

RIMCapital Limited

ASX Half-year information – 31 December 2006

Lodged with the ASX under Listing Rule 4.2A.
This information should be read in conjunction with the 30 June 2006 Annual Report.

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Half-year report

RIMCapital Limited
Half-year ended 31 December 2006
(Previous corresponding period:
Half-year ended 31 December 2005)

Results for Announcement to the Market

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

				\$
Revenue from ordinary activities	Up	10.73%	to	413,462
Profit/(loss) from ordinary activities after tax attributable to members (see below)	Up	183.16%	to	150,225
Net profit/(loss) for the period attributable to members (see below)	Up	183.16%	to	150,225

The profit for the period of \$150,225 compares with a loss for the period to 31 December 2005 of \$180,646.

The directors do not propose to pay any dividends.

RIMCapital Limited
Half-year ended 31 December 2006
(Previous corresponding period:
Half-year ended 31 December 2005)

Supplementary Appendix 4D information

	Dec 2006	Dec 2005
Net tangible asset backing per ordinary share	6.99¢	6.92¢

No controlled entities were acquired during the half year.

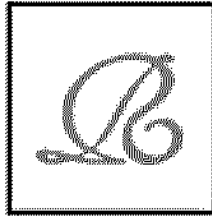
No controlled entities were disposed during the half year.

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	
	2006 %	2005 %	2006 \$	2005 \$	2006 \$	2005 \$
CRMSC (Australia) Pty Limited	50	50	46,899	(1,594)	46,899	(1,594)



RIMCapital Limited

ACN 064 874 620

Half-year Report

Half year ended 31 December 2006

This interim financial report was authorised for issue by the directors on 23 February 2007.
The company has the power to amend and reissue the interim financial report.

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 2006.

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 Moyse Willcocks (Chairman)

Chong Sok Un (Executive Director)

Jaime Che (Executive Director)

Michael Bogue (Managing Director and Chief Executive Officer – appointed 4 September 2006)

Principal Activities

The principal activities of the RIMCapital Group during the half-year end 31 December 2006 consisted of:

- Investment in shares of companies listed on the ASX, primarily resources industry related
- Investment in a 50:50 joint venture company, CRMSC (Australia) Pty Limited, with a subsidiary of China Railway Materials Commercial Corporation (formerly China Railway Materials & Supplies Corporation). This joint venture company is in the business of seeking investment opportunities in the Australian resources industry, investments and commodities trading, import and export of mineral resources, railway transportation materials and related products. During the half year ended 31 December 2006, CRMSC (Australia) Pty Limited principal activity related to investments in the Australian resources sector.
- Investment of cash on deposit

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 shares in entities listed on recognised Stock Exchanges and in cash on term deposits.

The net amount of the profit of the economic entity for the half year after income tax was \$150,225 (2005: loss \$180,646). The company's 50% investment in the Joint Venture with China Railway Materials Commercial Corporation continues to seek business investment opportunities in the mining and railway sectors in Australia and South East Asia region.

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

DIRECTORS' REPORT
(continued)

Auditor's Independence Declaration

The lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3 and forms part of the directors' report for the half year ended 31 December 2006.

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



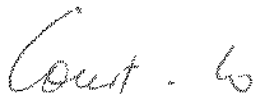
Robert M Willcocks
Chairman

Sydney
23 February 2007

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of RIMCapital Limited for the half-year ended 31 December 2006, 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



Stephen Rogers
Partner

23 February 2007

Half year ended 31 December 2006

**CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

	Note	Dec 2006 \$	Dec 2005 \$
Revenue from continuing operations	2	413,462	373,410
Service delivery		-	(3,134)
Administration		(246,238)	(103,616)
Marketing		-	(18,827)
Occupancy		(29,480)	(38,315)
Salaries and employee costs		(194,783)	(81,181)
Depreciation and amortisation expenses		(2,199)	(6,255)
Unrealised gain in investments		495,544	55,000
Realised/unrealised foreign exchange gain/(loss)		52,744	(77,805)
Cost of investments sold		(228,344)	(332,661)
Joint venture partnership profits		46,899	(1,594)
Other expenses from ordinary activities		-	45,843
Profit (Loss) before income tax		307,605	(189,135)
Income tax (expense) benefit		(157,380)	8,489
Profit (Loss) from continuing operations		150,225	(180,646)
Profit (Loss) attributable to members of RIMCapital Limited		150,225	(180,646)
Basic earnings per share		0.17 ¢	(0.21) ¢
Diluted earnings per share		0.17 ¢	(0.21) ¢

The accompanying notes form part of these financial statements.

Half year ended 31 December 2006

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2006**

	Dec 2006 \$	Jun 2006 \$
Current assets		
Cash & cash equivalents	670,705	2,594,750
Receivables	211,204	173,213
Other financial assets at fair value through profit or loss	4,384,500	2,260,500
Total current assets	5,266,409	5,028,463
Non-current assets		
Receivables	-	6,467
Investments accounted for using the equity method	1,244,752	1,197,853
Property, plant & equipment	33,473	31,649
	1,278,225	1,235,969
TOTAL ASSETS	6,544,634	6,264,432
Current liabilities		
Trade and other payables	37,076	19,700
Current tax liabilities	-	-
Provisions	11,019	1,337
Total current liabilities	48,095	21,037
Non-current liabilities		
Deferred tax liabilities	344,206	186,826
Total non-current liabilities	344,206	186,826
TOTAL LIABILITIES	392,301	207,863
NET ASSETS	6,152,333	6,056,569
Equity		
Contributed equity	14,461,788	14,461,788
Reserves	(69,975)	(15,514)
Accumulated losses	(8,239,480)	(8,389,705)
TOTAL EQUITY	6,152,333	6,056,569

The accompanying notes form part of these financial statements.

Half year ended 31 December 2006

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

	Dec 2006 \$	Dec 2005 \$
Total equity at the beginning of the half year	6,056,569	6,193,690
Exchange differences on translation of foreign operations	(54,461)	77,193
Net income recognised directly in equity	6,002,108	6,270,883
Profit (Loss) for the half-year	150,225	(180,646)
Total recognised income and expense	6,152,333	6,090,237
Minority interest on deconsolidation	-	-
TOTAL EQUITY	6,152,333	6,090,237

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

	Dec 2006 \$	Dec 2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	25,889	22,752
Payments to suppliers, employees and creditors (inclusive of goods and services tax)	(456,233)	(216,304)
Interest received	29,672	166,797
Income tax paid	-	(49,446)
Net cash (outflow)/inflow from operating activities	(400,672)	(76,201)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant & equipment	(4,033)	(252)
Proceeds from sale of controlled entity, net of cash disposed	-	-
Payments for investments	(1,856,800)	(492,408)
Proceeds from sale of investments	338,480	306,794
Security deposits (lodged)/repaid	-	-
Loans to third parties	-	-
Net cash outflow from investing activities	(1,522,353)	(185,866)
NET DECREASE IN CASH HELD	(1,923,025)	(262,067)
Cash and cash equivalents at the beginning of the half-year	2,594,750	4,273,970
Effects of exchange rates changes on cash and cash equivalents	(1,020)	81,218
Cash and cash equivalents at the end of the half-year	670,705	4,093,121

The accompanying notes form part of these financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

Note 1. Summary of significant accounting policies

This general purpose financial report for the interim half year reporting period ended 31 December 2006 has been prepared in accordance with the Accounting Standard AASB 134 *Interim Financial Reporting* 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 2006 and any public announcements made by RIMCapital Limited during the interim reporting period with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Note 2. Segment information

Primary reporting – business segments

	Segment Revenues		Segment Results	
	Dec 2006	Dec 2005	Dec 2006	Dec 2005
	\$	\$	\$	\$
Investments holding	375,824	394,854	307,605	(189,135)
Other	37,638	(21,444)	-	-
	<u>413,462</u>	<u>373,410</u>	<u>307,605</u>	<u>(189,135)</u>
Profit (Loss) before income tax			307,605	(189,135)
Income tax (expense) benefit			<u>(157,380)</u>	<u>8,489</u>
Profit (Loss) after income tax			<u>150,225</u>	<u>(180,646)</u>

Note 3. Contingent liabilities

As noted in the 2006 Annual Report, a claim has been made against Barton Capital Securities Pty Ltd (in Liquidation) 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

Note 4. Tax Consolidation Legislation

RIMCapital Limited and its wholly-owned Australian subsidiaries have implemented the tax consolidation legislation. While a tax sharing agreement has not been entered into, the implications of doing so are currently being investigated. A tax sharing agreement would not be expected to have a material impact on the consolidated results, assets and liabilities.

DIRECTORS' DECLARATION

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

- (a) the financial statements and notes set out on pages 4 to 8 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2006 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
23 February 2007

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF RIM CAPITAL LIMITED**

Report on the Financial Report

We have reviewed the accompanying interim financial report of RIM Capital Limited which comprises the consolidated interim balance sheet as at 31 December 2006, income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, accompanying notes (1 to 4) and the directors' declaration (set out on pages 4 to 9) of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the interim 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 interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of RIM Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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.

Statement of Independence

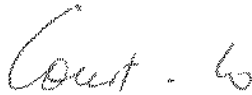
In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

**INDEPENDENT AUDITORS' REVIEW REPORT
TO MEMBERS OF RIM CAPITAL LIMITED
(Continued)**

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of RIM Capital Limited 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 December 2006 and of its performance for the half-year ended on that date; and
- b complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



Nexia Court & Co
Chartered Accountants

Sydney
23 February 2007



Stephen Rogers
Partner