

Appendix 4B

Half Yearly

Introduced 30/6/2002.

Name of entity

Altium Limited

ABN or equivalent company reference

009 568 772

Half yearly (tick)



Preliminary final (tick)



Financial year ended ('current period')

31 December 2002

For announcement to the market

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

\$A'000

Revenues from ordinary activities (item 1.1)	Down	10.3%	to	23,178
Profit (loss) from ordinary activities after tax attributable to members (item 1.22)	Down		to	(351)
Profit (loss) from extraordinary items after tax attributable to members (item 2.5(d))	gain (loss) of		n/a	
Net profit (loss) for the period attributable to members (item 1.11)	Down		to	(351)
Dividends (distributions)		Amount per security		Franked amount per security
Final dividend (Preliminary final report only - item 15.4) Interim dividend (Half yearly report only - item 15.6)		- ¢		- ¢
Previous corresponding period (Preliminary final report - item 15.5; half yearly report - item 15.7)		- ¢		- ¢
+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) (see item 15.2)		n/a		
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:				
n/a				

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>)	23,178	25,836
1.2 Expenses from ordinary activities (<i>see items 1.26 & 1.27</i>)	(23,433)	(23,918)
1.3 Borrowing costs	(104)	(25)
1.4 Share of net profits (losses) of associates and joint venture entities (<i>see item 16.7</i>)	-	-
1.5 Profit (loss) from ordinary activities before tax	(359)	1,893
1.6 Income tax on ordinary activities (<i>see note 4</i>)	8	(792)
1.7 Profit (loss) from ordinary activities after tax	(351)	1,101
1.8 Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)	-	-
1.9 Net profit (loss)	(351)	1,101
1.10 Net profit (loss) attributable to outside ⁺ equity interests	-	-
1.11 Net profit (loss) for the period attributable to members	(351)	1,101
Non-owner transaction changes in equity		
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)	-	-
1.17 Total changes in equity not resulting from transactions with owners as owners	-	-

Earnings per security (EPS)	Current period	Previous corresponding period
1.18 Basic EPS	(0.4)c	1.3c
1.19 Diluted EPS	(0.4)c	1.3c

+ 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>)	(351)	1,101
1.21 Less (plus) outside ⁺ equity interests	-	-
1.22 Profit (loss) from ordinary activities after tax, attributable to members	(351)	1,101

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	22,731	25,539
1.24 Interest revenue	59	37
1.25 Other gains		
Exchange gain	368	136
Other	20	124
1.26 Details of relevant expenses		
Changes in inventory	138	(95)
Raw materials used	(434)	(509)
Employee benefits expense	(11,419)	(12,069)
Amortisation of intangibles	(3,744)	(3,137)
Rental expense	(1,166)	(1,333)
Advertising and direct mail	(2,568)	(2,751)
Professional advice expenses	(904)	(971)
Communications	(457)	(435)
Other expenses	(2,114)	(1,949)
1.27 Depreciation and amortisation excluding amortisation of intangibles (<i>see item 2.3</i>)	(765)	(669)
Capitalised outlays		
1.28 Interest costs capitalised in asset values	-	-
1.29 Outlays capitalised in intangibles (unless arising from an ⁺ acquisition of a business)	2,045	1,589

+ 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	16,701	18,392
1.31 Net profit (loss) attributable to members (item 1.11)	(351)	1,101
1.32 Net transfers from (to) reserves (details if material)	-	-
1.33 Net effect of changes in accounting policies	-	-
1.34 Dividends and other equity distributions paid or payable	(1,797)	(3,944)
1.35 Retained profits (accumulated losses) at end of financial period	14,553	15,549

Intangible 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
	(a)	(b)	(c)	(d)
2.1 Amortisation of goodwill	2,536	-	-	2,536
2.2 Amortisation of other intangibles	1,208	(362)	-	846
2.3 Total amortisation of intangibles	3,744	(362)	-	3,382
2.4 Extraordinary items (details)	-	-	-	-
2.5 Total extraordinary items	-	-	-	-

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)	(351)	1,101
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	n/a	1,152

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position	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	5,882	6,542	3,987
4.2 Receivables	9,973	12,092	11,762
4.3 Investments	-	-	-
4.4 Inventories	539	401	441
4.5 Tax assets	439	1,612	843
4.6 Other (provide details if material)	874	918	1,179
4.7 Total current assets	17,707	21,565	18,212
Non-current assets			
4.8 Receivables	-	-	-
4.9 Investments (equity accounted)	-	-	-
4.10 Other investments	-	-	-
4.11 Inventories	-	-	-
4.12 Exploration and evaluation expenditure capitalised	-	-	-
4.13 Development	-	-	-
4.14 Other property, plant and equipment	1,834	2,168	2,549
4.15 Intangibles	124,110	121,295	122,497
4.16 Tax assets	6,422	6,183	6,481
4.17 Other (provide details if material)	318	333	343
4.18 Total non-current assets	132,684	129,979	131,870
4.19 Total assets	150,391	151,544	150,082
Current liabilities			
4.20 Payables	3,089	4,921	3,374
4.21 Interest bearing liabilities	1,102	385	1,140
4.22 Tax liabilities	-	-	-
4.23 Provisions exc. tax liabilities	1,810	1,293	1,454
4.24 Other (provide details if material)	5,217	6,660	7,609
4.25 Total current liabilities	11,218	13,259	13,577
Non-current liabilities			
4.26 Payables	-	-	-
4.27 Interest bearing liabilities	95	69	-
4.28 Tax liabilities	4,042	3,475	2,833
4.29 Provisions exc. tax liabilities	228	186	269
4.30 Other (provide details if material)	-	-	-
4.31 Total non-current liabilities	4,365	3,730	3,102
4.32 Total liabilities	15,583	16,989	16,679
4.33 Net assets	134,808	134,555	133,403

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position continued

	Equity			
4.34	Capital/contributed equity	120,255	117,854	117,854
4.35	Reserves	-	-	-
4.36	Retained profits (accumulated losses)	14,553	16,701	15,549
4.37	Equity attributable to members of the parent entity	134,808	134,555	133,403
4.38	Outside ⁺ equity interests in controlled entities	-	-	-
4.39	Total equity	134,808	134,555	133,403
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	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 4.12)	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 4.13)	n/a

+ See chapter 19 for defined terms.

Condensed consolidated statement of cash flows

	Current period \$A'000	Previous corresponding period - \$A'000	
Cash flows related to operating activities			
7.1	Receipts from customers	23,624	28,037
7.2	Payments to suppliers and employees	(20,372)	(22,936)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	59	37
7.6	Interest and other costs of finance paid	(104)	(25)
7.7	Income taxes (paid)/refunded	1,509	(3,378)
7.8	Other (provide details if material)	-	-
7.9	Net operating cash flows	4,716	1,735
Cash flows related to investing activities			
7.10	Payment for purchases of property, plant and equipment	(254)	(622)
7.11	Proceeds from sale of property, plant and equipment	1	21
7.12	Payment for purchases of equity investments	(875)	-
	Payment for restructuring of acquired controlled entities	(679)	(69)
7.13	Proceeds from sale of equity investments	-	-
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Payments for intellectual property	(86)	(319)
	Payments for research and development	(2,045)	(1,589)
	Payments for trademarks	-	(349)
	Payments for transaction costs of acquired controlled entities	(286)	-
7.17	Net investing cash flows	(4,224)	(2,927)
Cash flows related to financing activities			
7.18	Proceeds from issues of ⁺ securities (shares, options, etc.)	60	664
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	(63)	(172)
7.21	Dividends paid	(1,796)	(3,944)
7.22	Other (provide details if material)	-	-
7.23	Net financing cash flows	(1,799)	(3,452)
7.24	Net increase (decrease) in cash held	(1,307)	(4,644)
7.25	Cash at beginning of period (see Reconciliation of cash)	6,193	7,516

+ See chapter 19 for defined terms.

7.26	Exchange rate adjustments to item 7.25.	-	-
7.27	Cash at end of period <i>(see Reconciliation of cash)</i>	4,886	2,872

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.)*

During the year the entity purchased the assets of a business. The total consideration was \$3,215,086 (prior period: \$nil), comprising \$875,086 in cash and \$2,340,000 in ordinary share capital.

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	5,882	3,987
8.2 Deposits at call	-	-
8.3 Bank overdraft	(996)	(1,115)
8.4 Other (provide details)	-	-
8.5 Total cash at end of period (item 7.27)	4,886	2,872

Other notes to the condensed financial statements

Ratios	Current period	Previous corresponding period
Profit before tax / revenue		
9.1 Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	(1.5)%	7.2%
Profit after tax / ⁺equity interests		
9.2 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)	(0.26)%	0.8%

+ See chapter 19 for defined terms.

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.

Basic earnings per share	(0.4)c
Diluted earnings per share	(0.4)c
Weighted average number of ordinary shares used in the calculation of basic earnings per share	89,672,137
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share	89,690,615

NTA backing (see note 7)

	Current period	Previous corresponding period
11.1 Net tangible asset backing per ⁺ ordinary security	11.9 cents	15.1 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

n/a

+ See chapter 19 for defined terms.

Control gained over entities having material effect

13.1 Name of entity (or group of entities)	n/a
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 ⁺ acquired	-
13.3 Date from which such profit has been calculated	
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	-

Loss of control of entities having material effect

14.1 Name of entity (or group of entities)	n/a
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	-
14.3 Date to which the profit (loss) in item 14.2 has been calculated	
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	-
14.5 Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	-

Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable	n/a
15.2 ⁺ Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer 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)	n/a
15.3 If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	n/a

⁺ See chapter 19 for defined terms.

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> Final dividend: Current year	n/a	n/a	n/a
15.5	Previous year	n/a	n/a	n/a
15.6	<i>(Half yearly and preliminary final reports)</i> Interim dividend: Current year	-¢	-¢	-¢
15.7	Previous year	-¢	-¢	-¢

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

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	n/a	n/a
15.9 Preference +securities	n/a	n/a

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

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

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

n/a

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

n/a

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)*

n/a

+ See chapter 19 for defined terms.

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':	Current period \$A'000	Previous corresponding period - \$A'000
16.1 Profit (loss) from ordinary activities before tax	n/a	n/a
16.2 Income tax on ordinary activities	n/a	n/a
16.3 Profit (loss) from ordinary activities after 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 Adjustments	n/a	n/a
16.7 Share of net profit (loss) of associates and joint venture entities	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 dd/mm/yy') or disposal ('to dd/mm/yy').)

Name of entity	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
17.1 Equity accounted associates and joint venture entities	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 must include 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 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference +securities (description)	-	-	-	-
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	(a) None (b) None	(a) None (b) None	-	-
18.3 +Ordinary securities	89,808,824	89,808,824	-	-
18.4 Changes during current period (a) Increases through issues Exercise of options (b) Decreases through returns of capital, buybacks	(a) 2,000,000 177,600 (b) None	(a) 2,000,000 177,600 (b) None	1.17 0.34 -	1.17 0.34 -
18.5 +Convertible debt securities (description and conversion factor)	-	-	-	-
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	(a) None (b) None	(a) None (b) None	-	-
18.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date (if any)</i>
Altium Employee Options	2,332,000	-	3.42	09/06/05
Altium Employee Options	1,334,650	-	5.50	29/09/05
Altium Director Options	1,440,000	-	5.50	20/11/05
Altium Employee Options	1,600,760	-	4.20	12/10/06
Altium Employee Options	1,016,450	-	4.20	07/11/06
Altium Employee Options	123,000	-	3.56	04/12/06
Altium Employee Options	3,037,870	-	1.34	23/07/07
Altium Employee Options	8,400	-	1.34	23/07/07
Altium Employee Options	400,000	-	1.17	07/10/07
Altium Employee Options	96,815	-	1.34	11/11/07
Altium Employee Options	289,580	-	1.34	19/11/07
Altium Employee Options	71,250	-	1.34	27/11/07

+ See chapter 19 for defined terms.

18.8	Issued during current period				
	Altium Employee Options	3,075,170	-	1.34	23/07/07
	Altium Employee Options	8,400	-	1.34	23/07/07
	Altium Employee Options	400,000	-	1.17	07/10/07
	Altium Employee Options	96,815	-	1.34	11/11/07
	Altium Employee Options	289,580	-	1.34	19/11/07
	Altium Employee Options	71,250	-	1.34	27/11/07
18.9	Expired during current period				
	Altium Employee Options	142,000	-	3.42	09/06/05
	Altium Employee Options	61,000	-	5.50	29/09/05
	Altium Employee Options	55,400	-	4.20	12/10/06
	Altium Employee Options	45,000	-	4.20	07/11/06
	Altium Employee Options	37,300	-	1.34	23/07/07
18.10	Debentures (<i>description</i>)	None	None		
18.11	Changes during current period				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted				
18.12	Unsecured notes (<i>description</i>)	None	None		
18.13	Changes during current period				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted				

Segment reporting

(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 ⁺accounts should be reported separately and attached to this report.)

Refer to Attachment 1

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 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.

⁺ See chapter 19 for defined terms.

n/a

- 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).

n/a

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

\$2,237,920 debit

- 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*).

None

- 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.

None

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

n/a

+ See chapter 19 for defined terms.

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	n/a
Date	n/a
Time	n/a
Approximate date the ⁺ annual report will be available	n/a


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


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

⁺ See chapter 19 for defined terms.

 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 Audit report attached.

6 The entity has a formally constituted audit committee.

Sign here: Date:
(Director/Company Secretary)

Print name:

⁺ See chapter 19 for defined terms.

Attachment 1
Segment information

2002 (6 months to 31 December)	Australia \$'000	North America \$'000	Europe \$'000	Asia \$'000	Other \$'000	Inter- segment eliminations \$'000	Consolidated \$'000
Sales to customers outside the economic entity	697	10,331	8,907	2,504	292	-	22,731
Intersegment Sales	9,358	969	4,203	133	-	(14,663)	-
Revenue from Operating Activities	10,055	11,300	13,110	2,637	292	(14,663)	22,731
Segment Result	5,765	(610)	(4,039)	1,188	292	-	2,596
Unallocated Expenses							(2,955)
Operating profit before tax							(359)
Segment Assets	149,166	50,979	80,820	1,719	-	(132,293)	150,391
Segment Liabilities	11,153	24,208	60,050	1,473	-	(81,301)	15,583
Acquisitions of property, plant and equipment	150	1	87	16	-	-	254
Depreciation and amortisation expenses	975	1,077	2,447	10	-	-	4,509

2001 (6 months to 31 December)	Australia \$'000	North America \$'000	Europe \$'000	Asia \$'000	Other \$'000	Inter- segment eliminations \$'000	Consolidated \$'000
Sales to customers outside the economic entity	400	11,177	9,569	3,874	586	-	25,606
Intersegment Sales	4,715	7,017	2,609	334	-	(14,675)	-
Revenue from Operating Activities	5,115	18,194	12,178	4,208	586	(14,675)	25,606
Segment Result	(1,773)	4,372	181	2,210	586	172	5,748
Unallocated Expenses							(3,855)
Operating profit before tax							1,893
Segment Assets	243,612	24,684	15,854	3,425	-	(137,493)	150,082
Segment Liabilities	12,421	37,795	87,266	2,637	-	(123,440)	16,679
Acquisitions of property, plant and equipment	447	52	115	9	-	(1)	622
Depreciation and amortisation expenses	690	959	2,139	18	-	-	3,806

+ See chapter 19 for defined terms.

Independent review report to the members of Altium Limited

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report, set out on pages 5 to 11, is not presented in accordance with:

- the Corporations Act 2001 in Australia, including giving a true and fair view of the financial position of the Altium Group (defined below) as at 31 December 2002 and of its performance for the half-year ended on that date.
- Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory professional reporting requirements in Australia, and the Corporations Regulations 2001.

This statement must be read in conjunction with the following explanation of the scope and summary of our role as auditor.

Scope and summary of our role

The financial report – responsibility and content

The preparation of the financial report for the half-year ended 31 December 2002 is the responsibility of the directors of Altium Limited. It includes the financial statements for the Altium Group (the Group), which incorporates Altium Limited (the Company) and the entities it controlled during the half-year ended 31 December 2002.

The auditor's role and work

We conducted an independent review of the financial report in order for the Company to lodge the financial report with the Australian Securities & Investments Commission. Our role was to conduct the review in accordance with Australian Auditing Standards applicable to review engagements. Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

This review was performed 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 does not present fairly a view in accordance with the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory professional reporting requirements in Australia, and the Corporations Regulations 2001, which is consistent with our understanding of the Group's financial position, and its performance as represented by the results of its operations and cash flows.

The review procedures performed were limited primarily to:

- inquiries of company personnel of certain internal controls, transactions and individual items
- analytical procedures applied to 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 that given in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

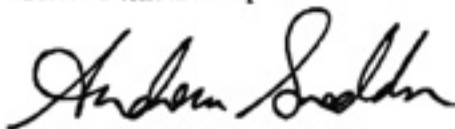
Independence

As auditor, we are required to be independent of the Group and free of interests which could be incompatible with integrity and objectivity. In respect of this engagement, we followed the independence requirements set out by The Institute of Chartered Accountants in Australia, the Corporations Act 2001 and the Auditing and Assurance Standards Board.

In addition to our statutory audit and review work, we were engaged to undertake other services for the Group. In our opinion the provision of these services has not impaired our independence.



PricewaterhouseCoopers



Andrew Sneddon
Partner

6, March

Sydney
2003