LINDSAY AUSTRALIA
ABN 81 061 642 733 LIMITED

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AUSTRALIAN STOCK EXCHANGE
LAU000003

28 February 2003

Company Announcements Office
Australian Stock Exchange Limited
Facsimile 1300 300 021

Dear Sir

Half-Year ended 31 December 2002
ASX Code LAU

Please find attached Appendix 4B for the company for the half-year ended 31 December 2002.

Yours sincerely

Graham Johnston
Company Secretary

Total pages including this page 22

Rules 4.1, 4.3

Appendix 4B

Half yearly/preliminary final report

Introduced 30/6/2002.

Name of entity

Lindsay Australia Limited

ABN or equivalent company reference	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended ('current period')
81 061 642 733	X		31 December 2002

For announcement to the market

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

				$A'000
Revenues from ordinary activities *(item 1.1)*	~~up~~/down	83%	to	422
Profit (loss) from ordinary activities after tax attributable to members (*item 1.22*)	up/~~down~~	28%	to	453
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/~~down~~	28%	to	453

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)*: Not Applicable

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:

The company sold its manufacturing business effective 30 June 2002. The company purchased Lindsay Brothers Holdings Pty Ltd (and Subsidiaries) and 50% of P&H Rural Supplies that it did not own effective 31 December 2002. Also refer attached.

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

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial performance

		Current period - $A'000	Previous corresponding period - $A'000
1.1	Revenues from ordinary activities *(see items 1.23 -1.25)*	422	2,499
1.2	Expenses from ordinary activities (*see items 1.26 & 1.27)*	(373)	(2,534)
1.3	Borrowing costs	(80)	(93)
1.4	Share of net profits (losses) of associates and joint venture entities (*see item 16.7*)	484	462
1.5	**Profit (loss) from ordinary activities before tax**	**453**	**334**
1.6	Income tax on ordinary activities *(see note 4)*	-	18
1.7	**Profit (loss) from ordinary activities after tax**	**453**	**352**
1.8	Profit (loss) from extraordinary items after tax (*see item 2.5*)	-	-
1.9	**Net profit (loss)**	**453**	**352**
1.10	Net profit (loss) attributable to outside +equity interests	-	-
1.11	**Net profit (loss) for the period attributable to members**	**453**	**352**
	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)	-	-
1.15	Initial adjustments from UIG transitional provisions	-	-
1.16	Total transactions and adjustments recognised directly in equity (items 1.12 to 1.15)	-	-
1.17	**Total changes in equity not resulting from transactions with owners as owners**	-	-

	Earnings per security (EPS)	Current period	Previous corresponding period
1.18	Basic EPS	2.7	2.1
1.19	Diluted EPS	2.7	2.1
	Alternative Basic	.5	
	Alternative Diluted	.5	

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial performance

Profit (loss) from ordinary activities attributable to members

		Current period - $A'000	Previous corresponding period - $A'000
1.20	Profit (loss) from ordinary activities after tax (*item 1.7*)	453	352
1.21	Less (plus) outside +equity interests	-	-
1.22	**Profit (loss) from ordinary activities after tax, attributable to members**	**453**	**352**

Revenue and expenses from ordinary activities

(see note 15)

		Current period - $A'000	Previous corresponding period - $A'000
1.23	Revenue from sales or services	390	2,408
1.24	Interest revenue	32	-
1.25	Other relevant revenue	-	91
1.26	Details of relevant expenses:		
	Raw Materials and Consumables used	-	(1,038)
	Changes in Inventories	-	(97)
	Employee Benefits	(238)	(739)
	Borrowing Costs	(80)	(93)
	Other	(120)	(456)
1.27	Depreciation and amortisation excluding amortisation of intangibles *(see item 2.3)*	(15)	(111)
	Capitalised outlays		
1.28	Interest costs capitalised in asset values	-	-
1.29	Outlays capitalised in intangibles (unless arising from an +acquisition of a business)	-	-

Consolidated retained profits

		Current period - $A'000	Previous corresponding period - $A'000
1.30	Retained profits (accumulated losses) at the beginning of the financial period	(8,601)	(5,829)
1.31	Net profit (loss) attributable to members (*item 1.11*)	453	352
1.32	Net transfers from (to) reserves *(details if material)*	-	-
1.33	Net effect of changes in accounting policies	-	-

+ See chapter 19 for defined terms.

1.34	Dividends and other equity distributions paid or payable	-	-
1.35	**Retained profits (accumulated losses) at end of financial period**	**(8,148)**	**(5,477)**

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	19			19
2.2	Amortisation of other intangibles				
2.3	**Total amortisation of intangibles**	19			19
2.4	Extraordinary items (details)				
2.5	**Total extraordinary items**	**Nil**			**Nil**

Comparison of half year profits
(Preliminary final report only)

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

+ See chapter 19 for defined terms.

	Condensed consolidated statement o financial position	At end of current period $A'000	As shown in last annual report $A'000	As in last half yearly report $A'000
	Current assets			
4.1	Cash	1,052	32	3
4.2	Receivables	25,567	945	594
4.3	Investments	-	-	-
4.4	Inventories	3,768		1,505
4.5	Tax assets	-		-
4.6	Other (provide details if material)	1,876	276	22
6				
4.7	**Total current assets**	**32,263**	**1,254**	**2,124**
	Non-current assets			
4.8	Receivables	1,656	783	
4.9	Investments (equity accounted)	-	2,865	3,200
4.10	Other investments	44		
4.11	Inventories	-		
4.12	Exploration and evaluation expenditure capitalised *(see para .71 of AASB 1022)*	-		
4.13	Development properties ($^+$mining entities)	-		
4.14	Other property, plant and equipment (net)	42,967	1,355	4,011
4.15	Intangibles (net)	6,839	-	679
4.16	Tax assets	953	-	-
4.17	Other (provide details if material)	-	-	-
4.18	**Total non-current assets**	**52,459**	**5,003**	**7,890**
4.19	**Total assets**	**84,722**	**6,257**	**10,014**
	Current liabilities			
4.20	Payables	18,164	741	355
4.21	Interest bearing liabilities	13,591	1,934	2,699
4.22	Tax liabilities	1,243		
4.23	Provisions exc. tax liabilities	2,481	76	293
4.24	Other (provide details if material)	-	-	-
4.25	**Total current liabilities**	**35,479**	**2,751**	**3,347**
	Non-current liabilities			
4.26	Payables			
4.27	Interest bearing liabilities	21,129		
4.28	Tax liabilities	4,419		
4.29	Provisions exc. tax liabilities	589		37
4.30	Other (provide details if material)			
4.31	**Total non-current liabilities**	**26,137**	-	37

Condensed consolidated statement of financial position continued

+ See chapter 19 for defined terms.

4.32	**Total liabilities**	**61,616**	**2,751**	**3,384**
4.33	**Net assets**	**23,106**	**3,506**	**6,630**
	Equity			
4.34	Capital/contributed equity	30,786	11,639	11,639
4.35	Reserves	468	468	468
4.36	Retained profits (accumulated losses)	(8,148)	(8,601)	(5,477)
4.37	**Equity attributable to members of the parent entity**	**23,106**	**3,506**	**6,630**
4.38	Outside +equity interests in controlled entities			
4.39	**Total equity**	**23,106**	**3,506**	**6,630**
4.40	Preference capital included as part of 4.37	-	-	-

Notes to the condensed consolidated statement of financial position

Exploration and evaluation expenditure capitalised

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

		Current period $A'000	Previous corresponding period - $A'000
5.1	Opening balance	Not Applicable	Not Applicable
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*)	-	-

Development properties

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

		Current period $A'000	Previous corresponding period - $A'000
6.1	Opening balance	Not Applicable	Not Applicable
6.2	Expenditure incurred during current period		
6.3	Expenditure transferred from exploration and evaluation		
6.4	Expenditure written off during current period		

+ See chapter 19 for defined terms.

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)*		

Condensed consolidated statement of cash flows

		Current period $A'000	Previous corresponding period - $A'000
	Cash flows related to operating activities		
7.1	Receipts from customers	524	2,917
7.2	Payments to suppliers and employees	(607)	(2,897)
7.3	Dividends received from associates	-	
7.4	Other dividends received	-	
7.5	Interest and other items of similar nature received	18	
7.6	Interest and other costs of finance paid	(70)	(100)
7.7	Income taxes paid	(1)	10
7.8	Other (provide details if material)	-	80
7.9	**Net operating cash flows**	**(136)**	**10**
	Cash flows related to investing activities		
7.10	Payment for purchases of property, plant and equipment	(5)	(16)
7.11	Proceeds from sale of property, plant and equipment	392	
7.12	Payment for purchases of equity investments	(12,538)	
7.13	Proceeds from sale of equity investments		
7.14	Loans to other entities		
7.15	Loans repaid by other entities		
7.16	Other (provide details if material)		
7.17	**Net investing cash flows**	**(12,152)**	**(16)**
	Cash flows related to financing activities		
7.18	Proceeds from issues of +securities (shares, options, etc.)	10,188	
7.19	Proceeds from borrowings	3,500	200
7.20	Repayment of borrowings	(970)	(229)
7.21	Dividends paid		
7.22	Other – Share issue Costs	(1,531)	-
	- Loan to Related Entity	(404)	-
7.23	**Net financing cash flows**	**10,783**	**(29)**
7.24	**Net increase (decrease) in cash held**	**(1,505)**	**(35)**

+ See chapter 19 for defined terms.

7.25	Cash at beginning of period *(see Reconciliation of cash)*	(932)	(1,253)
7.26	Exchange rate adjustments to item 7.25.		-
7.27	**Cash at end of period** *(see Reconciliation of cash)*	**(2,437)**	**(1,288)**

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.)*

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	1,052	3
8.2	Deposits at call		
8.3	Bank overdraft	(3,489)	(1,291)
8.4	Other (provide details)		
8.5	**Total cash at end of period** *(item 7.27)*	(2,437)	(1,288)

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*)	107.2	13.4
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*)	2.0	5.3

+ See chapter 19 for defined terms.

Earnings per security (EPS)

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

	Dec 2002	Dec 2001
Weighted average number of shares used as a denominator		
Basic	16,750,000	16,750,000
Diluted	16,750,000	16,750,000
Alternative Basic	100,616,417	
Alternative Diluted	100,616,417	

During the year the company underwent a major capital restructure. The company issued 83,866,417 shares fully paid at 25 cents. The company acquired Lindsay Brothers Holdings Pty and its subsidiaries and the 50% of P&H Rural Supplies Pty Ltd which it did not own. The operating results of Lindsay Brothers Holdings Pty Ltd and its subsidiaries and P&H Rural Supplies Pty Ltd will be consolidated from 1 January 2003. For the half year ended 31 December 2002 the company's 50% interest in the operating profit after income tax has been equity accounted.

NTA backing *(see note 7)*	Current period	Previous corresponding period
11.1 Net tangible asset backing per +ordinary security	16.2	35.5

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

The company sold its manufacturing business on 30 June 2002. Financial information relating to the discontinuing for the period 1 July 2001 to 31 December 2001 is set out below:

	Half Year 31/12/01
Revenue from ordinary activities	2,499
Expenses from ordinary activities	2,627
Net Loss	127
Income Tax Expense	18
Loss after Income Tax Expense	109
Cash flow information of discontinued operation:	
Net cash inflow (outflow) from ordinary activities	10
Net cash inflow (outflow) from investing	(16)
Net cash inflow (outflow) from financing	(29)
Net increase (decrease) in cash generated by business sale	(35)

+ See chapter 19 for defined terms.

Control gained over entities having material effect

13.1	Name of entity (or group of entities)	Lindsay Brothers Holdings Pty Ltd and subsidiaries P & H Rural Supplies Pty Ltd
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	$ Nil
13.3	Date from which such profit has been calculated	Profits consolidated from 1 January 2003
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)	Nil
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	$

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	Not Applicable
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)*	

+ See chapter 19 for defined terms.

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	Nil ¢	Nil ¢	¢
15.7	Previous year	Nil ¢	Nil ¢	¢

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

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	¢	Nil¢
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)*	Nil	Nil
15.11 Preference +securities *(each class separately)*	Nil	Nil
15.12 Other equity instruments *(each class separately)*	Nil	Nil
15.13 Total	Nil	Nil

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

NIL

The last date(s) for receipt of election notices for the +dividend or distribution plans	Not Applicable

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

+ See chapter 19 for defined terms.

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

Group's share of associates' and joint venture entities':	Current period $A'000	Previous corresponding period - $A'000
16.1 Profit (loss) from ordinary activities before tax	717	674
16.2 Income tax on ordinary activities	(233)	(212)
16.3 Profit (loss) from ordinary activities after tax	484	462
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	484	462
16.6 Adjustments	-	-
16.7 Share of net profit (loss) of associates and joint venture entities	484	462

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
P & H Rural Supplies Pty Ltd	100 (Consolidated from 31/12/02)	50	484	462
17.2 Total			484	462
17.3 Other material interests Nil				
17.4 Total				

+ 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)*	Nil	Nil		
18.2	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
18.3	**+Ordinary securities**	100,616,417	100,616,417		
18.4	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	83,866,417	83,866,417	25c	25c
18.5	**+Convertible debt securities** *(description and conversion factor)*	14,952,181 @ 25c	Nil	25c	25c
18.6	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	14,952,181	Nil	25c	25c
18.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date (if any)*
	LAU O	27,955,570	27,955,570	**25c**	30/11/04
	LAU MK	1,172,500	Nil	**30c**	01/12/03
	LAU AM	1,758.750	Nil	**45c**	01/10/04
	LAU AO	1,758,750	Nil	**65c**	01/10/05
18.8	Issued during current period				
	LAU O	27,955,570	27,955,570	**25c**	30/11/04
	LAU AK	1,172,500	Nil	**30c**	01/12/03
	LAU AM	1,758,750	Nil	**45c**	01/10/04
	LAU AO	1,758,750	Nil	**65c**	01/10/05
18.9	Exercised during current period				
18.10	Expired during current period				

+ See chapter 19 for defined terms.

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

Segment reporting

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

Comments by directors

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

Basis of financial report preparation

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

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.

Lindsay Brothers Transport Group and P & H Rural Supplies operating results to be consolidated from 1 January 2003. 50% interest in P & H Rural Supplies equity accounted for period 01/07/02 to 31/12/02. Also refer attached.

+ 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).

Refer Attached

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

The company expects to pay a fully franked final dividend of 1.4 cents per share.

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*).

No changes.

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.

Nil

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

Nil

+ See chapter 19 for defined terms.

Additional disclosure for trusts

20.1	Number of units held by the management company or responsible entity or their related parties.	
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	

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

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

Compliance statement

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

Identify other standards used	

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).

+ See chapter 19 for defined terms.

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

(Tick one)

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

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

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

Sign here: .... Date: ....28/02/03....
(Company Secretary)

Print name: Graham Johnston.

LINDSAY AUSTRALIA LIMITED

ABN 81 061 642 733

Attachment to Appendix 4B

REVIEW OF OPERATIONS

During the half-year Lindsay Australia Limited completed the following major initiatives:

- Purchase of Lindsay Brothers Holdings Pty Ltd, the holding company of Lindsay Brothers Transport group;
- Purchase of 50% of P & H Rural Supplies Pty Ltd not already owned;
- Raising capital pursuant to share issues of $10,187,500.

These transactions were successfully completed on 16 December 2002. Details of the acquisitions were:-

Entity/Group	*% Acquired*	*Consideration Paid to Vendors*	*Payment*
Lindsay Brothers Holdings Pty Ltd	100	$19,437,836	Cash - $9,718,918 Shares - 23,923,489 at 25 cents fully paid Convertible Notes - 14,952,181 issued at 25 cents
P & H Rural Supplies	50	$4,798,232	Shares – 19,192,928 at 25 cents fully paid

The merger of the Company with Lindsay Brothers Transport, and the conversion of Amcor's interest in Rural Supplies into equity in the Company was part of a major growth strategy and has created an integrated transport, logistics and supply company with:

- a specific focus on servicing major customers in the food processing, food services, fresh produce, rural and horticultural sectors with a range of 'end to end' services providing a 'total rural solutions' package to those customers in the rural and horticultural sectors;
- long term relations with major suppliers and customers;
- an extensive operating network with Lindsay Brothers Transport having 20 terminals located along the east coast of Australia and rural Supplies having 8 branches or stores in Queensland; and
- a well maintained, modern transport fleet.

The operations of Lindsay Brothers Transport and Rural Supplies will be consolidated from 1 January 2003.

The operating result for Lindsay Brothers Transport group for the six months has been eliminated on consolidation as this group was not owned for the period under review. The assets and liabilities of Lindsay Brothers Holdings Pty Ltd and its subsidiaries were consolidated with Lindsay Australia Limited as at 31 December 2002.

The company's 50% interest in P & H Rural Supplies Pty Ltd's operating result for the half-year ended 31 December 2002 has been equity accounted and the other 50% eliminated on consolidation as this 50% was not owned by Lindsay Australia Limited. The assets and liabilities of P & H Rural Supplies Pty Ltd have been consolidated with Lindsay Australia Limited at 31 December 2002.

After making these eliminations Lindsay Australia Limited earned an after tax operating profit of $507,498 for the half-year ended 31 December 2002.

Management's attention is now focused on the integration of Lindsay Brothers Transport and Rural Supplies to remove duplicated functions and improve the responsiveness to market factors. A head office for the group is in the process of being established at Woolloongabba, Brisbane. The process of transfer of many of the administrative functions currently being undertaken in Bundaberg and Coffs Harbour to Brisbane has commenced.

The trading conditions experienced by both Lindsay Brothers Transport and Rural Supplies during the period were generally adverse to that anticipated when preparing the forecast with drought effects and increasing fuel prices impacting on operations. Notwithstanding these environmental factors both Lindsay Brothers Transport and Rural Supplies have exceeded the forecasted profit before tax for the half-year that was included in the Prospectus dated 4 November 2002. Since the end of the half-year good rainfall has occurred in the majority of the areas where Lindsay Brothers Transport and Rural Supplies operate.

International tensions have continued to place upward pressure on fuel prices. While some of the increase in fuel has been offset by a rise in the Australian Dollar in comparison with the United States Dollar, a fuel levy has been introduced by Lindsay Brothers Transport in mid January to counter some of the impact of the fuel price rise.

Subject to no further significant increases in oil prices as a result of international tensions, your directors are optimistic that the consolidated group will achieve its prospectus forecast for the year ending 30 June 2003.

LINDSAY BROTHERS TRANSPORT

While the accounting result for Lindsay Brothers Transport has not been consolidated into the results for Lindsay Australia Limited for the half-year ended 31 December 2002, Lindsay Brothers Transport operations were ahead of that forecast for the half-year in the prospectus.

Financial details for Lindsay Brothers Transport for the half-year ended 31 December 2002 are as follows:-

	Actual $000's	Forecast (1) $000's
Revenue		
Freight cartage and hire	45,716	43,557
Sale of fuel	4,916	4,074
Sale of bricks & tiles	796	625
Disposal of plant and equipment (gross up)	44	60
Other	743	467
	52,215	**48,783**
Expenses		
Purchase and change in inventories	5,441	4,454
Vehicle fuel, repairs and maintenance	8,963	8,908
Subcontractors	9,199	7,806
Employee benefits and related costs	15,810	14,760
Occupancy costs	1,083	1,057
Carrying value of assets disposed	-	-
Other	6,551	6,537
	47,047	**43,522**
Profit before interest, tax, depreciation and lease amortisation	**5,168**	**5,261**
Depreciation	1,665	1,870
Amortisation of leases	1,156	1,291
Interest and borrowing costs	930	960
Profit before tax	**1,417**	**1,140**

(1) Represents the amount for the half-year ended 31 December 2002 included in the full year forecast for the year ended 30 June 2003 in the prospectus dated 4 November 2002.

Total revenue for the half-year ended 31 December 2002 of $52,215,000 was 7% ahead of the revenue forecast. Cartage revenue was also 5% above forecast. Although most operating cost increases reflected the increased revenue earned for the period some costs incurred were above that expected. Action is being taken to reduce these costs and to identify further cost savings. Increased flexibility of employee costs to improve responsiveness to variations in demand is being sought.

RURAL SUPPLIES

For the half-year ended 31 December 2002, Lindsay Australia's 50% interest has been equity accounted. The operating results for Rural Supplies will be consolidated from 1 January 2003.

The results for Rural Supplies for the half-year ended 31 December 2002 were encouraging even though sales were below the level forecast. Good rainfall in areas where Rural Supplies has branches in the period up to the date of this report should have a beneficial impact on sales in the period to 30 June 2003.

Financial details are as follows:-

	Actual $000's	**Forecast *(1)* $000's**
Revenue		
Sales	21,377	24,048
Interest received	105	40
Other	672	534
	22,154	**24,622**
Expenses		
Purchases and change in inventories	18,024	20,362
Employee benefits	1,565	1,628
Other	898	1,022
	20,487	23,012
Profit before interest, tax, depreciation and lease amortisation	**1,667**	**1,610**
Amortisation of goodwill	135	135
Depreciation and lease amortisation	143	161
Interest and borrowing costs	39	56
Profit before tax	**1,350**	**1,258**

(1) Represents the amount for the half-year ended 31 December 2002 included in the full year forecast for the year ended 30 June 2003 included in the prospectus dated 4 November 2002.

The shortfall in sales is attributed to the effects of the drought. The shortfall has been more than offset by reductions in other costs.

For further information

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