

Monday, 17 April 2006

MARKET ANNOUNCEMENT

Net Tangible Asset Backing - 31 March 2006

Month Ending:	%Change	Current Month 31 March 2006	Previous Month 28 February 2006
Pre-Tax NTA Backing per share (cents) ⁽¹⁾	+2.33%	99.31	97.00
Post-Tax NTA Backing per share (cents) ⁽³⁾	+0.36%	93.91	93.58
Based on total issued share capital		18,828,253	18,828,253

The current month NTA backing includes a provision for a 2.4 cents per share (50% franked) dividend announced on 15 March 2006. The record date for such dividend was 11 April 2006 with payment to be effected on 26 April 2006.

The NTA position (post-tax) comprises the following items:

Net Assets	Current Month \$'millions	Previous Month \$'millions
Investment in the FSP Equities Leaders' Fund (FSP Fund) managed by the Company's investment manager, FSP Equities Management Limited (FSP) ⁽¹⁾	17.15	16.50
Shares in Drillsearch Energy Limited (DLS) ⁽⁴⁾	1.87	1.60
Provision for dividend ⁽²⁾	(0.45)	-
Provision for income tax ⁽³⁾	(1.02)	(0.64)
Net cash on deposit / other assets	0.13	0.16
Total Net Assets	17.68	17.62

About The FSP Equities Leaders' Fund (FSP Fund) ⁽⁵⁾

The FSP Fund is a wholesale fund not open to retail investors. The investment management team is led by Mr Ronni Chalmers. The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium term. There is no minimum equity weighting with the equity weighting as at 31 December 2005 being 94% with the balance in cash and listed fixed interest securities. 75% of the equity portfolio is targeted to companies contained within the S&P/ASX 200 index. The remaining 25% of the portfolio is invested in companies outside of the S&P/ASX 200 index. The equity portfolio contains approximately 100 holdings. The cash component of the portfolio will contain other listed fixed interest holdings that include preference shares, convertible notes or hybrid securities. The Investment Manager is style neutral and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

ABN 58 061 287 045

Registered Office:

Suite 202, Angela House
 30-36 Bay Street
 Double Bay New South Wales 2028
 T | (02) 9363 5088
 F | (02) 9363 5488
 E | info@scarborougequities.com.au
 W | www.scarborougequities.com.au

ASX Code: SCB



Company Secretarial Office:

Level 14, The Forrest Centre
 221 St Georges Terrace
 Perth, Western Australia 6000
 Local T | 1300 762 678
 T | (08) 9214 9717
 F | (08) 9322 1515
 E | info@scarborougequities.com.au

Notes:

1. NTA backing is calculated for SCB and its controlled entities (**SCB Group**).

The SCB Group's investments are financial assets which are measured at fair value at month end. The fair value of listed securities are measured at bid price (where available) and last sale price (where bid price is not available) at month end and excludes disposal costs. The fair value of the Company's investment in the FSP Fund is valued at the unit price at month end published by FSP - such unit price reflects the net tangible asset backing of the fund and no buy/sell spread or exit fees are charged to the Company.

2. On 15 March 2006, the Directors announced the declaration of a dividend of 2.4 cents (or \$0.024) per share (50% franked) in respect of net profits derived for the half year ended 31 December 2005. The record date was 11 April 2006 with payment to be effected on 26 April 2005.
3. The post-tax NTA backing per share is reported net of provision for tax liabilities on the SCB Group's net profit (including after any realised and unrealised gains on investments) after consolidation.
4. 20,788,016 DLS shares at 9.0 cents each as at 31 March 2006 (28 February 2006: 20,788,016 shares at 7.7 cents each).
5. Based on information provided by the Investment Manager, FSP Equities Management Limited.

For further information:

Farooq Khan
Chairman
T | 1300 762 678
E | fkhan@scarboroughequities.com.au

Christopher Ryan
Director
T | (02) 9363 5088
E | c.ryan@westchester.com.au