



protecting people, property and environments™

19th February 2010

The Company Announcements Platform
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Via e-lodgements

Dear Sirs

Re: Results for the Half Year ended 31 December 2009

Please find enclosed the Company's Appendix 4D: Half Yearly Report for the 6 months ended 31 December 2009 along with the Financial Report for same period

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Jeffrey Broun', is shown within a rectangular box.

Jeffrey Broun FCA
Managing Director
jbroun@greencap.com.au

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Appendix 4D
Half Yearly Report

Name of entity
GREENCAP LIMITED

ABN or equivalent company reference
24 006 631 769

Half year ended ('current period')
31 DECEMBER 2009

Previous corresponding period:
Half year ended 31 December 2008

Results for announcement to the market

	Movement \$A'000	6 months to 31 Dec 09 \$A'000		6 months to 31 Dec 08 \$A'000	Movement %
Revenues from continuing operations	Down \$2,283 to	29,324	from	31,607	(7.2)%
Net Profit for the period	Down \$798 to	2,105	from	2,903	(27.5)%
Net Profit for the period attributable to the members of Greencap Limited	Down \$798 to	2,105	from	2,903	(27.5)%

Dividends/Distributions

	Amount per security	Franked amount per security
Current Period		
Final dividend re year ending 30 June 2009	0.75 cents	100%
Interim dividend	Nil	Nil
Previous Period		
Final dividend	0.5 cents	100%
Interim dividend	Nil	Nil
Record date for determining entitlements to the dividend.		N/A
Record date for determining entitlements to the dividend.		N/A

Summary of results

Please refer to the half year report as lodged 19th February 2010 by the Company.

Net tangible assets per security

	Current period	Previous corresponding Period
Net tangible asset backing per ordinary security	\$ (0.021)	\$ (0.034)

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Control gained over entities during the period

Name of entity (or group of entities) over which control was gained	n/a
Date control was gained	n/a
Contribution of the entity to net profit before tax from continuing activities during the period (if material)	n/a
Net profit before tax of the entity during the previous reporting period (if material)	n/a

Control lost over entities during the period

Name of entity (or group of entities) over which control was lost	n/a
Date control was lost	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 to the date of loss of control	n/a
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	n/a

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

N/A

Foreign entities set of accounting standards used in compiling the report

N/A

Commentary on results

Refer Directors Report incorporated in Half Year Report as lodged 19th February 2010 by the Company.

Qualification of audit/review

N/A as there is no audit dispute or qualification.



Sign here:

Managing Director

Date: 19th February 2010

Print name:

JEFFREY BROUN

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greencap
LIMITED

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FINANCIAL REPORT HALF YEAR ENDED 31 DECEMBER 2009

ABN 24 006 631 769

Corporate Directory

DIRECTORS

Stephen Belben (Chairman)
Jeffrey Broun (Managing Director)
Scott Bird
Andrew Gay

SECRETARY

Hubert Lennerts

REGISTERED OFFICE

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www.greencap.com.au

Noel Arnold & Associates Pty Ltd

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Box Hill, Melbourne Victoria
www.noel-arnold.com.au

ENV Australia Pty Ltd

Level 7, 182 St Georges Terrace
Perth Western Australia
www.env.net.au

Environmental & Licensing Professionals Pty Ltd

Level 27 288 Edward Street
Brisbane Queensland
www.elp.com.au

Trevor R Howse & Associates Pty Ltd

Suite 3, Level 1, 19 Harris Street
Pyrmont, Sydney NSW
www.trh.com.au

Validus Group Pty Ltd

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Perth WA 6000
www.validusgroup.com.au

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AUDITORS

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Perth, Western Australia 6000

BANKERS

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Melbourne, Victoria, 3000

Greencap Limited (East coast office)

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Box Hill, Melbourne Victoria 3128

Trimevac Pty Ltd

Head Office
Level 2, 11 Khartoum Road
North Ryde NSW 2113
www.trimevac.com.au

ECC Pty Ltd

Suite 8 & 13, 33 Queens Road
Melbourne Victoria
www.eccptyltd.com

AEC Environmental Pty Ltd

12 Greenhill Road,
Wayville, Adelaide SA
www.aecaust.com.au

Leeder Consulting Pty Ltd

Unit 5, 18 Redland Drive
Mitcham, Melbourne VIC
www.leederconsulting.com

MC2 Pacific Pty Ltd

Level 3, 68 Alfred Street
Milsons Point, Sydney NSW
www.mc2pacific.com.au

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Greencap Limited ABN 24 006 631 769 and Controlled Entities

INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2009

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Greencap Limited ABN 24 006 631 769 and Controlled Entities

Interim Financial Report

DIRECTORS' REPORT

Your directors submit their report on the consolidated entity consisting of Greencap Limited and the entities it controlled at the end of, and during the half-year ended 31 December 2009.

Directors

The names of the directors of the Company in office during the half-year and until the date of this report are listed below. Directors were in office for this entire period unless otherwise stated.

Stephen Belben (non executive Chairman)
 Jeffrey Broun (Managing Director)
 Andrew Gay (non executive Director)
 Scott Bird (executive Director)

Cameron Hunter (executive Director – appointed 23 December 2009 – resigned 18 January 2010)
 Noel Arnold (non executive Director – resigned 24 September 2009)
 Andrew Meerman (executive Director – resigned 15 September 2009)
 John Priest (non executive Chairman – resigned 8 July 2009)

REVIEW AND RESULTS OF OPERATIONS

Performance during the six months to 31 December 2009 was affected by the difficult economic environment within which the Greencap group businesses operated. This was particularly noticeable in the first quarter of the current financial year, however, the group is seeing a general improvement in trading conditions with EBIT performance of the group businesses in the second quarter of this reporting period showing a combined 17% increase over the first quarter, which should see a stronger second half result.

Financial Result - Overview

A summary of the consolidated results for the half year is set out below.

	Half year 2009 \$ 000's	Half year 2008 \$ 000's
REVENUE		
Risk Management consulting	29,297	31,572
Corporate	27	35
Total Revenue	<u>29,324</u>	<u>31,607</u>
RESULTS		
Earnings before interest and tax	3,540	4,732
Interest expense	(515)	(548)
Profit Before Income Tax	3,025	4,184
Income Tax Expense	(920)	(1,281)
Net Profit After Income Tax	<u>2,105</u>	<u>2,903</u>
Operating cash-flow	3,508	1,514
Investing activity cash-flow	(1,293)	(14,438)
Financing activity cash-flow	(2,420)	12,936
Closing Cash – continuing operations	<u>3,582</u>	<u>4,967</u>
Senior Debt (excludes equipment financing)	(14,312)	(17,598)
Net Debt (excludes equipment financing)	<u>(10,730)</u>	<u>(12,631)</u>

The Greencap group revenues for the current half year totalled \$29.3 million with a Net Profit After Tax of \$2.1 million. The general momentum of operational activity improved during the 2nd quarter leading into the Christmas period. This momentum is anticipated to continue into the 2nd half of the current financial year.

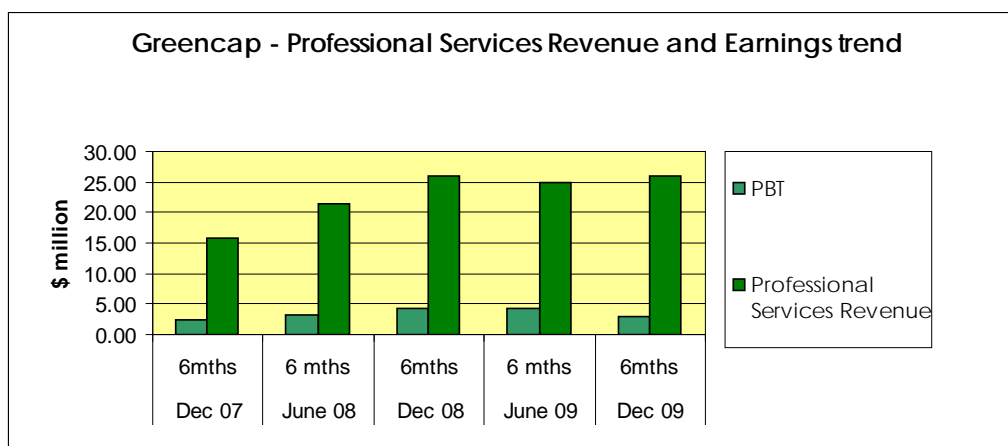
Greencap Limited ABN 24 006 631 769 and Controlled Entities Interim Financial Report

During the reporting period, the Company finalised deferred consideration payments in respect of Environmental & Licensing Professionals Pty Ltd (ELP), and Leeder Consulting. The total consideration paid was \$1.106 million, being \$0.553 million cash, and \$ 0.553 million through the issue of 3,734,150 new fully paid ordinary shares. Further details are contained in note 8 of the enclosed financial statements.

The Company paid a dividend of \$1.935 million in total on 22 September 2009. Under the Company's dividend re-investment plan \$0.11 million of the dividend was paid through the issue of 712,894 new fully paid ordinary shares. The issue price of shares under the dividend re-investment plan was set at 15.52 cents, being the volume weighted average market price for the company's shares on the ASX over the five trading days preceding the record date, rounded to the nearest whole cent, less a discount of 3%.

The Company is conservatively geared, has low capital expenditure requirements and has a good record of converting profit to cash flow. With an improving operating environment the Company is confident of strengthening its earnings profile over the short to mid term.

Further discussion of individual business activity during the 6 months to 31 December 2009 is detailed on pages 5 to 9.



Review of Consolidated Activity

	6 Months 31 Dec 2009 \$000's	12 Months 30 June 2009 \$000's	6 Months 30 June 2009 \$000's	6 months 31 Dec 2008 \$000's
Gross Revenue - (excl interest income)	29,286	60,143	28,653	31,490
Less contracting revenue	(3,442)	(9,404)	(3,930)	(5,474)
Net Professional Services Revenue	<u>25,844</u>	<u>50,739</u>	<u>24,723</u>	<u>26,016</u>
Earnings Before Interest and Tax – consolidated	3,540	9,586	4,854	4,732
Consolidated EBIT Margin on Gross revenue	12.1%	15.9%	16.9%	15.0%
Consolidated EBIT Margin on Net Professional Services Revenue	13.7%	18.9%	19.6%	18.2%
Earnings Before Interest and Tax – operational businesses	4,307	10,780	5,499	5,281
Operation EBIT Margin on Net Professional Services Revenue	16.7%	21.2%	22.2%	20.2%

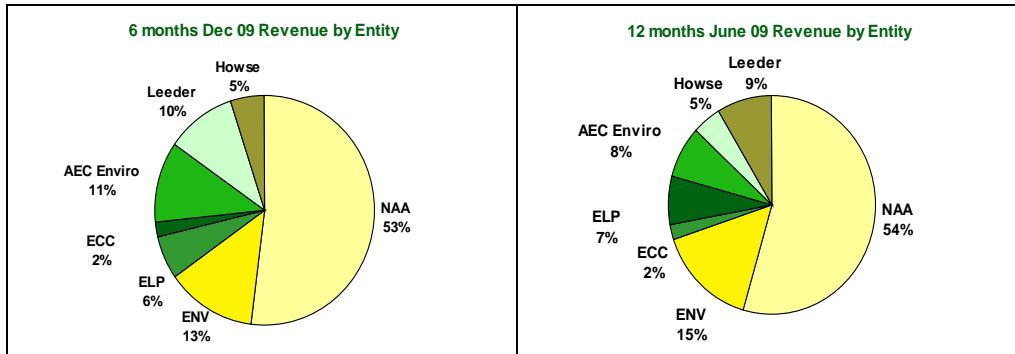
Gross revenue incorporates contracting services undertaken by group companies for certain clients. This entails the Greencap business contracting sub-contractor services, and then billing those costs on to the client project. The minimal margin on this work creates a dilutive effect on group margin when measured as a margin of gross revenues. The underlying margin performance achieved by group operations is properly reflected by considering earnings against professional services activity.

The reduction in margin attainment in the 1st half FY 2010 reflects the general trading environment faced by all group businesses as previously discussed.

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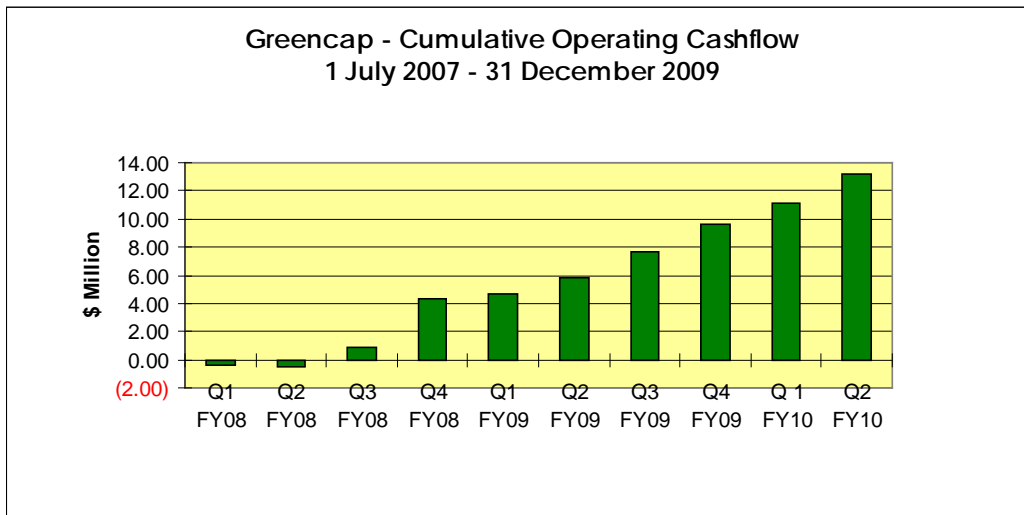
The group revenue profile for the 6 months to 31 December 2009 is summarised below, and shows that NAA continues to contribute just over 50% of group revenues. Among the other businesses, the growth in revenue achieved by AEC Environmental during the 1st half FY 2010 has shifted the balance of revenue generation amongst those businesses.



During the 6 month reporting period, Greencap group companies serviced in excess of 3,000 clients. 15% of total revenues in the period were generated from new clients won by group businesses. This continues the trend of the group businesses to win new clients, especially pleasing when taking into consideration the economic environment of the 1st half FY 2010.

The client strata profile of the group continues to maintain the profile of earlier periods, with no single client reliance, and with the top 20 clients accounting for 30% of group revenues during the 1st half FY 2010.

The group has continued to achieve excellent cash generation from all business units during the period. Since the re-listing of the Company in July 2007, the cumulative operating cash generated has reached \$13.2 million.



The Company has gross interest bearing liabilities of \$15.184 million at 31 December 2009. The primary components of this debt are \$12.8 million commercial bill debt facility, \$1.512 million vendor loan arrangements, and \$0.872 million equipment lease purchase finance.

Total gross debt represents 27.2 % of total equity, with actual gross interest cost cover for the 6 month period being 6.9 times. Total net debt represents 20.8 % of total equity.

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The movement in cash levels, debt, and net debt during the past reporting periods is summarised below:

	As at 31 Dec 2009	As at 30 June 2009	As at 31 Dec 2008
	\$ 000s	\$ 000s	\$ 000s
Cash	3,582	3,787	4,967
Senior Debt	(14,312)	(14,560)	(17,598)
Net debt-excluding equip. finance	(10,730)	(10,773)	(12,631)
Equipment finance	(872)	(947)	(986)
Total Net Debt	(11,602)	(11,720)	(13,617)
Total Gross Debt : Equity	27.2%	28.2%	36.5%
Total Net Debt : Equity	20.8%	21.3%	26.7%
Interest cover	6.9 x	8.9 x	8.8 x
Senior Debt : rolling 12 month EBIT	1.7 x	1.5 x	2.1 x

Business Units - Key Operating Highlights

Noel Arnold & Associates Pty Ltd (NAA) including subsidiary companies Trimevac Pty Ltd & MC2 Pacific

The first half of FY 2010 has been a period of consolidation for the Noel Arnold group businesses. The company has experienced a steady trend of continued growth and recent moves to strengthen team management resources have presented staff, some of whom will be future leaders, with additional career opportunities.

There has also been a trend by large corporations and government bodies to establish panels of prequalified suppliers in many of the service areas in which the company operates. This has involved considerable resources to attain the required authorisations and approvals. The company is confident this investment will be beneficial in the medium term, increasing revenue in annuity work for clients.

A key objective of the NAA business is developing the skill base of consulting staff to maximise commercial outcomes and repeat business with clients. The business experienced an impact from the credit crisis in the middle of the FY 2009 financial year. During this period the management response was to suspend replacement of staff leaving the company. The consequence of this was that staff numbers at the commencement of the current financial year were down on the prior year. Lower activity was therefore partially offset by lower staff numbers.

Whilst the company experienced a slight weakening of client demand in Q1 FY2010, activity in terms of the number and value of tenders submitted has been increasing. With the above in mind additional staff have been appointed and the business is well placed to service this demand. With large projects usually having a lead time of 3-6 months, this upturn in demand is expected to impact positively on the company's performance in the second half of the year – a period which has been historically strong.

The improved client demand was most evident in the property sector where the business saw an upturn in transactional activity and refurbishment works which had been delayed due to the downturn. From a regional perspective activity has been strong in New South Wales in 1st half FY 2010 with Queensland and Victoria a little down on the prior year.

In particular the second quarter was extremely busy with marketing and proposal activity and NAA have been successful in converting such opportunities into major projects. This will have a positive impact on building the work pipeline in the 3rd quarter of this financial year. NAA has been successful in securing a number of major projects which will be serviced in the 2nd half FY 2010. A number of these projects are noted below:

- Emergency Management Services: Trimevac has been awarded a 3 year contract to provide a comprehensive suite of emergency management services to a national government health services body, covering over 250 offices nationally
- Crisis Management Exercise: MC2 Pacific has been appointed to plan and conduct a major crisis management exercise for all the entities in a regional utility services provider. This covers aspects including supply, transmission, grid management, distribution, as well as regulatory, health, and emergency management agencies.
- Property Compliance & Hazardous Materials Survey Program NSW : The NAA Sydney office is to conduct a major property risk & hazardous materials audits of 1,000 sites in NSW for a national group, over a 12 month period. The project will utilise the NAA developed tablet applications for data collection and direct upload into the Rm3 web-based Asbestos Management module. The use of technology solutions are critical to delivering enhanced efficiency & turn around times on this project.

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- Victorian Desalination Plant : NAA has been selected to provide Safety Design review consulting services for this major utility infra-structure project in Victoria.
- Phase 2 Environmental Assessments in Australia and New Zealand : The project involves phase 2 environmental assessments at 7 sites in Australia & New Zealand for a multinational property group. The project was a follow on from Phase 1 assessments previously conducted by NAA. The project will be completed during 2nd half FY 2010.
- Hazardous Materials/Evacuation Plans : NAA was recently awarded the contract by a leading national financial services group, to conduct hazardous materials audits and prepare emergency evacuation plans for 300 sites located on the east coast of Australia. The project demonstrates NAA's ability to create value adding solutions for clients, by combining two services within the one program. The project will be conducted during quarter 3 FY 2010.
- 5 Year Contract for Occupational Hygiene Services : NAA has been awarded the contract to deliver Occupational Hygiene services to a leading educational establishment, over a five year period. NAA will provide a range of services across a number of campus locations, including indoor air quality assessment, asbestos monitoring and surveys, noise surveys, dangerous goods audits, review of ventilation systems, chemical hazard and exposure assessment, and dust, vapour and fume monitoring.
- Panel of Preferred Suppliers for Asbestos : NAA's Brisbane office was successful in being appointed as preferred supplier of asbestos risk management services to a local government body, the largest council in the southern hemisphere.
- Awareness for Workplace Safety – Aboriginal Business : NAA is to participate in a critical project relating to the development of safety awareness strategies and programs for the Aboriginal business community in NSW. The project will be delivered in partnership with Indigenous Success Australia. NAA anticipates being able to develop new and innovative approaches in this area.
- Emergency Management Services : Trimevac was recently awarded a 3 year contract to provide emergency management services for a nationally based group, covering in excess of 30 sites across Australia
- Cm3 Online Prequalification Portal: The Cm3 system continues to perform well with positive acceptance and uptake in the property management and road infrastructure sectors. Two organisations AMP and Transurban have committed to the Cm3 system which will deliver approximately 2,000 contractors to the web portal. The associated licence fee revenues from the contractor registrations will flow through in the 2nd half of FY 2010.

ENV Australia Pty Ltd (ENV)

Difficult trading conditions were experienced by the business during the first six months of FY 2010. Generally business conditions were volatile with periods of moderate activity followed by periods that were quieter than desirable. A focus of the last six months was to retain the skills and expertise resident in ENV and continue to meet budget projections. Accordingly new projects were bid aggressively and competitively allowing appropriate work loads to enable the business to meet projected targets for the 1st half year. However, competitive bidding impacted on productivity levels and project margins.

A critical initiative has been the hiring of key staff over the last six month period, with a number of exceptionally well qualified professionals being recruited. This strategy will enable ENV to take advantage of the strengthening of conditions during the second half of FY 2010.

ENV has also commenced the implementation of an expansion of the business into Asia. ENV has secured an exceptionally qualified environmental scientist, with extensive experience of operating within the Asian region, to lead this program. This initiative is expected to create substantial opportunities for the environmental staff located in Australia and in addition will create a more diverse client base for the company. This initiative continues ENV's successful organic growth story.

ENV relies to a large degree on the health of the land development and resource sectors of the Western Australian economy. Growth in both of these industries had been strongly impacted upon by the global financial crisis and this naturally impacted on ENV. However both these sectors have shown improvement over the last six months resulting in new work being won to replace those projects that were coming to a close.

The coming six months look to be more robust than the previous twelve months. A full recovery in the land development sector is being anticipated by developers and they are re-activating dormant projects as well as searching for new opportunities. However some developers have not been able to recover and are selling land holdings. This will ultimately allow these landholdings to be developed by new owners, thus creating opportunities for ENV.

The resources sector appears to have returned to an almost business as usual state of affairs. The construction of major mines, LNG plants and associated infrastructure will ensure a moderate demand for environmental management professionals. Talk of another resource boom coupled with substantial migration to Western Australia should ensure a strengthening of activity for ENV in the next six to twelve months and conformance to our budget for the remainder of the year.

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ECC Pty Ltd (ECC)

ECC has continued to increase revenues, despite the impact of the global financial crisis on the commercial property sector from which a significant percentage of its consulting projects are sourced.

Legionella risk, water management strategies and energy efficiency remain the key focus of ECC's consulting revenue with continued growth in the water/energy & sustainability area.

Key strategic initiatives implemented by the business during the period include establishing an office base in Sydney which has enabled further penetration into the New South Wales market. Sydney representation has also enabled ECC to capitalise on servicing key clients within the state and developing national contracts in legionella risk/sustainability.

ECC's clients base remains dominated by the commercial and retail property sector, with client retention and new client growth being key factors contributing to revenue growth in the 1st half of FY 2010.

A number of positive actions during the 1st half FY 2010 include:

- ECC continuing to be recognised as a leading consultancy in legionella risk management with major projects completed at the request of the Department of Health in Victoria.
- Continued growth of significant projects in cooling tower water efficiency and corrosion undertaken for Sydney Water.
- Water management strategies developed for a national shopping centre group completed which has lead to additional projects for this client.
- National contracts won in cooling tower risk management for major retail and property management groups.
- Recognition of ECC's engineering capability with a major project relating to equipment life cycle analysis completed for a new hospital development in Melbourne.
- Retention of major national contracts in legionella risk management.

The outlook for 2nd half FY 2010, and for the 12 months to 31 December 2010 is positive, with confidence growing in the property sector, and with continued growth in the water and energy consulting areas of the business. These growth areas are offset somewhat by the reduced growth of the Victorian based legionella risk business due to the maturing market.

Environmental & Licensing Professionals Pty Ltd (ELP)

ELP also experienced new project work being subject to highly competitive pressures due to the general economic environment at the start of FY 2010.

The business saw a general increase in activity during the 2nd quarter, with revenues up 24% on Q1 and EBIT up 54% quarter on quarter. The positive trend in activity levels is attributed to an improving mining sector within Queensland which is supported by increased international ore sales, and investor confidence. However, the Queensland market remains cost competitive, with buying decisions placing a greater emphasis on pricing from service providers.

The business has seen a number of significant projects commence during the period under review, including:

- commenced provision of environmental and approvals services as part of the development of a 40 megawatt gas fired power station in Central Queensland – ELP's involvement in this project is expected to run through to late 2012.
- Extended support on major LNG project, with additional professional services.
- Access to land support for North Queensland gold exploration projects.
- Training programmes developed by ELP have been established by a mining contractor client as a leading KPI for its own business operations as part of its Health and Safety regime, exemplifying the standards set by ELP's training arm, Muddy Boots.
- Improved activity levels in respect of tenement management services/ Cultural Heritage and Native title, with a specialist consultant joining the business to support this growth.

The outlook for the 2nd half FY 2010 is viewed positively, given the general improvement in external activity during Q2 FY 2010. ELP is actively seeking to increase its consulting team to service the anticipated activity levels in the 2nd half year.

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AEC Environmental Pty Ltd (AEC)

AEC has had a strong performance for the 1st half of FY 2010. Staff numbers have grown by 30% since 30 June 2009, with gross sales improving by 50% over the previous 6 month period.

The original planning process undertaken by the business prior to the start of FY 2010 was set in a period of declining property development activity due to the general economic environment, an area that has been a core market sector for AEC in the past. The business is starting to see this decline within the property sector flatten out, and in the latter part of calendar 2009, property sector activity has shown signs of improvement. This shift in trend is evidenced by the business being successful in gaining a number of key projects which have a longer term influence on AEC's future development. These are noted;

- A major asbestos survey undertaken as part of the Federal Government initiative to improve housing conditions in remote indigenous communities. The project covered 73 remote indigenous communities in the Northern Territory through Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). The work was required to be completed within three months and this was achieved resulting very positive feedback from the client.
- A major contaminated land assessment running through to September 2012. The project relates to a former major industrial manufacturing site located in Adelaide that has been purchased by the state government, and is subject to a regeneration programme which will ultimately be used for mixed use development with one of the first transport orientated developments (TOD) in Adelaide.

AEC continues to improve its strategic positioning for growth within its core service areas of contaminated site / hazardous material assessment and remediation, statutory audits, and property risk auditing. The business has been successful during the period in securing a number of strategic high level staff appointments to support this growth pathway.

In addition, recent changes in South Australian Environmental Legislation will increase the demand for Statutory Auditing and environmental services and continued strong growth in this area is expected. The legislative changes will now require all residential developments to be audited whereas previously such audits were only recommended but were not enforceable.

AEC has also successfully diversified its skill base for hazardous materials assessment enabling the business to gain work in the areas of property risk assessment and occupational hygiene. It is anticipated that this will be a good growth area over the next few years.

In addition, the business continues to work closely with ENV and generate success in winning a number of projects due to the broader skills base that can be presented to clients.

The business is seeing client confidence continuing to improve together with greater client awareness of AEC's ability to provide value for money services. The outlook for the remaining six months of FY 2010 is positive and continued growth in revenue and earnings is anticipated. The current work load is strong, and with several of the major projects currently in hand extending over three years, the business is well positioned to continue to develop positively.

Leeder Consulting Pty Ltd (Leeder)

The Leeder business faced a similar environment to other group companies, with the half year reflecting uncertain trading conditions stemming from the global financial crisis.

Q1 was a slower period for Leeder, with a key project commencement being deferred for the first 6 weeks of FY 2010. The effect of this deferral has been overcome through stronger earnings in Q2. Total revenue for Leeder in Q2 was 30% higher than Q1, and expected to continue into the 2nd half of FY 2010 and beyond.

A highlight for the Leeder business during this first six month period was achieving a record level of billing in December 2009, being the highest billing month experienced during the business's eleven year operating history. This was achieved, despite some contraction in work from traditional clients, by developing new specialised services for the Oil and Gas industry.

The specialist skills available within the Leeder business have continued to be accessed during the 1st 6 month period, with specialist projects undertaken including;

- Providing oil spill fingerprinting services for the recent East Timor seas oil platform spillage.
- Undertaking specialist forensic advice in relation to environmental contamination.
- Undertaking trace sampling and analysis of vapour contaminants in soil to assist in assessing health risks associated with subsurface vapour intrusion into buildings from petrol stations located nearby.

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Leeder has continued to invest in its overall testing and analysis capabilities.

The business continues to see an operating environment where client spending and investment behaviours remain somewhat cautious. However, Leeder's diverse customer base in key market segments and technical innovation provides a sound basis for continued growth in revenue and earnings for the year ahead.

Trevor R Howse & Associates Pty Ltd (TRH)

TRH operates primarily within New South Wales, and the state economy has remained sluggish through the first half FY 2010, following on from the position leading in from FY 2009.

The New South Wales construction industry has been particularly affected by the economic conditions, with the general level of opportunities arising from new building and redevelopment activities remaining slow.

As a basic indicator, building approvals for new units and dwellings rose from 3,217 for the 6 months to 30 June 2009, to 4,022 for the 6 months to 31 December 2009. This suggests that the construction industry is starting to see some evidence of growth which should extend into the middle of 2010 and beyond.

The office and commercial sector often mirrors the housing sector in terms of growth due to general consumer confidence. The current overall picture therefore remains somewhat slower than a number of years ago.

Whilst this general slowdown has occurred, there remain positive signs. As noted, new start homes remain a barometer for the business and the state economy. Whilst the trend for approvals has been in positive territory for the past nine months, this growth is significantly lower than that experienced in prior years.

Despite the adverse economic conditions, and an increasingly competitive environment, TRH has continued to win new work and projects, at a success rate consistent to prior years. The trend has been one of a consistent volume of projects, however the average size of projects is lower, and the pricing levels for TRH in winning new projects has also reduced.

The state government activity seems to be sluggish due to lack of funding available at state level for new projects or upgrades and the number of new state government projects is low.

The outlook for the 2nd half FY 2010 holds a number of positive features for TRH. The business commenced work on the Federal Government 'Building the Education Revolution (BER)' initiative during the 1st half of FY 2010. TRH will continue to provide project services on the BER initiatives through to November 2010, with the period between April and October 2010 expected to be especially intensive.

The business continues to look add to its consulting team, actively sourcing excellent professional skills into the business.

Auditors Independence Declaration

The board has obtained an independence declaration from the Company's auditors, Moore Stephens and is enclosed at page 10 of this Report.

Rounding of Amounts

The Company is of a kind as referred to in Class Order 98/0100 issued by the Australian Securities Investments Commission, relating to the "rounding off" of amounts stated within the Directors' Report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in accordance with a resolution of the board of directors.



Jeffrey Broun
Managing Director
Perth, 19th February 2010

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GREENCAP LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2009 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



**NEIL PACE
PARTNER**



**MOORE STEPHENS
CHARTERED ACCOUNTANTS**

Signed at Perth this 19th day of February 2010.

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Greencap Limited ABN 24 006 631 769 and Controlled Entities
 Consolidated Statement of Comprehensive Income
 For The Half-Year Ended 31 December 2009

		6 Months ended 31 December 2009 \$ 000's	6 Months ended 31 December 2008 \$ 000's
Revenue	2	29,324	31,607
Other income		74	3
Direct project external expenses		(3,969)	(8,198)
Employee benefits expense		(16,847)	(14,819)
Occupancy expense		(1,257)	(1,042)
Depreciation		(343)	(287)
Other expenses from continuing operations		(3,442)	(2,532)
Profit before income tax and finance costs		3,540	4,732
Finance costs		(515)	(548)
Profit before income tax	2	3,025	4,184
Income tax expense		(920)	(1,281)
Net Profit after income tax		2,105	2,903
Other Comprehensive Income			
Foreign Currency Translation adjustment		-	2
Total Comprehensive Income for the period		2,105	2,905
Net Profit attributable to members of Greencap Limited		2,105	2,903
Earnings per share - cents per share			
- basic for profit for the half year		0.81 cents	1.33 cents
- diluted for profit for the half year		0.81 cents	1.33 cents
- dividends paid per share, paid 22 September 2009 (21 October 2008)		0.75 cents	0.5 cents

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Greencap Limited ABN 24 006 631 769 and Controlled Entities
 Consolidated Statement of Financial Position
 As At 31 December 2009

	Notes	As at 31 December 2009 \$ 000's	As at 30 June 2009 \$ 000's
ASSETS			
Current Assets			
Cash and cash equivalents		3,582	3,787
Trade and other receivables		11,887	12,439
Prepayments and other current assets		986	1,034
Total Current Assets		16,455	17,260
Non Current Assets			
Plant and equipment		2,708	2,582
Intangible Assets		61,387	61,384
Other non current assets		1,312	1,276
Total Non Current Assets		65,407	65,242
TOTAL ASSETS		81,862	82,502
LIABILITIES			
Current Liabilities			
Trade and other payables		5,927	6,524
Provisions		3,135	4,338
Other Current Liabilities		1,695	974
Interest Bearing Liabilities		1,704	2,510
Total Current Liabilities		12,461	14,346
Non Current Liabilities			
Trade and other payables		-	30
Other Non Current Liabilities		107	143
Interest Bearing Liabilities		13,480	12,997
Total Non Current Liabilities		13,587	13,170
TOTAL LIABILITIES		26,048	27,516
NET ASSETS		55,814	54,986
EQUITY			
Issued capital	5	45,937	45,279
Employee Equity Benefits Reserve		622	622
Retained Earnings		9,255	9,085
TOTAL EQUITY		55,814	54,986

The consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

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Greencap Limited ABN 24 006 631 769 and Controlled Entities
 Consolidated Statement of Changes in Equity
 For The Half-Year Ended 31 December 2009

As at 31 December 2009
 Consolidated

	Issued Capital \$ 000's	Attributable to Equity Holders of the Parent			Total \$ 000's
		Option Premium Reserve \$ 000's	Accumulated Profits \$ 000's	Other Reserves \$000's	
At 1 July 2009	45,279	622	9,085	-	54,986
Total Comprehensive Income for the period	-	-	2,105	-	2,105
Dividends paid or proposed	-	-	(1,935)	-	(1,935)
Shares issued	663	-	-	-	663
Share issue costs	(5)	-	-	-	(5)
At 31 December 2009	45,937	622	9,255	-	55,814

As at 31 December 2008
 Consolidated

	Issued Capital \$ 000's	Attributable to Equity Holders of the Parent			Total \$ 000's
		Option Premium Reserve \$ 000's	Accumulated Profits \$ 000's	Other Reserves \$000's	
At 1 July 2008	29,761	622	3,518	(26)	33,875
Total Comprehensive Income for the period	-	-	2,903	2	2,905
Dividends paid or proposed	-	-	(1,271)	-	(1,271)
Shares issued	15,827	-	-	-	15,827
Share issue costs	(432)	-	-	-	(432)
At 31 December 2008	45,156	622	5,150	(24)	50,904

Greencap Limited ABN 24 006 631 769 and Controlled Entities
 Consolidated Statement of Cash Flows
 For The Half Year Ended 31 December 2009

	6 Months ending 31 December 2009 \$ 000's	6 Months ending 31 December 2008 \$ 000's
Cash flows from operating activities		
Receipts from customers	32,867	32,234
Payments to suppliers and employees	(26,916)	(27,083)
Interest received	38	113
Interest paid	(468)	(650)
Payment of net GST collected	(2,073)	(2,105)
Income Taxes paid	60	(995)
Net cash flows provided by operating activities	3,508	1,514
Cash flows from investing activities		
Payment for acquisition of controlled entities	(578)	(12,745)
Proceeds from sale of property, plant and equipment	-	1
Purchase of property, plant and equipment	(715)	(1,694)
Net Cash used in investing activities	(1,293)	(14,438)
Cash flows from financing activities		
Proceeds from issue of shares net of costs	(7)	6,649
Net Proceeds from borrowings	2,064	9,737
Repayment of borrowings	(2,353)	(1,549)
Dividend paid	(1,825)	(1,166)
Payment of loan entitlements to vendors of acquired businesses	(299)	(735)
Net cash (used in) / provided by financing activities	(2,420)	12,936
Net (decrease) / increase in cash held	(205)	12
Net foreign exchange difference	-	(5)
Cash and cash equivalents at beginning of period	3,787	4,752
Cash acquired on acquisition of controlled entities	-	263
Cash and cash equivalents at end of period	3,582	5,022
Reconciliation of Closing Cash		
Cash held – continuing operations	3,582	4,967
Cash held – discontinued operations	-	55
	3,582	5,022

The consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Greencap Limited ABN 24 006 631 769 and Controlled Entities Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS For The Half Year Ended 31 December 2009

Note 1: Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2009 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Greencap Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2009, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

Accounting Standards not Previously Applied

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of income statement with statement of comprehensive income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the single statement approach to the presentation of the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Standard; and

Operating Segments

From 1 July 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the group's chief operating decision maker which, for the Group, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

Business Combinations and Consolidation Procedures

Revised AASB 3 is applicable prospectively from 1 July 2009. Changes introduced by this Standard, or as consequence of amendments to other Standards relating to business combinations which are expected to affect the Group, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the change relates to circumstances which existed at acquisition date.
- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- The proportionate interest in losses attributable to non-controlling interests is assigned to non-controlling interests irrespective of whether this results in a deficit balance. Previously, losses causing a deficit to non-controlling interests were allocated to the parent entity.

**Greencap Limited ABN 24 006 631 769 and Controlled Entities
Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Half Year Ended 31 December 2009**

- If the Group has less than 100% of the equity interests in an acquiree and the business combination results in goodwill being recognised, the Group can elect to measure the non-controlling interest in the acquiree either at fair value ("full goodwill method") or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ("proportionate interest method"). The Group elects which method to adopt for each acquisition.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be remeasured to fair value at the date that control is lost.

Revenue Recognition

Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits. Previously, such dividends were treated as a return of capital invested. Such dividends may be an indicator of impairment where the carrying amount of the investment exceeds the consolidated net assets relating to that investment or where the dividend exceeds the total comprehensive income of the respective investee in the period the dividend is declared.

NOTE 2: PROFIT FOR THE PERIOD

Consolidated Group	
6 Months ending	6 Months ending
31 December 2009	31 December 2008
\$ 000s	\$ 000s

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

Revenue

- Professional Services fee income	25,844	26,016
- Contracting revenue	3,442	5,474
- Finance revenue – bank interest	38	117
Total Revenue	29,324	31,607

Expenses written off in relation to M & A activity	200	-
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NOTE 3: DIVIDENDS

Consolidated Group	
6 Months ending	6 Months ending
31 December 2009	31 December 2008
\$ 000s	\$ 000s

Distributions paid/provided for

Fully franked ordinary dividend declared on 14 August 2009 (post year-end) of 0.75 cents per share (2008: 0.5 cents per share) franked at the tax rate of 100% (2008: 100%)	1,935	1,271
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Greencap Limited ABN 24 006 631 769 and Controlled Entities Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS (continued) For The Half Year Ended 31 December 2009

NOTE 4: SEGMENT INFORMATION

Identification of reportable segments

The Group has adopted AASB 8 Operating Segments with effect from 1 July 2009. AASB 8 requires operating segments to be identified on the basis of internal reports that are used by the chief operating decision makers in order to allocate resources and assess performance.

The Group considers its sole operating segment to be that of providing risk management services. The board does not consider it appropriate to split the business operations into further segments. Monthly financial information is provided to the board detailing the risk management services sector performance.

Corporate charges are allocated to individual businesses based upon their revenue contribution to the Group. For the purposes of sector performance assessment, sector performance is reported prior to re-allocation of corporate charges.

Geographically the consolidated entity operates solely in Australia. The discontinued operations from the prior period were undertaken in the United Kingdom. The Group ceased to operate within the discontinued healthcare sector following the disposal of its interest in Protex Healthcare (UK) Limited in January 2009.

All corporate activities take place in Australia.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- derivatives;
- net gains on disposal of available-for-sale investments;
- impairment of assets and other non-recurring items of revenue or expense;

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been stated to conform to the requirements of the Standard.

**Greencap Limited ABN 24 006 631 769 and Controlled Entities
Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Half Year Ended 31 December 2009**

(i) **Segment Performance**

The following tables present revenue and profit information regarding business segments for the half-year periods ended 31 December 2009 and 31 December 2008.

	Continuing Operations		Discontinued	TOTAL Operations
	Risk Management	Corporate	Healthcare	TOTAL
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Half-year ended 31 December 2009				
Revenue				
Sales to external customers	29,286	-	n/a	29,286
Interest income	11	27	n/a	38
Management Fee Income	-	795	n/a	795
Total Segment Revenue	29,297	822	n/a	30,119
Reconciliation of segment revenue to group revenue				
Inter-segment elimination				(795)
Total Group Revenue				29,324
Segment net profit before tax	4,649	(766)	n/a	3,883
Reconciliation of segment result to group net profit/(loss) before tax				
<i>Amounts not included in segment result but reviewed by the Board:</i>				
Depreciation & amortisation	(342)	(1)	n/a	(343)
Impairment of property, plant & equipment	-	-	n/a	-
Finance Costs	(515)	-	n/a	(515)
Management fees	(795)	795	n/a	-
Net profit before tax	2,997	28	n/a	3,025

Greencap Limited ABN 24 006 631 769 and Controlled Entities
Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Half Year Ended 31 December 2009

Segment Performance (continued)

	Continuing Operations		Discontinued	TOTAL Operations
	Risk Management	Corporate	Healthcare	TOTAL
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Half-year ended 31 December 2008				
Revenue				
Sales to external customers	31,490	-	94	31,584
Interest income	82	35	-	117
Management Fee Income	-	403	-	403
Total Segment Revenue	31,572	438	94	32,104
Reconciliation of segment revenue to group revenue				
Inter-segment elimination				(403)
Discontinued operations				(94)
Total Group Revenue				31,607
Segment net profit before tax	5,568	(549)	-	5,019
Reconciliation of segment result to group net profit/(loss) before tax				
<i>Amounts not included in segment result but reviewed by the Board:</i>				
Depreciation & amortisation	(287)	-	-	(287)
Impairment of property, plant & equipment	-	-	-	-
Finance Costs	(548)	-	-	(548)
Management fees	(403)	403	-	-
Net profit before tax	4,330	(146)	-	4,184

Greencap Limited ABN 24 006 631 769 and Controlled Entities
Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Half Year Ended 31 December 2009

(ii) Segment assets

	Continuing Operations		Discontinued	TOTAL Operations
	Risk Management \$ 000's	Corporate \$ 000's	Healthcare \$ 000's	TOTAL \$ 000's
As at 31 December 2009				
Segment assets	81,890	3,082	n/a	84,972
Increases for the period:				
- Capital expenditure	464	-	n/a	464
- Acquisitions	3	-	n/a	3
	467	-	n/a	467
Reconciliation of segment assets to group assets				
Inter-segment elimination				(3,110)
Total group assets at 31.12.09				81,862
As at 30 June 2009				
Segment assets	83,076	2,653	n/a	85,729
Increases for the period:				
- Capital expenditure	456	-	n/a	456
- Acquisitions	1,634	-	n/a	1,634
	2,090	-	n/a	2,090
Reconciliation of segment assets to group assets				
Inter-segment elimination				(3,227)
<i>Unallocated assets</i>				
- <i>Deferred tax assets</i>				
- <i>Intangibles</i>				
Total group assets at 30.6.09				82,502

Greencap Limited ABN 24 006 631 769 and Controlled Entities
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NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Half Year Ended 31 December 2009

(iii) Segment Liabilities

	Continuing Operations		Discontinued	TOTAL Operations
	Risk Management \$ 000's	Corporate \$ 000's	Healthcare \$ 000's	TOTAL \$ 000's
As at 31 December 2009				
Segment liabilities	27,453	1,705	n/a	29,158
Reconciliation of segment liabilities to group liabilities				
Inter-segment elimination				(3,110)
Total group liabilities at 31.12.09				26,048
As at 30 June 2009				
Segment liabilities	29,454	1,289	n/a	30,743
Reconciliation of segment liabilities to group liabilities				
Inter-segment elimination				(3,227)
Total group liabilities at 30.6.09				27,516

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**Greencap Limited ABN 24 006 631 769 and Controlled Entities
Interim Financial Report**

NOTE 5: CONTRIBUTED EQUITY

	CONSOLIDATED	
	31 December 2009	30 June 2009
	\$ 000's	\$ 000's
Ordinary shares (i)	45,937	45,279
<p>(i) Ordinary shares Fully paid ordinary shares carry one vote per share and carry the right to dividends</p>		
	Shares	\$ 000's
Movement in ordinary shares on issue		
No of Shares on issue at 1 July 2009	258,068,341	45,279
22 September 2009: dividend reinvestment plan	712,894	110
30 October 2009: deferred consideration Leeder Consulting	3,032,970	449
30 October 2009: deferred consideration ELP	701,180	104
Transaction costs on issue of shares net of deferred tax	-	(5)
At 31 December 2009	262,515,385	45,937

NOTE 6: COMMITMENTS AND CONTINGENCIES

As previously disclosed in its Annual Report for the year ended 30 June 2009, the Company's wholly owned subsidiary Trevor R Howse & Associates Pty Ltd (TRH) became a defendant in 2005 to a claim for damages in respect of a building redevelopment in Sydney which was made against a number of parties. The claim related to work undertaken in the mid 1990s. As at 31 December 2009 the claim was being defended by TRH and others. Prior to completing the acquisition of the issued capital of TRH, Greencap obtained confirmation from the professional indemnity insurer for TRH that indemnity for cover for the Claim was in place, subject to the terms of the relevant insurance policy. In addition, certain indemnities were obtained from the vendor of the issued capital of TRH and an associated party.

On 5 February 2010, the Company announced that the parties involved in the claim had agreed to resolve the matter, on confidential terms which will not have any material financial impact on Greencap or TRH.

There are no other significant changes to commitments or contingencies since the reporting date.

NOTE 7: EVENTS AFTER THE BALANCE SHEET DATE

Other than the resolution of the contingent claim against Trevor R Howse & Associates Pty Ltd as detailed in note 6 above, there were no other material events that occurred after the balance sheet date.

NOTE 8: BUSINESS COMBINATIONS

During the period, Greencap Limited paid deferred consideration in respect of 2 businesses acquired by Greencap prior to 1 July 2009. Details in respect of the deferred consideration paid on existing businesses, are noted below.

a) Leeder Consulting Pty Ltd

The Company acquired 100% of the issued share capital of Leeder Consulting Pty Ltd, the business and trading name of the Leeder Consulting Partnership, and certain assets and liabilities of the Leeder Consulting Partnership ("Leeder"), on 30 September 2008.

The vendors of Leeder were entitled to a deferred consideration payment, subject to Leeder attaining a minimum Earnings before Interest Tax and Amortisation (EBITA) of \$1.9 million for the 12 months to 30 June 2009. Additional consideration was calculated as 5 x the excess of actual EBITA over \$1.9 million. Deferred consideration was payable 50% as cash, and 50% in new Greencap shares the number of such shares to be issued being calculated at a 30 day VWAP.

The deferred consideration was paid by Greencap effective 30 October 2009.

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The deferred consideration payable was accrued for and recognised in the Company's financial statements as at 30 June 2009.

Details of actual deferred consideration paid 30 October 2009 are noted below;

	\$ 000s	
i) Cash consideration	449	
ii) Share consideration	449	3,032,970 new fully paid ordinary shares in Greencap Limited, issued at a 30 day VWAP price of 14.8 cents per share
Total deferred consideration	<u>898</u>	

b) Environmental & Licensing Professionals Pty Ltd ("ELP")

The Company originally acquired 100% of the issued share capital of ELP on 17 June 2008.

The vendor of ELP was entitled to a final consideration payment, based on the EBIT performance of ELP for the 12 months to 30 June 2009. Such consideration was to be paid in the form of 50% as cash, and 50% through the issue of shares in Greencap Limited. The number of shares to be issued was to be calculated based on the 20 business day Volume Weighted Average Price of the Company's shares for the period immediately preceding the issue of such shares. The consideration payment was to be 1 x the incremental profit achieved for the 12 months to 30 June 2009, in excess of the actual 2008 EBIT result increased by 10% indexation.

The deferred consideration was paid by Greencap effective 30 October 2009.

The deferred consideration payable was accrued for and recognised in the Company's financial statements as at 30 June 2009.

Details of actual deferred consideration paid 30 October 2009 are noted below;

	\$ 000s	
i) Cash consideration	104	
ii) Share consideration	104	701,180 new fully paid ordinary shares in Greencap Limited, issued at a 20 business day VWAP price of 14.8 cents per share
Total deferred consideration	<u>208</u>	

**Greencap Limited ABN 24 006 631 769 and Controlled Entities
Interim Financial Report**

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Greencap Limited, the directors of the Company declare that:-

- (a) the financial statements and notes as set out on pages 11 to 23 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date.
- (b) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Jeffrey Broun
Managing Director
Perth, 19th February 2009

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**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF GREENCAP LIMITED****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Greencap Limited and controlled entities (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2009, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Greencap Limited (the company) are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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 an Interim 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 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 2009 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 Greencap Limited and controlled entities, 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 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.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the consolidated entity for the half-year ended 31 December 2009 included on the website of Greencap Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on the company's website.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act*, has been provided to the directors on the same date as this auditor's review report.

Partners

Syd Jenkins
Neil Pace
Dino Travaglino

Moore Stephens Perth ABN 75 368 525 284
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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 Greencap Limited and controlled entities 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 2009 and of its performance for the half-year ended on that date; and
- (b) complying with AASB 134: Interim Financial Reporting and Corporations Regulations 2001.



MOORE STEPHENS
Chartered Accountants



NEIL PACE
Partner
Perth, 19th February 2009

Partners
Syd Jenkins
Neil Pace
Dino Travaglini

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