



Level 5, 141 St George's Tce  
 Perth Western Australia 6000  
 GPO Box W2077 Perth WA 6001  
 Telephone 08 9266 0222  
 Facsimile 08 9266 0200

www.jdv.com

4 August 2005

### JDV Announces Full Year Earnings of \$4.680m & 2.1 cps Final Dividend

JDV Limited is pleased to announce its financial results for the year ended 30 June 2005.

JDV continues to improve its operating performance and has produced earnings before interest, tax and depreciation/amortisation (EBITDA) of \$6.313m off income of \$28.528m from normal business activities. This represents a 17.8% increase in EBITDA in the six months ended 30 June 2005 over the results for the first six months of this financial year, and a 43.9% increase on the 03/04 financial year. Earnings before tax (EBT) taking into account interest income, corporate costs and depreciation/amortisation was \$4.680m. This equates to full year earnings per share of 5.2 cents. Corporate costs were significantly impacted by the costs associated with the takeover offer made by IWL Limited.

A summary of financial performance is shown in the following table.

	6 months to 30 June 2005 \$'000	6 months to 31 Dec 2004 \$'000	Change %	Year ended 30 June 2005 \$'000	Year ended 30 June 2004 \$'000
Income	14,661	13,867	5.7%	28,528	24,967
Expenses	11,247	10,968	2.5%	22,215	20,580
<b>EBITDA</b>	<b>3,414</b>	<b>2,899</b>	<b>17.8%</b>	<b>6,313</b>	<b>4,387</b>
Depreciation/ amortisation	738	649	13.7%	1,387	1,589
<b>Operating result</b>	<b>2,676</b>	<b>2,250</b>	<b>18.9%</b>	<b>4,926</b>	<b>2,798</b>
Corporate costs	1,465	227	545.4%	1,692	-
Discontinued Operations	-	-	-	-	2,303
<b>EBIT</b>	<b>1,211</b>	<b>2,023</b>	<b>(40.1%)</b>	<b>3,234</b>	<b>495</b>
Interest	707	739	(4.3%)	1,446	1,326
<b>EBT</b>	<b>1,918</b>	<b>2,762</b>	<b>(30.6%)</b>	<b>4,680</b>	<b>1,821</b>
Income tax expense	-	-	-	-	-
<b>NPAT</b>	<b>1,918</b>	<b>2,762</b>	<b>(30.6%)</b>	<b>4,680</b>	<b>1,821</b>
<b>EPS</b>	<b>2.1</b>	<b>3.1</b>	<b>(32.2%)</b>	<b>5.2</b>	<b>2.0</b>

The JDV Limited Board has declared a final dividend of 2.1 cents per share fully franked, payable on 22 August 2005, with a record date of 16 August 2005.

For further information please contact:

Peter Horne  
Managing Director  
0419 746 645

# Appendix 4E

## Preliminary final report

### 1. Details of the reporting period and the previous corresponding period

Name of entity			
JDV Limited			
ABN or equivalent company reference	Being Audited (tick)	Financial year ended ('current period')	Previous financial year ended ('previous corresponding period')
ABN 67 009 136 029	✓	30 JUNE 2005	30 JUNE 2004

### 2. Results for announcement to the market

2.1	Revenues from ordinary activities	<i>Down</i>	18%	<i>to</i>	A\$'000 29,974
2.2	Profit (loss) from ordinary activities after tax attributable to members	<i>Up</i>	157%	<i>to</i>	4,680
2.3	Net profit (loss) for the period attributable to members	<i>Up</i>	157%	<i>to</i>	4,680
2.4	Dividends (distributions)		Amount per security		Franked amount per security
	Final dividend: Current period		2.1¢		2.1¢
	Previous corresponding period		2.0¢		2.0¢
	Interim dividend: Current period		3.1¢		3.1¢
	Previous corresponding period		NIL		NIL
2.5	Record date for determining entitlements to the dividend	16 August 2005			
2.6	Brief explanation of any of the figures reported above in 2.1 to 2.4 necessary to enable the figures to be understood:				
	Refer to note 14.3				

**3. Statement of Financial Performance**

	Consolidated	
	2005 \$'000	2004 \$'000
<b>Revenues from ordinary activities</b>		
Revenues from operating activities	28,528	32,583
Revenues from non-operating activities	1,446	3,856
Total revenues from ordinary activities	29,974	36,439
<b>Expenses from ordinary activities</b>		
Human resources	(10,624)	(14,882)
Technology	(7,780)	(12,249)
Communications	(1,796)	(2,559)
Occupancy	(978)	1,002
Depreciation and amortisation	(1,387)	(1,589)
Insurance	(483)	(1,049)
Other	(2,246)	(3,292)
Total operating expenses	(25,294)	(34,618)
<b>Profit from ordinary activities before income tax</b>	<b>4,680</b>	<b>1,821</b>
<b>Income tax benefit/(expense) relating to ordinary activities</b>	-	-
<b>Net profit attributable to members of the parent entity</b>	<b>4,680</b>	<b>1,821</b>
Basic earnings per share	5.2	2.0
Diluted earnings per share (cents per share)	5.2	2.0

**4. Statement of Financial Position**

	Consolidated	
	2005 \$'000	2004 \$'000
<b>Current Assets</b>		
Cash assets	25,971	29,202
Receivables	42,213	22,751
Other	2,653	2,588
<b>Total Current Assets</b>	<u>70,837</u>	<u>54,541</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	2,034	2,140
Intangible assets	1,444	-
<b>Total Non-Current Assets</b>	<u>3,478</u>	<u>2,140</u>
<b>Total Assets</b>	<u>74,315</u>	<u>56,681</u>
<b>Current Liabilities</b>		
Payables	45,573	26,358
Provisions	1,676	3,319
Other	225	225
<b>Total Current Liabilities</b>	<u>47,474</u>	<u>29,902</u>
<b>Non-Current Liabilities</b>		
Payables	50	-
Provisions	40	28
<b>Total Non-Current Liabilities</b>	<u>90</u>	<u>28</u>
<b>Total Liabilities</b>	<u>47,564</u>	<u>29,930</u>
<b>Net Assets</b>	<u>26,751</u>	<u>26,751</u>
<b>Equity</b>		
Contributed equity	75,430	75,430
Accumulated losses	(48,679)	(48,679)
<b>Total Equity</b>	<u>26,751</u>	<u>26,751</u>

5. Statement of Cash Flows

	Consolidated	
	2005 \$'000	2004 \$'000
	Inflows/(Outflows)	
<b>Cash flows from operating activities</b>		
Receipts from customers	26,670	33,823
Payments to suppliers and employees	(24,451)	(42,850)
GST Paid	(1,164)	(192)
Interest received	1,421	1,316
Interest paid	(6)	(49)
Cash receipts – share trading	-	292
Cash payments – share trading	-	(20)
Net change in client balances	1,605	5,489
Net cash (used in)/provided by operating activities	<u>4,075</u>	<u>(2,191)</u>
<b>Cash flows from investing activities</b>		
Payments for plant and equipment	(1,229)	(1,251)
Payments for intangible assets	(550)	-
Payments for software development	(944)	-
Proceeds/(Payments) for investments	-	2,523
Proceeds from sale of plant and equipment	-	46
Net cash provided by/(used in) investing activities	<u>(2,723)</u>	<u>1,318</u>
<b>Cash flows from financing activities</b>		
Repayment of finance lease principal	-	(1,187)
Payment of dividends on ordinary shares	(4,583)	-
Net cash provided by/(used in) financing activities	<u>(4,583)</u>	<u>(1,187)</u>
Net increase/(decrease) in cash held	(3,231)	(2,060)
Cash at the beginning of the financial year	<u>29,202</u>	<u>31,262</u>
Cash at the end of the financial year	<u><u>25,971</u></u>	<u><u>29,202</u></u>

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

Date the dividend (distribution) is payable

22 August 2005

+Record date to determine entitlements to the dividend (distribution)

16 August 2005

(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)

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	Amount per security of foreign source dividend
Final dividend: Current period	2.1¢	2.1¢	NIL
Previous corresponding period	2.0¢	2.0¢	NIL
Interim dividend: Current period	3.1¢	3.1¢	NIL
Previous corresponding period	NIL	NIL	NIL

**7. Details of dividend or distribution reinvestment plans in operation**

N/A

**8. Consolidated retained profits/(losses)**

	Current Period \$A'000	Previous corresponding period \$A'000
Retained profits (accumulated losses) at the beginning of the financial period	(48,679)	(48,679)
Net profit (loss) attributable to members	4,680	1,821
Net transfers from (to) reserves <i>(details if material)</i>	-	-
Net effect of changes in accounting policies	-	-
Dividends and other equity distributions paid or payable	(4,680)	(1,821)
<b>Retained profits (accumulated losses) at end of financial period</b>	<b>(48,679)</b>	<b>(48,679)</b>

**9. NTA backing**

Current period	Previous corresponding period
0.28	0.30

Net tangible asset backing per ordinary security

**10. Control gained over entities having material effect**

Name of entity (or group of entities)

N/A
-----

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

--

Date from which the profit (loss) has been calculated

--

Consolidated 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/discontinued operating divisions having material effect**

Name of entity (or group of entities)

N/A
-----

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period.

--

Date to which the profit (loss) has been calculated

--

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

--

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control

--

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

<b>Name of entity</b>	<b>Percentage of ownership interest held at end of period or date of disposal</b>		<b>Contribution to net profit (loss)</b>	
	<b>Current period</b> \$A'000	<b>Previous corresponding period</b> \$A'000	<b>Current period</b> \$A'000	<b>Previous corresponding period</b> \$A'000
Networth JDV Pty Ltd	-	35%	-	-
<b>Total</b>	-	35%	-	-
Other material interests	-	-	-	-
<b>Total</b>	-	-	-	-

On 17 September 2004, JDV Limited completed its acquisition of NetworthTech Pty Ltd. NetworthTech is the supplier of NetWorth, the specialised tax management and portfolio administration software that is used by JDV in its equities portfolio platform. JDV was a 35% shareholder of NetworthTech and held an option to acquire all of the remaining shares. Following the negotiation of mutually acceptable changes to the terms of the option, JDV exercised this option and now owns all of the issued shares in NetworthTech.

**12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.**

None
------

**13. Foreign entities set of accounting standards used in compiling the report (IAS)**

N/A
-----

**14. Commentary on the results for the period.**

14.1 Earnings per security (EPS)	<b>Current period</b>	<b>Previous corresponding period</b>
Basic EPS	5.2 cents	2.0 cents
Diluted EPS	5.2 cents	2.0 cents

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:	<b>2005</b> <b>\$'000</b>	<b>2004</b> <b>\$'000</b>
Net profit	4,680	1,821
Earnings used in calculation of basic and diluted earnings per share	4,680	1,821
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares used in calculating basic earnings per share:	89,829,401	89,829,401

14.2 Returns to shareholders (including distributions and buy backs)

	Current period \$A'000	Previous corresponding period \$A'000
Ordinary securities <i>(each class separately)</i>	-	-
Preference securities <i>(each class separately)</i>	-	-
Other equity instruments <i>(each class separately)</i>	-	-
<b>Total</b>	-	-

The <sup>†</sup>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).

N/A
-----

14.3 Significant features of operating performance

JDV Limited is pleased to announce its financial results for the year ended 30 June 2005.

JDV continues to improve its operating performance and has produced earnings before interest, tax and depreciation/amortisation (EBITDA) of \$6.313m off income of \$28.528m from normal business activities. This represents a 17.8% increase in EBITDA in the six months ended 30 June 2005 over the results for the first six months of this financial year, and a 43.9% increase on the 03/04 financial year. Earnings before tax (EBT) taking into account interest income, corporate costs and depreciation/amortisation was \$4.680m. This equates to full year earnings per share of 5.2 cents. Corporate costs were significantly impacted by the costs associated with the takeover offer made by IWL Limited.

A summary of financial performance is shown in the following table.

	6 months to 30 June 2005 \$'000	6 months to 31 Dec 2004 \$'000	Change %	Year ended 30 June 2005 \$'000	Year ended 30 June 2004 \$'000
Income	14,661	13,867	5.7%	28,528	24,967
Expenses	11,247	10,968	2.5%	22,215	20,580
<b>EBITDA</b>	<b>3,414</b>	<b>2,899</b>	<b>17.8%</b>	<b>6,313</b>	<b>4,387</b>
Depreciation/ amortisation	738	649	13.7%	1,387	1,589
<b>Operating result</b>	<b>2,676</b>	<b>2,250</b>	<b>18.9%</b>	<b>4,926</b>	<b>2,798</b>
Corporate costs	1,465	227	545.4%	1,692	-
Discontinued Operations	-	-	-	-	2,303
<b>EBIT</b>	<b>1,211</b>	<b>2,023</b>	<b>(40.1%)</b>	<b>3,234</b>	<b>495</b>
Interest	707	739	(4.3%)	1,446	1,326
<b>EBT</b>	<b>1,918</b>	<b>2,762</b>	<b>(30.6%)</b>	<b>4,680</b>	<b>1,821</b>
Income tax expense	-	-	-	-	-
<b>NPAT</b>	<b>1,918</b>	<b>2,762</b>	<b>(30.6%)</b>	<b>4,680</b>	<b>1,821</b>
<b>EPS</b>	<b>2.1</b>	<b>3.1</b>	<b>(32.2%)</b>	<b>5.2</b>	<b>2.0</b>

The JDV Limited Board has declared a final dividend of 2.1 cents per share fully franked, payable on 22 August 2005, with a record date of 16 August 2005.

#### 14.4 Segment Information

N/A

#### 14.5 Report on trends in performance

Refer to note 14.3

14.6 Report any factors which have affected the results during the reporting period or which are likely to affect results in the future, including those where the effect could not be quantified.

Refer to note 14.3

14.7 Any other information required to be disclosed to enable the reader to compare the information presented with equivalent information for previous periods. This must include information needed by an investor to make an informed assessment of the entity's activities and results.

None

#### 15. This report is based on accounts to which one of the following applies.

- |  |   |
|--|---|
| <input type="checkbox"/> The accounts have been audited.   | <input type="checkbox"/> The accounts have been subject to review.                  |
| <input checked="" type="checkbox"/> The accounts are in the process of being audited or subject to review. | <input type="checkbox"/> The accounts have <i>not</i> yet been audited or reviewed. |

16. If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

N/A

**17. If the accounts have not been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.**

N/A

**18. Impact of Adopting AASB Equivalents to IASB Standards**

For financial periods commencing 1 July 2005, the Group must comply with Australian equivalents of International Financial Reporting Standards ("AIFRS") as issued by the Australian Accounting Standards Board ("AASB"). The Group will be required to present its financial statements in accordance with AIFRS for the financial year commencing 1 July 2005, including the interim financial report for the half-year ending 31 December 2005. Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period.

Priority has been given to the preparation of an opening balance sheet in accordance with AIFRS as at 1 July 2004, the Group's transition date to AIFRS.

The Group is in the process of transforming its accounting policies and financial reporting from current Australian Accounting Standards ("AGAAP") to AIFRS. The Group has allocated internal resources and consulted experts in performing an internal review to assess the impact of the anticipated conversion to AIFRS from the Group's existing accounting and reporting practices. The review focused on the standards reasonably believed to be relevant to the Group. The review has quantified the effects of the differences as set out below.

The figures disclosed below, are management's best estimates of the quantitative impact of the changes as at the date of these 30 June 2005 financial statements. The actual effects of transition to AIFRS may differ from the estimates disclosed due to (a) ongoing work being undertaken by the AIFRS project team; (b) potential amendments to AIFRSs and interpretations thereof being issued by the standard-setters and IFRIC; and (c) emerging accepted practice in the interpretation and application of AIFRS and UIG Interpretations.

The review process has identified a number of accounting policy changes that will be required. In some cases choices of accounting policies are available including elective exemptions under Accounting Standard AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (July 2004). These choices were analysed to determine the accounting policy most appropriate for the Group.

Set out below are the key areas where accounting policies are expected to change on adoption of AIFRS and our best estimate of the quantitative impact of the changes on total equity as at the date of transition and 30 June 2005 and on net profit for the year ended 30 June 2005.

*Share-based payments*

Share-based compensation forms part of the remuneration of employees of the Group (including executives). The consolidated entity does not currently recognise an expense for any share options granted to employees under AGAAP. Under AASB 2 "Share-based Payments", the consolidated entity will be required to recognise an expense for such share-based compensation. Share-based compensation is to be measured at the fair value of share options issued, determined at grant date and recognised over the expected vesting period of the options. A reversal of the expense will be permitted to the extent non-market based vesting conditions (eg. service conditions) are not met. The consolidated entity will not retrospectively recognise share-based payments vested before 1 January 2005 as permitted under AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" therefore AASB 2 will apply to all share based payments issued after 7 November 2002 which have not vested as at 1 January 2005.

This treatment results in a transitional adjustment through retained earnings on 1 July 2004 and subsequent expense recognition in the Statement of Financial Performance, with corresponding adjustments to equity.

The Directors have estimated that the transitional adjustment (1 July 2004) to retained earnings is \$35,832 and the expense recognition for the year to 30 June 2005 is \$469,762 under AIFRS.

*Impairment of assets*

Under the AASB 136, "Impairment of Assets," the recoverable amount of an asset is determined as the higher of net selling price and value in use. Value in use will be assessed by reference to discounted cash flow analyses. This will result in a change in the consolidated entity's current accounting policy, which determines the recoverable amount of an asset on the basis of undiscounted cash flows.

Management have determined that there is no AIFRS transitional adjustment nor any adjustment as at 30 June 2005 in respect of AASB 136.

*Income taxes*

Under the AASB 112 "Income taxes," JDV will be required to use a balance sheet liability method which focuses on the tax effects of transactions and other events that affect amounts recognised in the Statement of Financial Position and tax-based balance sheet.

An area where differences arise is the treatment of tax losses, whereby JDV will need to satisfy a "probability test" to bring unrealised tax losses to account as a future income tax benefit. Under this test, a deferred tax asset should be recognised to the extent that it is probable that sufficient taxable profit will be available to allow the benefit of the deferred tax asset to be utilised. This recognition criterion is not as strict as the AGAAP "virtual certainty" test under which the Group has not recognised unutilised tax losses as a future income tax benefit.

At 1 July 2004 and 30 June 2005, JDV had approximately \$49 million and \$47 million respectively of tax losses which had not been recognised under AGAAP.

The directors have determined that under AIFRS, deferred tax assets of \$8.01 million (1 July 2004 transition date) and \$7.38 million (30 June 2005) should be recognised.

This will have the impact of increasing the income tax expense for the 2005 financial year under AIFRS by approximately \$1.4million.

*Embedded Derivatives*

AASB 139 "Financial Instruments: Recognition and Measurement" introduces the concept of embedded derivatives and requires the identification, recognition and measurement of derivatives embedded within contracts entered into by a Group. Embedded derivatives are required to be recognised at fair value with movements reported in the Statement of Financial Performance. The Group is currently reviewing contracts to identify embedded derivatives but does not anticipate any material impact based upon work performed to date.



---

Peter Horne  
Managing Director