F.F.I. HOLDINGS LTD

(A.B.N. 32 009 155 328)

AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31st DECEMBER 2005

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CHAIRMAN'S REVIEW
DECEMBER 2005

The half-year to the 31st of December 2005 proved to be a difficult trading period for our company. Overall revenue growth remained flat while profit margins were under pressure from increases in raw material, labour and other input costs.

The flat sales growth and tight profit margins resulted in a significant fall in underlying profitability from our food operations during the half-year.

Satisfactory growth was achieved in our food service and industrial food sales, however the continuing rationalization of the Australian grocery sector created a very competitive retail market that negatively impacted on sales of our National retail lines.

Although trading conditions are expected to remain difficult for the remainder of the financial year, your directors anticipate the profit resulting from the strong growth in the value of our land investments will more than offset the fall in operating profits from food processing in our full year results.

Your directors have resolved to maintain the interim dividend at 6 cents per share fully franked (unchanged from the previous year).

Our diverse trading base (in terms of both products and markets) will assist your directors in pursuing strategies that will minimize the negative effect of these changes in the Australian grocery industry. Our company remains in a sound financial position and is ideally placed to capitalize on any improvement in the current difficult trading situation. In addition we are continuing to develop new products and processes to provide long term growth.

Your directors are reviewing all areas of the company's operation in order to improve profitability and are confident that we will continue to deliver above average returns to shareholders in the long term.

Rodney G. Moonen

Chairman of Directors

14th March 2006

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31st DECEMBER 2005

ASX APPENDIX 4D DISCLOSURE
RESULTS FOR ANNOUNCEMENT TO THE MARKET

FINANCIAL RESULTS

Movement from the previous corresponding period (6 months ended 31 December 2004) for;

Revenue from ordinary activities	down	3%	to	$10,764,307
Profit / (Loss) from ordinary activities after tax attributable to members	up	23%	to	$499,587
Net Profit / (Loss) attributable to members	up	23%	to	$499,587

DIVIDENDS

	Amount Per Security	Franked Amount Per Security
Interim Dividend	6.00 cents	6.00 cents
Previous corresponding period	6.00 cents	6.00 cents
Record date for determining entitlements to dividend;	27th June 2006	
Payment date for dividend;	4th July 2006	

NET TANGIBLE ASSETS

	Current Period	Previous Corresponding Period
Net Tangible assets per Security	$1.39	$1.21

F.F.I. Holdings Limited and Controlled Entities
Interim Financial Report 31st December 2005

DIRECTORS' REPORT

Your directors submit the financial report of the economic entity for the half-year ended 31 December 2005.

Directors

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

Mr Rodney G Moonen

Mr Geoffrey W Nicholson

Mr Ronald W Warr

Review of Operations

A review of operations is contained in the accompanying Chairman's Review on page 2.

Adoption of Australian Equivalents to IFRS

This interim financial report has been prepared under Australian equivalents to IFRS. A reconciliation of differences between previous GAAP and Australian equivalents to IFRS has been included in Note 2 of this report.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 5 for the half year ended 31 December 2005.

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

Rodney G Moonen
Director

Dated this 14th day of March 2006

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF *F.F.I. HOLDINGS LIMITED*

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2005 there have been:

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

(b) no contraventions of any applicable code of professional conduct in relation to the review.

Rix Levy Fowler	Ranko Matic
Level 1, 12 Kings Park Road,	Partner
West Perth, W.A. 6005	Dated this 14th day of March 2006

CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	Economic Entity	
	31.12.2005	31.12.2004
	$	$
Revenue	10,764,307	11,108,549
Changes in inventories of finished goods and work in progress	(108,729)	243,571
Raw materials and consumables used	(5,847,273)	(6,449,402)
Employee benefits expense	(2,220,511)	(2,120,950)
Depreciation and amortisation expense	(170,793)	(163,055)
Finance costs	(76,630)	(49,431)
Other expenses	(1,575,677)	(1,953,897)
Profit before income tax	764,694	615,385
Income tax expense	(229,407)	(184,616)
Profit for the period	535,287	430,769
Profit attributable to minority equity interest	(35,700)	(23,304)
Profit attributable to members of the parent entity	499,587	407,465

Overall Operations:		
Basic earnings per share (cents per share)	8.1	6.8
Diluted earnings per share (cents per share)	8.1	6.8

The accompanying notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2005

	Economic Entity	
	31.12.2005	30.6.2005
	$	$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	186,834	253,802
Trade and other receivables	3,087,859	2,158,696
Inventories	2,280,096	2,317,132
Other current assets	59,802	129,650
TOTAL CURRENT ASSETS	5,614,591	4,859,280
NON-CURRENT ASSETS		
Investments	-	-
Trade and other receivables	464,203	325,559
Land held as an investment	3,086,094	3,086,094
Property, plant and equipment	5,449,803	5,479,072
Deferred tax assets	222,536	222,536
Intangible assets	133,505	61,681
Other non-current assets	42,379	42,379
TOTAL NON-CURRENT ASSETS	9,398,520	9,217,321
TOTAL ASSETS	15,013,111	14,076,601
CURRENT LIABILITIES		
Trade and other payables	2,721,092	1,886,494
Short-term borrowings	1,060,746	751,782
Current tax liabilities	(70,926)	47,374
Short-term provisions	430,266	761,876
TOTAL CURRENT LIABILITIES	4,141,178	3,447,526
NON-CURRENT LIABILITIES		
Trade and other payables	11,217	20,984
Long-term borrowings	911,253	911,253
Deferred tax liabilities	1,052,766	1,052,766
TOTAL NON-CURRENT LIABILITIES	1,975,236	1,985,003
TOTAL LIABILITIES	6,116,414	5,432,529
NET ASSETS	8,896,697	8,644,072
EQUITY		
Issued capital	4,063,461	3,883,461
Reserves	715,290	715,290
Retained earnings	3,967,993	3,916,443
Parent entity interest	8,746,744	8,515,194
Minority equity interest	149,953	128,858
TOTAL EQUITY	8,896,697	8,644,072

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

		$	$	$	$	$
		Share Capital				
	Note	Ordinary	Retained Profits	Reserves	Minority Interests	Total
Balance at *1.7.2004*		3,413,661	3,132,777	353,677	105,554	7,005,669
Profit attributable to members of parent entity		-	407,465	-	-	407,465
Profit attributable to minority shareholders		-	-	-	23,304	23,304
Sub-total		3,413,661	3,540,242	353,677	128,858	7,436,438
Dividends paid or provided for		-	-	-	-	-
Balance at *31.12.2004*		3,413,661	3,540,242	353,677	128,858	7,436,438
Balance at *1.7.2005*		3,883,461	3,916,443	715,290	128,878	8,644,072
Shares issued during the year		180,000	-	-	-	180,000
Profit attributable to members of parent entity		-	499,587	-	-	499,587
Profit attributable to minority shareholders		-	-	-	35,700	35,700
Revaluation increment		-	-	-	-	-
Sub-total		4,063,461	4,416,030	715,290	164,578	9,359,359
Dividends paid or provided for		-	(448,037)	-	(14,625)	(462,662)
Balance at *31.12.2005*		4,063,461	3,967,993	715,290	149,953	8,896,697

The accompanying notes form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	Economic Entity	
	31.12.2005	31.12.2004
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	9,830,737	10,509,608
Payments to suppliers and employees	(8,774,230)	(10,228,382)
Dividends received	1,329	20,449
Interest received	3,078	3,644
Finance costs	(76,630)	(49,431)
Income tax paid	(357,474)	(180,962)
Net cash provided by (used in) operating activities	626,810	74,926
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of non-current assets	-	180,500
Purchase of non-current assets	(138,348)	(285,046)
Proceeds from borrowings	-	1,823
Purchase of other financial assets	-	(20,021)
Purchase of intangible assets	(75,000)	-
Net cash provided by (used in) investing activities	(213,348)	(122,744)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	-
Dividends paid by chief entity	(816,125)	(717,385)
Dividends paid by controlled entities to outside equity interests	(14,625)	(22,500)
Proceeds from employee share plan	41,356	34,500
Net cash provided by (used in) financing activities	(789,394)	(705,385)
Net increase in cash held	(375,932)	(753,203)
Cash at ***1 July 2005***	(497,980)	337,508
Cash at ***31 December 2005***	(873,912)	(415,695)

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

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 134: Interim Financial Reporting, Urgent Issues Group Interpretations 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 2005 and any public announcements made by F.F.I. Holdings Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

As this is the first interim financial report prepared under Australian equivalents to IFRS, the accounting policies applied are inconsistent with those applied in the 30 June 2005 annual report as this report was presented under previous Australian GAAP. Accordingly, a summary of the significant accounting policies under Australian equivalents to IFRS has been included below. A reconciliation of equity and profit and loss between previous GAAP and Australian equivalents to IFRS has been prepared per Note 2.

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

(a) Principles of Consolidation

A controlled entity is any entity controlled by F.F.I. Holdings Limited whereby by F.F.I. Holdings Limited has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(b) Income Tax

The economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTE 1: BASIS OF PREPARATION

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value, this being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

(d) Land Held as an Investment

Land held as an investment has been reclassified as a separate asset category on the balance sheet. Previously this amount had been included in the asset category of Property, Plant and Equipment.

Land held as an investment is land held by the group for investment purposes, rather than for it's own use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business.

Land held as an investment is initially recognized at it's cost, including transaction costs. Subsequent to initial recognition land held as an investment is measured at fair value. Adjustments to fair value whether increases or decreases, are booked in the income statement.

(e) Comparative Figure

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS	Note	Previous GAAP at 1.7.2004	Economic Entity Adjustments on introduction of Australian equivalents to IFRS	Australian equivalents to IFRS at 1.7.2004
Reconciliation of Equity at 1 July 2004		$	$	$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		337,508	-	337,508
Trade and other receivables		1,972,147	-	1,972,147
Inventories		1,803,122	-	1,803,122
Other current assets		502,666	-	502,666
TOTAL CURRENT ASSETS		4,615,443	-	4,615,443
NON-CURRENT ASSETS				
Trade and other receivables		360,060	-	360,060
Land held as an investment	2a	-	2,415,204	2,415,204
Property, plant and equipment	2a	6,826,300	(2,415,204)	4,411,096
Deferred tax assets		218,315	-	218,315
Intangible assets		68,033	-	68,033
Other financial non-current assets		22,358	-	22,358
TOTAL NON-CURRENT ASSETS		7,495,066	-	7,495,066
TOTAL ASSETS		12,110,509	-	12,110,509
CURRENT LIABILITIES				
Trade and other payables		2,194,863	-	2,194,863
Current tax liabilities		138,808	-	138,808
Short-term provisions		1,119,601	-	1,119,601
TOTAL CURRENT LIABILITIES		3,453,272	-	3,453,272
NON-CURRENT LIABILITIES				
Trade and other payables		41,183	-	41,183
Long-term borrowings		911,253	-	911,253
Deferred tax liabilities	2b	161,444	537,688	699,132
TOTAL NON-CURRENT LIABILITIES		1,113,880	537,688	1,651,568
TOTAL LIABILITIES		4,567,152	537,688	5,104,840
NET ASSETS		7,543,357	(537,688)	7,005,669
EQUITY				
Issued capital		3,413,661	-	3,413,661
Reserves	2c	1,850,142	(1,496,465)	353,677
Retained earnings	2d	2,174,000	958,777	3,132,777
Parent interest		7,473,803	(537,688)	6,900,115
Minority equity interest		105,554	-	105,554
TOTAL EQUITY		7,543,357	(537,688)	7,005,669

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS	Note	Previous GAAP at 31.12.2004	Economic Entity Adjustments on introduction of Australian equivalents to IFRS	Australian equivalents to IFRS at 31.12.2004
Reconciliation of Equity at 31 December 2004		$	$	$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		306,065	-	306,065
Trade and other receivables		2,454,821	-	2,454,821
Inventories		2,169,885	-	2,169,885
Other current assets		129,782	-	129,782
TOTAL CURRENT ASSETS		5,060,553	-	5,060,553
NON-CURRENT ASSETS				
Investments		42,379	-	42,379
Land held as an investment	2a	-	2,415,204	2,415,204
Property, plant and equipment	2a	6,863,141	(2,415,204)	4,447,937
Deferred tax assets		218,315	-	218,315
Intangible assets		64,857	-	64,857
Other non-current assets		325,560	-	325,560
TOTAL NON-CURRENT ASSETS		7,514,252		7,514,252
TOTAL ASSETS		12,574,805		12,574,805
CURRENT LIABILITIES				
Trade and other payables		2,196,494	-	2,196,494
Short-term borrowings		721,760	-	721,760
Current tax liabilities		152,893	-	152,893
Short-term provisions		424,260	-	424,260
TOTAL CURRENT LIABILITIES		3,495,407	-	3,495,407
NON-CURRENT LIABILITIES				
Trade and other payables		31,859	-	31,859
Long-term borrowings		913,076	-	913,076
Deferred tax liabilities	2b	160,337	537,688	698,025
TOTAL NON-CURRENT LIABILITIES		1,105,272	537,688	1,642,960
TOTAL LIABILITIES		4,600,679	537,688	5,138,367
NET ASSETS		7,974,126	(537,688)	7,436,438
EQUITY				
Issued capital		3,413,661	-	3,413,661
Reserves	2c	1,850,142	(1,496,465)	353,677
Retained earnings	2d	2,581,465	958,777	3,540,242
Parent interest		7,845,268	(537,688)	7,307,580
Minority equity interest		128,858	-	128,858
TOTAL EQUITY		7,974,126	(537,688)	7,436,438

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS	Note	Economic Entity Previous GAAP at 30.6.2005	Adjustments on introduction of Australian equivalents to IFRS	Australian equivalents to IFRS at 30.6.2005
Reconciliation of Equity at 30 June 2005		$	$	$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		253,802	-	253,802
Trade and other receivables		2,158,696	-	2,158,696
Inventories		2,317,132	-	2,317,132
Other current assets		129,650	-	129,650
TOTAL CURRENT ASSETS		4,859,280	-	4,859,280
NON-CURRENT ASSETS				
Trade and other receivables		325,559	-	325,559
Land held as an investment	2a	-	3,086,094	3,086,094
Property, plant and equipment	2a	8,565,166	(3,086,094)	5,479,072
Deferred tax assets		222,536	-	222,536
Intangible assets		61,681	-	61,681
Other financial non-current assets		42,379	-	42,379
TOTAL NON-CURRENT ASSETS		9,217,321	-	9,217,321
TOTAL ASSETS		14,076,601	-	14,076,601
CURRENT LIABILITIES				
Trade and other payables		1,886,494	-	1,886,494
Short-term borrowings		751,782	-	751,782
Current tax liabilities		47,374	-	47,374
Short-term provisions		761,876	-	761,876
TOTAL CURRENT LIABILITIES		3,447,526	-	3,447,526
NON-CURRENT LIABILITIES				
Trade and other payables		20,984	-	20,984
Long-term borrowings		911,253	-	911,253
Deferred tax liabilities	2b	158,834	893,932	1,052,766
TOTAL NON-CURRENT LIABILITIES		1,091,071	893,932	1,985,003
TOTAL LIABILITIES		4,538,597	893,932	5,432,529
NET ASSETS		9,538,004	(893,932)	8,644,072
EQUITY				
Issued capital		3,883,461	-	3,883,461
Reserves	2c	3,037,622	(2,322,332)	715,290
Retained earnings	2d	2,488,043	1,428,400	3,916,443
Parent interest		9,409,126	(893,932)	8,515,194
Minority equity interest		128,878	-	128,878
TOTAL EQUITY		9,538,004	(893,932)	8,644,072

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS	Note	Previous GAAP	Effect of transition to Australian equivalents to IFRS	Australian equivalents to IFRS
Reconciliation of Profit or Loss for the half-year 31 December 2004		$	$	$
Revenue		11,108,549	-	11,108,549
Changes in inventories of finished goods and work in progress		243,571	-	243,571
Raw materials and consumables used		(6,449,402)	-	(6,449,402)
Employee benefits expense		(2,120,950)	-	(2,120,950)
Depreciation and amortisation expense		(163,055)	-	(163,055)
Finance costs		(49,431)	-	(49,431)
Impairment of property, plant and equipment		-	-	-
Other expenses		(1,953,897)	-	(1,953,897)
Profit before income tax		615,385	-	615,385
Income tax expense		(184,616)	-	(184,616)
Profit for the year		430,769	-	430,769
Profit attributable to minority equity interest		(23,304)	-	(23,304)
Profit attributable to members of the parent entity		407,465	-	407,465

Reconciliation of Profit or Loss for the full to 30 June 2005	Note	Previous GAAP	Effect of transition to Australian equivalents to IFRS	Australian equivalents to IFRS
Revenue		20,276,543	-	20,276,543
Changes in inventories of finished goods and work in progress		482,332	-	482,332
Raw materials and consumables used		(11,992,659)	-	(11,992,659)
Employee benefits expense		(4,098,095)	-	(4,098,095)
Depreciation and amortisation expense		(337,134)	-	(337,134)
Finance costs		(115,146)	-	(115,146)
Unrealised gain on land held as an investment	2e	-	670,890	670,890
Other expenses		(3,166,554)	-	(3,166,554)
Profit before income tax		1,049,287	670,890	1,720,177
Income tax expense	2f	(320,431)	(201,267)	(521,698)
Profit for the year		728,856	469,623	1,198,479
Profit attributable to minority equity interest		(46,725)	-	(46,725)
Profit attributable to members of the parent entity		682,131	469,623	1,151,754

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS	30.6.2005	31.12.2004	1.7.2004
Notes to the Reconciliations of Equity and Profit and Loss at 1 July 2004, 31 December 2004 and 30 June 2005	$	$	$
(a) Land held as an investment comprise:			
Reclassification of land held as an investment into separate asset category. Previously included in property, plant and equipment asset category	3,086,094	2,415,204	2,415,204
(b) Deferred tax liabilities comprise:			
Deferred tax on revaluation of non-current assets	893,932	537,688	537,688
(c) Reserves comprise:			
Adjustments to asset revaluation reserve on revaluations on land held as an investment	1,428,400	958,777	958,777
Deferred tax adjustments to reserves on revaluations of non-current assets	893,932	537,688	537,688
Total	2,322,332	1,496,465	1,496,465
(d) Retained earnings comprise:			
Adjustments to asset revaluation reserve on revaluations on land held as an investment booked to retained earnings	1,428,400	958,777	958,777
(e) Profit before tax comprises:			
Unrealised gain on revaluation of land held as an investment booked to profit and loss	670,890	-	-
(f) Income tax expense comprises:			
Deferred tax expense on unrealised gain on revaluation of land held as an investment booked to profit and loss	201,267	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

	Economic Entity	
	31.12.2005	31.12.2004
	$	$
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Business acquisition costs – license fee written off	-	480,041

NOTE 4: SEGMENT INFORMATION

Primary Reporting — Business Segments

	Bakery	Smallgoods	Eliminations	Economic Entity
	$	$	$	$
31st December 2005				
Revenue	7,709,436	3,050,464	-	10,759,900
Total segment revenue	7,709,436	3,050,464	-	10,759,900
Unallocated revenue				4,407
Total revenue from ordinary activities				10,764,307
Segment result	553,622	255,000	-	808,622
Unallocated expenses net of unallocated revenue				(43,928)
Profit before income tax				764,694
Income tax expense				(229,407)
Profit after income tax				535,287

Primary Reporting — Business Segments

	Bakery	Smallgoods	Eliminations	Economic Entity
	$	$	$	$
31st December 2004				
Revenue	8,345,594	2,646,688	-	10,992,282
Total segment revenue	8,345,594	2,646,688	-	10,992,282
Unallocated revenue				116,267
Total revenue from ordinary activities				11,108,549
Segment result	480,914	166,457	-	647,371
Unallocated expenses net of unallocated revenue				(31,986)
Profit before income tax				615,385
Income tax expense				(184,616)
Profit after income tax				430,769

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

NOTE 5: DIVIDENDS	Economic Entity	
	31.12.2005	31.12.2004
Proposed interim fully franked ordinary dividend of 6.00 cents (2005: 6.00 cents) per share franked at the tax rate of 30% (2005: 30%)	370,788	358,692

NOTE 6: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in subsequent financial years.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on 6 to 18:

   a. comply with Accounting Standard AASB 134: 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 2005 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.

Rodney G Moonen

Director

Dated this 14th day of March 2006

INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF F.F.I. HOLDINGS LIMITED

Scope

We have reviewed the financial report of F.F.I. Holdings Limited for the half-year ended 31 December 2005 as set out on 6 to 18. The company's 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 our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 134: Interim Financial Reporting and other mandatory professional reporting requirements in Australia and statutory requirements, 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 lodge the financial report with the Australian Securities and Investments Commission/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 company 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 audit, 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 F.F.I. Holdings 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 2005 and of its performance for the half-year ended on that date; and
   ii. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

b. other mandatory professional reporting requirements in Australia.

Rix Levy Fowler	Ranko Matic
Level 1, 12 Kings Park Road,	Partner
West Perth, W.A., 6005	Dated this 14th day of March 2006