

Appendix 4D

Half-year report Period ended 31 December 2011

Name of entity

Eumundi Group Limited

ABN or equivalent company reference

30 010 947 476

Financial year ended ('current reporting period')

31 December 2011 (previous reporting period 31 December 2010)

Results for announcement to the market

				\$A 000's
Revenues and other income from ordinary activities	Up	17.4 %	to	12,103
Represented by:				
(a) Revenues from continuing ordinary activities	Up	24 %	to	12,103
(b) Revenues from discontinued ordinary activities	Down	100%	to	-
Profit from ordinary activities after tax attributable to members	Up	39.9%	to	438
Represented by:	Up	58.1%	to	438
(a) Profit from continuing ordinary activities after tax attributable to members				
(b) Profit from discontinued ordinary activities after tax attributable to members	Down	100%	to	-
Net profit for the period attributable to members	Down	59.9%	to	438

Dividends

It is not proposed to pay any dividends.

Discussion and analysis of results

Eumundi Group has delivered a net profit after tax of \$0.438 million (\$0.613 million profit before tax) compared with a profit of \$1.184 million after tax (\$1.275 million profit before tax) for the corresponding period in 2010.

Revenue and other income from ordinary activities has increased to \$12.103 million from \$10.312 million in the corresponding period in 2010.

The current period result includes \$1,635,000 settlement of insurance claims, offsetting an impairment charge of \$1,446,000 in respect of the Home Hill investment property destroyed by fire on 14 December 2011.

The prior period result includes \$841,000 profit on disposal of Keendove Holdings which constituted the Group's property management operations. Including this profit, property management contributed \$907,000 profit after tax (\$887,000 profit before tax) in the corresponding prior period.

Discussion and analysis of results (continued)

Revenue from continuing ordinary activities of \$12.103 million represents an increase of \$2.346 million in comparison to last year. Due to the short term operation of the Tavern at Aspley Shopping Centre pending commencement of a new lease, Hotel sales of goods and gaming increased \$0.693 million or 9.9% over the prior period, while Investment property rental and recovery revenues decreased from \$2.539 million in the prior period to \$2.438 million for the current period.

Decrements on fair value adjustment on Investment properties in December 2011 resulted in decrements of \$0.193 million which are shown as expenses in the current half year results compared to decrements of \$0.082 million in the prior half-year.

Expenses from continuing operations for the year were \$11,490 million after adjusting for the impairment of Home Hill \$1.446 and net loss on fair value adjustment of \$0.193 million compared with expenses of \$9.370 million for the corresponding period in 2010 after adjusting for the net loss on fair value adjustment of \$0.082 million. Costs of goods sold increased to \$3.914 million from \$3.849 million due to the inclusion of the Aspley Shopping Centre Tavern operations until 23 October 2011, and reflecting a slight improvement in margin on sales. Finance costs decreased by \$0.076 million to \$1.417 million due to decreasing interest rates and borrowing levels.

Debt was reduced by \$1.5 million during the half year.

	2011	2010
NTA BACKING		
<i>Net tangible asset backing per ordinary security</i>	\$0.12	\$0.11

Statement

This report is based on accounts which have been subject to review.

Sign here:  Date: 23 February 2012

Print name: Leni Stanley

EUMUNDI GROUP LIMITED

ABN 30 010 947 476

INTERIM FINANCIAL REPORT

**FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2011 and any public announcements made by Eumundi Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT

Your directors present their report on Eumundi Group Limited ("the Company") and the entities it controlled at the end of and during the six months ended 31 December 2011.

Directors

The following persons were directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

J M Ganim
G De Luca
V A Wills
M B Peacock

Principal Activities

The principal activities of the consolidated entity during the six months ended 31 December 2011 consisted of:

- a) the operation of the Ashmore Tavern; and
- b) the holding of investment properties

Dividends

No dividends were paid or declared during or since the half-year ended 31 December 2011.

Review of Operations

In the six months ended 31 December 2011, the Group recorded a profit for the half year of \$438,000 (Dec 10: profit of \$1,184,000). During the half year the Group:

- suffered the loss by fire of the Home Hill Shopping Centre. The premises and rental income were appropriately insured; and
- Reduced debt by \$1,500,000; and
- Secured an extension of the Group's banking facilities to 31 January 2013.

The profit for the half year from continuing operations was \$438,000 (Dec 10: profit of \$277,000). A summary of the operations by segment is shown below.

(a) Hotel Operations

This segment comprises the Ashmore Tavern and its 3 detached bottle shops located on Queensland's Gold Coast, as well as, the short-term operation of a Tavern at the Aspley Shopping Centre until 24 October 2011. Revenues relate to retail sales at the bottle shops and Taverns, in addition to gaming revenue and bar sales at the Taverns.

(b) Investment Properties

The Group's investment properties comprise Aspley Central, Aspley Arcade, Bribie Harbour and Home Hill Shopping Centres. Revenue from investment properties includes rent received from tenants under commercial leases.

On 14 December 2011, the Home Hill shopping Centre was destroyed by fire. An impairment charge of \$1,446,000 was recognised to the carrying value of the property. The remaining land asset which is now held for sale is valued by Director's at \$200,000. The property was insured for damage to the premises and for loss of income, and agreement was reached with the insurer on 10 February 2012 to settle the claims for \$1,635,000.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT (continued)

Significant After Balance Date Events

There are no matters or circumstances that have arisen since the end of the half-year, that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* accompanies this report.

Rounding

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'J M Ganim', with a large, dark, scribbled area above the name.

J M Ganim
Director

Dated this 23rd day of February 2012

The Directors
Eumundi Group Limited
Level 15
10 Market Street
BRISBANE QLD 4000

Dear Sirs,

Auditor's Independence Declaration

As lead engagement partner for the review of the financial report of Eumundi Group Limited for the half-year ended 31 December 2011, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

JOHNSTON RORKE
Chartered Accountants



R.C.N. WALKER
Partner

Brisbane, Queensland
23 February 2012

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2011

	Notes	31 Dec 11 \$'000	30 Jun 11 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		766	937
Trade and other receivables	5	1,974	1,043
Inventories		1,295	1,306
Current tax asset		24	28
Other assets		386	378
Total current assets		4,445	3,692
Non-current assets			
Other financial assets	3	104	58
Property, plant and equipment		8,946	9,030
Investment properties	5	40,800	42,440
Deferred tax asset		298	379
Intangible assets		75	76
Other assets		-	9
Total non-current assets		50,223	51,992
Total assets		54,668	55,684
LIABILITIES			
Current liabilities			
Trade and other payables		1,782	1,874
Borrowings		872	868
Income tax payable		88	-
Provisions		218	178
Total current liabilities		2,960	2,920
Non-current liabilities			
Borrowings		33,750	35,244
Total non-current liabilities		33,750	35,244
Total liabilities		36,710	38,164
Net assets		17,958	17,520
EQUITY			
Contributed equity	7	11,038	11,038
Reserves		3,059	3,059
Retained profits		3,861	3,423
Total equity		17,958	17,520

The above consolidated statement of financial position is to be read in conjunction with the accompanying notes.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

	Notes	31 Dec 11 \$'000	31 Dec 10 \$'000
Revenue			
Sale of goods		5,488	5,211
Gaming revenue		2,188	1,772
Rental income and recoverable outgoings		2,484	2,539
Other		308	235
		10,468	9,757
Other income			
Insurance claim – Home Hill (fire)	5	1,635	-
		12,103	9,757
Expenses			
Purchase of inventories		(3,703)	(3,733)
Change in inventories		(211)	(116)
Employee benefits expense		(1,592)	(1,384)
Depreciation and amortisation		(193)	(160)
Insurance		(37)	(38)
Operating lease rentals		(176)	(165)
Rates and taxes		(48)	(49)
Outgoings – investment properties		(537)	(495)
Impairment of investment property – Home Hill (fire)	5	(1,446)	-
Net loss on fair value adjustment - investment properties	5	(193)	(82)
Gaming machine tax		(1,008)	(832)
Finance costs		(1,417)	(1,493)
Other expenses		(929)	(823)
Total expenses		(11,490)	(9,370)
Profit before income tax from continuing operations			
		613	387
Income tax expense		(175)	(110)
Profit from continuing operations			
		438	277
Profit from discontinued operations		-	907
Profit for the half-year			
		438	1,184
Other comprehensive income			
Fair value gains on available-for-sale financial assets		-	(25)
Income tax on items of other comprehensive income		-	8
Other comprehensive income for the period, net of tax			
		-	(17)
Total comprehensive income for the half-year			
		438	1,167
Profit for the period is attributable to:			
Owners of the parent		438	1,093
Non-controlling interest		-	91
		438	1,184
Total comprehensive income for the period is attributable to:			
Owners of the parent		438	1,076
Non-controlling interest		-	91
		438	1,167
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic and diluted earnings per share (cents per share)			
– from continuing operations		0.31¢	0.32¢
– from discontinued operations		-	0.92¢
		0.31¢	1.24¢

The above consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes.

EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	Contributed equity \$'000	Revaluation surplus \$'000	Retained earnings \$'000	Attributable to owners of the parent \$'000	Non- controlling interest \$'000	Total \$'000
Balance at 1 July 2010	8,695	2,180	1,587	12,462	91	12,553
Profit for the period	-	-	1,093	1,093	91	1,184
Changes in fair value of available-for-sale financial assets	-	(25)	-	(25)	-	(25)
Income tax relating to other components of comprehensive income	-	8	-	8	-	8
Total comprehensive income for the period	-	(17)	1,093	1,076	91	1,167
Transfer from reserves	-	(73)	73	-	-	-
Transactions with owners in their capacity as owners:						
Contributions of equity net of transaction costs and tax	2,343	-	-	2,343	-	2,343
Dividend paid to non-controlling interest	-	-	-	-	(46)	(46)
Non-controlling interest in proceeds on disposal of subsidiary	-	-	-	-	(136)	(136)
Balance at 31 December 2010	11,038	2,090	2,753	15,881	-	15,881
Balance at 1 July 2011	11,038	3,059	3,423	17,520	-	17,520
Profit for the period	-	-	438	438	-	438
Total comprehensive income for the period	-	-	438	438	-	438
Balance at 31 December 2011	11,038	3,059	3,861	17,958	-	17,958

The above consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

	31 Dec 11	31 Dec 10
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	12,031	10,941
Payments to suppliers and employees	(9,112)	(8,772)
Interest received	17	19
Finance costs	(1,415)	(1,478)
Income tax paid	(13)	(12)
Income tax received	10	-
Receipts from other debtors	150	150
Net cash provided by operating activities	<u>1,668</u>	<u>848</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for investment properties	(232)	(160)
Payments for property, plant and equipment	(107)	(167)
Proceeds on disposal of subsidiary net of cash transferred	-	1,152
Net cash provided by/(used in) investing activities	<u>(339)</u>	<u>825</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	2,484
Payments for share issue costs	-	(200)
Payment of dividend to non-controlling interest	-	(46)
Proceeds from borrowings	200	150
Repayment of borrowings	(1,700)	(3,850)
Net cash provided by/(used in) financing activities	<u>(1,500)</u>	<u>(1,462)</u>
Net increase/(decrease) in cash and cash equivalents	(171)	211
Cash and cash equivalents at beginning of the reporting period	937	751
Cash and cash equivalents at end of the reporting period	<u><u>766</u></u>	<u><u>962</u></u>

The above consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION OF INTERIM REPORT

These general purpose financial statements for the interim half-year reporting period ended 31 December 2011 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures that the interim financial statements and notes also comply with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2011 and any public announcements made by Eumundi Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The Group have adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and effective for the current reporting period. This adoption has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported in the current and prior periods.

2. SEGMENT INFORMATION

Reportable segments

Hotel Operations - The hotel operations segment sells packaged alcoholic beverages through its retail outlets, sells food and alcoholic beverages on-premise through bars and restaurants and operates a licensed gaming venue.

Investment Property - The investment segment owns and leases investment property assets to retail tenants.

Property Management - The property management segment provides lease administration, facility management and lease accounting services to investment property owners.

	Hotel Operations \$'000	Investment Property \$'000	Total \$'000
Half-year to 31 Dec 2011			
Revenue			
Sales to external customers	7,676	2,484	10,160
Other revenue	243	-	243
Total segment revenue	7,919	2,484	10,403
Insurance claim – Home Hill			1,635
Other income			65
			12,103
Results			
Segment results	486	1,947	2,433
Unallocated revenue less unallocated expenses			(181)
Fair value adjustment on investment properties			(193)
Impairment – Home Hill			(1,446)
Profit before income tax			613
Income tax expense			(175)
Profit for the half-year			438

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. SEGMENT INFORMATION (continued)

Half-year to 31 Dec 2010	Hotel Operations \$'000	Investment Property \$'000	Property Management* \$'000	Total \$'000
Revenue				
Sales to external customers	6,983	2,539	468	9,990
Intersegment sales	-	-	77	77
Total sales revenue	6,983	2,539	545	10,067
Other revenue/income	211	-	-	211
Total segment revenue/income	7,194	2,539	545	10,278
Intersegment elimination				(77)
Gain on disposal of subsidiary				841
Interest revenue				26
Consolidated revenue/income				11,068
Results				
Segment results	347	2,044	38	2,429
Unallocated revenue less unallocated expenses				(1,914)
Fair value adjustment on investment properties				(82)
Gain on disposal of subsidiary*				841
Profit before income tax				1,274
Income tax expense				(90)
Profit for the half-year				1,184

*Property management results represent the operations until disposal on 9 December 2010.

3. OTHER FINANCIAL ASSETS

On 23 December 2011, ASX Listed Tel.Pacific Limited acquired 100% of the shares of GoTalk Limited, comprising shares in Tel.Pacific Limited, vendor loan notes, and the right to participate in the net proceeds from sale of GoTalk Limited's Wholesale division.

Total consideration of \$104,000 was made up as follows:-

- 210,568 ordinary shares in Tel.Pacific Limited at \$15,000 (7.1 cents per share).
- Unsecured vendor loan notes of \$89,000 bearing interest at 7.5% pa, and repayable in 11 equal quarterly payments commencing July 2012.

No value was placed on the rights.

	31 Dec 11 \$'000
Available-for-sale financial assets – Tel.Pacific Limited	15
Held-to-maturity investments	89
Total consideration	104
Carrying value – GoTalk Limited	(58)
Gain on sale before income tax	46

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

4. LAND AND BUILDINGS

The basis of valuation of land and buildings is fair value being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based upon current prices in an active market for similar properties in the same location and condition.

In December 2011 the Directors reviewed the carrying value of the Group's land and buildings and determined that the carrying amount of these assets reflected their current value and that no adjustment to valuation was necessary.

The June 2011 valuation was based upon independent assessment by a member of the Australian Property Institute for bank valuation purposes.

5. INVESTMENT PROPERTIES

Overall movement in investment properties was as follows:

	2011	2010
	\$'000	\$'000
At 30 June	42,440	42,830
Capitalised subsequent expenditure	232	160
Straight-line rentals	(33)	42
Net loss from fair value adjustment	(193)	(82)
Impairment of Home Hill due to fire (see below)	(1,446)	-
Transfer land asset to inventory	(200)	-
At 31 December	40,800	42,950

The basis of valuation of investment properties is fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

Following receipt of a number of unsolicited enquiries in respect of the Aspley Shopping Centre and Aspley Arcade Shopping Centre, the directors resolved to seek expressions of interest for the potential sale of properties. Those unsolicited enquiries did not progress to an offer suitable to the directors and the properties were withdrawn. The directors believe the carrying value of these properties at \$29,600,000 (in total) approximate their fair value.

In December 2011, the Home Hill property, which had a carrying value of \$1,640,000, was destroyed by fire. The property was insured for damage and for loss of income. The Insurer has agreed to settle the claim for \$1,635,000, and this recovery is reflected in the revenue and carried in trade and other receivables as at 31 December 2011.

The remaining land, valued by Directors at \$200,000, has been transferred to inventory as land held for sale.

There were no independent valuations of investment properties during the December 2011 half year. In arriving at fair value, the Directors considered whether there was any changes to the last independent valuation and determined the fair value of each property by the capitalised income projections based upon the properties net market income.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6. FINANCE FACILITIES

Unrestricted access was available at balance date to the following lines of credit:

	31 Dec 11	30 Jun 11
	\$'000	\$'000
Unused at balance date		
Bank overdraft	100	100
Finance lease liabilities	400	400
Commercial bill facility	5,015	4,015
	5,515	4,515

The finance facilities were reviewed during the half year and the terms extended as shown below. The facilities are subject to annual review next scheduled to occur on 31 January 2013. Unused facilities can be drawn down at any time. Details of the facilities at 31 December 2011 are outlined below.

Amount Drawn (Face Value)		Expiry Date	Repayment Terms
31 Dec 11	30 Jun 11		
\$'000	\$'000		
12,200	12,500	31/01/13	Interest only until expiry
13,000	13,850	31/01/13	Interest only until expiry
3,150	3,000	31/01/13	Interest only until expiry
3,350	3,900	31/01/13	Quarterly amortisation of \$250,000 and interest until expiry
3,050	3,000	31/01/13	Interest only until expiry
34,750	36,250		

7. CONTRIBUTED EQUITY

	No. of Shares	Issue Price ¢	\$'000
Movements in share capital			
Balance at 30 June 2010	70,974,845		8,695
Shares issued under Rights Issue	70,974,845	3.5	2,484
Share issue costs (net of tax)	-	-	(141)
Balance at 31 December 2010	141,949,690		11,038

There was no movement in share capital in the December 2011 half year.

8. SUBSEQUENT EVENTS

There are no matters or events that have arisen since 31 December 2011 not otherwise disclosed in the above notes that have significantly affected, or may significantly affect the consolidated entity's operations in future financial years or the results of those operations in future financial years or the state of affairs in future financial years.

9. CONTINGENCIES

At as 30 June 2011, the Groups solicitors held in trust an amount of \$425,000 in respect of a former lessee representing consideration for the surrender of their lease, which was conditional upon the commencement of a new lease on the subject premises. The new lease commenced on 23 October 2011, and these funds were received by the Group and recorded as revenue in the current period.

The Group has no material contingencies.

**EUMUNDI GROUP LIMITED
AND CONTROLLED ENTITIES**

DIRECTORS' DECLARATION

In the opinion of the directors the accompanying financial statements and notes:

- (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*; and
- (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- (b) there are reasonable grounds to believe that Eumundi Group Limited 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 directors.



J M Ganim
Director

Dated this 23rd day of February 2012

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Eumundi Group Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Eumundi Group Limited, which comprises the consolidated statement of financial position as at 31 December 2011, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the period's end or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Eumundi Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

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 of Eumundi Group Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of their performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

JOHNSTON RORKE
Chartered Accountants



R C N Walker
Partner

Brisbane, Queensland
23 February 2012