LOFTUS

HALF YEAR PROFIT ANNOUNCEMENT TO 31 DECEMBER 2002

Loftus Capital Partners Limited recorded an after tax profit of $369,408 for the six months to 31 December 2002. The profit result, combined with $271,924 of realised gains on 'core' investments which has been transferred directly to retained profits from the asset revaluation reserve, brings the total 'owner' earnings for the period to $641,332 for the six month period.

The result represents a significant turnaround for the company and validates the decision in April 2002 to undertake a restructuring from a Pooled Development Fund to a broad based listed investment company.

The profitable result was achieved despite higher than budgeted cash reserves of $13.58m and reflected the improved trading performance of the company.

Revenue for the six months was $6.5 million, significantly up from the $328k reported in the previous corresponding period, reflecting the increased trading activities of the company as a result of its changed investment status. The company also benefited from consulting and corporate advisory income of $231,293. An increase in dividend receipts (including dividends from associates) to $213,649 in the half was also recorded.

Earnings per share for the 6 months to 31 December 2002 were 1 cent per share, for the same period last year it was negative 5.6 cents per share.

The composition of the company's Net Assets at 31 December 2002 is contained overleaf and reflects 44 cents per share ($0.44) of cash and trading securities; deven cents per share ($0.11) of Core listed securities (Skansen Holdings and Tribeca Limited); twelve cents per share ($0.12) of equity accounted investments (Jasco Holdings Ltd); and three cents per share ($0.03) of unlisted and other investments.

As an investment company, Loftus Capital has classified its principal holdings in Skansen Limited and Tribeca Corporation Limited as 'core' investments. The unrealised gains (net of tax) in these core holdings as at 31 Dec 2002 was $1.6 million. As Loftus report the unrealised gains (net of tax) in the asset revaluation reserve, upon ultimate sale these unrealised gains will be credited directly to retained profits.

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Our Portfolio

We remain pleased with the operating performance of our major investments and have taken the opportunity recently to add to our position in Tribeca which has taken us back above the 10% level. Also, we note that Skansen Holdings recently upgraded its profit and dividend forecast which resulted in a small rise in the share price against a very weak overall market.

We remain focused on identifying investment opportunities in the financial services sector particularly in the areas of boutique funds management and wealth management.

We will provide investors with a complete update of our portfolio investments at the end of the March quarter.

NET TANGIBLE ASSETS – 31 December 2002	**$**	**Cents per share**
Cash	13,585,493	$0.36
Total Listed Trading Investments	3,018,498	$0.08
Listed Core Investments		
Skansen Holdings Limited	2,455,784	
Tribeca Limited	1,771,864	
Total Listed Core Investments	4,227,648	$0.11
Unlisted		
Total Unlisted Investments	554,177	$0.02
Total Cash & Investment Valuation	**21,385,816**	**$0.57**
Equity Accounted Investments		
Jasco Holdings Limited	4,592,158	$0.12
Plus Other Net Assets	340,366	$0.01
Net Tangible Assets	**26,318,340**	**$0.70**
Shares on issue	37,562,656	
NTA per share	**$0.70**	

Dividend

The directors have declared a dividend of half a cent per share fully franked. The record date for dividend entitlement is the 21st of April 2003.

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Investment Outlook

Consistent with the views outlined in our last quarterly report, we remain extremely cautious with regard to the equity market and continue to place preservation of capital ahead of capital growth in such an environment

We alerted our shareholders to our belief that high PER (price earnings ratio) shares were vulnerable to a de-rating in the sharemarket and this has occurred at a vicious rate. To explain this phenomena clearly, we believe investors are fast coming to the realisation that the expected earnings growth and dividend growth (equity returns) implied in the high share prices and earnings multiples of many companies were not sufficient to justify the inherent risks. Equity investments are by their nature leveraged, and hence the market prices of shares are very sensitive to any adjustment by investors of required investment returns. As investors have witnessed companies produce lower than expected earnings and forecast subdued growth forecasts, the market has lowered the prices for these shares in order to generate higher risk adjusted returns on investment. We have also recently seen this appear in the debt markets as investors have lowered the price they are prepared to pay for high yield securities in order to increase effective returns to take account of credit risk.

Too little focus during the last five years has been placed on the ability of companies to generate predictable earnings and grow dividends. At the present time the equity markets can be expected to drive even lower as investors switch into lower risk investments (cash, bonds, Property etc) in order to preserve capital. We are also seeing institutional investors undertake asset and sector re-weighting's that are causing volatility in smaller capitalised stocks. The importance of liquidity in the equity markets is now being appreciated.

We are not smart enough to predict an end to the current bear market – however at this stage we believe the correction in equity values may have further to unwind before we see compelling valuations. As always, the market can be expected to overshoot on the downside, before investor sentiment improves.

Unfortunately, the end of the bull market for equities has now occurred and against a backdrop of high consumer debt in Australia and an extraordinary blow out in personal debt in America. The next investment market that is showing signs of unacceptably low risk adjusted returns (and high prices) is the residential property market in Australia and the USA. The extraordinary capital gains of the last few years is now producing investment yields of less than 2% (net) in some sectors. Can residential property be merely valued by some notional "comfort" or "quality of life barometer"? The answer is no and we expect that residential investment property, possibly followed by other sectors, will eventually settle back to sustainable long term yields of 5%. This means a $1 million apartment in Sydney should have the potential to yield $50,000 in rent. We note there are far more apartments valued at $1 million in Sydney than there are people whom could afford to pay that level of rent.

The flow on effect of the sustained increases in property values has been the withdrawing of equity from houses by consumers whom have used it to maintain their living standards. That is, the financial system has allowed and encouraged ordinary householders to increase their mortgages commensurate with the increase in valuation of their home to buy cars, holiday homes, overseas trips and to put their children through private schools or university. This has a very nasty downside should property prices fall, interest rates or unemployment increase.

All of this underscores our strategy to retain high cash holdings and focus on investing in companies that have predictable earnings, at prices that reflect high risk adjusted returns.

John Abernethy
Joint Managing Director

Antony Lynch
Joint Managing Director

11th March 2003

rienddRules 4.1, 4.3

Appendix 4B

Half yearly/preliminary final report

Introduced 30/6/2002.

Name of entity

LOFTUS CAPITAL PARTNERS LIMITED AND ITS CONTROLLED ENTITIES

ABN or equivalent company reference	Half yearly *(tick)*	Preliminary final *(tick)*	Half year/~~financial year~~ ended ('current period')
067 185 899	✔		31 DECEMBER 2002

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

				$A'000
Revenues from ordinary activities *(item 1.1)*	Up	1,889%	to	6,545
Profit (loss) from ordinary activities after tax attributable to members (*item 1.22*)	Up		to	369
Profit (loss) from extraordinary items after tax attributable to members (*item 2.5(d)*)	gain (loss) of	N/A		-
Net profit (loss) for the period attributable to members *(item 1.11)*	Up		to	369

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend *(Preliminary final report only - item 15.4)* Interim dividend *(Half yearly report only - item 15.6)*	0.5¢	0.5¢
Previous corresponding period *(Preliminary final report - item 15.5; half yearly report - item 15.7)*	1¢	1¢

+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) *(see item 15.2)*	21 April 2003

Brief explanation of any of the figures reported above (see Note 1) and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

If this is a half yearly report it is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial performance

		Current period - $A'000	Previous corresponding period - $A'000
1.1	Revenues from ordinary activities *(see items 1.23 -1.25)*	6,545	329
1.2	Expenses from ordinary activities (*see items 1.26 & 1.27)*	6,595	2,070
1.3	Borrowing costs		-
1.4	Share of net profits (losses) of associates and joint venture entities (*see item 16.7*)	330	229
1.5	**Profit (loss) from ordinary activities before tax**	**280**	**(1,512)**
1.6	Income tax on ordinary activities *(see note 4)*	(89)	(183)
1.7	**Profit (loss) from ordinary activities after tax**	**369**	**(1,329)**
1.8	Profit (loss) from extraordinary items after tax (*see item 2.5*)	-	-
1.9	**Net profit (loss)**	**369**	**(1,329)**
1.10	Net profit (loss) attributable to outside +equity interests	-	-
1.11	**Net profit (loss) for the period attributable to members**	**369**	**(1,329)**
	Non-owner transaction changes in equity		
1.12	Increase (decrease) in revaluation reserves	(1,245)	-
1.13	Net exchange differences recognised in equity		-
1.14	Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
1.15	Initial adjustments from UIG transitional provisions		-
1.16	Total transactions and adjustments recognised directly in equity (items 1.12 to 1.15)	(1,245)	-
1.17	**Total changes in equity not resulting from transactions with owners as owners**	(876)	-

Earnings per security (EPS)		Current period	Previous corresponding Period
1.18	Basic EPS	1 cent	(5.6)
1.19	Diluted EPS	1 cent	(5.6)

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial performance

Profit (loss) from ordinary activities attributable to members

		Current period - $A'000	Previous corresponding period - $A'000
1.20	Profit (loss) from ordinary activities after tax (*item 1.7*)	**369**	**(1,329)**
1.21	Less (plus) outside +equity interests	-	-
1.22	**Profit (loss) from ordinary activities after tax, attributable to members**	**369**	**(1,329)**

Revenue and expenses from ordinary activities

(see note 15)

		Current period - $A'000	Previous corresponding period - $A'000
1.23	Revenue from sales or services	6,036	92
1.24	Interest revenue	322	212
1.25	Share of net profit of associates accounted for using the equity accounting method	330	229
1.25	Other relevant revenue	187	25
1.26	Details of relevant expenses		
1.26	Cost of sales of listed and unlisted shares	5,770	128
1.26	Provision for diminution in investments	-	1,686
1.26	Other expenses from ordinary activities include amortisation of intangibles	817	255
1.27	Depreciation and amortisation excluding amortisation of intangibles *(see item 2.3)*	8	-
Capitalised outlays			
1.28	Interest costs capitalised in asset values	-	-
1.29	Outlays capitalised in intangibles (unless arising from an +acquisition of a business)	-	-

Consolidated retained profits

		Current period - $A'000	Previous corresponding period - $A'000
1.30	Retained profits (accumulated losses) at the beginning of the financial period	851	3,006
1.31	Net profit (loss) attributable to members (*item 1.11*)	369	(1,329)
1.32	Net transfers from (to) reserves *(Current year-Profit on sale of Core Investments)*	272	(149)
1.33	Net effect of changes in accounting policies	-	-
1.34	Dividends and other equity distributions paid or payable	(188)	(235)
1.35	**Retained profits (accumulated losses) at end of financial period**	1,304	1,293

+ See chapter 19 for defined terms.

Intangible and extraordinary items

		Consolidated – current period			
		Before tax $A'000 (a)	Related tax $A'000 (b)	Related outside +equity interests $A'000 (c)	Amount (after tax) attributable to members $A'000 (d)
2.1	Amortisation of goodwill	36	-	-	36
2.2	Amortisation of other intangibles	-	-	-	-
2.3	**Total amortisation of intangibles**	36	-	-	-
2.4	Extraordinary items (details)	-	-	-	-
2.5	**Total extraordinary items**	-	-	-	-

Comparison of half year profits
(Preliminary final report only)

		Current year - $A'000	Previous year - $A'000
3.1	Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the *1st* half year (item 1.22 in the half yearly report)		
3.2	Consolidated profit (loss) from ordinary activities after tax attributable to members for the *2nd* half year		

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position		At end of current period $A'000	As shown in last annual report $A'000	As in last half yearly report $A'000
	Current assets			
4.1	Cash	13,585	12,918	8,432
4.2	Receivables	173	208	-
4.3	Investments	3,018	2,316	8,650
4.4	Inventories	-	-	-
4.5	Tax assets	-	-	-
4.6	Other (provide details if material)	68	-	12
4.7	**Total current assets**	**16,844**	**15,442**	**17,094**
	Non-current assets			
4.8	Other financial assets	4,780	7,909	-
4.9	Investments (equity accounted)	4,592	4,355	-
4.10	Other investments	-	-	-
4.11	Inventories	-	-	-
4.12	Exploration and evaluation expenditure capitalised *(see para .71 of AASB 1022)*	-	-	-
4.13	Development properties (+mining entities)	-	-	-
4.14	Other property, plant and equipment (net)	66	43	-
4.15	Intangibles (net)	313	349	
4.16	Tax assets	1,405	1,423	760
4.17	Other (provide details if material)	-	-	-
4.18	**Total non-current assets**	**11,156**	**14,079**	**760**
4.19	**Total assets**	**28,000**	**29,521**	**17,854**
	Current liabilities			
4.20	Payables	258	473	68
4.21	Interest bearing liabilities	-	-	-
4.22	Tax liabilities	(6)	-	-
4.23	Provisions exc. tax liabilities	212	202	252
4.24	Other (provide details if material)	-	-	-
4.25	**Total current liabilities**	**464**	**675**	**320**
	Non-current liabilities			
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	-	-	-
4.28	Tax liabilities	905	1,423	-
4.29	Provisions exc. tax liabilities	-	-	-
4.30	Other (provide details if material)	-	-	-
4.31	**Total non-current liabilities**	**905**	**1,423**	**-**
4.32	**Total liabilities**	**1,369**	**2,098**	**320**
4.33	**Net assets**	**26,631**	**27,423**	**17,534**

+ See chapter 19 for defined terms.

	Equity			
4.34	Capital/contributed equity	23,187	23,187	16,241
4.35	Reserves	2,140	3,385	-
4.36	Retained profits (accumulated losses)	1,304	851	1,293
4.37	**Equity attributable to members of the parent entity**	**26,631**	**27,423**	**17,534**
4.38	Outside +equity interests in controlled entities	-	-	-
4.39	**Total equity**	**26,631**	**27,423**	**17,534**

4.40	Preference capital included as part of 4.37	-	-	-

Notes to the condensed consolidated statement of financial position

Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

		Current period $A'000	Previous corresponding period - $A'000
5.1	Opening balance		
5.2	Expenditure incurred during current period		
5.3	Expenditure written off during current period		
5.4	Acquisitions, disposals, revaluation increments, etc.		
5.5	Expenditure transferred to Development Properties		
5.6	**Closing balance as shown in the consolidated balance sheet** *(item 4.12)*	**N/A**	**N/A**

Development properties

(To be completed only by entities with mining interests if amounts are material)

		Current period $A'000	Previous corresponding period - $A'000
6.1	Opening balance		
6.2	Expenditure incurred during current period		
6.3	Expenditure transferred from exploration and evaluation		
6.4	Expenditure written off during current period		
6.5	Acquisitions, disposals, revaluation increments, etc.		
6.6	Expenditure transferred to mine properties		
6.7	**Closing balance as shown in the consolidated balance sheet** *(item 4.13)*	**N/A**	**N/A**

+ See chapter 19 for defined terms.

Condensed consolidated statement of cash flows

		Current period $A'000	Previous corresponding period - $A'000
	Cash flows related to operating activities		
7.1	Receipts from customers	182	-
7.2	Payments to suppliers and employees	(856)	(303)
7.3	Dividends received from associates	93	62
7.4	Other dividends received	120	25
7.5	Interest and other items of similar nature received	310	211
7.6	Interest and other costs of finance paid	(3)	-
7.7	Income taxes paid	(13)	(51)
7.8	Other (provide details if material)		
7.9	**Net operating cash flows**	**(167)**	**(56)**
	Cash flows related to investing activities		
7.10	Payment for purchases of property, plant and equipment	(32)	-
7.11	Proceeds from sale of property, plant and equipment	-	-
7.12	Payment for purchases of equity investments	(4,758)	(807)
7.13	Proceeds from sale of equity investments	5,834	402
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material)	-	-
7.17	**Net investing cash flows**	**1,044**	**(405)**
	Cash flows related to financing activities		
7.18	Proceeds from issues of +securities (shares, options, etc.)	-	-
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	-
7.21	Dividends paid	(210)	(592)
7.22	Other (provide details if material)	-	(38)
7.23	**Net financing cash flows**	**(210)**	**(630)**
7.24	**Net increase (decrease) in cash held**	**667**	**(1,091)**
7.25	Cash at beginning of period *(see Reconciliation of cash)*	12,918	9,523
7.26	Exchange rate adjustments to item 7.25.	-	-
7.27	**Cash at end of period** *(see Reconciliation of cash)*	**13,585**	**8,432**

+ See chapter 19 for defined terms.

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. *(If an amount is quantified, show comparative amount.)*

N/A

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current period $A'000	Previous corresponding period - $A'000
8.1	Cash on hand and at bank	214	46
8.2	Deposits at call	13,371	8,386
8.3	Bank overdraft	-	-
8.4	Other (provide details)	-	-
8.5	**Total cash at end of period** *(item 7.27)*	**13,585**	**8,432**

Other notes to the condensed financial statements

Ratios		Current period	Previous corresponding Period
9.1	**Profit before tax / revenue** Consolidated profit (loss) from ordinary activities before tax (*item 1.5*) as a percentage of revenue (*item 1.1*)	4.3%	(460%)
9.2	**Profit after tax / +equity interests** Consolidated net profit (loss) from ordinary activities after tax attributable to members (*item 1.11*) as a percentage of equity (similarly attributable) at the end of the period (*item 4.37*)	1.4%	(7.9%)

+ See chapter 19 for defined terms.

Earnings per security (EPS)

10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of *AASB 1027: Earnings Per Share* are as follows.

	Current Period	Previous corresponding period
Earning Used in caluation of basic and diluted earnings per share (items 1.22)	369,408	(1,329,536)
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of basic and diluted earnings per share.	37,562,656	23,704,475
Potential ordinary shares on issue	-	-
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of basic and diluted earnings per share.	37,562,656	23,704,475

NTA backing *(see note 7)*	Current period	Previous corresponding Period
11.1 Net tangible asset backing per +ordinary security	$0.70	$0.74

Discontinuing Operations

(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5 (g) of AASB 1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: Discontinuing Operations (see note 17).)

12.1 Discontinuing Operations

N/A

+ See chapter 19 for defined terms.

Control gained over entities having material effect

13.1	Name of entity (or group of entities)	N/A
13.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was +acquired	$-
13.3	Date from which such profit has been calculated	N/A
13.4	Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	$-

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	N/A
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	$-
14.3	Date to which the profit (loss) in item 14.2 has been calculated	N/A
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	$-
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	$-

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	5 May 2003
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	21 April 2003
15.3	If it is a final dividend, has it been declared? *(Preliminary final report only)*	N/A

+ See chapter 19 for defined terms.

Amount per security

		Amount per security	Franked amount per security at 30% tax (see note 4)	Amount per security of foreign source dividend
15.4	*(Preliminary final report only)* **Final dividend:** Current year	¢	¢	N/A
15.5	Previous year	¢	¢	N/A
15.6	*(Half yearly and preliminary final reports)* **Interim dividend:** Current year	0.5¢	0.5 ¢	N/A
15.7	Previous year	1.0¢	1.0¢	N/A

Total dividend (distribution) per security (interim *plus* final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	¢	¢
15.9 Preference +securities	- ¢	- ¢

Half yearly report - interim dividend (distribution) on all securities *or* Preliminary final report - final dividend (distribution) on all securities

	Current period $A'000	Previous corresponding period - $A'000
15.10 +Ordinary securities *(each class separately)*	188	237
15.11 Preference +securities *(each class separately)*	-	-
15.12 Other equity instruments *(each class separately)*	-	-
15.13 Total	**188**	**237**

The +dividend or distribution plans shown below are in operation.

None

The last date(s) for receipt of election notices for the +dividend or distribution plans: N/A

Any other disclosures in relation to dividends (distributions). *(For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting)*

+ See chapter 19 for defined terms.

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':	Current period $A'000	Previous corresponding period - $A'000
16.1 Profit (loss) from ordinary activities before tax	442	236
16.2 Income tax on ordinary activities	112	7
16.3 Profit (loss) from ordinary activities after tax	**330**	**229**
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	**330**	**229**
16.6 Adjustments	-	-
16.7 Share of net profit (loss) of associates and joint venture entities	**330**	**229**

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. *(If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)*

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (*item 1.9*)	
17.1 Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period $A'000	Previous corresponding period - $A'000
Jasco Holdings Limited	25.4%	22.87%	330	229
17.2 Total			**330**	**229**
17.3 Other material interests			N/A	N/A
17.4 Total			**330**	**229**

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates)

	Category of +securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1	**Preference +securities** *(description)*	-	-	-	-
18.2	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
18.3	**+Ordinary securities**	37,562,656	37,562,656		
18.4	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks				
18.5	**+Convertible debt securities** *(description and conversion factor)*	-	-	-	-
18.6	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
18.7	**Options** *(description and conversion factor)*			*Exercise Price*	*Expiry date (if any)*
18.8	Issued during current period	100,000	-	$0.60	Not yet vested
18.9	Exercised during current period	-	-	-	-
18.10	Expired during current period	1,602,011 1,372,448	1,602,011 -	$1.10 $0.90	31/12/02 31/12/02
18.11	**Debentures** *(description)*				
18.12	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-		

+ See chapter 19 for defined terms.

18.13	**Unsecured notes** *(description)*	-	-
18.14	Changes during current period		
	(a) Increases through issues	-	-
	(b) Decreases through securities matured, converted	-	-

Segment reporting

(Information on the business and geographical segments of the entity must be reported for the current period in accordance with *AASB 1005: Segment Reporting* and for half year reports, *AASB 1029: Interim Financial Reporting*. Because entities employ different structures a pro forma cannot be provided. Segment information in the layout employed in the entity's +accounts should be reported separately and attached to this report.)

Refer Attached.

Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by *AASB 1029: Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

Basis of financial report preparation

19.1 If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Interim Financial Reporting. ***It should be read in conjunction with the last+ annual report and any announcements to the market made by the entity during the period.*** *The financial statements in this report are "condensed financial statements" as defined in AASB 1029: Interim Financial Reporting. This report does not include all the notes of the type normally included in an annual financial report.* [Delete if preliminary final report.]

N/A

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

Refer to comments in the Directors' Statement accompanying this announcement

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

None

+ See chapter 19 for defined terms.

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

After deducting franking credits to be used in the payment of the dividends provided for in the financial statements, the franking account has a balance $12,449. Loftus Capital Partners Limited expects to earn sufficient franking credits, which will allow for fully franked dividends to be paid by Loftus Capital Partners in the next year.

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB 1029: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB 1001: Accounting Policies-Disclosure*).

None

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

None

19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last + annual report.

None

Additional disclosure for trusts

20.1	Number of units held by the management company or responsible entity or their related parties.	N/A
20.2	A statement of the fees and commissions payable to the management company or responsible entity. Identify: • initial service charges • management fees • other fees	N/A

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place	N/A
Date	
Time	
Approximate date the +annual report will be available	

Compliance statement

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used	None

2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does/~~does not~~* *(delete one)* give a true and fair view of the matters disclosed (see note 2).

4 This report is based on +accounts to which one of the following applies.
(Tick one)

☐	The +accounts have been audited.	✔	The +accounts have been subject to review.
☐	The +accounts are in the process of being audited or subject to review.	☐	The +accounts have *not* yet been audited or reviewed.

5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/will follow immediately they are available* *(delete one). (Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.)*

6 The entity has/~~does not have~~* *(delete one)* a formally constituted audit committee.

Sign here: .... A Simon ....Date: ...11 March 2003............
(~~Director~~/Company Secretary)

Print name: .....ALAN SIMON...

+ See chapter 19 for defined terms.

The directors of Loftus Capital Partners Limited declare that:

(a) the financial statements and notes, in the form of Appendix 4B of the Australian Stock Exchange (ASX) Listing Rules, comply with Accounting Standards and give a true and fair view of the financial position and performance of the consolidated entity for the half-year ended 31 December 2002; and

(b) 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:

Director

Dated the 11th day of March 2003.

SCHEDULE ACCOMPANYING
APPENDIX 4B HALF YEARLY REPORT

LOFTUS CAPITAL PARTNERS LIMITED
(ACN 067 185 899)

FOR THE HALF YEAR ENDED 31 DECEMBER 2002

INCOME TAX EXPENSE AND PROVISION FOR TAXATION	**2002 $000**
Net Profit per statement of financial performance	280
Prima facie income tax thereon at 30%	84
Less prima facie tax attributable to share of Profit of equity accounted associate	(99)
Adjusted Income tax	(15)
Tax losses brought to account	(116)
Other permanent differences	42
Income tax expense provided	(89)

SCHEDULE ACCOMPANYING
APPENDIX 4B HALF YEARLY REPORT

LOFTUS CAPITAL PARTNERS LIMITED
(ACN 067 185 899)

FOR THE HALF YEAR ENDED 31 DECEMBER 2002

SEGMENT REPORTING

The economic entity operates in the investment industry within Australia.

HORWATH MELBOURNE
Chartered Accountants
A member of Horwath International

600 St Kilda Road Melbourne
PO Box 6095 Melbourne
Victoria 8008 Australia

Independent Review Report to the members of Loftus Capital Partners Limited

Scope

We have reviewed the financial report of Loftus Capital Partners Limited in the form of Appendix 4B of the Australian Stock Exchange (ASX) Listing Rules for the half-year ended 31 December 2002.

The company's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia, the Corporations Act 2001 and ASX Listing Rules as they relate to Appendix 4B, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to meet its obligations to lodge the financial report with the Australian Securities and Investments Commission and the ASX.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the company'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 that 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, as defined in the scope section, of Loftus Capital Partners Limited is not in accordance with:

(a) the Corporations Act 2001, including:

  (i) giving a true and fair view of the company's financial position as at 31 December 2002, 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 and ASX Listing Rules as they relate to Appendix 4B.

HORWATH MELBOURNE
Chartered Accountants

Nicholas E. Burne - Partner
Date – 11 March 2003

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. Entities are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.

2. **True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

3. **Condensed consolidated statement of financial performance**

   Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of Financial Performance.*

   Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).

4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franked amount per security at % tax" for items 15.4 to 15.7.

5. **Condensed consolidated statement of financial position**

   Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Interim Financial Reporting,* and *AASB 1040: Statement of Financial Position.* Also, banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

   Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last +annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets.* If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.

6. **Condensed consolidated statement of cash flows** For definitions of "cash" and other terms used in this report see *AASB 1026: Statement of Cash Flows.* Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the

+ See chapter 19 for defined terms.

presentation adopted must meet the requirements of *AASB 1026*. +Mining exploration entities may use the form of cash flow statement in Appendix 5B.

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the +ordinary securities (ie, all liabilities, preference shares, outside +equity interests etc). +Mining entities are *not* required to state a net tangible asset backing per +ordinary security.

8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the +accounts. Details must include the contribution for each gain or loss that increased or decreased the entity's consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest $1,000. If an entity reports exact figures, the $A'000 headings must be amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest $100,000, and the $A'000 headings must be amended.

10. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 1018* or *AASB 1029 Interim Financial Reporting* as appropriate and are the unadjusted figures from the latest annual or half year report as appropriate. However, if an adjustment has been made in accordance with an accounting standard or other reason or if there is a lack of comparability, a note explaining the position should be attached. For the statement of financial performance, *AASB 1029 Interim Financial Reporting* requires information on a year to date basis in addition to the current interim period. Normally an Appendix 4B to which *AASB 1029 Interim Financial Reporting* applies would be for the half year and consequently the information in the current period is also the year to date. If an Appendix 4B Half yearly version is produced for an additional interim period (eg because of a change of reporting period), the entity must provide the year to date information and comparatives required by *AASB 1029 Interim Financial Reporting*. This should be in the form of a multi-column version of the consolidated statement of financial performance as an attachment to the additional Appendix 4B.

11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the +ASIC under the Corporations Act must also be given to ASX. For example, a director's report and declaration, if lodged with the +ASIC, must be given to ASX.

12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.

13. **Corporations Act financial statements** This report may be able to be used by an entity required to comply with the Corporations Act as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.

14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.

+ See chapter 19 for defined terms.

15 **Details of expenses** *AASB 1018* requires disclosure of expenses from ordinary activities according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by ASX. *AASB ED 105* clarifies that the disclosures required by *AASB 1018* must be either *all* according to nature or *all* according to function. Entities must disclose details of expenses using the layout (by nature or function) employed in their +accounts.

The information in lines 1.23 to 1.27 may be provided in an attachment to Appendix 4B.

Relevant Items *AASB 1018* requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term "relevance" is defined in *AASB 1018*. There is an equivalent requirement in *AASB 1029: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by ASX.

16 **Dollars** If reporting is not in A$, all references to $A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

17. **Discontinuing operations**

Half yearly report

All entities must provide the information required in paragraph 12 for half years beginning on or after 1 July 2001.

Preliminary final report

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of *AASB 1029: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their +accounts in accordance with *AASB 1042 Discontinuing Operations*.

In any case the information may be provided as an attachment to this Appendix 4B.

18. **Format**

This form is a Word document but an entity can re-format the document into Excel or similar applications for submission to the Companies Announcements Office in ASX.

+ See chapter 19 for defined terms.