ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

HUNTER HALL INTERNATIONAL LIMITED

RESULTS TO 31 DECEMBER 2005

3 March 2006

Peter Hall, Chairman of Hunter Hall International Limited, made the following statement today:

Financial Results

I am pleased to announce an after tax profit of $5.49m for the six months to 31 December 2005, 38% above that recorded in the previous comparable period. This number is boosted by a substantial non-cash item; a net $495,000 reflecting an unrealised gain on our investment in the Dublin-based Hunter Hall International Ethical Fund ("IEF").

Funds under management rose by 17% to $1.5 billion and operating revenue also increased by 17% to $10.9m over the 12 months to 31 December 2005. Operating profits from investment management increased by 21% to $6.8m, and were negatively affected by a 12% increase in expenses.

An interim fully franked dividend of 20.3 cents per share has been declared by the Board. The record date for the dividend is Friday 17th March 2006 and payment date will be Friday 31st March 2006.

Summary Profit & Loss Statement

($'000)	Six Months to 31 December 2005	Six Months to 31 December 2004	Six Months to 31 December 2003
Funds Under Management	$1,503m	$1,286m	$752m
Management Fees	10,804	9,211	5,120
Net Entry Fees	49	52	573
Total Operating Revenue	10,853	9,263	5,693
Net Expenses	(4,040)	(3,618)	(2,993)
Operating Profit from Investment Management	6,813	5,644	2,700
Net Investment Income	46	4	189
Net Performance Fees	725	419	5,353
Charitable Donations	(397)	(315)	(418)
Operating Profit before tax	7,186	5,752	7,825
Tax	(2,195)	(1,727)	(2,348)
Net Profit after tax – Australian Operation	**4,991**	**4,025**	**5,476**
IEF related contribution	495	-	-
First time IFRS expenses[1]	-	(63)	-
Net Profit after tax	**5,486**	**3,962**	**5,476**
Dividends Per Share	20.3c	16.7c	23.5c

[1] Due to the change of accounting standards from AGAAP to AIFRS, previous period comparatives have been adjusted by net $63,000 for AIFRS related items, as discussed in Note 1 of the Company's June 2005 Annual Report. Current period AIFRS impact of $88,000 is included under Net Expenses.

Salient features were:

- Funds under management increased to $1,503m before distributions, an increase of 17% over the previous comparable period. Almost all this increase was from performance as net fund inflows were only $2m. A high level of outflows from the Australian Value Trust ("AVT") was balanced by strong inflows into the Global Ethical Trust ("GET"). Support for the Value Growth Trust ("VGT") was subdued.
- Operating revenues were 17% above those earned in the previous comparable period.
- Management fee revenues were negatively affected by a software coding error by Hunter Hall personnel dating back to the transition to the Garradin administration system in mid-January 2005. The effect of the mistake reduced revenues by an estimated $505,000 in the year to 31 December 2005. As a result we are conducting a review of our systems and control audit processes.
- Expenses were $4.0m net of reimbursements, up 12% on the previous comparable period. Expenses were about 5% above budget as the result of new additions to the investment team, research into new products and other non-recurring expenses.
- Operating profit from investment management rose by 21% to $6.8m.
- We earned net performance fees of $0.7m from the GET and the IEF as a result of out-performance of relevant benchmarks, up from $0.4m in the previous comparable period. At 31 December 2005 negative performance fee accruals of nearly $23m were recorded for the VGT and the AVT and a positive performance fee accrual of $691,000 was recorded for Global Value Limited. None of these accruals have been included in the results.
- We are pleased that the strong profits generated in the period have enabled the company to allocate $397,300 for charitable purposes.
- The consolidation of the IEF, in which Hunter Hall International Limited owns 76% of the units outstanding, contributed a net gain of $495,000. This is a non-cash item and will fluctuate in line with the investment performance of the IEF.
- Cash balances as at 31 December 2005 were $7.48m before payment of dividends, tax and receipt of performance fees, whilst interest bearing liabilities, assumed in order to fund the investment in the IEF, were $6.0m.

Investment Performance

The Hunter Hall investment funds recorded good absolute performance and generally satisfactory relative performance in the six months to 31 December 2005.

Period to 31 December 2005	**VGT**	**AVT**	**GET**	**GVL**	**IEF**
6 Months	+ 15.4%	+ 12.2%	+18.8%	+16.4%	+10.0%
Benchmark	+13.8[1]	+13.8 [1]	+14.6 [2]	+14.6 [2]	+10.3%[4]
Relative Performance	+1.6%	-1.6%	+ 4.2%	+1.8%	-0.3%
1 Year	+ 18.2%	+ 0.3%	+ 26.4%	+19.3%	+10.8%
Benchmark	+ 21.1%	+ 21.1%	+17.0%	+17.0%	+9.5%
Relative Performance	-2.9%	-20.8%	+9.4%	+2.3%	+1.3%
Net Assets	$861m	$125m	$256m	$260m [3]	$15m

Note: [1] All Ordinaries Accumulation Index. [2] MSCI World Net Return (A$). [3] Pre-tax. [4] MSCI World Net Return (US$).

The VGT performed well in absolute terms rising by 15.4% and outperforming its benchmark over the six months to 31 December 2005. Absolute performance for the year was a respectable 18.2% but relative performance was a little disappointing as the VGT's benchmark, the Australian All Ordinaries Accumulation Index, recorded a 21.1% return over calendar 2005. This underperformance was due to the fact that the fund is 80% invested outside Australia and tends to avoid mining stocks which performed well.

Over calendar 2005, the Global Ethical Trust ('GET') was one of the best performing retail international equity funds in Australia and outperformed its benchmark, the MSCI World Net Return Index in Australian Dollars, by 9.4%. Over the past four years the GET has out-performed its benchmark by an annual average of 12.5%.

The Australian Value Trust ('AVT') recorded an extremely disappointing return in the June 2005 half-year, but recovered to be nearly in line with the market's performance over the December 2005 half-year.

The ongoing strength of the resources sector continued to benefit Australian equities over the December half year with the AVT enjoying a run from its large exposure to resources services companies such as **PCH Group** (up 18%), **Ausdrill** (up 33%), **Structural Systems** (up 53%), **RCR Tomlinson** (up 60%) and **Macmahon** (up 35%). The greatest contributor to the AVT's performance was its largest holding, RCR Tomlinson, which diversified further into site maintenance, laser cutting and energy systems through three earnings-accretive acquisitions. RCR is operating at full capacity and tendering continues at record levels. The AVT was held back by **Konekt** (down 52%) and **Hansen** (down 32%).

While the VGT also gained from holding Macmahon, its performance was greatly enhanced by the same international stocks that boosted the GET. South Korean private education operator **Woongjin Thinkbig** (up 71%) and sister company **Woongjin Coway** (up 33%), which distributes water filters, both gained on rising revenue and profitability. Insatiable global demand for steel and exploration and development in the oil and gas sector led German steel conglomerate **Salzgitter** (up 103%) to triple over the year. Our large and long-standing holding **PZ Cussons PLC** (up 16%) again provided a solid foundation to international returns.

Listed Investment Company – Hunter Hall Global Value Limited ("GVL")
At 31 December 2005, Hunter Hall Global Value Limited had net tangible assets (pre-tax) of $260.0m or $1.2416 per share, undiluted for the April 2007 options. Pre-tax returns over the twelve months to 31 December 2005, including the 3c dividend paid in October 2005, were 19.3%, outperforming the benchmark, the MSCI World Accumulation Net Return Index in Australian Dollars, by 2.3%. After–tax net tangible assets were $246.3m or $1.1763 per share, undiluted, at 31 December 2005.

By 31 January 2006, the undiluted pre-tax net tangible assets per share reached $1.2771, while the price of the ordinary shares and April 2007 options were $1.03 and $0.077, respectively. Although the share price performance since listing (19 March 2004) has been disappointing, the compound annual return of GVL, on a pre-tax basis, including the 3c dividend paid in October 2005, is 16.8%.

Capital Structure and Profit Share
In the 2005 Annual Report I wrote "in order to get, and keep, the best talent Hunter Hall needs to give individuals a feeling that they are an important part of a partnership building a valuable enterprise". To this end a separate notice will be mailed to shareholders shortly seeking your approval to increase the level of ownership of Hunter Hall by its current and future employees, subject to achievement of performance benchmarks and growth of earnings and dividends.

Outlook
Performance of the Hunter Hall Trusts in the period since 31 December 2005 has been strong. At the time of writing the flagship VGT is up 8.6% in absolute terms and is outperforming the benchmark by 5.6% while the AVT has recorded a 8.0% increase and 5.0% outperformance. Group funds under management are approaching $1.6 billion.

By 1 March 2006 negative performance fee accruals of $15.3m were recorded for the VGT and AVT and positive performance fee accruals of $2.2m were recorded for the GET and GVL.

After a lean six month period in terms of net inflow into the Trusts, we anticipate some growth in funds under management, subject of course to good investment performance. The relative positioning of our products which focus on international equities, and which account for 92% of our total funds under management, continues to strengthen. The investment team is focussed and the two new London-based portfolio managers, Nigel Burgess and Tod McElroy, have settled in well.

Our efforts to market the Dublin-based International Ethical Fund have had limited success. The fund has now established a solid three year track record of performance, with a compound annual return (in US$) of 23.4%, out-performing its benchmark by 4.7% per annum. We are confident that over the longer term it should attract interest from the substantial Northern hemisphere high net worth/family office/private bank segment for which it is designed.

Our management budgets for the six months to June 2006 forecast revenues of approximately $12m and operating profit from investment management of $7.8m, equivalent to an annualised figure of $14.6m. Consolidating the IEF will see a volatile net investment income figure, making it difficult to forecast net earnings. Nevertheless, I believe that a dividend of 40c for the year to June 2006 remains feasible.

Peter MacDonald Hall
Executive Chairman
Hunter Hall International Limited

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