

Appendix 4B (rule 4.13(a))

Preliminary final report

Introduced 1/12/97. Origin: Appendices 3, 4. Amended 1/7/98, 1/9/99, 1/7/2000.

Name of entity

Protel International Limited

ACN, ARBN or ARSN

009 568 772

Half yearly
(tick)

Preliminary
final (tick)

Financial year ended ('current period')

30 June 2000

Equity accounted results for announcement to the market

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

\$A'000

Sales (or equivalent operating) revenue (item 1.1)	up	52%	to	32,325
Abnormal items after tax attributable to members (item 2.5)	gain (loss) of	-		-
+Operating profit (loss) after tax (before amortisation of goodwill) attributable to members (item 1.26)	up	128%	to	8,691
+Operating profit (loss) after tax attributable to members (item 1.10)	up	110%	to	8,018
Extraordinary items after tax attributable to members (item 1.13)	gain (loss) of	-		-
+Operating profit (loss) and extraordinary items after tax attributable to members (item 1.16)	up	110%	to	8,018
Dividends (distributions)		Amount per security		Franked amount per security at 36% tax
Final dividend (Preliminary final report only - item 15.4)				
Interim dividend (Half yearly report only - item 15.6)		6.0¢		6.0¢
Previous corresponding period (Preliminary final report - item 15.5; half yearly report - item 15.7)		1.0¢		1.0¢
+Record date for determining entitlements to the dividend, (see item 15.2)		15 September 2000		

+ See chapter 19 for defined terms.

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Consolidated profit and loss account

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Sales (or equivalent operating) revenue	32,325	21,294
1.3 Other revenue	1,583	321
1.4 +Operating profit (loss) before abnormal items and tax	11,240	5,535
1.5 Abnormal items before tax (detail in item 2.4)	-	(352)
1.6 +Operating profit (loss) before tax (items 1.4 + 1.5)	11,240	5,183
1.7 Less tax	(3,222)	(1,372)
1.8 +Operating profit (loss) after tax but before outside +equity interests	8,018	3,811
1.9 Less outside +equity interests	-	-
1.10 +Operating profit (loss) after tax attributable to members	8,018	3,811
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
1.12 Less outside +equity interests	-	-
1.13 Extraordinary items after tax attributable to members	-	-
1.14 Total +operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)	8,018	3,811
1.15 +Operating profit (loss) and extraordinary items after tax attributable to outside +equity interests (items 1.9 + 1.12)	-	-
1.16 +Operating profit (loss) and extraordinary items after tax attributable to members (items 1.10 + 1.13)	8,018	3,811
1.17 Retained profits (accumulated losses) at beginning of financial period	4,843	2,691
1.18 If change in accounting policy as set out in clause 11 of AASB 1018 Profit and Loss Accounts, adjustments as required by that clause (include brief description)	-	-
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total available for appropriation (carried forward)	12,861	6,502

+ See chapter 19 for defined terms.

Consolidated profit and loss account continued

1.20	Total available for appropriation (<i>brought forward</i>)	12,861	6,502
1.21	Dividends provided for or paid	-	(1,659)
1.22	Aggregate of amounts transferred to reserves	-	-
1.23	Retained profits (accumulated losses) at end of financial period	12,861	4,843

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
1.24 +Operating profit (loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill	8,691	3,811
1.25 Less (plus) outside +equity interests	-	-
1.26 +Operating profit (loss) after tax (before amortisation of goodwill) attributable to members	8,691	3,811

Intangible, abnormal and extraordinary items

	<i>Consolidated - current period</i>			
	Before tax \$A'000	Related tax \$A'000	Related outside +equity interests \$A'000	Amount (after tax) attributable to members \$A'000
2.1 Amortisation of goodwill	(673)	-	-	(673)
2.2 Amortisation of other intangibles	(1,059)	(304)	-	(755)
2.3 Total amortisation of intangibles	(1,732)	(304)	-	(1,428)
2.4 Abnormal items	-	-	-	-
2.5 Total abnormal items	-	-	-	-
2.6 Extraordinary items	-	-	-	-
2.7 Total extraordinary items	-	-	-	-

Comparison of half year profits

(Preliminary final report only)

	Current year - \$A'000	Previous year - \$A'000
3.1 Consolidated +operating profit after tax attributable to members reported for the 1st half year (item 1.10 in the half yearly report)	1,834	N/A
3.2 Consolidated +operating profit (loss) after tax attributable to members for the 2nd half year	6,184	N/A

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Consolidated balance sheet (See note 5)		At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
Current assets				
4.1	Cash	30,439	2,140	29,520
4.2	Receivables	8,203	3,292	3,777
4.3	Investments	-	-	-
4.4	Inventories	251	132	140
4.5	Other (provide details if material)	574	531	221
4.6	Total current assets	39,467	6,095	33,658
Non-current assets				
4.7	Receivables	-	-	-
4.8	Investments in associates	-	-	-
4.9	Other investments	-	-	-
4.10	Inventories	-	-	-
4.11	Exploration and evaluation expenditure capitalised	-	-	-
4.12	Development properties (+mining entities)	-	-	-
4.13	Other property, plant and equipment (net)	1,553	1,328	1,365
4.14	Intangibles (net)	43,688	8,371	8,491
4.15	Other (Future Income Tax Benefit)	3,824	524	694
4.16	Total non-current assets	49,065	10,223	10,550
4.17	Total assets	88,532	16,318	44,208
Current liabilities				
4.18	Accounts payable	3,853	1,390	1,188
4.19	Borrowings	566	7,712	1,373
4.20	Provisions	290	986	675
4.21	Other (Unearned Income & Deferred Revenue)	4,241	28	41
4.22	Total current liabilities	8,950	10,116	3,277
Non-current liabilities				
4.23	Accounts payable	-	-	-
4.24	Borrowings	236	552	268
4.25	Provisions	1,327	707	1,153
4.26	Other (provide details if material)	-	-	-
4.27	Total non-current liabilities	1,563	1,259	1,421
4.28	Total liabilities	10,513	11,375	4,698

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4.29	Net assets	78,019	4,943	39,510
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+ See chapter 19 for defined terms.

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Consolidated balance sheet continued

	Equity			
4.30	Capital	65,158	100	32,833
4.31	Reserves		-	-
4.32	Retained profits (accumulated losses)	12,861	4,843	6,677
4.33	Equity attributable to members of the parent entity	78,019	4,943	39,510
4.34	Outside *equity interests in controlled entities	-	-	-
4.35	Total equity	78,019	4,943	39,510
4.36	Preference capital included as part of 4.33	-	-	-

Exploration and evaluation expenditure capitalised

To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.

	Current period \$A'000	Previous corresponding period - \$A'000
5.1	Opening balance	N/A
5.2	Expenditure incurred during current period	N/A
5.3	Expenditure written off during current period	N/A
5.4	Acquisitions, disposals, revaluation increments, etc.	N/A
5.5	Expenditure transferred to Development Properties	N/A
5.6	Closing balance as shown in the consolidated balance sheet (item 4.11)	N/A

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	N/A
6.2	Expenditure incurred during current period	N/A
6.3	Expenditure transferred from exploration and evaluation	N/A
6.4	Expenditure written off during current period	N/A
6.5	Acquisitions, disposals, revaluation increments, etc.	N/A
6.6	Expenditure transferred to mine properties	N/A
6.7	Closing balance as shown in the consolidated balance sheet (item 4.12)	N/A

+ See chapter 19 for defined terms.

Consolidated statement of cash flows

(See note 6)

		Current period \$A'000	Previous corresponding period - \$A'000
Cash flows related to operating activities			
7.1	Receipts from customers	28,641	20,417
7.2	Payments to suppliers and employees	(20,431)	(15,961)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	993	31
7.6	Interest and other costs of finance paid	(142)	(190)
7.7	Income taxes paid	(1,436)	(1,225)
7.8	Other -income	-	172
7.9	Net operating cash flows	7,625	3,244
Cash flows related to investing activities			
7.10	Payment for purchases of property, plant and equipment	(919)	(412)
7.11	Proceeds from sale of property, plant and equipment	301	285
7.12	Payments for technology acquisitions and licenses	(102)	-
	Payments for purchase of controlled entity (net of cash acquired) - Accel Technologies, Inc.	(26,267)	-
	Payments for restructuring of acquired controlled entity	(2,872)	-
	Payments for purchase of controlled entity (net of cash acquired) - Metamor, Inc.	(6,493)	-
7.13	Proceeds from sale of equity investments	-	-
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material)	-	(3,263)
7.17	Net investing cash flows	(36,352)	(3,390)
Cash flows related to financing activities			
7.18	Proceeds from issues of *securities (shares, options, etc.)	63,000	-
7.19	Proceeds from borrowings	-	4,300
7.20	Repayment of borrowings	(3,527)	(697)
7.21	Dividends paid	-	(2,059)
7.22	Other (share issue transaction costs)	(2,449)	(580)
7.23	Net financing cash flows	57,024	964
7.24	Net increase (decrease) in cash held	28,297	818
7.25	Cash at beginning of period (see Reconciliation of cash)	2,140	1,322
7.26	Exchange rate adjustments to item 7.25	2	-

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7.27	Cash at end of period <i>(see Reconciliation of cash)</i>	30,439	2,140
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+ 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.

N/A

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	5,996	2,125
8.2 Deposits at call	24,443	15
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
8.5 Total cash at end of period (item 7.27)	30,439	2,140

Ratios	Current period	Previous corresponding period
9.1 Profit before abnormals and tax / sales Consolidated +operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	35%	26%
9.2 Profit after tax / +equity interests Consolidated +operating profit (loss) after tax attributable to members (item 1.10) as a percentage of equity (similarly attributable) at the end of the period (item 4.33)	10%	76%

Earnings per security (EPS)	Current period	Previous corresponding period
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per Share</i>	a) 12.8	(a) 8.6
(a) Basic EPS	(b) 11.6	(b) 7.8
(b) Diluted EPS (if materially different from (a))	(c) 62,828,033	(c) 44,400,000
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS		

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NTA backing <i>(see note 7)</i>	Current period	Previous corresponding period
11.1 Net tangible asset backing per +ordinary security	50cents	(8)cents

Details of specific receipts/outlays, revenues/ expenses

	Current period \$A'000	Previous corresponding period - \$A'000
12.1 Interest revenue included in determining item 1.4	993	31
12.2 Interest revenue included in item 12.1 but not yet received (if material)	-	-
12.3 Interest expense included in item 1.4 (include all forms of interest, lease finance charges, etc.)	(142)	(190)
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	-	-
12.5 Outlays (except those arising from the +acquisition of an existing business) capitalised in intangibles (if material)	(1,146)	(699)
12.6 Depreciation and amortisation (excluding amortisation of intangibles)	382	459

Control gained over entities having material effect

(See note 8)

13.1 Name of entity (or group of entities)	Accel Technologies, Inc
13.2 Consolidated +operating profit (loss) and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was +acquired	\$5,170,837
13.3 Date from which such profit has been calculated	14 January 2000
13.4 +Operating profit (loss) and extraordinary items after tax of the entity (or group of entities) for the whole of the previous corresponding period	\$ N/A

+ See chapter 19 for defined terms.

Loss of control of entities having material effect

(See note 8)

14.1	Name of entity (or group of entities)	-
14.2	Consolidated +operating profit (loss) and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	\$-
14.3	Date to which the profit (loss) in item 14.2 has been calculated	-
14.4	Consolidated +operating profit (loss) and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	\$-
14.5	Contribution to consolidated +operating profit (loss) and extraordinary items from sale of interest leading to loss of control	\$-

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 1005: Financial Reporting by Segments. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this report. However, the following is the presentation adopted in the Appendices to AASB 1005 and indicates which amounts should agree with items included elsewhere in this report.

Segments – Refer Attachment 1

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Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable

29 August 2000

15.2 +Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)

15 September 2000

15.3 If it is a final dividend, has it been declared?
(Preliminary final report only)

Yes

Amount per security

		Amount per security	Franked amount per security at 36% tax	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> Final dividend: Current year	6.0¢	6.0¢	-¢
15.5	Previous year	1.0¢	1.0¢	-¢
15.6	<i>(Half yearly and preliminary final reports)</i> Interim dividend: Current year	-¢	-¢	-¢
15.7	Previous year	2.7¢	2.7¢	-¢

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

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	6.0¢	3.7¢
15.9 Preference +securities	-¢	-¢

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

	Current period \$A'000	Previous corresponding Period - \$A'000
15.10 +Ordinary securities	-	459
15.11 Preference +securities	-	-
15.12 Total	-	459

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

The directors declared a dividend of 6c per share franked to 100% on 29 August 2000. The record date for entitlements will be 15 September 2000.

The last date(s) for receipt of election notices for the +dividend or distribution plans

N/A

+ See chapter 19 for defined terms.

Any other disclosures in relation to dividends (distributions)

None

Details of aggregate share of profits (losses) of associates

Entity's share of associates'		Current period	Previous corresponding
		\$A'000	period - \$A'000
16.1	Operating profit (loss) before income tax	N/A	N/A
16.2	Income tax expense	N/A	N/A
16.3	Operating profit (loss) after income tax	N/A	N/A
16.4	Extraordinary items net of tax	N/A	N/A
16.5	Net profit (loss)	N/A	N/A
16.6	Outside equity interests	N/A	N/A
16.7	Net profit (loss) attributable to members	N/A	N/A

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 xx/xx/xx") or disposal ("to xx/xx/xx").

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to *operating profit (loss) and extraordinary items after tax (item 1.14)	
	Current period	Previous corresponding period	Current period - \$A'000	Previous corresponding period- \$A'000
17.1 Equity accounted associates	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
17.2 Total	N/A	N/A	N/A	N/A
17.3 Other material interests	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
17.4 Total	N/A	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of +securities	Total number	Number quoted	Issue price per security (see note 15) (cents)	Amount paid up per security (see note 15) (cents)
18.1 Preference +securities <i>(description)</i>	-	-	-	-
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	(a) None (b) 2,263,157	- -	(a) - (b) 177	(a) - (b) 177
18.3 +Ordinary securities	68,753,587	68,753,587		
18.4 Changes during current period (a) Increases through issues Listing on ASX New issue from IPO Conversion, Microcode Note Conversion, Accolade Note Conversion, Pref. Shares Secondary Raising (b) Decreases through returns of capital, buybacks	(a) - 15,000,000 722,744 367,686 2,263,157 6,000,000 (b) none	(a) 44,400,000 15,000,000 722,744 367,686 2,263,157 6,000,000 (b) none	(a) - 200 70 150 177 550 (b) -	(a) - 200 70 150 177 550 (b) -
18.5 +Convertible debt securities <i>(description and conversion factor)</i>	None	-	-	-
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	(a) none (b) Decreases MicroCode Note 722,744 Accolade Note 367,686	- - - -	- 70 150	- 70 150
18.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date (if any)</i>
Protel Employee Options Macquarie ECM Options	6,187,140 1,465,000	-	34 220	18/6/04 18/6/04
18.8 Issued during current period Protel Employee Options	3,617,500	-	342	9/6/05
18.9 Exercised during current period	-	-	-	-

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18.10	Expired during current period	-	-	-	-
18.11	Debentures <i>(totals only)</i>	-	-		
18.12	Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Comments by directors

Comments on the following matters are required by ASX.

Material factors affecting the revenues and expenses of the economic entity for the current period

Initial Public Offering on 4 August 1999 to raise \$30million. Acquisition of Accel Technologies, Inc. a US competitor in the field of PCB design software for approx. \$26million on 13 January 2000. Secondary fund raising through private placement of 6million shares at \$5.50 raising \$33million on 26 March 2000. Acquisition of Metamor, Inc an FPGA Synthesis technology company for approx. \$6.5million.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

On 4 August 2000 Protel International Limited signed a Stock Purchase Agreement to acquire all the Shares in a California based software developer Innovative CAD Software, Inc. The purchase of the shares was for US\$1,740,000 (approx. A\$3million) cash consideration. On 4 August 6,187,140 options at 0.34c issued under the Old Protel option plan became exercisable. By 28 August 2000 5,343,540 options had been exercised increasing the shares on issue to 74,097,127. On 28 August 2000, the directors declared a 100% franked dividend of 6c per share for shares outstanding on 15 September 2000.

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

2,123,149 franking credits available based on a tax rate of 36% (2,318,291 based on a tax rate of 34%). The franking credits disclosed above does not take into account the final dividend declared by the directors on 29 August 2000. This dividend of 6c per share will be fully franked. The record date for entitlements will be 15 September 2000. Protel's future dividend prospects and policy will be disclosed during the 2000 Annual General Meeting.

Changes in accounting policies since the last annual report are disclosed as follows.

(Disclose changes in the half yearly report in accordance with paragraph 15(c) of AASB 1029: Half-Year Accounts and Consolidated Accounts. Disclose changes in the preliminary final report in accordance with AASB 1001: Accounting Policies-Disclosure.)

None

+ See chapter 19 for defined terms.

Additional disclosure for trusts

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

N/A

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

N/A

- Identify:
- initial service charges
 - management fees
 - other fees

Annual meeting

The annual meeting will be held as follows:

Place	ANA Hotel Sydney
Date	17 November 2000
Time	3.30pm
Approximate date the +annual report will be available	18 September 2000

Compliance statement

- 1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 13).

Identify other standards used

N/A

- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed (see note 2).

+ See chapter 19 for defined terms.

4 This report is based on +accounts to which one of the following applies.

(Tick one)

The +accounts have been audited.

The +accounts have been subject to review.



The +accounts are in the process of being audited or subject to review.

The +accounts have *not* yet been audited or reviewed.

5 The audit is well advanced and the audit report attached to the company's financial report will follow immediately it is available.

6 The entity has a formally constituted audit committee.

Sign here:
(Director/Company secretary)

Date:

Print name:

+ See chapter 19 for defined terms.

Attachment 1

Segment information - Geographic segments

	Australia	North America	Europe	Japan	Other	Inter-segment eliminations	Consolidated
2000 (12 months to 30 June)							
Sales to customers outside the economic entity	1,210	19,504	6,611	3,559	1,441	-	32,325
Intersegment sales	-	6,887	3,045	2,089	-	(12,021)	-
Other income	1,714	69	4	1	286	(491)	1,583
Total revenue	2,924	26,460	9,660	5,649	1,727	(12,512)	33,908
Segment result	1,781	11,983	4,207	1,697	1,727	-	21,395
Unallocated expenses							(10,155)
Operating profit before tax							11,240
Segment assets	78,182	41,840	1,786	1,880	-	(35,156)	88,532

	Australia	North America	Europe	Japan	Other	Inter-segment eliminations	Consolidated
1999 (12 months to 30 June)							
Sales to customers outside the economic entity	1,994	8,915	4,244	3,487	2,654	-	21,294
Intersegment sales	-	5,489	2,475	1,971	-	(9,935)	-
Other income	375	1	4	-	-	(59)	321
Total revenue	2,369	14,405	6,723	5,458	2,654	(9,994)	21,615
Segment result	1,154	5,666	2,561	1,670	2,654	-	13,706
Unallocated expenses							(8,523)
Operating profit before tax							5,183
Segment assets	15,365	2,386	1,005	932	-	(3,370)	16,318

- (a) The consolidated entity operated within only one industry segment (manufacturer and distributor of computer software) during the reporting period.

+ See chapter 19 for defined terms.

- (b) The pricing of intersegment transaction is based on a notional mark-up on cost, similar to transactions with parties outside the consolidated entity.

+ See chapter 19 for defined terms.

Attachment 2

Income tax Reconciliation

(a) Income tax on the operating profit differs from the prima facie income tax payable on the profit as follows:

	30 June 2000 \$'000s	30 June 1999 \$'000s
Operating profit before income tax	11,240	5,183
Income tax calculated @ 36%	4,046	1,866
Tax effect of permanent differences:		
Research and development claim	(317)	(259)
Sundry	110	(37)
Income tax adjusted for permanent differences	3,839	1,570
Under/(over) provision in prior year	30	98
Recognition of unbooked tax	(105)	(265)
Net adjustment to deferred income tax liabilities and assets to reflect the decrease in company tax rate to 34%/30%.	(278)	-
Effect of different rates of tax on overseas income	(264)	(31)
Income tax attributable to operating profit	3,222	1,372
Comprising:		
Current taxation provision	674	1,093
Deferred income tax provision	549	505
Future income tax benefit	1,969	(323)
Under/(over) provision in prior year	30	97
	3,222	1,372

+ See chapter 19 for defined terms.

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.
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. **Consolidated profit and loss account**
 - Item 1.1 The definition of "operating revenue" and an explanation of "sales revenue" (or its equivalent) and "other revenue" are set out in *AASB 1004: Disclosure of Operating Revenue*.
 - Item 1.2 'Share of associates' "net profit (loss) attributable to members" would form part of "other revenue" in *AASB 1004* to the extent that a profit is to be reported. ASX has elected to require disclosure of a share of a loss in the same location for consistency of presentation.
 - Item 1.4 "+operating profit (loss) before abnormal items and tax" is calculated before dealing with outside +equity interests and extraordinary items, but after deducting interest on borrowings, depreciation and amortisation.

+ See chapter 19 for defined terms.

Appendix 4B (rule 4.13(a))
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- Item 1.7 This item refers to the total tax attributable to the amount shown in item 1.6. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as operating expenses (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.
5. **Consolidated balance sheet**
Format The format of the consolidated balance sheet 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* and *AASB 1034*. Banking institutions, trusts and financial institutions identified in an ASIC Class Order dated 2 September 1997 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 +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. Trusts should also note paragraph 10 of *AASB 1029* and paragraph 11 of *AASB 1030: Application of Accounting Standards etc*.
6. **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*. +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 +ordinary securities (ie, all liabilities, preference shares, outside +equity interests etc). +Mining entities are *not* required to state a net tangible asset backing per +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 +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.
9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. However, an entity may report exact figures, if the \$A’000 headings are amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may

+ See chapter 19 for defined terms.

report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.

Appendix 4B (rule 4.13(a))
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10. **Comparative figures** Comparative figures are the unadjusted figures from the previous corresponding period. However, if there is a lack of comparability, a note explaining the position should be attached.
11. **Comparative figures when equity accounted information first included in the accounts** There will be a lack of comparability in the figures for the previous corresponding period when equity accounted information is first included if this information has a material effect on the consolidated accounts. If it does have a material effect, attach a note providing a better comparison by restating “Operating profit (loss) after tax attributable to members” (item 1.10) and “Investments in associates” (item 4.8) for the previous corresponding period to incorporate equity accounted information. In addition, as required by Note 1, no directional or percentage changes in profit are to be reported in the “For announcement to the market” section. Where the disclosures were not previously required in Appendix 4B, no comparatives need be shown.
12. **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 +ASIC under the Corporations Law must also be given to ASX. For example, a directors’ report and statement, if lodged with the +ASIC, must be given to ASX.
13. **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) must be complied with.
14. **Corporations Law financial statements** As at 1/7/96, this report may be able to be used by an entity required to comply with the Corporations Law as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
15. **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.

+ See chapter 19 for defined terms.