

# Rivkin Financial Services Limited – Half Year Results Announcement

On behalf of your board of directors it is with great pleasure that I present the financial results and review of operations for Rivkin Financial Services Limited (“RFS”) for the half-year ended 31 December 2003.

## Financial Highlights

Net profit after tax was up 921 % for the period to \$ 4.186 m.

Operating profit before tax for the first half was \$ 5.511 million dollars. This represents an increase of over \$5.1 M against the previous corresponding period.

Brokerage revenues in the firm’s main operating division were up 40 % in comparison to the same period last year, whilst operating costs remain tightly controlled and have risen by only 20 % in the same period, primarily being variable costs associated with the firm’s increased volume of transactions.

The remaining holding in Rebel Sport Limited was sold in July of this year delivering a pre-tax gain of \$ 4.4 m.

In November 2003, Rivkin Financial Services Limited declared an interim dividend of 1 cent fully franked which was distributed to shareholders in January 2004.

Rivkin Discount Stockbroking Pty Ltd (“RDS”) is the firm’s main operating subsidiary providing execution only stockbroking services in all ASX traded products and Exchange Traded Options. RDS employs 30 staff in 4 states and headcount has remained stable despite increased transaction levels over the last six months. The firm continues to grow its active account base as clients switch to RDS to take advantage of our low cost professional execution services both via the internet and over the telephone. RDS remains committed to providing an excellent low cost service to our clients and in most circumstances our brokerage rates are the cheapest in the market.

### Investment Portfolio.

RFS continues to actively manage its investment portfolio via its subsidiary Rivkin Investments Pty Limited. Rivkin Investments maintains a portfolio of between 20 and 25 stocks diversifying risk by investing in a range of industry sectors. The company is constantly searching for short, medium and long term trading opportunities. It aims to outperform the rest of the market by identifying securities that are over-valued or under-valued at any point in time.

## January to June 2004

The directors look forward to the continued growth in profitability of Rivkin Discount Stockbroking accompanied by solid returns from its investment portfolio. We remain very optimistic that a record result will be delivered for the full financial year.

Jordan Rivkin  
Chairman  
Rivkin Financial Services Limited  
30 January 2004

Rules 4.1, 4.3

# Appendix 4D

## Half yearly/~~preliminary~~ final report

Introduced 30/6/2002.

Name of entity

RIVKIN FINANCIAL SERVICES LIMITED

ABN or equivalent company reference

58 061 287 045

Half yearly  
(tick)



Preliminary  
final (tick)



Half year/~~Financial year~~ ended ('current period')

31 DECEMBER 2003

### For announcement to the market

*Extracts from this report for announcement to the market (see note 1).*

\$A'000

Revenues from ordinary activities ( <i>item 1.1</i> )	down	27 %	to	33,608
Profit (loss) from ordinary activities after tax attributable to members ( <i>item 1.22</i> )	up	921 %	to	4,186
Profit (loss) from extraordinary items after tax attributable to members ( <i>item 2.5(d)</i> )	gain (loss) of			-
Net profit (loss) for the period attributable to members ( <i>item 1.11</i> )	up	921 %	to	4,186
<b>Dividends (distributions)</b>	Amount per security		Franked amount per security	
Final dividend ( <i>Preliminary final report only - item 15.4</i> ) Interim dividend ( <i>Half yearly report only - item 15.6</i> )	1 cent		100 %	
Previous corresponding period ( <i>Preliminary final report - item 15.5; half yearly report - item 15.7</i> )	Nil		N/A	
+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) ( <i>see item 15.2</i> )		23 December 2003		
Brief explanation of any of the figures reported above (see Note 1) and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

**If this is a half yearly report it is to be read in conjunction with the most recent annual financial report.**

+ See chapter 19 for defined terms.

## Condensed consolidated statement of financial performance

	Current period \$A'000	Previous corresponding period \$A'000
1.1 Revenues from ordinary activities ( <i>see items 1.23 -1.25</i> )	33,608	45,790
1.2 Expenses from ordinary activities ( <i>see items 1.26 &amp; 1.27</i> )	(28,097)	(45,380)
1.3 Borrowing costs	-	-
1.4 Share of net profits (losses) of associates and joint venture entities ( <i>see item 16.7</i> )	-	-
<b>1.5 Profit (loss) from ordinary activities before tax</b>	<b>5,511</b>	<b>410</b>
1.6 Income tax on ordinary activities ( <i>see note 4</i> )	<b>(1,325)</b>	-
<b>1.7 Profit (loss) from ordinary activities after tax</b>	<b>4,186</b>	<b>410</b>
1.8 Profit (loss) from extraordinary items after tax ( <i>see item 2.5</i> )	-	-
<b>1.9 Net profit (loss)</b>	<b>4,186</b>	<b>410</b>
1.10 Net profit (loss) attributable to outside <sup>+</sup> equity interests	-	-
<b>1.11 Net profit (loss) for the period attributable to members</b>	<b>4,186</b>	<b>410</b>
<b>Non-owner transaction changes in equity</b>		
1.12 Increase (decrease) in revaluation reserves	-	-
1.13 Net exchange differences recognised in equity	-	-
1.14 Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
1.15 Initial adjustments from UIG transitional provisions	-	-
1.16 Total transactions and adjustments recognised directly in equity (items 1.12 to 1.15)	-	-
<b>1.17 Total changes in equity not resulting from transactions with owners as owners</b>	<b>4,186</b>	<b>410</b>
<b>Earnings per security (EPS)</b>	Current period	Previous corresponding period
1.18 Basic EPS	4.6 cents	0.4 cents
1.19 Diluted EPS	4.5 cents	0.4 cents

+ See chapter 19 for defined terms.

## Notes to the condensed consolidated statement of financial performance

### Profit (loss) from ordinary activities attributable to members

	Current period \$A'000	Previous corresponding period \$A'000
1.20 Profit (loss) from ordinary activities after tax ( <i>item 1.7</i> )	4,186	410
1.21 Less (plus) outside <sup>+</sup> equity interests	-	-
<b>1.22 Profit (loss) from ordinary activities after tax, attributable to members</b>	<b>4,186</b>	<b>410</b>

### Revenue and expenses from ordinary activities

(*see note 15*)

	Current period \$A'000	Previous corresponding period \$A'000
1.23 Revenue from sales or services		
- brokerage revenue	3,706	2,603
- revenue from sale of investments	29,548	43,414
1.24 Interest revenue	226	76
1.25 Other relevant revenue		
- dividend revenue	31	191
- unrealised gains on investments	-	-
- other	97	154
1.26 Details of relevant expenses		
- cost of disposal of investments	(24,567)	(42,545)
- employee benefits expenses	(1,537)	(1,342)
- administration and other expenses	(1,735)	(1,338)
- amortisation of goodwill	(50)	(50)
- unrealised losses on investments	(125)	(648)
1.27 Depreciation and amortisation excluding amortisation of intangibles ( <i>see item 2.3</i> )	(83)	(105)
<b>Capitalised outlays</b>		
1.28 Interest costs capitalised in asset values	-	-
1.29 Outlays capitalised in intangibles (unless arising from an <sup>+</sup> acquisition of a business)	-	-

+ See chapter 19 for defined terms.

### Consolidated retained profits

	Current period \$A'000	Previous corresponding period \$A'000
1.30 Retained profits (accumulated losses) at the beginning of the financial period	(3,376)	(3,326)
1.31 Net profit (loss) attributable to members ( <i>item 1.11</i> )	4,186	410
1.32 Net transfers from (to) reserves: - mining exploration and evaluation expenditure written off against issued capital	-	-
1.33 Net effect of changes in accounting policies	-	-
1.34 Dividends and other equity distributions paid or payable	(920)	-
<b>1.35 Retained profits (accumulated losses) at end of financial period</b>	<b>(110)</b>	<b>(2,916)</b>

### Intangible and extraordinary items

<i>Consolidated - current period</i>				
	Before tax \$A'000  (a)	Related tax \$A'000  (b)	Related outside +equity interests \$A'000 (c)	Amount (after tax) attributable to members \$A'000 (d)
2.1 Amortisation of goodwill	50	-	-	50
2.2 Amortisation of other intangibles	-	-	-	-
<b>2.3 Total amortisation of intangibles</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>50</b>
2.4 Extraordinary items (details)	-	-	-	-
<b>2.5 Total extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Comparison of half year profits

*(Preliminary final report only)*

	Current year \$A'000	Previous year \$A'000
3.1 Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year (item 1.22 in the half yearly report)	N/A	N/A
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	N/A	N/A

<b>Condensed consolidated statement of financial position</b>		At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
<b>Current assets</b>				
4.1	Cash	9,754	5,125	5,254
4.2	Receivables	13,327	20,004	10,619
4.3	Investments	10,299	4,302	6,259
4.4	Inventories	-	-	-
4.5	Tax assets	-	-	-
4.6	Other debtors and prepayments	268	158	362
<b>4.7</b>	<b>Total current assets</b>	<b>33,648</b>	<b>29,589</b>	<b>22,494</b>
<b>Non-current assets</b>				
4.8	Receivables	-	-	-
4.9	Investments (equity accounted)	-	-	-
4.10	Other investments	-	4,145	5,414
4.11	Inventories	-	-	-
4.12	Exploration and evaluation expenditure capitalised ( <i>see para .71 of AASB 1022</i> )	-	-	-
4.13	Development properties (+mining entities)	-	-	-
4.14	Other property, plant and equipment (net)	403	449	473
4.15	Intangibles (net)	1,783	1,833	1,884
4.16	Tax assets	-	-	-
4.17	Other (provide details if material)	-	-	-
<b>4.18</b>	<b>Total non-current assets</b>	<b>2,186</b>	<b>6,427</b>	<b>7,771</b>
<b>4.19</b>	<b>Total assets</b>	<b>35,834</b>	<b>36,016</b>	<b>30,265</b>
<b>Current liabilities</b>				
4.20	Payables	13,276	17,586	10,025
4.21	Interest bearing liabilities	-	-	-
4.22	Tax liabilities	1,321	-	-
4.23	Provisions exc. tax liabilities	135	135	115
4.24	Provision for dividend	920	1,379	-
<b>4.25</b>	<b>Total current liabilities</b>	<b>15,652</b>	<b>19,100</b>	<b>10,140</b>
<b>Non-current liabilities</b>				
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	-	-	-
4.28	Tax liabilities	-	-	-
4.29	Provisions exc. tax liabilities	-	-	-
4.30	Other (provide details if material)	-	-	-
<b>4.31</b>	<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4.32</b>	<b>Total liabilities</b>	<b>15,652</b>	<b>19,100</b>	<b>10,140</b>
<b>4.33</b>	<b>Net assets</b>	<b>20,182</b>	<b>16,916</b>	<b>20,125</b>

+ See chapter 19 for defined terms.

### Condensed consolidated statement of financial position (continued)

	<b>Equity</b>			
4.34	Capital/contributed equity	20,292	20,292	23,041
4.35	Reserves	-	-	-
4.36	Retained profits (accumulated losses)	(110)	(3,376)	(2,916)
<b>4.37</b>	<b>Equity attributable to members of the parent entity</b>	<b>20,182</b>	<b>16,916</b>	<b>20,125</b>
4.38	Outside <sup>+</sup> equity interests in controlled entities	-	-	-
<b>4.39</b>	<b>Total equity</b>	<b>20,182</b>	<b>16,916</b>	<b>20,125</b>
4.40	Preference capital included as part of 4.37	-	-	-

### Notes to the condensed consolidated statement of financial position

#### Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

	Current period \$A'000	Previous corresponding period \$A'000
5.1	Opening balance	-
5.2	Expenditure incurred during current period	5
5.3	Expenditure written off during current period	-
5.4	Acquisitions, disposals, revaluation increments, etc.	-
5.5	Expenditure transferred to Development Properties	-
<b>5.6</b>	<b>Closing balance as shown in the consolidated balance sheet (item 4.12)</b>	<b>5</b>

#### Development properties

(To be completed only by entities with mining interests if amounts are material)

	Current period \$A'000	Previous corresponding period \$A'000
6.1	Opening balance	-
6.2	Expenditure incurred during current period	-
6.3	Expenditure transferred from exploration and evaluation	-
6.4	Expenditure written off during current period	-
6.5	Acquisitions, disposals, revaluation increments, etc.	-
6.6	Expenditure transferred to mine properties	-
<b>6.7</b>	<b>Closing balance as shown in the consolidated balance sheet (item 4.13)</b>	<b>-</b>

+ See chapter 19 for defined terms.

### Condensed consolidated statement of cash flows

		Current period \$A'000	Previous corresponding period \$A'000
<b>Cash flows related to operating activities</b>			
7.1	Receipts from customers	3,814	2,676
7.2	Payments to suppliers and employees	(1,262)	(2,611)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	270	191
7.5	Interest and other items of similar nature received	226	76
7.6	Interest and other costs of finance paid	-	(1)
7.7	Income taxes paid	(5)	-
7.8a	Other – net payments for investments	(25,538)	(39,987)
7.8b	Other – proceeds from sale of investments and other income received	19,962	41,958
<b>7.9</b>	<b>Net operating cash flows</b>	<b>(2,533)</b>	<b>2,302</b>
<b>Cash flows related to investing activities</b>			
7.10	Payment for purchases of property, plant and equipment	(38)	(7)
7.11	Proceeds from sale of property, plant and equipment	-	-
7.12	Payment for purchases of equity investments	(1,007)	(975)
7.13	Proceeds from sale of equity investments	9,586	1,456
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other		
-	payments for exploration and evaluation of mining tenements	-	-
<b>7.17</b>	<b>Net investing cash flows</b>	<b>8,541</b>	<b>474</b>
<b>Cash flows related to financing activities</b>			
7.18	Proceeds from issues of <sup>+</sup> securities (shares, options, etc.)	-	-
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	-
7.21	Dividends paid	(1,379)	-
7.22	Other – share issue expenses	-	-
<b>7.23</b>	<b>Net financing cash flows</b>	<b>(1,379)</b>	<b>-</b>
<b>7.24</b>	<b>Net increase/(decrease) in cash held</b>	<b>4,629</b>	<b>2,776</b>
7.25	Cash at beginning of period (see <i>Reconciliation of cash</i> )	5,125	2,478
7.26	Exchange rate adjustments to item 7.25	-	-
<b>7.27</b>	<b>Cash at end of period</b> (see <i>Reconciliation of cash</i> )	<b>9,754</b>	<b>5,254</b>

+ See chapter 19 for defined terms.

## Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. (If an amount is quantified, show comparative amount.)

Not applicable.

## Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A'000	Previous corresponding period \$A'000
8.1 Cash on hand and at bank	4,158	2,094
8.2 Deposits at call	5,596	3,160
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
<b>8.5 Total cash at end of period (item 7.27)</b>	<b>9,754</b>	<b>5,254</b>

## Other notes to the condensed financial statements

Ratios	Current period	Previous corresponding period
9.1 <b>Profit before tax / revenue</b> Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	16.4%	0.9%
9.2 <b>Profit after tax / +equity interests</b> Consolidated net profit (loss) from ordinary activities after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 4.37)	20.8%	2.0%

## Earnings per security (EPS)

10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of AASB 1027: *Earnings Per Share* are as follows.

Earnings used in calculating basic EPS (1.11)	4,185,000
Interest earnings from potential ordinary shares	<u>31,000</u>
Earnings/(loss) used in calculating diluted EPS	<u>4,216,000</u>
Weighted average number of ordinary shares used as the denominator in calculating basic EPS	91,972,134
Potential ordinary shares on exercise of options	<u>2,781,000</u>
Weighted average number of ordinary shares and potential ordinary shares Used in calculating diluted EPS	<u>94,753,134</u>

<b>NTA backing</b> <i>(see note 7)</i>	Current period	Previous corresponding Period
11.1 Net tangible asset backing per <sup>+</sup> ordinary security	20.0 cents	17.9 cents

### Discontinuing Operations

*(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5 (g) of AASB 1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: Discontinuing Operations (see note 17).)*

#### 12.1 Discontinuing Operations

Not applicable.
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### Control gained over entities having material effect

13.1 Name of entity (or group of entities)	Not applicable.
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was <sup>+</sup> acquired	N/A
13.3 Date from which such profit has been calculated	N/A
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

### Loss of control of entities having material effect

14.1 Name of entity (or group of entities)	Not applicable.
14.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A
14.3 Date to which the profit (loss) in item 14.2 has been calculated	N/A
14.4 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A
14.5 Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	N/A

+ See chapter 19 for defined terms.

**Dividends (in the case of a trust, distributions)**

15.1 Date the dividend (distribution) is payable	5 January 2004
15.2 <sup>+</sup> Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if <sup>+</sup> securities are not <sup>+</sup> CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if <sup>+</sup> securities are <sup>+</sup> CHESS approved)	23 December 2003
15.3 If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	N/A

**Dividends (continued) - amount per security**

		Amount per security	Franked amount per security at 30% tax (see note 4)	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> <b>Final dividend:</b> Current year	Nil	N/A	N/A
15.5	Previous year	Nil	N/A	N/A
15.6	<i>(Half yearly and preliminary final reports)</i> <b>Interim dividend:</b> Current year	1 cent	100 %	-
15.7	Previous year	Nil	N/A	N/A

**Total dividend (distribution) per security (interim plus final)**

*(Preliminary final report only)*

	Current year	Previous year
15.8 <sup>+</sup> Ordinary securities	N/A	N/A
15.9 Preference <sup>+</sup> securities	N/A	N/A

**Half yearly report - interim dividend (distribution) on all securities or**

**Preliminary final report - final dividend (distribution) on all securities**

	Current period \$A'000	Previous corresponding period \$A'000
15.10 <sup>+</sup> Ordinary securities <i>(each class separately)</i>	920	-
15.11 Preference <sup>+</sup> securities <i>(each class separately)</i>	-	-
15.12 Other equity instruments <i>(each class separately)</i>	-	-
<b>15.13 Total</b>	<b>920</b>	<b>Nil</b>

+ See chapter 19 for defined terms.

The +dividend or distribution plans shown below are in operation.

Not applicable.
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The last date(s) for receipt of election notices for the +dividend or distribution plans

N/A
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Any other disclosures in relation to dividends (distributions). *(For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting)*

Not applicable.
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### **Details of aggregate share of profits (losses) of associates and joint venture entities**

<b>Group's share of associates' and joint venture entities':</b>	Current period \$A'000	Previous corresponding period \$A'000
16.1 Profit (loss) from ordinary activities before tax	-	-
16.2 Income tax on ordinary activities	-	-
<b>16.3 Profit (loss) from ordinary activities after tax</b>	<b>-</b>	<b>-</b>
16.4 Extraordinary items net of tax	-	-
<b>16.5 Net profit (loss)</b>	<b>-</b>	<b>-</b>
16.6 Adjustments	-	-
<b>16.7 Share of net profit (loss) of associates and joint venture entities</b>	<b>-</b>	<b>-</b>

+ See chapter 19 for defined terms.

**Material interests in entities which are not controlled entities**

The economic entity has an interest (that is material to it) in the following entities. *(If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition (“from dd/mm/yy”) or disposal (“to dd/mm/yy”).)*

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) <i>(item 1.9)</i>	
	Current Period %	Previous corresponding period %	Current period \$A'000	Previous corresponding period \$A'000
<b>17.1 Equity accounted associates and joint venture entities</b>				
N/A				
<b>17.2 Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
17.3 Other material interests				
N/A				
<b>17.4 Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

+ See chapter 19 for defined terms.

### Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates)

Category of <sup>+</sup> securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
<b>18.1 Preference <sup>+</sup>securities</b> (description)				
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
<b>18.3 <sup>+</sup>Ordinary securities</b>	91,972,134	91,972,134		
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	-	-	-	-
	-	-	-	-
<b>18.5 <sup>+</sup>Convertible debt securities</b> (description and conversion factor)				
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				
<b>18.7 Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date (if any)</i>
Options over unissued ordinary shares	2,781,000	Nil	40	23/7/2007
18.8 Issued during current period	-	-		
18.9 Exercised during current period	-	-		
18.10 Expired during current period	2,850,000	Nil	40	1/7/2003
<b>18.11 Debentures</b> (description)				
18.12 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				
<b>18.13 Unsecured notes</b> (description)				
18.14 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

## Segment reporting – Refer Appendix 2

(Information on the business and geographical segments of the entity must be reported for the current period in accordance with AASB 1005: *Segment Reporting* and for half year reports, AASB 1029: *Interim Financial Reporting*. Because entities employ different structures a pro forma cannot be provided. Segment information in the layout employed in the entity's <sup>+</sup>accounts should be reported separately and attached to this report.)

## Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB 1029: *Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

## Basis of financial report preparation

19.1 *If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Interim Financial Reporting. It should be read in conjunction with the last <sup>+</sup>annual report and any announcements to the market made by the entity during the period. The financial statements in this report are "condensed financial statements" as defined in AASB 1029: Interim Financial Reporting. This report does not include all the notes of the type normally included in an annual financial report. [Delete if preliminary final report.]*

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

The profit before tax of \$5,511K includes the profit on the sale of all remaining shares in Rebel Sports Limited in July 2003 - which were held as a non-current asset – of \$4,434K.

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

No matter or circumstance has arisen in the interval between the end of the financial half-year and the date of this report that has affected, or may significantly affect:

- (a) the consolidated entity's operations in future financial years; or
- (b) the results of those operations in future financial years; or
- (c) the consolidated entity's state of affairs in future financial years.

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

The Directors believe that the Company will be able maintain payment of fully franked dividends during the next twelve months at least equal to the current dividend .  
The balance of the franking account for the consolidated entity at 31 December 2003 was \$361K (31 December 2002: \$406K).

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<sup>+</sup> See chapter 19 for defined terms.

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB 1029: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB 1001: Accounting Policies-Disclosure*).

Not applicable.

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

Not applicable.

19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last + annual report.

Not applicable.

### **Additional disclosure for trusts**

20.1 Number of units held by the management company or responsible entity or their related parties.

N/A

20.2 A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- initial service charges
- management fees
- other fees

N/A

## Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the <sup>+</sup>annual report will be available


## Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used

Not applicable.

- 2 This report, and the <sup>+</sup>accounts upon which the report is based (if separate), use the same accounting policies.

- 3 This report does/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed (see note 2).

- 4 This report is based on <sup>+</sup>accounts to which one of the following applies.

(Tick one)

The <sup>+</sup>accounts have been audited.

The <sup>+</sup>accounts have been subject to review.

The <sup>+</sup>accounts are in the process of being audited or subject to review.

The <sup>+</sup>accounts have *not* yet been audited or reviewed.

- 5 If the audit report or review by the auditor is not attached, details of any qualifications ~~are attached~~/will follow immediately they are available\* (*delete one*). (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.*)

- 6 The entity has/~~does not have~~\* (*delete one*) a formally constituted audit committee.

Sign here:



Chairman

Date: 30 January 2004

Print name: Jordan Rivkin

## Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. Entities are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.
2. **True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.
3. **Condensed consolidated statement of financial performance**
  - Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of Financial Performance*.
  - Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franked amount per security at % tax" for items 15.4 to 15.7.
5. **Condensed consolidated statement of financial position**

**Format** The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Interim Financial Reporting*, and *AASB 1040: Statement of Financial Position*. Also, banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

**Basis of revaluation** If there has been a material revaluation of non-current assets (including investments) since the last <sup>+</sup>annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.
6. **Condensed consolidated statement of cash flows** For definitions of "cash" and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. <sup>+</sup>Mining exploration entities may use the form of cash flow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the <sup>+</sup>ordinary securities (ie, all liabilities, preference shares, outside <sup>+</sup>equity interests etc). <sup>+</sup>Mining entities are *not* required to state a net tangible asset backing per <sup>+</sup>ordinary security.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the <sup>+</sup>accounts. Details must include the contribution for each gain or loss that increased or decreased the entity's consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

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<sup>+</sup> See chapter 19 for defined terms.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. If an entity reports exact figures, the \$A'000 headings must be amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, and the \$A'000 headings must be amended.
10. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 1018* or *AASB 1029 Interim Financial Reporting* as appropriate and are the unadjusted figures from the latest annual or half year report as appropriate. However, if an adjustment has been made in accordance with an accounting standard or other reason or if there is a lack of comparability, a note explaining the position should be attached. For the statement of financial performance, *AASB 1029 Interim Financial Reporting* requires information on a year to date basis in addition to the current interim period. Normally an Appendix 4B to which *AASB 1029 Interim Financial Reporting* applies would be for the half year and consequently the information in the current period is also the year to date. If an Appendix 4B Half yearly version is produced for an additional interim period (eg because of a change of reporting period), the entity must provide the year to date information and comparatives required by *AASB 1029 Interim Financial Reporting*. This should be in the form of a multi-column version of the consolidated statement of financial performance as an attachment to the additional Appendix 4B.
11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the <sup>+</sup>ASIC under the Corporations Act must also be given to ASX. For example, a director's report and declaration, if lodged with the <sup>+</sup>ASIC, must be given to ASX.
12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.
13. **Corporations Act financial statements** This report may be able to be used by an entity required to comply with the Corporations Act as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Details of expenses** *AASB 1018* requires disclosure of expenses from ordinary activities according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by ASX. *AASB ED 105* clarifies that the disclosures required by *AASB 1018* must be either *all* according to nature or *all* according to function. Entities must disclose details of expenses using the layout (by nature or function) employed in their <sup>+</sup>accounts.

The information in lines 1.23 to 1.27 may be provided in an attachment to Appendix 4B.

**Relevant Items** *AASB 1018* requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term "relevance" is defined in *AASB 1018*. There is an equivalent requirement in *AASB 1029: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by ASX.

16. **Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.
17. **Discontinuing operations**

Half yearly report

All entities must provide the information required in paragraph 12 for half years beginning on or after 1 July 2001.

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<sup>+</sup> See chapter 19 for defined terms.

Preliminary final report

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of *AASB 1029: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their <sup>+</sup>accounts in accordance with *AASB 1042 Discontinuing Operations*.

In any case the information may be provided as an attachment to this Appendix 4B.

**18. Format**

This form is a Word document but an entity can re-format the document into Excel or similar applications for submission to the Companies Announcements Office in ASX.

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<sup>+</sup> See chapter 19 for defined terms.

APPENDIX 1

**RIVKIN FINANCIAL SERVICES LIMITED**

**Income Tax Expense Reconciliation  
for the half-year ended 31 December 2003**

The aggregate amount of income tax attributable to the financial period differs from the amount of prima facie income tax on the operating profit before income tax.

	<b>Consolidated</b>	
	<b>2003</b>	<b>2002</b>
	<b>\$'000</b>	<b>\$'000</b>
The differences are reconciled as follows:		
Prima facie income tax expense attributable on the operating profit at 30% (2002: 30%)	1,653	123
Tax effect of permanent differences:		
Non-deductible amortisation of goodwill	15	15
Non-deductible exploration and evaluation expenditure written off	-	1
Other non-deductible expenses	1	12
Rebateable dividend income	(9)	(56)
	1,660	95
Tax effect of timing differences not brought to account:		
Interest income receivable	-	8
Unrealised (gains)/losses on investments	(222)	105
Provision for Doubtful Debts	(60)	-
Accrued expenses	(16)	(16)
Capital expenditure items	(19)	(14)
	(317)	83
Taxable income for the year	1,343	178
Tax losses recouped	(18)	(192)
Future income tax benefit relating to tax losses not recorded	-	14
Income Tax Expense	1,325	-
Future income tax benefits not brought to account, the benefits of which will only be realised if the conditions imposed for deductibility set out below occur:		
Timing differences	273	499
Tax losses	-	443
	273	942

The amount of benefits that may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the consolidated entity will derive future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**APPENDIX 2**

**RIVKIN FINANCIAL SERVICES LIMITED**

**Segment Information  
for the half-year ended 31 December 2003**

	<b>Total Revenue</b>		<b>Profit/(Loss) from Ordinary Activities after Tax</b>		<b>Total Assets</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Industry Segments:</b>						
Financial Services						
- External customers	33,608	45,790	4,186	410	35,834	30,265
<b>(b) Geographic Segments:</b>						
Australia						
- External customers	33,608	45,790	4,186	410	35,834	30,265

No transactions occurred between segments during the year.

**RIVKIN FINANCIAL SERVICES LIMITED  
AND CONTROLLED ENTITIES  
A.C.N. 061 287 045**

**DIRECTORS' REPORT**

The Directors present their report on the economic entity consisting of Rivkin Financial Services Limited (the "Company") and its controlled entities for the half-year ended 31 December 2003.

**DIRECTORS**

The following persons were Directors of the Company at the date of this report and held office as Directors during the whole of the period :

<b>Names,</b>	<b>Qualifications and Experience</b>
Jordan Rivkin (Chairman)	Mr Jordan Rivkin (aged 29) was appointed as a Director on 5 May 2003. He has a Bachelor of Arts degree and is currently completing a Diploma in Financial Markets with the Securities Institute of Australia. He is a Director of Tarfaya Nominee Pty Ltd which publishes the Rivkin Report, and has been Editor of the Rivkin Report for the past 5 years and Managing Director for the past year. Mr. Rivkin has also written and had published a stock market book through Penguin Publications in 2001.
Shannon Rivkin	Mr Shannon Rivkin (aged 24) was appointed as a Director on 30 May 2003. He has had 3 years management experience in the hospitality industry. Mr Rivkin has a Diploma in Technology and is currently completing a Diploma in Financial Markets through the Securities Institute of Australia.
David Croll	Mr Croll (aged 36) was appointed as a Director on 30 May 2003. He is a qualified Chartered Accountant and holds a Bachelor of Business Degree from Curtin University in Western Australia. He has spent the last 10 years working in the financial services sector both in Australia and the United Kingdom. He is currently completing a Masters of Business and Technology through the University of New South Wales. Mr. Croll is also the Company Secretary of Rivkin Financial Services Limited.
Spiros Dassakis	Mr Dassakis (aged 35) has had 10 years experience in senior management positions within the hospitality industry. He is Group Operations Director of Rivkin Group Pty Limited, where he has worked for the past 5 years, and is responsible for the management of its diverse business portfolio.

**CHANGES TO DIRECTORSHIPS**

There have been no changes to the Directors during the period.

## **DIRECTORS' REPORT (Cont'd)**

### **PRINCIPAL ACTIVITIES**

The principal activities of the consolidated entity during the period continued to be :

- Provision of private client stockbroking services; and
- Holding of listed equity investments.

No significant changes in the nature of these activities occurred during the period.

### **REVIEW OF OPERATIONS**

The consolidated profit after income tax for the half - year attributable to members of the Company was \$4,186K (2002: \$410K).

During the period, the Group continued to develop its non-advisory, execution only discount stockbroking operation and actively traded its investment portfolio. The business performed to Directors' expectations.

### **DIVIDENDS**

A dividend of 1 cent fully franked (\$920K) in respect of the half - year ended 31 December 2003 has been declared and was paid on 5 January 2004. The final dividend of 1.5 cents unfranked (\$1,329K) for the year ended 30 June 2003 was paid on 2 July 2003.

### **STATE OF AFFAIRS**

In the opinion of the Directors there were no significant changes in the state of affairs of the economic entity that occurred during the half - year under review, not otherwise disclosed in this report or the financial report in the form of Appendix 4D.

### **MATTERS SUBSEQUENT TO THE END OF THE HALF YEAR**

No matter or circumstance has arisen since the end of the half - year that significantly affected, or may significantly affect, the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

### **OPTIONS**

No options have been granted during or since the end of the period and no shares have been issued by virtue of the exercise of an option during the period or to the date of this report. There are 2,781,000 unissued ordinary shares for which options are outstanding at the date of this report.

**DIRECTORS' REPORT (Cont'd)**

**DIRECTORS' MEETINGS**

During the period, 2 meetings of the Directors were held. Attendances were:

Name	Full Meetings		Audit Committee	
	To Attend	Eligible Attended	To Attend	Eligible Attended
J Rivkin	2	2	-	-
S Rivkin	2	2	-	-
S Dassakis	2	2	2	2
D Croll	2	2	-	-

Dated at Sydney this 30th day of January 2004.

Signed in accordance with a resolution of the Board of Directors:



J. Rivkin  
Chairman

**RIVKIN FINANCIAL SERVICES LIMITED**  
**A.C.N. 061 287 045**

**DIRECTORS' DECLARATION**

The Directors of the Company declare that:

1. the financial statements and notes set out in the attached ASX Appendix 4D:
  - (a) comply with Accounting Standards and the Corporations Act; and
  - (b) give a true and fair view of the financial position as at 31 December 2003 and performance for the half - year ended on that date of the Company and the consolidated entity;
2. in the Directors' opinion 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 Board of Directors.



J. Rivkin  
Chairman

Sydney  
30 January 2004

**Bob Miller & Co** ABN 62 260 275 146

CHARTERED ACCOUNTANT  
30 Clarence Street, Sydney, NSW 2000  
GPO Box 2003, Sydney, NSW 2001  
Phone: (02) 9299 6693 Facsimile: (02) 9262 1453  
E-mail: [bob\\_miller@iprimus.com.au](mailto:bob_miller@iprimus.com.au)

**INDEPENDENT REVIEW REPORT  
TO THE MEMBERS OF  
RIVKIN FINANCIAL SERVICES LIMITED**

We have reviewed the financial report of Rivkin Financial Services Limited in the form of Appendix 4D of the Australian Stock Exchange (ASX) Listing Rules, as set out for the half-year ended December 31, 2003.

The financial report includes the financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half-year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report 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 is not presented fairly in accordance with Accounting Standard AASB 1029 "Half Year Accounts and Consolidated Accounts" and other mandatory professional reporting requirements, statutory requirements and ASX Listing Rules as they relate to Appendix 4D, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to meet its obligations to lodge the financial report with the Australian Securities & Investments Commission and the ASX.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report, as defined in the scope section, of Rivkin Financial Services Limited is not in accordance with:

- (a) the Corporations Law, including:
- (i) giving a true and fair view of the consolidated entity's financial position as at December 31, 2003 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 1029 "Half-Year Accounts and Consolidated Accounts" and the Corporations regulations; and
- (b) other mandatory professional reporting requirements and ASX Listing Rules as they relate to Appendix 4D.

BOB MILLER & CO



January 30, 2004

bm:ab 0044