS AT 31 DECEMBER 2004	AS AT 30 JUNE 2004
		$'000	$'000
CURRENT ASSETS			
Cash assets		**2,656**	2,530
Receivables		**5,766**	6,060
Inventories		**138**	750
Deferred tax assets		**81**	64
Other		**254**	509
TOTAL CURRENT ASSETS		**8,895**	9,913
NON-CURRENT ASSETS			
Property, plant and equipment		**325**	320
Intangible assets		**7,138**	7,394
TOTAL NON-CURRENT ASSETS		**7,463**	7,714
TOTAL ASSETS		**16,358**	17,627
CURRENT LIABILITIES			
Payables		**2,024**	2,618
Current tax liabilities		**189**	454
Provisions		**94**	88
Other		**351**	661
TOTAL CURRENT LIABILITIES		**2,658**	3,821
NON-CURRENT LIABILITIES			
Provisions		**20**	29
TOTAL NON-CURRENT LIABILITIES		**20**	29
TOTAL LIABILITIES		**2,678**	3,850
NET ASSETS		**13,680**	13,777
EQUITY			
Parent entity interest			
Contributed equity		**12,075**	12,075
Reserves		**52**	32
Retained profits		**1,553**	1,670
Total parent entity interest in equity		**13,680**	13,777
TOTAL EQUITY		**13,680**	13,777

The Condensed Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

Condensed Statement of Cash Flows

HALF-YEAR ENDED 31 DECEMBER 2004	Notes	CONSOLIDATED	
		2004	2003
		$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**15,591**	15,371
Payments to suppliers and employees		**(13,597)**	(13,544)
Interest received		**42**	49
Income tax paid		**(833)**	(607)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		**1,203**	1,269
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(64)**	(38)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(64)**	(38)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for share buy-back		**-**	(2)
Payment of dividends on ordinary shares		**(1,033)**	(1,034)
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(1,033)**	(1,036)
NET INCREASE/(DECREASE) IN CASH HELD		**106**	195
Add opening cash brought forward		**2,530**	2,667
Effects of exchange rate changes on cash		**20**	(11)
CLOSING CASH CARRIED FORWARD		**2,656**	2,851

The Condensed Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

Notes to the Half-Year Financial Statements

31 DECEMBER 2004

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the economic entity as the full financial report.

The half-year report should be read in conjunction with the Annual Financial Report of CPT Global Limited as at 30 June 2004. It is also recommended that the half-year report be considered together with any public announcements made by CPT Global Limited and its controlled entities during the half-year ended 31 December 2004 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half-year financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

The half-year financial report has been prepared in accordance with the historical cost convention.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) Changes in accounting policies

The accounting policies applied are consistent with the most recent annual financial report for the year ended 30 June 2004.

Notes continued

31 DECEMBER 2004	Notes	CONSOLIDATED	
		2004	2003
		$'000	$'000
2. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES			
(a) Aggregate dividends payable			
Interim fully franked ordinary dividend of 2.5 (2003: 2.0) cents per share franked at the tax rate of 30%		**862**	689
(b) Aggregate dividends declared and paid not previously recognised as a liability			
Final fully franked ordinary dividend of 3.0 (2003: 3.0) cents per share franked at the tax rate of 30%		**1,033**	1,034
		1,895	1,723

3. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

4. SEGMENT INFORMATION

(a) Primary Segment - Business Segments

CPT Global Limited operates predominantly in one business segment being the provision of information technology consulting services.

5. SUBSEQUENT EVENTS

There have been no events subsequent to the reporting date.

Directors' Declaration

In accordance with a resolution of the directors of CPT Global Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity:

  (i) give a true and fair view of the financial position as at 31 December 2004 and the performance for the half-year ended on that date of the consolidated entity; and

  (ii) comply with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Gerard (Gerry) Tuddenham
Managing Director

Melbourne, 15 February 2005

INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
CPT GLOBAL LIMITED

Scope

We have reviewed the financial report of CPT Global Limited and controlled entities (the consolidated entity) for the half-year ended 31 December 2004 as set out on pages 8 to 13. 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 CPT Global Limited 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,