Appendix 4D

Half-Year Report

Name of entity

JETSET TRAVELWORLD LIMITED

ABN or equivalent company reference	Half-Year		Financial half year ended ('current period')
60 091 214 998	√		31 DECEMBER 2003

Results for announcement to the market

				$A'000
Revenues from Ordinary activities	Down	11.6%	To	11,185
Profit from ordinary activities after tax attributable to members	Up	1.8%	To	1,296
Net profit from ordinary activities attributable to members	Up	1.8%	To	1,296

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil

Record date for determining entitlement to the dividend	N/A

The Half-Year Report comprises this Statement, the Half-Year Directors' Report and the Half-Year Financial Report, which includes the Directors' Declaration, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements.

The Financial Statements on which the Half-Year report is based have been reviewed.

NTA backing	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	3.6¢	3.1¢

JETSET TRAVELWORLD LIMITED

(ABN 60 091 214 998)

HALF-YEAR FINANCIAL REPORT
31 December 2003

JETSET TRAVELWORLD LIMITED

CORPORATE DIRECTORY

Directors

Brian Wild	Executive Chairman
Giuseppe Esposito	Executive Director
Timothy Ryan	Non-executive Director
Barry Samuels	Non-executive Director
Peter Spathis	Non-executive Director

Company Secretary

Stephen Heesh

Registered and Principal Office

Level 9,
1 Bligh Street,
Sydney, New South Wales, 2000

Telephone: 61 2 9221 9777
Facsimile: 61 2 9221 9900

State Offices

Victoria
Level 1, Building 3,
6 Riverside Quay,
Melbourne, Victoria, 3006

Queensland
463 Nudgee Road
Hendra, Queensland, 4000

South Australia
5th Floor,
23 Leigh Street,
Adelaide, South Australia, 5000

Western Australia
1st Floor,
10 Stirling Highway,
Nedlands, Western Australia, 6009

Auditors

KPMG
10 Shelley Street
Sydney, New South Wales, 2000

Bankers

National Australia Bank
101 Pitt Street,
Sydney, New South Wales, 2000

Stock Exchange

Australian Stock Exchange Limited
Exchange Plaza,
2 The Esplanade,
Perth, Western Australia, 6000

ASX Code

JET – Shares

Share Registry

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building,
45 St George's Terrace,
Perth, Western Australia, 6000
Telephone: 61 8 9323 2000
Facsimile: 61 8 9323 2033

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DIRECTORS' REPORT

The directors present their report together with the consolidated financial report for the half-year ended 31 December 2003 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 Brian Wild	Chairman since 6 March 2003
Mr Barry Samuels	Director since 7 June 2001
Mr Timothy Ryan	Director since 30 June 2002
Mr Peter Spathis	Director since 30 June 2002
Mr Giuseppe Esposito	Director since 1 January 2004
Dr Michael Ruane	Director since 30 June 2002, resigned 14 November 2003
Mr Robert Sparks	Director since 27 February 2002, resigned 1 August 2003

[redacted]

Review of Operations

Jetset Travelworld Limited and its subsidiaries have reported an improved trading result for the six months to 31 December 2003.

The Group is reporting a 12% increase of EBITDA (Earnings Before Interest, Taxation, Depreciation and Amortisation), up from $2.25 million to $2.52 million, compared to the same period last year.

Profit-before-tax has increased by 19%, to $1.98 million from $1.66 million, compared to the same period last year. The increase in profitability is a real measure of improved operating efficiencies as revenues were actually down during the period, from $12.60 million to $11.08 million.

A stronger focus on operating expenses has yielded improvements across the board. Operating expenses, excluding amortisation and borrowing costs, reduced by 17% or $1.77 million compared to the same period last year.

During the reporting period marketing costs were lower than those incurred in the corresponding period, due largely to a focus on tactical campaigns in this half-year as opposed to the one-off re-branding campaign costs incurred in the same period last year.

The improvements were achieved against a difficult trading environment for the travel industry globally with SARS, the war in Iraq and general security concerns which were still impacting the reporting period.

During the period the company successfully integrated its new insurance product ('Travellers Assistance') into the franchise network. Since completion of the integration process, there has been strong growth of this product, particularly during the November/December months and this has continued into 2004.

Subsequent to 31 December 2003, the Group repaid a loan from Southern Cross Distribution well ahead of schedule. As a result, the fixed and floating charges over the Group assets and undertakings, and the guarantee and indemnity provided as security, has been removed.

This augurs well for a stronger balance sheet and business platform, with activity in early 2004 being positive due to a more stable travel market.

There will be a strong focus in coming months on maximising revenue, with plans in place to achieve the growth expectations of the Board.

Rounding off

The company is of a kind referred to in 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 Sydney this 26th day of February 2004.

Signed in accordance with a resolution of the directors:

Mr Brian Wild
Director

DIRECTORS' DECLARATION

In the opinion of the Directors of Jetset Travelworld Limited ("the Company"):

(a) the financial statements and notes set out on pages 6-10, are in accordance with the Corporations Act 2001 including:

  (i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2003 and of its performance, as represented by the results of its operations and cashflows, 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) 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 Sydney this 26th day of February 2004.

Signed in accordance with a resolution of the Directors:

Mr Brian Wild
Director

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

	Consolidated	
	31 December 2003 $ '000	31 December 2002 $ '000
Revenue from rendering of services	11,081	12,600
Other revenues from ordinary activities	104	55
Total revenue from ordinary activities	11,185	12,655
Service revenue expenses	(5,035)	(5,372)
Selling and marketing expenses	(1,558)	(2,495)
Administration expenses	(1,748)	(1,801)
Borrowing costs	(163)	(174)
Other expenses from ordinary activities	(704)	(1,158)
Profit from ordinary activities before related income tax expense	1,977	1,655
Income tax expense relating to ordinary activities	(681)	(382)
Net Profit from ordinary activities attributable to members of the parent entity	1,296	1,273
Basic earnings per share	1.41 cents	1.47 cents
Diluted earnings per share	1.41 cents	1.47 cents

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2003

	Note	Consolidated 31 December 2003 $ '000	30 June 2003 $ '000
CURRENT ASSETS			
Cash assets		6,050	3,398
Receivables		6,254	5,300
Other		180	249
Total Current Assets		12,484	8,947
NON CURRENT ASSETS			
Property, plant & equipment		673	733
Intangible assets		7,723	8,124
Deferred tax assets		337	263
Total Non Current Assets		8,733	9,120
TOTAL ASSETS		21,217	18,067
CURRENT LIABILITIES			
Payables		6,638	5,232
Interest-bearing liabilities		405	397
Current tax liabilities		931	261
Provisions		253	264
Total Current Liabilities		8,227	6,154
NON CURRENT LIABILITIES			
Interest-bearing liabilities		1,886	2,107
Provisions		98	97
Total Non Current Liabilities		1,984	2,204
TOTAL LIABILITIES		10,211	8,358
NET ASSETS		**11,006**	**9,709**
EQUITY			
Contributed equity	2	11,179	11,179
Accumulated losses	3	(173)	(1,469)
TOTAL EQUITY		**11,006**	**9,709**

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

STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2003

	Note	Consolidated 31 December 2003 $ '000	Consolidated 31 December 2002 $ '000
Cash flows from operating activities			
Cash receipts in the course of operations		13,711	12,025
Cash payments in the course of operations		(11,064)	(11,979)
Interest received		115	58
Income taxes paid		(84)	-
Net cash provided by operating activities		2,678	104
Cash flows from investing activities			
Payments for business acquisition		-	(302)
Payments for security deposits		-	(372)
Payments for property, plant and equipment		(26)	(53)
Net cash used in investing activities		(26)	(727)
Cash flows from financing activities			
Funds received on behalf of other entities		-	45
Repayment of amounts received on behalf of other entities		-	(476)
Proceeds from issue of shares and options		-	497
Net cash provided by financing activities		-	66
Net increase/(decrease) in cash held		2,652	(557)
Cash at the beginning of the financial period		3,398	4,412
Cash at the end of the financial period		**6,050**	**3,855**

The statement of cash flows is to be read in conjunction with the notes to the financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of half-year financial report

The half-year consolidated 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 2003 Annual Financial Report and any public announcements by Jetset Travelworld Limited and its Controlled Entities 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 each entity in the consolidated entity and, are consistent with those applied in the 30 June 2003 Annual Financial Report.

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

	Consolidated	
	31 December 2003 $ '000	30 June 2003 $ '000
2. CONTRIBUTED EQUITY		
Share capital		
92,212,250 (30 June 2003: 92,212,250) ordinary shares, fully paid	11,179	11,179

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. In the event of winding up the Company, ordinary shareholders rank after creditors.

	31 December 2003 $ '000	31 December 2002 $ '000
3. ACCUMULATED LOSSES		
Accumulated losses at beginning of half-year	(1,469)	(1,271)
Net loss from ordinary activities attributable to members of the parent entity	1,296	1,273
Accumulated losses at end of half-year	(173)	2

4. SEGMENT REPORTING

Business segments

The consolidated entity is an operator of a travel agency network throughout Australia.

Geographical segments

The consolidated entity operates entirely in Australia.

5. CONTROLLED ENTITIES

Jetset Travelworld Insurance Pty Limited was incorporated on 29th July 2003 in Australia. It is 100% owned by Jetset Travelworld Limited.

KPMG

Independent review report to the members of Jetset Travelworld Limited

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for the Jetset Travelworld Limited Consolidated Entity ("the Consolidated Entity"), for the half-year ended 31 December 2003. The Consolidated Entity comprises both Jetset Travelworld Limited ("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 for the Company to lodge the financial report with the Australian Securities and Investments Commission. Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements.

We performed procedures in order to state whether on the basis of the procedures described anything has come to our attention that would indicate the financial report does not present fairly, in accordance with the Corporations Act 2001, Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Consolidated Entity's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our statement on the basis of the review procedures performed, which were limited primarily to:

- enquiries of company personnel; and
- analytical procedures applied to the financial data.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

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.

A review cannot guarantee that all material misstatements have been detected.

KPMG

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe the half-year financial report of Jetset Travelworld 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 Australian Accounting Standard AASB 1029 "Interim Financial Reporing" and the Corporations Regulations 2001; and

b) other mandatory professional reporting requirements in Australia.

KPMG

KPMG

Kevin Leighton
Partner

Sydney
26 February 2004