

RIMCapital Limited

ASX Half-year information – 31 December 2004

Lodged with the ASX under Listing Rule 4.2A.

This information should be read in conjunction with the 30 June 2004 Annual Report.

Contents

Results for Announcement to the Market

Supplementary Appendix 4D Information

Half-year report

RIMCapital Limited
Half-year ended 31 December 2004
(Previous corresponding period:
Half-year ended 31 December 2003)

Results for Announcement to the Market

The amount and percentage change up or down from the previous period of:

				\$
Revenue from ordinary activities	up	0.7%	to	1,968,806
Profit/(loss) from ordinary activities after tax attributable to members	down	776.2%	to	(3,846,526)
Net profit/(loss) for the period attributable to members	down	776.2%	to	(3,846,526)

The directors do not propose to pay any dividends.

RIMCapital Limited
Half-year ended 31 December 2004
(Previous corresponding period:
Half-year ended 31 December 2003)

Supplementary Appendix 4D information

	Dec 2004	Dec 2003
Net tangible asset backing per ordinary share	6.62¢	11.61¢

No controlled entities were acquired during the half year

Details of controlled entities disposed during the half year are as follows:

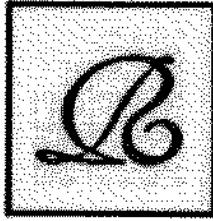
	Infracorp Limited	RIMCapital Advisors (HK) Ltd
Date control lost	23 August 2004	22 December 2004
Contribution to profit from ordinary activities after tax in current period, where material	Not Material	Not Material
Profit from ordinary activities after tax during the whole of the previous corresponding period, where material	Not Material	Not Material

No dividends were paid during the half year.

There were no dividend reinvestment plans in operation during the half year.

Details of Associates and Joint Venture entities are as follows:

Joint Venture Entity Name	Ownership interest		Aggregate share of profits/(losses), Where material		Contribution to net profit, where material	
	2004	2003	2004	2003	2004	2003
	%	%	\$	\$	\$	\$
CRMSC Pty Ltd	50	-	69,527	-	69,527	-



RIMCapital Limited

ACN 064 874 620

Half-year Report

Half year ended 31 December 2004

DIRECTORS' REPORT

Your directors present their report on the RIMCapital Group, consisting of RIMCapital Limited ("the Company") and the entities it controlled at the end of, or during the half-year ended 31 December 2004.

Directors

The following persons were Directors of RIMCapital Limited during the whole of the half-year and up to the date of this report:

Robert Moyses Willcocks (Chairman)
Chris Seow Ngee Lim (Executive Director)
Chong Sok Un (Executive Director)

Principal Activities

The principal activities of the RIMCapital Group during the half-year end 31 December 2004 consisted of:

- Investment of cash on term deposit
- Investment in shares of companies listed on the ASX and other recognised Stock Exchanges
- Investment in a Joint Venture with China Railway Materials and Supplies Corporation from China with activities primarily in trading, import and export of railways related resources and materials
- Funds management, financial and management consulting and acting as an Exempt Investment Advisor through RIMCapital Advisors Singapore Pte Ltd.

Review of Operations

A summary of consolidated revenues and results by significant industry segments is set out in the notes to the financial statements.

Comments on the operations and the results are set out below:

During the financial period the Company continued to invest its cash reserves in term deposits and in shares in entities listed on recognised Stock Exchanges.

The net amount of the loss of the economic entity for the half year after income tax was \$3,846,526 (2003: profit \$568,853). The main reason for this substantial loss was the sale of the entity's Infracorp Limited shares to the Company's existing shareholders at a substantial discount to the market price of Infracorp Limited (see below) and the subsequent deconsolidation of this entity from the economic entity. Excluding the loss resulting from this event, the economic entity had a profit before tax of \$232,529.

Further investment opportunities are continuing to be being reviewed by management.

Developments and announcements

1. As noted in the most recent annual report, on 23 August 2004 the offer by the Company of its entire holdings in Infracorp Limited shares to the Company's existing shareholders closed. The offer was priced just to cover the expenses and tax of this issue. The issue was oversubscribed by shareholders as the price was well below Infracorp Limited's market price. All shares offered being taken up. As disclosed in the prospectus, this resulted in a major change to the Company's balance sheet with a reduction in the net assets of the Company by \$8.9 million when compared to 30 June 2004.
2. A 100% foreign controlled company, RIMCapital Advisors (Hong Kong) Limited was placed into voluntary liquidation on 22 December 2004. In addition, the directors have decided to commence action to place the following 100% controlled companies into voluntary liquidation before the end of the financial year: Barton Capital Securities Pty Ltd, Barton Capital Technologies Pty Ltd, ESX Pty Ltd and Barton Capital (HK) Pty Ltd.

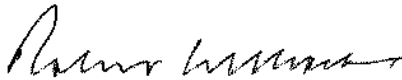
Half year ended 31 December 2004

DIRECTORS' REPORT
(continued)

Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 3 and forms part of the directors' report for the half year ended 31 December 2004.

This report is made in accordance with a resolution of the Directors.



Robert M Willcocks
Chairman

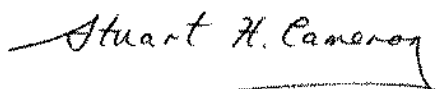
Sydney
25 February 2005

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of RIMCapital Limited for the half-year ended 31 December 2004, I declare that there have been, to the best of my knowledge and belief:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

Nexia Court & Co
Chartered Accountants



Stuart Cameron
Partner

25 February 2005

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

	Note	Dec 2004 \$	Dec 2003 \$
Revenue from ordinary activities		1,968,806	1,954,453
Service delivery		(3,247)	(15,920)
Administration		(168,439)	(299,320)
Marketing		(15,668)	(26,893)
Occupancy		(24,285)	(31,857)
Salaries and employee costs		(91,496)	(288,926)
Depreciation and amortisation expenses		(8,973)	(8,610)
Provision for diminution in investments and loans		(136,368)	413,413
Realised/unrealised foreign exchange gain/(loss)		112,452	160,602
Cost of investments sold		(1,398,592)	(1,183,000)
Loss on disposal of controlled entities		(3,874,086)	-
Other expenses from ordinary activities		(1,677)	(89,239)
Profit/(loss) from ordinary activities before income tax expense	2	(3,641,573)	584,703
Income tax expense		(204,953)	(17,899)
Profit/(loss) from ordinary activities after income tax expense		(3,846,526)	566,804
Net profit/(loss)		(3,846,526)	566,804
Net (profit)/ loss attributable to outside equity interest		-	2,049
Net profit/(loss) attributable to members of RIMCapital Limited		(3,846,526)	568,853
Total changes in equity other than those resulting from transactions with owners as owners		(3,846,526)	568,853
Basic earnings per share	5		
Diluted earnings per share	5		

The accompanying notes form part of these financial statements..

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2004**

	Dec 2004 \$	Jun 2004 \$
Current assets		
Cash	4,079,672	13,219,963
Loans and receivables	37,428	71,317
Investments	847,500	916,457
Other assets	5,314	-
Total current assets	4,969,914	14,207,737
Non-current assets		
Loans and receivables	-	9,516
Investments	1,069,527	1,000,000
Property, plant & equipment	24,533	35,264
Intangible assets	-	-
Other assets	4,031	72,631
Total non-current assets	1,098,091	1,117,411
TOTAL ASSETS	6,068,005	15,325,148
Current liabilities		
Accounts payable	19,970	162,789
Interest bearing liabilities	5,182	14,329
Current tax liabilities	207,039	-
Accruals and provisions	8,238	7,113
Total current liabilities	240,429	184,231
Non-current liabilities		
Borrowings	-	375,125
Total non-current liabilities	-	375,125
TOTAL LIABILITIES	240,429	559,356
Net Assets	5,827,576	14,765,792
Equity		
Parent entity interest		
Contributed equity	14,461,788	14,461,788
Reserves	(349,871)	8,535,204
Accumulated losses	(8,284,341)	(13,127,709)
Total parent entity interest	5,827,576	9,869,283
Outside equity interest in controlled entities	-	4,896,509
Total Equity	5,827,576	14,765,792

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

	Dec 2004 \$	Dec 2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	334,203	270,006
Payments to suppliers, employees and creditors (inclusive of GST)	(1,027,055)	(271,358)
Interest received	114,091	299,798
Income tax paid	2,086	(1,481)
Net cash (outflow)/inflow from operating activities	(576,675)	296,965
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant & equipment	(2,211)	(4,508)
Proceeds from sale of controlled entity, net of cash disposed	(8,689,147)	-
Payments for investments	(820,824)	(1,474,436)
Proceeds from sale of investments	1,065,887	1,372,248
Security deposits (lodged)/repaid	20,000	-
Loans to third parties	(9,516)	-
Intangibles	-	(1,078)
Net cash outflow from investing activities	(8,435,811)	(107,774)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of share-buy back	-	(129,375)
Net cash outflow from financing activities	-	(129,375)
NET (DECREASE)/INCREASE IN CASH HELD	(9,012,486)	59,816
Cash at the beginning of the reporting period	13,219,963	14,906,020
Effects of exchange rates changes on cash	(127,805)	(153,488)
Cash at the end of the reporting period	4,079,672	14,812,348

The accompanying notes form part of these financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

Note 1. Basis of preparation of half-year financial report

This general purpose financial report for the interim half-year reporting period ended 31 December 2004 has been prepared in accordance with Accounting Standard AASB 1029 *Interim Financial Reporting*, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2004 and any public announcements made by RIMCapital Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Unless otherwise stated, the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

International financial reporting standards (IFRS)

The adoption of Australian equivalents to IFRS (AIFRS) will be first reflected in the consolidated entity's financial statements for the half-year ending 31 December 2005 and the year ending 30 June 2006.

This half-year financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements ("Australian GAAP") applicable for reporting periods ending on 31 December 2004.

The differences between Australian GAAP and IFRS identified to date as potentially having a significant effect on the consolidated entity's financial performance and financial position are summarised below. The summary should not be taken as an exhaustive list of all the differences between Australian GAAP and IFRS. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented.

The consolidated entity has not quantified the effects of the differences discussed below. Accordingly, there can be no assurances that the consolidated financial performance and financial position as disclosed in this financial report would not be significantly different if determined in accordance with IFRS.

Any assessments made in respect of the transition to AIFRS may require adjustment before inclusion in the first complete annual/half-year financial report prepared in accordance with AIFRS due to new or revised standards or interpretations, changes in the operations of the business, or additional guidance on the application of AIFRS in a particular industry or to a particular transaction.

The key potential implications on the consolidated entity of conversion to AIFRS, identified to date are:

Taxation

A "balance sheet" approach will be adopted under AIFRS, replacing the "statement of financial performance" approach currently used Australian companies. The "balance sheet" method recognises deferred tax balances when there is a difference between the carrying value of an asset or liability, and its tax base. Any initial adjustments to calculate deferred tax assets and liability balances on transition using the new basis will be made through opening balances of retained earnings at 1 July 2004. Deferred tax asset and liability balances at 1 July 2004 can only be calculated once all other opening balance sheet amounts at have been finalised at that date.

Under the current income statement approach to accounting for income taxes the Company and the consolidated entity have not accounted for any future income tax benefits as it is not virtually certain these assets will be realised. These assets are only realised where it is certain that sufficient income will be derived in future reporting periods to absorb the tax benefits.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

Note 2. Segment information

Primary reporting – business segments

	Segment Revenues		Segment Results	
	Dec 2004 \$	Dec 2003 \$	Dec 2004 \$	Dec 2003 \$
Share trading	1,766,365	1,493,000	223,240	569,000
Management fees	-	50,000	-	-
Stockbroking	-	-	-	-
Corporate advisory services	-	-	-	-
Online Broking	-	-	-	-
Investments holding	202,441	407,000	9,289	(2,000)
Other	-	4,000	(3,874,102)	16,942
	<u>1,968,806</u>	<u>1,954,000</u>	<u>(3,641,573)</u>	<u>583,942</u>
Profit/(loss) from ordinary activities before income tax			(3,641,573)	583,942
Income tax expense			(204,953)	(17,899)
Profit/(loss) from ordinary activities after income tax			(3,846,526)	566,043
Add back: (Profit)/ Loss attributable to outside equity interests			-	2,810
Profit/(loss) attributable to members of RIMCapital Limited			<u>(3,846,526)</u>	<u>568,853</u>

Note 3. Contingent liabilities

- a) The Company has lodged a \$4,031 deposit (2003: \$4,031) with its bank as security for performance guarantees issued by the bank in relation to a lease of premises.
- b) As noted in the June 2004 accounts, a claim has been made against Barton Capital Securities Pty Ltd by Mr. T Hale & Balthorne Pty Ltd. The claim relates to brokerage services provided by Barton Capital Securities Pty Ltd to the plaintiff. The amount claimed by the plaintiff is \$119,000. The Directors believe that the claim is without merit and intend to vigorously defend the proceedings. To date no legal proceedings have commenced and the Directors do not consider a provision is required in the financial statements.

Note 4. Event occurring after reporting date

Tax consolidation

RIMCapital Limited and its wholly-owned Australian subsidiaries have decided to implement the tax consolidation legislation, commencing 1 July 2003. The Australian Taxation Office has not yet been informed of this decision. The entities also intend to enter into a tax sharing agreement, but details of this agreement are yet to be finalised. This is not expected to have a material impact on the consolidated results, assets and liabilities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

Note 4. Event occurring after reporting date (Cont'd)

Liquidations

The directors have decided to commence action to place the following 100% controlled companies into voluntary liquidation before the end of the financial year: RIMCapital Advisors Limited, Barton Capital Securities Pty Ltd, Barton Capital Technologies Pty Ltd, ESX Pty Ltd and Barton Capital (HK) Pty Ltd.

Note 5. Earnings per share

	Note	Dec 2004	Dec 2003
Basic earnings per share		(4.37) ¢	0.64¢
Diluted earnings per share		-	-

Potential ordinary shares are not dilutive for the current half-year.

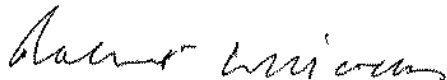
Half year ended 31 December 2004

DIRECTORS' DECLARATION

The directors declare that, in the opinion of the directors,

- (a) the financial statements and notes set out on pages 4 to 9 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2004 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.
- (a) 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 directors.



Robert M Willcocks
Chairman

Sydney
25 February 2005

INDEPENDENT REVIEW REPORT

To the members of RIMCapital Limited:

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of RIMCapital Limited:

- does not give a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of RIMCapital Group (defined below) as at 31 December 2004 and of its performance for the half year ended on that date; and
- is not presented in accordance with the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory financial reporting requirements in Australia, and the Corporations Regulations 2001.

This statement must be read in conjunction with the rest of our review report.

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 RIMCapital Group (the consolidated entity), for the half year ended 31 December 2004. The consolidated entity comprises RIMCapital Limited and the entities it controlled during the 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 that the financial report does not present fairly, in accordance with the Corporations Act 2001, 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 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 included:

- inquiries of company personnel/the responsible entity's personnel; and
- analytical procedures applied to financial data.

INDEPENDENT REVIEW REPORT
(continued)

When this review report is included in a document containing information in addition to the financial report, our procedures included reading the other information to determine whether it contains any material inconsistencies with the financial report.

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.

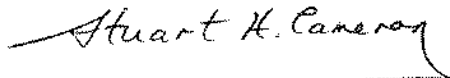
While we consider the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

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

Nexia Court & Co
Chartered Accountants



Stuart Cameron
Partner

Sydney
25 February 2005