Rules 4.1, 4.3

Appendix 4B

Half yearly report

Introduced 30/6/2002.

Name of entity

Finbar International Limited

ABN or equivalent company reference	Half yearly *(tick)*	Preliminary final *(tick)*	Half year/financial year ended ('current period')
009 113 473	✓		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)*	down	14%	to	10,432
Profit (loss) from ordinary activities after tax attributable to members *(item 1.22)*	up	51%	to	1,602
Profit (loss) from extraordinary items after tax attributable to members *(item 2.5(d))*	gain (loss) of	-		-
Net profit (loss) for the period attributable to members *(item 1.11)*	up	51%	to	1,602

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)*	nil¢	nil¢
Previous corresponding period *(Preliminary final report - item 15.5; half yearly report - item 15.7)*	nil ¢	nil ¢

+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) *(see item 15.2)*: N/A

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.

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)*	10,432	12,076
1.2	Expenses from ordinary activities (*see items 1.26 & 1.27)*	(9,462)	(11,131)
1.3	Borrowing costs	(15)	(81)
1.4	Share of net profits (losses) of associates and joint venture entities (*see item 16.7*)	**935**	**479**
1.5	**Profit (loss) from ordinary activities before tax**	**1,890**	**1,343**
1.6	Income tax on ordinary activities *(see note 4)*	(288)	(287)
1.7	**Profit (loss) from ordinary activities after tax**	**1,602**	**1,056**
1.8	Profit (loss) from extraordinary items after tax (*see item 2.5*)	-	-
1.9	**Net profit (loss)**	**1,602**	**1,056**
1.10	Net profit (loss) attributable to outside +equity interests	-	-
1.11	**Net profit (loss) for the period attributable to members**	**1,602**	**1,056**

Non-owner transaction changes in equity

1.12	Increase (decrease) in revaluation reserves		
1.13	Net exchange differences recognised in equity		
1.14	Other revenue, expense and initial adjustments recognised directly in equity (attach details) Initial adjustments from UIG transitional provisions		
1.15	Decrease in retained profits on initial adoption of AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	897	-
1.16	Total transactions and adjustments recognised directly in equity (items 1.12 to 1.15)	897	-
1.17	**Total changes in equity not resulting from transactions with owners as owners**	897	-

See Attachment 1 for full statement of financial performance

Earnings per security (EPS)	Current period	Previous corresponding period
1.18 Basic EPS	$0.018	$0.012
1.19 Diluted EPS	$0.018	$0.012

+ See chapter 19 for defined terms.

Notes to the 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)*	1,602	1,056
1.21	Less (plus) outside +equity interests	-	-
1.22	**Profit (loss) from ordinary activities after tax, attributable to members**	**1,602**	**1,056**

Revenue and expenses from ordinary activities

(see note 15)

1.23	Revenue from sales or services	5,229	11,617
1.24	Interest revenue	107	81
1.25	Other relevant revenue	5,096	378
1.26	Details of relevant expenses	(9,455)	(11,202)
1.27	Depreciation and amortisation excluding amortisation of intangibles *(see item 2.3)* *See attachment 1 for full statement of financial performance*	(22)	(10)
	Capitalised outlays		
1.28	Interest costs capitalised in asset values	77	144
1.29	Outlays capitalised in intangibles (unless arising from an +acquisition of a business)		

Consolidated retained profits

1.30	Retained profits (accumulated losses) at the beginning of the financial period	2,861	1,634
1.31	Net profit (loss) attributable to members *(item 1.11)*	1,602	1,056
1.32	Net transfers from (to) reserves *(details if material)*		
1.33	Net effect of changes in accounting policies	897	
1.34	Dividends and other equity distributions paid or payable	(897)	
1.35	**Retained profits (accumulated losses) at end of financial period**	**4,463**	**2,690**

+ 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	-	-	-	-
2.2	Amortisation of other intangibles	1	-	-	1
2.3	**Total amortisation of intangibles**	1	-	-	1
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)	N/A	N/A
3.2	Consolidated profit (loss) from ordinary activities after tax attributable to members for the *2nd* half year	N/A	N/A

+ See chapter 19 for defined terms.

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 assets	3,291	4,984	6,089
4.2	Receivables	4,094	3,426	9,996
4.3	Other financial assets	-	-	-
4.4	Inventories	12,130	6,503	7,470
4.5	Tax assets	-	-	-
4.6	Other (provide details if material)	38	8	66
4.7	**Total current assets**	**19,553**	**14,921**	**23,621**
	Non-current assets			
4.8	Receivables	11,776	9,076	2,713
4.9	Investments (equity accounted)	1,991	1,055	744
4.10	Other financial assets	-	4,440	5,071
4.11	Inventories	1,377	1,661	4,368
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)	915	918	977
4.15	Intangibles (net)	9	10	-
4.16	Tax assets	1	-	-
4.17	Other (provide details if material)	-	5	5
4.18	**Total non-current assets**	**16,069**	**17,165**	**13,878**
4.19	**Total assets**	**35,622**	**32,086**	**37,499**
	Current liabilities			
4.20	Payables	892	575	463
4.21	Interest bearing liabilities	6,410	3,238	896
4.22	Tax liabilities	86	992	-
4.23	Provisions exc. tax liabilities	-	897	1,330
4.24	Other (provide details if material)	-	-	
4.25	**Total current liabilities**	**7,388**	**5,702**	**10,789**
	Non-current liabilities			
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	-	-	-
4.28	Tax liabilities	512	264	
4.29	Provisions exc. tax liabilities	-	-	434
4.30	Other (provide details if material)	-	-	-
4.31	**Total non-current liabilities**	**512**	**264**	**434**

+ See chapter 19 for defined terms.

Statement of financial position continued

4.32	**Total liabilities**	**7,900**	**5,966**	**11,223**
4.33	**Net assets**	**27,722**	**26,120**	**26,276**

	Equity			
4.34	Capital/contributed equity	23,259	23,259	23,586
4.35	Reserves	-	-	-
4.36	Retained profits (accumulated losses)	4,463	2,861	2,690
4.37	**Equity attributable to members of the parent entity**	**27,722**	**26,120**	**26,276**
4.38	Outside +equity interests in controlled entities	-	-	
4.39	**Total equity**	**27,722**	**26,120**	**26,276**

4.40	Preference capital included as part of 4.37			

Notes to the statement of financial position

Exploration and evaluation expenditure capitalised N/A

(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**	**Nil**

Development properties

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

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**	**Nil**

+ See chapter 19 for defined terms.

Statement of cash flows

		Current period $A'000	Previous corresponding period - $A'000
	Cash flows related to operating activities		
7.1	Receipts from customers	862	28,929
7.2	Payments to suppliers and employees	(4,679)	(12,690)
7.3	Dividends received from associates		
7.4	Other dividends received		
7.5	Interest and other items of similar nature received	108	81
7.6	Interest and other costs of finance paid	(128)	(516)
7.7	Income taxes paid	(942)	284
7.8	Other (provide details if material)		
7.9	**Net operating cash flows**	**(4,779)**	**16,088**
	Cash flows related to investing activities		
7.10	Payment for purchases of property, plant and equipment	(19)	(144)
7.11	Proceeds from sale of investment	4,850	
7.12	Payment for purchases of equity investments		
7.13	Proceeds from sale of equity investments		
7.14	Loans to other entities	(4,020)	(2,713)
7.15	Loans repaid by other entities		650
7.16	Other (provide details if material)		
7.17	**Net investing cash flows**	**811**	**(2,207)**
	Cash flows related to financing activities		
7.18	Proceeds from issues of +securities (shares, options, etc.)		(242)
7.19	Proceeds from borrowings	3,172	-
7.20	Repayment of borrowings		(9,599)
7.21	Dividends paid	(897)	(909)
7.22	Other (provide details if material)		
7.23	**Net financing cash flows**	**2,275**	**(10,750)**
7.24	**Net increase (decrease) in cash held**	1,693	**3,131**
7.25	Cash at beginning of period *(see Reconciliation of cash)*	4,984	2,958
7.26	Exchange rate adjustments to item 7.25.	-	-
7.27	**Cash at end of period** *(see Reconciliation of cash)*	3,291	6,089

+ 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.)*

None noted

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	3,291	6,089
8.2	Deposits at call	-	-
8.3	Bank overdraft	-	-
8.4	Other (provide details)	-	-
8.5	**Total cash at end of period** *(item 7.27)*	**3,291**	**6,089**

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)*	0.18	0.12
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)*	0.06	0.04

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.

10.1	*Calculation of the following in accordance with AASB 1027:Earnings per share*		
(a)	Basic EPS	0.018	0.012
(b)	Diluted EPS	0.018	0.012
(c)	Weighted average number of shares used in calculation There are no dilutive potential shares therefore diluted EPS same as basic EPS.	89,736,576	91,406,692

+ See chapter 19 for defined terms.

NTA backing

(see note 7)

		Current period	Previous corresponding period
11.1	Net tangible asset backing per +ordinary security	30.9 cents	28.9 cents

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

None noted

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	
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	
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	$

+ See chapter 19 for defined terms.

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	None noted
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)	
15.3	If it is a final dividend, has it been declared? *(Preliminary final report only)*	

Amount per security

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

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)*		
15.11	Preference +securities *(each class separately)*		
15.12	Other equity instruments *(each class separately)*		
15.13	**Total**		

+ See chapter 19 for defined terms.

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

N/A

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

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)*

N/A

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	1,337	661
16.2 Income tax on ordinary activities	(402)	(182)
16.3 Profit (loss) from ordinary activities after tax	935	479
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	935	479
16.6 Adjustments	-	-
16.7 Share of net profit (loss) of associates and joint venture entities	935	479

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
Boas Gardens Pty Ltd	50%	50%	328	479
Hamersley Road Joint Venture	50%	50%	603	-
78 Terrace Road Joint Venture	50%	50%	-	-
175 Hay Street Joint Venture	50%	50%	4	-
Rivervale Concepts Pty Ltd	50%	-	-	-
17.2 Total			935	479
17.3 Other material interests	Nil	Nil		
17.4 Total			935	479

+ 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**	89,736,576	89,736,576	25 cents	25 cents
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	-	-	-	-
18.9	Exercised during current period	-	-	-	-
18.10	Expired during current period	-	-	-	-
18.11	**Debentures** *(description)*				
18.12	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-		
18.13	**Unsecured notes** *(description)*	-	-		
18.14	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

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.)

The company operates wholly in one business segment of property development and one geographical segment being Western Australia.

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.*** *This report does not include all the notes of the type normally included in an annual financial report.* [Delete if preliminary final report.]

(a) **Basis of preparation of half-year financial report**

The half-year financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting", the recognition and measurement requirements of applicable AASB standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. This half-year financial report is to be read in conjunction with the 30 June 2002 Annual Financial Report and any public announcements by Finbar International Ltd during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied by the entity and, except where there is a change in accounting policy as disclosed at item 19.5, are consistent with those applied in the 30 June 2002 Annual Financial Report.

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

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.

The company sold its Medical Centre Commercial Building for $4.85 million.

+ See chapter 19 for defined terms.

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 noted

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

Franking credits available or which will arise on the payment of income tax provided for in the financial statements : Class C (30%) franking credits = 1,019,864

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*).

(a) Provisions, contingent liabilities and contingent assets
The entity has applied AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets" (issued in October 2001) for the first time from 1 July 2002. Dividends are now recognised at the time they are declared, determined or publicly recommended. Previously, final dividends were recognised in the financial year to which they related, even though the dividends were announced after the end of that financial year.

The adjustments to the financial report as at 1 July 2002 as a result of this change are:

- $897,000 increase in opening retained profits
- $897,000 decrease in provision for dividends. There was no impact on profit or loss for the reporting period to 31 December 2002.

(b) Proforma statement of financial performance, and restatement of retained profits, and provision for dividends
The Pro-forma statement of financial performance, and restatement of retained profits, and provision for dividends, show the information that would have been disclosed had the new accounting policies disclosed in this note always been applied.

Restatement of retained profits	**30 June 2002** **$000**
Reported retained profits at end of the previous period	2,861
Increase/(decrease) in retained profits due to change in accounting policy on adoption of: AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	897
Restated retained profits at beginning of the period	3,758
Net profit attributable to members of the parent entity	1,602
Dividends provided for or paid	(897)
Restated retained profits at end of the period	4,463

+ See chapter 19 for defined terms.

	30 June 2002 $000
Restatement of provision for dividends	
Balance at end of period – as previously reported	897
Effect of change in accounting policy	(897)
Restated balance at end of period	-

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.

No change

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

+ See chapter 19 for defined terms.

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

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

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 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 *(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.)*

+ See chapter 19 for defined terms.

6 The entity does not have a formally constituted audit committee.

Sign here: .... Date: 10/2/03
(Director/C~~ompany Secr~~etary)

Print name: JOHN CHAN

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.

+ See chapter 19 for defined terms.

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 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

+ See chapter 19 for defined terms

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.

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

+ See chapter 19 for defined terms

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

Attachment 1

	Current period - $A'000	Previous corresponding period - $A'000
Revenue from sale of development properties	5,229	11,617
Other revenue from ordinary activities	5,203	459
Total revenue from ordinary activities	**10,432**	**12,076**
Agency fees and settlement costs	(17)	(600)
Changes in inventories	745	(5,998)
Development expenses capitalised into inventories:		
Transfers to investments	-	1,432
Design, construction and development costs	(4,757)	(4,671)
Statutory and holding costs	(149)	(188)
Advertising and marketing costs	(43)	(176)
Consultants and legal fees	(5)	(5)
Borrowing costs	(113)	(446)
Other costs	(4)	(3)
Management fees	(316)	(247)
Professional fees	(39)	(57)
Occupancy expenses	(15)	(73)
Depreciation expense	(22)	(10)
Cost of investments sold	(4,440)	-
Borrowing Costs	(15)	(81)
Other expenses from ordinary activities	(287)	(89)
Share of net profits of joint venture accounted for using the equity method	935	479
Profit from ordinary activities before income tax	1,890	1,343
Income tax relating to ordinary activities	(283)	(287)
Net profit	1,602	1,056
Non-owner transaction changes in equity		
Net increase in retained earnings on initial adoption of:		
AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	897	-
Total changes in equity from non-owner related transactions attributable to members of the parent entity	897	-

+ See chapter 19 for defined terms.

Finbar International Ltd

Directors' Declaration

1. In the opinion of the directors of Finbar International Ltd:

   (a) the financial statements and notes in the form of Appendix 4B of the Australian Stock Exchange Listing Rules, set out on pages 1 to 21, are in accordance with the Corporations Law, including:

      (i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2002 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date; and

      (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulation 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.

Dated at Perth this 10th day of February 2003.

Signed in accordance with a resolution of the directors:

....

Director

KPMG

Independent review report to the members of Finbar International Ltd

Scope

We have reviewed the financial report of Finbar International Ltd for the half-year ended 31 December 2002 in the form of Appendix 4B of the Australian Stock Exchange Listing Rules, consisting of the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes and the directors' declaration set out on pages 1 to 22, but excluding the following sections:

(a) *material factors affecting the revenues and the expenses of the economic entity for the current period (page 13)*
(b) *compliance statements (page 15 and 16)*
(c) *ratios (page 8)*
(d) *NTA backing (page 9).*

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 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 and statutory requirements so as to present a view which is consistent with our understanding of the 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 Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. The review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. Our review has not involved a study and evaluation of internal accounting controls, tests of accounting records or tests of responses to inquiries by obtaining corroborative evidence from inspection, observation or confirmation. The procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than 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 of Finbar International Ltd 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 2002 and of its performance for the half-year ended on that date; and

ii. complying with Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

b) other mandatory professional reporting requirements in Australia.

KPMG

KPMG

B C FULLARTON
Partner

Perth
10th February 2003

FINBAR INTERNATIONAL LIMITED
PRELIMINARY FINAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2002

The directors present their report together with the consolidated financial report for the half year ended 31 December 2002 and the review report thereon.

DIRECTORS

The directors of the company at any time during or since the end of the half-year are:

Name	Period of directorship
Mr John Chan	Director since 1995
Mr John Cheak	Director since 1993
Mr Loh Kee Kong	Director since 1993
Mr Paul Rengel	Director since 1993
Mr Richard Rimington	Director since 1995

REVIEW OF OPERATIONS

Operating profit after tax is up 51% from the preceding corresponding half-years levels to $1.6 million. The directors consider this increase to be primarily attributable to the increase in sales and construction activity in the joint venture companies and wholly owned Port Mandurah development.

The companies 50% joint venture participation in the 'Westralian' project in East Perth, 'Market Rise' at Boas Gardens Estate in West Perth and the 'St Thomas Square' subdivision in Subiaco have produced strong pre-sale activity that will help consolidate the companies profitability throughout the second half.

Projects currently under construction include 'Monterey Bay in Mandurah' and 'Market Rise' at Boas Gardens Estate.

Works are expected to commence on the 'Westralian' project in the second half of the fiscal year. The company already holds presale contracts to the value of $27.2m in the $80m project.

The company is currently holding limited completed unit stock at 'The Tenth Tee' The Vines and 'Kingston' at Boas Gardens Estate Stage 2. All construction facilities on these projects have been retired.

Design works are substantially underway on the 'Hill 60' land in Rivervale acquired in 2002 in conjunction with joint venture partners – Wembley Lakes Estates Pty Ltd. Works on the first stage of this development are expected to commence in the first half of the 2004 fiscal year.

For specific project information visit www.finbar.com.au

ROUNDING OFF

The Company is of a kind referred to in the ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Dated at Perth this 10th day of February 2003.

Signed in accordance with a resolution of the directors

JOHN CHAN
Managing Director