



RIMCapital Limited ACN 064 874 620

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8 September 2006

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

Dear Sir

Results for Announcement to the Market

Please find attached the Company's Results for Announcement to the Market together with the Preliminary Final Report under ASX Listing Rule 4.3A.

Yours faithfully

I D Haigh
Company Secretary

RIMCAPITAL LIMITED
ACN 003 148 427

RESULTS FOR ANNOUNCEMENT TO THE MARKET

AND

PRELIMINARY FINAL REPORT UNDER ASX LISTING RULE 4.3A

1. Details of the Reporting Period

Contained herein is the Preliminary Final Report for RIMCapital Limited Consolidated Entity ("RIMCapital") for the year ended 30 June 2006 ("2006"). Comparative information is for the year ended 30 June 2005 ("2005").

The Consolidated Entity is composed of RIMCapital as the Chief Entity and its wholly owned subsidiaries.

2. Results for Announcement to the Market

	2006 \$'000	2005 \$'000	% Change
2.1 Revenue from ordinary activities	827	3,588	(76.95)
2.2 Profit (loss) from ordinary activities after tax attributable to members	(278)	(3,449)	91.94
2.3 Net profit (loss) attributable to members	(278)	(3,449)	91.94
2.4 There are no dividends proposed or payable			
2.5 Not applicable			
2.6 Not applicable			

3. Income Statement

	Note	Consolidated	
		2006 \$	2005 \$
Revenue from continuing operations	3.1	827,109	3,587,583
Service Delivery		(3,379)	(5,436)
Administration		(213,750)	(301,004)
Cost of investments sold		(525,699)	(3,155,390)
Occupancy		(63,902)	(55,445)
Salaries and employee costs		(201,373)	(179,317)
Depreciation and amortisation expenses		(9,743)	(18,734)
Provision for diminution in investments and loans		17,056	391,202
Realised/unrealised foreign exchange loss		(155,571)	139,850
Joint Venture Partnership Profits		(25,318)	223,171
Other expenses from ordinary activities		16,174	(3,845,350)
Loss before income tax	3.2	(338,396)	(3,218,870)
Income tax benefit (expense)	3.3	60,620	(230,282)
Loss from continuing operations		(277,776)	(3,449,152)
Loss attributable to members of RIMCapital Limited		(277,776)	(3,449,152)

	Consolidated	
	2006	2005
	\$	\$
3.1 Revenue		
Included in revenue from continuing operations are the following items		
Corporate Advisory and Retainers	5,912	55,550
Proceeds from sale of investments	626,821	3,296,927
Interest Received	190,560	184,318
Dividend Income	1,068	8,233
Investment Income	-	24,786
Other	2,748	17,769
	<u>827,109</u>	<u>3,587,583</u>
3.2 Expenses		
Loss before income tax includes the following specific net gains/(losses) and expenses		
Net gains/(losses)		
Net gain on disposal of investments	101,122	141,538
Unrealised gains on shares	17,056	432,163
Net foreign exchange gain	-	139,850
Loss on deconsolidation – Infracorp Limited	-	(3,859,874)
Expenses		
Depreciation of property, plant and equipment, leasehold improvements	9,743	18,734
Interest expense	3,292	1,651
Lease rental expense – operating	56,821	49,289
Net foreign exchange loss	155,571	-
Superannuation expenses	17,428	16,545
	<u>17,428</u>	<u>16,545</u>
3.3 Income tax expense		
(a) Income tax (benefit)/expense		
Current tax	(8,914)	121,172
Deferred tax	69,466	109,110
Over provided in prior years	(121,172)	-
	<u>(60,620)</u>	<u>230,282</u>
Income tax (benefit)/expense is attributed to:		
Loss from continuing operations	<u>(60,620)</u>	<u>230,282</u>
Deferred income tax expense included in income tax expense comprises:		
Increase in deferred tax liabilities	<u>69,466</u>	<u>117,360</u>

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax expense	(338,396)	(3,218,870)
Tax at the Australian tax rate of 30% (2005: 30%)	(101,519)	(965,661)
Tax effect amounts which are not deductible (taxable)	<u>162,071</u>	<u>4,152,214</u>
	60,552	3,186,553
Overprovision in prior years	(121,172)	-
Prior year tax losses not recognised now recouped	-	(2,956,271)
	<u>(60,620)</u>	<u>230,282</u>

(c) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	<u>137,614</u>	<u>-</u>
Potential tax benefit @ 30%	<u>41,284</u>	<u>-</u>

All unused tax losses were incurred by Australian entities

4. Balance Sheet

		Consolidated	
	Note	2006	2005
		\$	\$
CURRENT ASSETS			
Cash & cash equivalents	4.1	2,594,750	4,273,970
Receivables	4.2	173,213	259,716
Other financial assets at fair value	4.3	<u>2,260,500</u>	<u>695,000</u>
TOTAL CURRENT ASSETS		5,028,463	5,228,686
NON-CURRENT ASSETS			
Receivables	4.4	6,467	4,531
Investments accounted for using the equity method	4.5	1,197,853	1,223,171
Property, Plant & Equipment	4.6	<u>31,649</u>	<u>19,139</u>
TOTAL NON-CURRENT ASSETS		<u>1,235,969</u>	<u>1,246,841</u>
TOTAL ASSETS		6,264,432	6,475,527
CURRENT LIABILITIES			
Payables	4.7	19,700	44,407
Current tax liabilities		-	117,535
Provisions	4.8	<u>1,337</u>	<u>2,535</u>
TOTAL CURRENT LIABILITIES		21,037	164,477
NON-CURRENT LIABILITIES			
Deferred tax liability	4.9	<u>186,826</u>	<u>117,360</u>
TOTAL NON-CURRENT LIABILITIES		<u>186,826</u>	<u>117,360</u>
TOTAL LIABILITIES		<u>207,863</u>	<u>281,837</u>
NET ASSETS		<u>6,056,569</u>	<u>6,193,690</u>
EQUITY			
Contributed Equity	4.10	14,461,788	14,461,788
Reserves	4.11	(15,514)	(156,169)
Accumulated Losses	4.12	<u>(8,389,705)</u>	<u>(8,111,929)</u>
TOTAL EQUITY		<u>6,056,569</u>	<u>6,193,690</u>

	Consolidated	
	2006	2005
	\$	\$
4.1 Cash & cash equivalents		
Cash on hand	2,538,883	1,308,599
Deposits at call	55,867	2,939,463
Stockbroking trust funds	-	2,834
Rights issue trust account	-	23,074
	<u>2,594,750</u>	<u>4,273,970</u>
4.2 Receivables, current		
Trade Debtors	-	-
Interest Receivable	-	83,931
Other Debtors	173,213	175,785
	<u>173,213</u>	<u>259,716</u>
4.3 Other financial assets at fair value, current		
Shares in companies listed on prescribed stock exchange		
– At cost	1,853,444	303,800
Provision for increase in value	407,056	391,200
	<u>2,260,500</u>	<u>695,000</u>
4.4 Receivables, non-current		
Security Deposits – Guarantees	5,967	4,031
Loans to third parties	500	500
	<u>6,467</u>	<u>4,531</u>
4.5 Investments accounted for using the equity method, non-current		
Joint Venture Entity*	<u>1,197,853</u>	<u>1,223,171</u>

*The interest in the joint venture entity is accounted by applying the equity method

	Consolidated	
	2006	2005
	\$	\$
4.6 Property, Plant & Equipment		
Plant and equipment, and leasehold improvements - at cost	327,498	344,614
Less: Accumulated Depreciation	<u>(295,849)</u>	<u>(325,475)</u>
	<u>31,649</u>	<u>19,139</u>
Reconciliation of the carrying amounts of plant and equipment, and leasehold improvements is as follows:		
Carrying amount as at 1 July	19,139	35,264
Additions	23,149	2,609
Disposals	(896)	-
Depreciation expense	<u>(9,743)</u>	<u>(18,734)</u>
Carrying amount at 30 June	<u>31,649</u>	<u>19,139</u>
4.7 Payables		
Trade Creditors	1,673	1,673
Other Creditors	<u>18,027</u>	<u>42,734</u>
	<u>19,700</u>	<u>44,407</u>
4.8 Provisions		
Employee entitlements	-	412
Professional fees	<u>1,337</u>	<u>2,123</u>
	<u>1,337</u>	<u>2,535</u>
4.9 Deferred tax liability		
The balance comprises temporary differences attributable to:		
Amounts recognised in profit or loss		
Financial assets at fair value through profit or loss	<u>186,826</u>	<u>117,360</u>
Movements:		
Balance 1 July	117,360	8,250
Charged to the income statement	<u>69,466</u>	<u>109,110</u>
Closing balance 30 June	<u>186,826</u>	<u>117,360</u>

	Consolidated	
	2006	2005
	\$	\$
4.10 Contributed Equity		
Issued capital		
87,967,815 (2005: 87,967,815) Ordinary Shares Fully Paid	14,461,788	14,461,788
4.11 Reserves		
Foreign Currency Reserve	(15,514)	(156,169)
Movements:		
Balance 1 July	(156,169)	(315,069)
Currency translation differences arising during the year	140,655	158,900
Balance 30 June	(15,514)	(156,169)
4.12 Accumulated losses		
Movements:		
Balance at 1 July	(8,111,929)	(13,135,959)
Net profit/(loss) attributable to members of RIMCapital Limited	(277,776)	(3,449,152)
Transfer from non-distributable profits reserve	-	8,850,273
Movement in opening retained earnings on deconsolidation	-	(377,091)
Balance at 30 June	(8,389,705)	(8,111,929)
5. Changes in Equity		
Total equity at 1 July	6,193,690	14,757,542
Exchange differences on translation of foreign operations	140,655	158,900
Net income recognised directly in equity	6,334,345	14,916,442
Loss for the year	(277,776)	(3,449,152)
Reduction in opening retained earnings due to deconsolidation	-	(377,091)
Minority interest on deconsolidation	-	(4,896,509)
Total equity at 30 June	6,056,569	6,193,690

6. Statement of Cash Flows

	Note	Consolidated	
		2006 \$	2005 \$
Cash flows from operating activities			
Receipts from customers		25,039	162,486
Payments to suppliers, employees and creditors – GST inclusive		(507,986)	(1,001,561)
Interest Received		274,491	116,993
Dividends Received		1,068	8,233
Income Taxes Refunded/(Paid)		12,551	(3,637)
Net cash (used in)/from operating activities	6.3	(194,837)	(717,486)
Cash flows from investing activities			
Payment for property, plant and equipment		(23,149)	(2,609)
Payments for investments		(2,250,442)	(1,536,135)
Proceeds from sale of investments		626,821	2,639,835
Proceeds from sale of controlled entity, net cash disposed		-	(9,219,818)
Distribution on liquidation of controlled entity		-	375,000
Security deposits (lodged)/paid		-	20,000
Loans to third parties		-	9,016
Net cash from/(used in) investing activities		(1,646,770)	(7,714,711)
Cash flows from financing activities			
Bank loans		-	(375,125)
Net cash from financing activities		-	(375,125)
Net increase/(decrease) in cash held		(1,841,607)	(8,807,322)
Cash at the beginning of the financial year		4,273,970	13,219,963
Effect of exchange rate changes on the balances of cash		162,387	(138,671)
Cash at the end of the financial year	6.1	2,594,750	4,273,970

6.1 Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	Consolidated	
	2006	2005
	\$	\$
Cash at bank and on hand	2,538,883	1,308,599
Deposits at call	55,867	2,939,463
Stockbroking trust funds	-	2,834
Rights issue trust account	-	23,074
	<u>2,594,750</u>	<u>4,273,970</u>

6.2 Financing Facilities

No firmly committed long-term financing facilities were available to the company at the end of the financial year.

	Consolidated	
	2006	2005
	\$	\$

6.3 Reconciliation of Net Cash used in Operating Activities to Operating Loss after Income Tax

Operating loss after income tax	(277,776)	(3,221,542)
Depreciation	9,746	18,734
Decrease/(Increase) in receivables	100,368	(37,051)
(Decrease)/Increase in creditors	(25,905)	(130,356)
Provisions for diminution in value of investments and loans	(15,856)	(260,930)
Unrealised (gain)/loss on investments	(17,056)	(432,163)
Net (profit)/loss on disposal of controlled entities	-	3,845,350
(Decrease)/Increase in provisions	(48,069)	117,535
Loss/(Profit) on Joint Venture	25,318	(341,671)
Net (profit)/loss on sale of investments	(101,122)	(141,538)
Foreign currency (gain)/loss	155,515	(133,854)
	<u>(194,837)</u>	<u>(717,486)</u>

7. Details of Dividends

There are no dividends proposed or payable.

8. Details of Dividend Reinvestment Plans

There is no dividend reinvestment plan.

9. Net tangible Assets

	Consolidated	
	2006	2005
Net tangible assets per ordinary share	0.069	0.070

10. Change in Controlled Entities

There were no changes in controlled entities during the year. In the previous year the following 100% controlled Australian companies were placed into voluntary liquidation;

Company	Date of Liquidation
Barton Capital Securities Pty Ltd	2 March 2005
Barton Capital Technologies Pty Ltd	2 March 2005
ESX Pty Ltd	2 March 2005
Barton Capital (HK) Pty Ltd	2 March 2005
RIMCapital Advisors Pty Limited*	29 April 2005

*After conversion to a proprietary company on 22 March 2005

In the previous year the following 100% controlled foreign company was placed into voluntary liquidation;

Company	Date of Liquidation
RIMCapital Advisors (Hong Kong) Limited	22 December 2004

11. Details of Associates and Joint Venture Entities

Name of Joint Venture Entity: CRMSC (Australia) Pty Ltd with Union Park Company Ltd

Percentage Holding: RIMCapital Ltd holds 50% in the joint venture with an initial investment of AUD 1 million. The value of this investment at 30 June 2006 is AUD 1,197,853 (refer note 4.5).

12. Other Significant Information

During the year the Company's overseas controlled entity, RIMCapital Advisors Singapore Pte Ltd, closed its office and steps are currently being taken to liquidate the company.

13. Foreign Entity Accounting Standards

Not applicable.

14. Results for 2006

A summary of consolidated revenues and results by significant industry segments is set out below:

	Segment Revenues		Segment Results	
	2006	2005	2006	2005
	\$	\$	\$	\$
Other	2,748	-	2,748	(3,845,350)
Corporate advisory services	-	55,550	-	55,550
Investments holding	824,361	3,532,033	(341,144)	689,430
Total Revenue	827,109	3,587,583		
Loss from ordinary activities before income tax			(338,396)	(3,100,370)
Income tax expense			(60,620)	121,172
Loss from ordinary activities after income tax			(277,776)	(3,221,542)
Profit/(loss) attributable to members of RIMCapital Limited			(277,776)	(3,221,542)

The group has generated an operating loss of \$338,396 for the year compared to a loss last year, including the effect of the deconsolidation of Infracorp Limited, of \$3,100,370. This loss is mostly due to the wind down of operations in Singapore (refer item 12) and adverse realised/unrealised foreign exchange losses.

At 30 June, the group's cash is mainly held in the form of fixed deposits and money on call. This will continue to enable the group to utilise the cash to undertake new investments should the opportunity arise.

Earnings per share for 2006 were (0.32) cents compared with the earnings per share of (3.66) cents for 2005.

This preliminary final report is the first RIMCapital Limited preliminary final report to be prepared in accordance with AIFRSs. AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing this report.

Financial statements of RIMCapital Limited until 30 June 2005 had been prepared in accordance with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing the RIMCapital Limited preliminary final report for the year ended 30 June 2006 management has considered the differences and comparative figures have been restated to reflect any required adjustments.

15. Audit Report

This report is based on accounts which are in the process of being audited.