*RULE 4.2A.3*

# APPENDIX 4D

## Half Year report

## 1. Company Details

Name of entity

**RAPTIS GROUP LIMITED**

| ABN or equivalent company reference | Reporting Period ('current period') | Previous corresponding period ('previous period') |
|---|---|---|
| 43 010 472 858 | 31 December 2003 | 31 December 2002 |

## 2. Results for announcement to the market

$A'000

| | | | | |
|---|---|---|---|---|
| 2.1 Revenues from ordinary activities | up | 38% | to | 85,751 |
| 2.2 Profit (loss) from ordinary activities after tax attributable to members | up | 61% | to | 3,385 |
| 2.3 Net profit (loss) for the period attributable to members | up | 61% | to | 3,385 |

| 2.4 **Dividends** | Amount per security | Franked amount per security |
|---|---|---|
| Final dividend *** | Nil¢ | Nil¢ |
| Interim dividend | 2¢ | Nil¢ |

| | |
|---|---|
| 2.5 Record date for determining entitlements to the dividend | 21 May 2004 |

2.6 Brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood: The company is developing the Chevron Towers residential resort project in central Surfers Paradise. The project includes three residential towers. Construction was completed on the first tower in December 2002. The second tower Skyline North is scheduled for completion in April 2004. The third tower Skyline Central is scheduled for completion in September 2004.

***** If no dividend is proposed, then a statement to that effect is required**

## 3. Details of Individual and Total Dividends

| | | Date dividend is payable | Amount per security | Franked amount per security at 30% tax | Amount per security of foreign source dividend |
|---|---|---|---|---|---|
| | Interim Dividend | 18 June 2004 | 2 cents | Nil ¢ | Nil¢ |
| | Dividend 2 | | ¢ | ¢ | ¢ |
| | Dividend 3 | | ¢ | ¢ | ¢ |
| | Dividend 4 | | ¢ | ¢ | ¢ |

**Total dividend per security:**

| | Current year | Previous year |
|---|---|---|
| Ordinary securities | Two cents | Nil¢ |
| Preference securities | N/A¢ | N/A¢ |

## 4. Dividend reinvestment plan

Details of any dividend reinvestment plans in operation:

Not applicable

The last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan:

Not applicable

| 5.1 Net Tangible Assets per security | Current period | Previous corresponding period |
|---|---|---|
| Net tangible assets per security | 30.2 cents | 23.8 cents |

| **5.2 Earnings per security (EPS)** | Current period | Previous corresponding period |
|---|---|---|
| Basic EPS | 4.9 cents | 3.0 cents |
| Diluted EPS | 4.9 cents | 3.0 cents |
| Net profit after tax for the period attributable to members ($'000s) | $3,385 | $2,103 |
| Weighted average number of ordinary securities | 68,737,071 | 69,413,965 |
| Weighted average number of ordinary shares and potential ordinary securities | 68,737,071 | 69,413,965 |

**6. Details of entities over which control has been gained or lost during the period.** There were no trading entities or entities with more than $2.00 dollars in share capital over which control was gained or lost during the period.

| | | |
|---|---|---|
| 6.1 A | Name of entity | |
| 6.2 A | Date from which control was gained / lost | |
| 6.3 A | Where material to an understanding of the report – the contribution of such entity to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period | |

| | | |
|---|---|---|
| 6.1 B | Name of entity | |
| 6.2 B | Date from which control was gained / lost | |

| | | |
|---|---|---|
| 6.3 B | Where material to an understanding of the report – the contribution of such entity to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period | |

## 7. Details of Associates and Joint Ventures: Not Applicable

| *Name of entity* | *Percentage holding* |
|---|---|
| | |
| | |
| | |

7.1 Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period:

Not applicable

8. Description of dispute or qualification if the accounts have been audited or subject to review:

Not applicable

Sign here: ............................................................ Date: 26 February 2004
(Director)

Print name: JAMES RAPTIS

**RAPTIS GROUP LIMITED**
**A.C.N. 010 472 858**
**AND ITS CONTROLLED ENTITIES**

**INTERIM FINANCIAL REPORT**

**DIRECTORS' REPORT**
Your Directors submit the financial report of the economic entity for the half-year ended 31 December 2003.

**Directors**
The names of Directors who held office during or since the end of the half year:

James Raptis OBE, Kevin Gogolka and Ian Morrison.

**Review of Operations**

Operating profit has risen 61% to $3,385,426 on a 38% increase in revenue from ordinary activities to $85,751,481.

Construction of the 50 level Chevron Skyline North residential tower is scheduled for completion in April 2004. The third and final 40 level residential tower Chevron Skyline Central is scheduled for completion in September/October 2004.

Construction has commenced on "Pebbles", a 54 residential unit, three storey walk up project in Labrador on the northern end of the Gold Coast.

Our central Southport development site settled in February, 2004. Plans for this site include a three tower residential project with street level retail and a fourth stage mixed use medical, aged care, and or commercial centre. Construction of the first stage of this project is expected to commence in the 2004 calendar year.

In Surfers Paradise the company has secured a site for a single tower residential resort tower. This project is due for release to the market in April 2004 with construction scheduled to commence June/July, 2004.

**Dividend**

A dividend has been declared for payment of two cents per share. The record date for determining entitlements to dividend will be 21 May 2004, with the dividend to be paid on 18 June 2004.

Dated at Surfers Paradise this 26th day of February, 2004
Signed in accordance with a resolution of the Directors:

JAMES RAPTIS OBE
Director

IAN MORRISON
Director

RAPTIS GROUP LIMITED
A.C.N. 010 472 858
AND ITS CONTROLLED ENTITIES

STATEMENT OF FINANCIAL POSITION
As at 31 December 2003

| | CONSOLIDATED | |
|---|---|---|
| | 31 December 2003 $ | 30 June 2003 $ |
| CURRENT ASSETS | | |
| Cash | 1,012,113 | 59,630 |
| Receivables | 112,518,706 | 47,283,616 |
| Inventories | 87,351,428 | 63,928,622 |
| TOTAL CURRENT ASSETS | 200,882,247 | 111,271,868 |
| NON CURRENT ASSETS | | |
| Receivables | - | 4,332,583 |
| Inventories | 6,945,138 | 37,288,032 |
| Other financial assets | 3,982,333 | 2,869,989 |
| Property plant and equipment | 727,676 | 774,020 |
| TOTAL NON CURRENT ASSETS | 11,655,147 | 45,264,624 |
| TOTAL ASSETS | 212,537,394 | 156,536,492 |
| CURRENT LIABILITIES | | |
| Payables | 21,635,860 | 17,708,062 |
| Interest-bearing liabilities | 161,216,853 | 80,367,456 |
| Provisions | 807,970 | 784,370 |
| TOTAL CURRENT LIABILITIES | 183,660,683 | 98,859,888 |
| NON CURRENT LIABILITIES | | |
| Interest-bearing liabilities | 8,294,468 | 40,123,562 |
| TOTAL NON CURRENT LIABILITIES | 8,294,468 | 40,123,562 |
| TOTAL LIABILITIES | 191,955,151 | 138,983,450 |
| NET ASSETS | 20,582,243 | 17,553,042 |
| EQUITY | | |
| Contributed equity | 30,163,457 | 30,519,686 |
| (Accumulated losses) | (9,581,214) | (12,966,644) |
| TOTAL EQUITY | 20,582,243 | 17,553,042 |

The statement of financial position is to be read in conjunction with the notes to the financial statements

RAPTIS GROUP LIMITED
A.C.N. 010 472 858
AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT
OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2003

| | CONSOLIDATED | |
|---|---|---|
| | 31 December 2003 $ | 31 December 2002 $ |
| Revenue from ordinary activities | 85,644,272 | 61,819,704 |
| Cost of Sales | (81,109,863) | (57,341,222) |
| Gross Profit | 4,534,409 | 4,478,482 |
| Other revenues from ordinary activities | 107,209 | 263,238 |
| Borrowing costs expense | (964,982) | (2,029,289) |
| Depreciation and amortisation expense | (122,621) | (45,655) |
| Other expenses from ordinary activities | (168,589) | (563,597) |
| Profit from ordinary activities before related income tax expense | 3,385,426 | 2,103,179 |
| Income tax expense relating to ordinary activities | - | - |
| Profit from ordinary activities after related income tax expense | 3,385,426 | 2,103,179 |
| Net profit attributable to members of parent entity | 3,385,426 | 2,103,179 |
| Non owner transaction changes in equity | | |
| Increase/(decrease) in asset revaluation reserve | - | 2,000,000 |
| Total revenues, expenses and valuation adjustments attributable to members of the parent entity recognised directly in equity | - | 2,000,000 |
| Total changes in equity from non-owner related transactions attributable to the members of the parent entity | 3,385,426 | 4,103,179 |
| Basic earnings per share (cents per share) | 4.9 | 3.0 |
| Diluted earnings per share (cents per share) | 4.9 | 3.0 |

This statement of financial performance is to be read in conjunction with the notes to the financial statements.

RAPTIS GROUP LIMITED
A.C.N. 010 472 858
AND ITS CONTROLLED ENTITIES

| STATEMENT OF CASH FLOWS<br>For the half-year ended 31 December, 2003 | CONSOLIDATED<br>31 December<br>2003<br>$ | <br>31 December<br>2002<br>$ |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Cash receipts in the course of operations | 24,771,505 | 12,116,584 |
| Cash payments in the course of operations | (70,406,008) | (56,092,556) |
| Interest Received | 77,473 | 67,432 |
| Interest and other costs of finance paid | (964,982) | (1,635,207) |
| Net cash (used in)/ provided by operating activities | (46,522,012) | (45,543,747) |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Payment for acquisition of investment | (1,187,001) | - |
| Payment for Property Plant and Equipment | (2,578) | (54,462) |
| Net cash (used in)/provided by investing activities | (1,189,579) | (54,462) |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from borrowings | 91,088,406 | 69,661,066 |
| Repayment of borrowings | (41,794,301) | (21,022,816) |
| Share Buy-back | (356,229) | (19,195) |
| Dividends paid | - | (520,710) |
| Net cash (used in)/provided by financing activities | 48,937,876 | 48,098,345 |
| Net increase (decrease) in cash held | 1,226,285 | 2,500,136 |
| Cash at 1 July 2003 | (214,172) | 2,284,996 |
| Cash at 31 December 2003 | 1,012,113 | 4,785,132 |

The statement of cash flows is to be read in conjunction with the notes to and forming part of the half-year financial statements

NOTES TO AND FORMING PART OF THE HALF-YEAR FINANCIAL STATEMENTS
For the half-year ended 31 December, 2003

Note 1:(a) BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

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 1029: Interim Financial Reporting, Urgent Issues Group Consensus Views 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 of the year ended 30 June 2003 and any public announcements made by Raptis Group Limited and it controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001

These accounting policies have been consistently applied by each entity in the economic entity and are consistent with those of the previous financial year and with those applied in the 30 June 2003 Annual Report.

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

NOTE 2: REVENUE FROM ORDINARY ACTIVITIES

| | CONSOLIDATED | |
|---|---|---|
| | 31 December 2003 $ | 31 December 2002 $ |
| The following revenue and expense items are relevant in explaining the financial performance for the half-year | | |
| OPERATING REVENUE | | |
| Sales revenue | 85,644,272 | 61,819,704 |
| Rent revenue | 25,485 | 192,981 |
| Other revenue | 4,251 | 2,825 |
| Interest revenue | 77,473 | 67,432 |
| | 85,751,481 | 62,082,942 |

NOTE 3: EVENTS SUBSEQUENT TO BALANCE DATE

Construction has commenced on "Pebbles", a 54 residential unit, three storey walk up project in Labrador on the northern end of the Gold Coast.

Our central Southport development site settled in February, 2004. Plans for this site include a three tower residential project with street level retail and a fourth stage mixed use medical, aged care, and or commercial centre. Construction of the first stage of this project is expected to commence in the 2004 calendar year.

In Surfers Paradise the company has secured a site for a single tower residential resort tower. The land comprising this site is due to settle in March/April 2004.This project is due for release to the market in April 2004 with construction scheduled to commence June/July, 2004.

RAPTIS GROUP LIMITED
A.C.N. 010 472 858
AND ITS CONTROLLED ENTITIES

NOTES TO AND FORMING PART OF THE HALF-YEAR FINANCIAL STATEMENTS
For the half-year ended 31 December, 2003

NOTE 4: STATEMENT OF OPERATIONS BY SEGMENT

Primary Reporting

| Business Segments 2003 | RESORT MANAGEMENT $'000's | RESIDENTIAL DEVELOPMENT $'000's | CONSOLIDATED $'000's |
|---|---|---|---|
| REVENUE | 783 | 84,861 | 85,644 |
| RESULT | (108) | 3,493 | 3,385 |
| Profit from ordinary activities before income expense | (108) | 3,493 | 3,385 |
| Income Tax Expense | - | - | - |
| Net Profit | (108) | 3,493 | 3,385 |

Primary Reporting

| Business Segments 2002 | RESORT MANAGEMENT $'000's | RESIDENTIAL DEVELOPMENT $'000's | CONSOLIDATED $'000's |
|---|---|---|---|
| REVENUE | - | 61,820 | 61,820 |
| RESULT | (41) | 2,144 | 2,103 |
| Profit from ordinary activities before income expense | (41) | 2,144 | 2,103 |
| Income Tax Expense | - | - | - |
| Net Profit | (41) | 2,144 | 2,103 |

The company operates in the development and sale of residential development projects. The business comprises two segments the development and sale of residential units and the second segment the operation of residential management rights.

Secondary Reporting

Geographic Segments

The company operates predominantly in one geographic segment being South-East Queensland Australia.

| NOTE 5 DIVIDENDS | CONSOLIDATED 31 December 2003 $ | CONSOLIDATED 31 December 2002 $ |
|---|---|---|
| Declared interim dividend of two cents per share unfranked (2002: nil) | 1,360,072 | - |

RAPTIS GROUP LIMITED
A.C.N. 010 472 858
AND ITS CONTROLLED ENTITIES

**DECLARATION BY DIRECTORS OF RAPTIS GROUP LIMITED**

**DIRECTOR'S DECLARATION**

The directors of Raptis Group Limited declare that:

1. The financial statements and notes, as set out on pages 2 to 6:

   (a) comply with Accounting Standard AASB 1029: 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 2003 and of its performance as represented by the results of its operations and cash flows 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 of Raptis Group Limited.

JAMES RAPTIS
**Managing Director**

IAN MORRISON
**Director**

Dated at Surfers Paradise this 26th day of February, 2004

# Independent review report
# to members of Raptis Group Limited

**Scope**

*The financial report and directors' responsibility*

The financial report comprises the consolidated statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Raptis Group Limited (the consolidated entity), for the half year ended 31 December 2003. The consolidated entity comprises both the company and the entities it controlled during that half year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

*Review Approach*

We conducted an independent review 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, and the Corporations Act 2001, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. A review is limited primarily to inquiries of 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.

**Independence**

We are independent of the company, and have met the 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 Raptis Group Limited is not in accordance with:

(a) the Corporations Act 2001, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2003 and of its performance for the half-year ended on that date; and

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

(b) other mandatory financial reporting requirements in Australia.

Dated at Sydney this 26th day of February, 2004.

GOULD RALPH & COMPANY

Chartered Accountants

Malcolm Beard M.Com. F.C.A.

Partner