Sietel LIMITED
ACN 004 217 734 Incorporated in Victoria

31st May 2010

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

Re: Announcement to the market

In accordance with Australian Stock Exchange (ASX) Listing Rule 4.2A, Sietel Limited has attached its Half Year Report and Appendix 4D for the half year period ended 31 March 2010.

Yours sincerely
Sietel Limited

Richard Rees
Managing Director

Sietel Limited
ACN 004 217 734
ABN 75 004 217 734
Address: 463-467 Warrigal Rd, Moorabbin, Victoria, Australia
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Telephone: (03) 9553 5740 Fax: (03) 9532 5244

Appendix 4D

Half year report

Period ending 31 March 2010

Name of entity

SIETEL LIMITED

ABN or equivalent company reference	Half yearly *(tick)*	Preliminary final *(tick)*	Financial year ended ('current period')
75 004 217 734	✓		**31 MARCH, 2010**

Results for announcement to the market

				$A'000
Revenues from ordinary activities (1)	down	86%	to	3,073
Profit (loss) from ordinary activities after tax attributable to members	down	52%	to	534
Net profit (loss) for the period attributable to members	down	52%	to	534

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend Interim dividend	N/A ¢	¢
Previous corresponding period	¢	¢

Record date for determining entitlements to the dividend.	N/A

A brief explanation of any of the figures reported above necessary to enable the figures to be understood. (1) Refer attached Interim Financial Report Page 9

The directors are pleased to announce an operating profit for half year ended 31 March 2010 of $533,671

Ratios and Other Measures

	Current period	Previous corresponding Period
Profit before tax / revenue Consolidated profit (loss) from ordinary activities before tax as a percentage of revenue	30%	7.15%
Profit after tax / +equity interests Consolidated net profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	1.03%	5.15%

Earnings per security (EPS)

$$\text{Basic EPS} = \frac{\text{Profit/loss for the period}}{\text{No. of ordinary securities}} \times 100\% = \frac{533{,}671}{8{,}007{,}479} \times 100 = 6.66$$

$$\text{Diluted EPS} = \frac{\text{Profit/loss for the period}}{\text{No. of ordinary securities} + \text{Preference securities}} \times 100\% = \frac{533{,}671}{8{,}007{,}479+75{,}000} \times 100 = 6.60$$

NTA backing	Current period	Previous corresponding Period
Net tangible asset backing per +ordinary security	635 CENTS	267 CENTS

SIETEL LIMITED

ABN 75 004 217 734

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 MARCH 2010

SIETEL LIMITED

CONTENTS

SIETEL LIMITED AND CONTROLLED ENTITIES
DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31stMARCH 2010

The directors of the Company in office at the date of this report are :- Delwyn Garland Rees, Geoffrey Ernest Nanscawen , Richard Rees and Geoffrey Lloyd Rees

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2009 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2010 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

REVIEW OF OPERATIONS

The body building subsidiary has continued to experience low demand for its current products and has not been successful in winning any major contracts during the half year.

Management has focused attention on improved distribution and efficiencies via product design and process improvement but expect difficult trading conditions to continue possibly impacting on results and increasing uncertainty and variability when compared with past performance.

OPERATING RESULTS

The consolidated profit of the Economic Entity, after providing for income tax of $389,818 (2009 $427,881), amounted to $533,671 (2009 $1,103,401).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the economic entity during this period , except for the investment by the chief entity of $15.5 million into an inner suburban commercial retail premises with the major tenant a publicly listed company holding a lease with over eighteen years still to run.

DIRECTORS' REPORT (cont.)

DIRECTORS' INTEREST IN ORDINARY SHARES AS AT 31st MARCH 2010

Director	Ordinary Shares held in the name of the Director	Ordinary Shares in which Directors' may have a relevant interest
D.G.Rees	28,237	5,174,285
R.Rees	477,602	5,897,930
G.L.Rees	2,000	4,544,901

DIRECTORS' MEETINGS

During the financial half year the attendance at Directors' meetings was as follows:

	Meetings held	Meetings attended
D. G. Rees	4	4
G.E.Nanscawen	4	4
R. Rees	4	4
G.L.Rees	4	4

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half year ended 31 March 2010 is included on page 8 of the Interim Financial Report.

This report is signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Board

Mr. D.G.Rees
Director

Mr. R. Rees
Director

Moorabbin, 31st May, 2010

Hayes Knight Audit
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your partners in success

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Registered Audit Company 291969

SIETEL LIMITED
ABN 75 004 217 734

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SIETEL LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 31 March 2010 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
ii. no contraventions of any applicable code of professional conduct in relation to the review.

Hayes Knight Audit Pty Ltd

G. S. Parker
Director

Melbourne
Dated this 31 day of May 2010

SIETEL LIMITED

CONSOLIDATED INTERIM STATEMENT OF COMPROHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 MARCH 2010

	Half-Year Ended 31 March 2010 $000	Half-Year Ended 31 March 2009 $000
Revenues from ordinary activities	3,072,923	3,495,332
Cost of Goods Sold	684,180	2,326,437
Overheads	937,573	281,769
Administration Expenses	370,288	228,759
Selling Expenses	81,536	68,268
Finance Expenses	75,857	(229,885)
Total Expenses from ordinary activities	2,149,434	2,675,348
Profit (loss) from ordinary activities before income tax expense	923,489	819,984
Income tax expense/(revenue) relating to ordinary activities	389,818	412,881
Profit (loss) from ordinary activities after income tax expense	533,671	407,103
Profit from Ordinary Activities before Income Tax For Discontinued Operations (Sale of Aqua Max Hot Water Business)	-	711,298
Income Tax Expense for Discontinued operations	-	15,000
Profit (Loss) for the period from continuing and Discontinuing operations	533,671	1,103,401
Other Comprehensive Income		
Gain on available for sale investments taken to equity	75,155	-
Total Comprehensive Income for the Period	608,827	1,103,401
Earnings per share (EPS)		
Basic EPS (cents per share)	6.66	13.78
Diluted EPS (cents per share)	6.60	13.65
From continuing operation		
Basic EPS (cents per share)	6.66	5.08
Diluted EPS (cents per share)	6.60	5.03

SIETEL LIMITED

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2010

	Half-Year Ended 31 March 2010	Year Ended 30 September 2009
	$	$
Current Assets		
Cash and cash equivalents	24,982,973	50,267,017
Trade and other receivables	138,324	1,123,300
Inventories	600,526	463,060
Other current assets	90,044	50,989
Total Current Assets	**25,811,868**	**51,904,366**
Non-Current Assets		
Financial assets		
- Available for sale financial assets	2,249,457	817,034
Property, plant and equipment	2,177,028	2,142,169
Investment Property	23,041,003	7,625,626
Deferred tax assets	340,873	326,403
Total Non-Current Assets	**27,808,361**	**10,911,232**
Total Assets	**53,620,229**	**62,815,598**
Current Liabilities		
Trade and other payables	1,271,903	1,863,861
Financial liabilities	159,392	-
Provisions	1,089,926	897,405
Current tax liabilities	106,043	9,670,193
Total Current Liabilities	**2,627,264**	**12,431,459**
Non-Current Liabilities		
Financial liabilities	-	-
Total Non-Current Liabilities	-	-
Total Liabilities	**2,627,264**	**12,431,459**
Net Assets	**50,992,965**	**50,384,139**
Equity		
Issued capital	4,257,129	4,257,129
Retained earnings	46,523,514	45,989,843
Reserves	212,322	137,167
Total Shareholders' Equity	**50,992,965**	**50,384,139**

SIETEL LIMITED

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 MARCH 2010

Economic Entity	**Issued Capital**	**Reserves**	**Retained Earnings**	**Total Equity**
Balance at 1 October 2008	4,257,129	-	16,051,770	20,308,899
Net profit for the period	-	-	1,103,401	1,103,401
Balance 31 March 2009	4,257,129	-	17,155,171	21,412,300
Balance at 1 October 2009	4,257,129	137,167	45,989,843	50,384,139
Net profit for the period	-	-	533,671	533,671
Gain on available for sale assets	-	75,155	-	75,155
Balance 31 March 2010	4,257,129	212,322	46,523,514	50,992,965

SIETEL LIMITED

CONSOLIDATED INTERIM CASH FLOW STATEMENT

FOR THE HALF-YEAR ENDED 31 MARCH 2010

	Half-Year Ended 31 March 2010 $	Half-Year Ended 31 March 2009 $
Cash flows from Operating Activities		
Receipts from customers	3,386,654	20,649,696
Payment to suppliers & employees	(3,711,677)	(22,333,020)
Income tax paid	(9,700,000)	(292,471)
Interest received	1,051,569	75,050
Borrowing costs	-	-
Net cash (used in) provided by operating activities	**(8,973,454)**	**(1,900,745)**
Cash flows from Investing Activities		
Payment for property, plant & equipment	(15,772,362)	(993,486)
Payment for investments	(1,364,683)	(204,383)
Dividends received	19,443	2,830
Net cash used in investing activities	**(17,117,602)**	**(1,195,039)**
Cash flows from Financing Activities		
Proceeds from Borrowings	807,011	-
Net cash (used in) financing activities	**807,011**	-
Net decrease in cash held	(25,284,045)	**(3,095,784)**
Cash at beginning of period	50,267,017	4,372,573
Cash at end of period	**24,982,972**	**1,276,789**

SIETEL LIMITED

CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 MARCH 2010

1. Summary of Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of this half-year financial report are the same accounting policies and methods of computations as those applied in the most recent annual financial report, unless otherwise stated.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2009 and considered together with any public announcements made by Sietel Limited during the Half-year ended 31 March 2010 and to the date of this report in accordance with the continuous disclosure obligation of the ASX listing rules.

Basis of Preparation of Half-Year Report

This general purpose interim financial report for the half year ended 31 March 2010 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

In addition to the accounting policies prescribed by applicable Accounting Standards and Interpretations, no significant accounting policy has been adopted in the preparation and presentation of the half year financial report.

SIETEL LIMITED

CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 MARCH 2010

2. Controlled Entities and segment reporting

(a) Controlled Entities

Name of controlled Entity of Sietel Limited	Beneficially Owned by Sietel Ltd		Contribution to consolidated operating Profit (loss) after income tax attributable to members of the chief entity		Investment by Sietel Ltd at cost.	
	2010	2009	2010	2009	2010	2009
	%	%	$	$	$	$
Cooks Body Works Pty Ltd	100	100	-388,864	20,895	290,000	290,000
The Cylinder Co Pty Ltd	100	100	-	-	-	-
Abn 17006852820 Pty Ltd (i)	100	100	205,868	695,854	481,713	481,713
Sietel Limited	N/A	N/A	716,669	386,652	-	-
			533,671	1,103,401	771,713	771,713

*All companies incorporated in Australia.

(1) Formerly known as Aqua Max Pty Ltd

(b) Segment reporting

	Revenue		Results		Assets		Liabilities		Depreciation	
	2010 $'000	2009 $'000	2010 $'000	2009 $'000	2010 $'000	2009 $'000	2010 $'000	2009 $'000	2010 $'000	2009 $'000
Manufacturing Vehicle Bodies	901	3,140	-388	21	1,379	2,310	310	592	32	35
Discontinued Manufacturing Hot Water Services Business	219	17,920	205	696	5,644	8,336	497	6,676	42	875
Total Manufacturing	1,120	21,060	-183	717	7,023	10,646	807	7,268	74	910
Investment	1,953	355	717	386	46,597	19,535	1,820	1,500	249	267
Total Investment	1,953	355	717	386	46,597	19,535	1,820	1,500	249	267
	3,073	21,415	534	1,103	53,620	30,181	2,627	8,768	323	1,177

*All businesses operated within Australia.
Internal revenue has been eliminated.

3. Related Party Transactions

The Group has had no material or unusual related party transactions during the half year ended 31 March 2010. Arrangements with related parties continue to be in place and transactions for the half year to 31 March 2010 are similar in nature to those for the year ended 30 September 2009.

Full details of the Group's related party transactions for the year ended 30 September 2009 can be found in the Group's 2009 Annual Report.

4.Subsequent Events

No other matter or circumstance has arisen since 31st March 2010 that has significantly affected or may significantly Affect the operations ,results or state of affairs of the Company in the near future .

SIETEL LIMITED
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 MARCH 2010

The Directors' declare that:

a) The attached financial statements and notes thereto comply with Accounting Standard AASB134 Interim Financial Reporting;

b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;

c) 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.

Signed, in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

Mr. D.G. Rees
Director

Mr. R. Rees
Director

Moorabbin,
31st May 2010

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your partners in success

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Registered Audit Company 291969

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SIETEL LIMITED

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Sietel Limited and Controlled Entities (the consolidated entity) which comprises the statement of financial position as at 31 March 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 March 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Sietel Limited and Controlled Entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* has been provided to the directors of Sietel Limited and Controlled Entities.

Conclusion

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 Sietel Limited and Controlled Entities is not in accordance with the *Corporations Act 2001* including:

A. giving a true and fair view of the consolidated entity's financial position as at 31 March 2010 and of its performance for the half-year ended on that date; and

B. complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Hayes Knight Audit

Hayes Knight Audit Pty Ltd
Melbourne

G. S. Parker
Director

Dated this 31 day of May 2010