

MARKET ANNOUNCEMENT

Net Tangible Asset Backing - 28 February 2007

Month Ending:	%Change	Current Month 28 February 2007	Previous Month 31 January 2007
Pre-Tax NTA Backing per share ⁽¹⁾	-1.08%	\$1.1976	\$1.2106
Post-Tax NTA Backing per share ⁽²⁾	-1.28%	\$1.0902	\$1.1042
Based on total issued share capital		19,316,177	19,316,177

On 8 March 2007, the Company paid a 2.4 cents per share fully franked interim dividend totalling \$463,588. The current month NTA backing above is net of a provision for this interim dividend payment.

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⁾	20.11	20.07
Shares in Drillsearch Energy Limited (DLS) ⁽³⁾	2.91	3.15
Provision for dividend ⁽⁵⁾	(0.46)	
Provision for income tax ⁽²⁾	(2.07)	(2.06)
Net cash on deposit / other assets	0.57	0.17
Total Net Assets	21.06	21.33

About The FSP Equities Leaders' Fund (FSP Fund) ⁽⁴⁾

The 12 month net performance of the FSP Fund to 28 February 2007 was 34.7%. The benchmark performance (S&P/ASX 200 Accumulation Index) was 23.5%.

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 2006 being 100%.

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@scarboroughequities.com.au
W | www.scarboroughequities.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@scarboroughequities.com.au

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 equity portfolio contains approximately 100 holdings. The Investment Manager is "style neutral" and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

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. 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.
3. 23,300,000 DLS shares at 12.5 cents each as at 28 February 2007 (31 January: 23,300,000 shares at 13.5 cents each).
4. Based on information provided by the Investment Manager, FSP Equities Management Limited.
5. On 8 March 2007, the Company paid a 2.4 cents per share (fully franked) interim dividend comprising:
 - (a) \$381,246 cash dividend payments; and
 - (b) 83,494 shares issued pursuant to participation under the Company's Dividend Reinvestment Plan (DRP). The DRP issue price was 98.4 cents per share, being a 2.5% discount to the Company's volume weighted average price on ASX in the 5 day period up to and including the dividend record date (1 March 2007).

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