

Appendix 4D

Half-year financial report

For the half-year ended 31 December 2010

JB Hi-Fi Limited

ACN 093 220 136

This half-year financial report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3.

Current Reporting Period: Financial period ended 31 December 2010

Previous Corresponding Period: Financial period ended 31 December 2009

For personal use only

Name of entity

JB Hi-Fi Limited

DETAILS OF THE REPORTING PERIOD

ABN or equivalent company reference

ACN 093 220 136

Financial period ended

31 December 2010

(Comparative period – 31 December 2009)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue and Net Profit / (Loss)

		<i>Percentage change %</i>		<i>Amount \$'000</i>
Revenue from ordinary activities	up	8.29%	to	1,682,634
Profit from ordinary activities after tax	up	15.57%	to	87,859
Net profit attributable to members of the parent entity	up	15.57%	to	87,859

Dividends (Distributions)

	<i>Amount per security</i>	<i>Franked amount per security</i>
Final dividend – year end 30 June 2010	33.0¢	33.0¢
Interim dividend – year end 30 June 2011	48.0¢	48.0¢

Record date for determining entitlements to the dividend:

- final dividend 23 August 2010
- interim dividend 17 February 2011

Dividend payment date:

- final dividend 3 September 2010
- interim dividend 4 March 2011

Net Tangible Assets Per Security

	<i>31 Dec 2010</i>	<i>31 Dec 2009</i>
	<i>\$</i>	<i>\$</i>
Net tangible assets per security	2.34	1.71

For a brief explanation of the figures above please refer to the Announcement on the results for the half-year ended 31 December 2010. The comments should be read in conjunction with the details and explanations provided herewith.

COMPANY ANNOUNCEMENT

JB Hi-Fi reports Sales up 8%, Profit up 16% and a Dividend of 48.0 cps

RESULTS OVERVIEW	HY10	HY11	Growth
☐ Sales	\$1.55b	\$1.68b	8.3% ↑
☐ Gross Margin	21.1%	21.5%	+44 bps ↑
☐ Cost of Doing Business	13.2%	13.2%	0 bps -
☐ EBIT	\$111.4m	\$127.0m	14.0% ↑
☐ EBIT Margin	7.2%	7.5%	+38 bps ↑
☐ NPAT	\$76.0m	\$87.9m	15.6% ↑
☐ Earnings per share	70.5 cps	80.6 cps	14.5% ↑
☐ Interim dividend - fully franked	33.0 cps	48.0 cps	+15.0 cps ↑

JB Hi-Fi Limited today reported a record half year net profit of \$87.9 million (HY10: \$76.0 million) from \$1.683 billion of sales for the six months ending 31 December 2010.

Total sales growth for the period was 8.3% (Australia: 8.8%, New Zealand: 2.4%¹). Comparable store sales growth for the period was negative 1.5% (Australia: negative 1.6%, New Zealand: 3.9%¹). Gross margin was 21.5% (HY10: 21.1%) and cost of doing business (CODB) was steady at 13.2% (HY10: 13.2%), both contributing to a 38 bps increase in EBIT margin to 7.5% (HY10: 7.2%). Cash flow from operations was strong at \$218.5 million for the half year.

The directors have declared a fully franked interim dividend of 48.0 cents per share, in line with dividend policy of a payout ratio of 60%. The dividend is to be paid on 4 March 2011. The record date for determining the entitlement is 17 February 2011.

CEO Terry Smart said "We are delighted with our earnings growth in this difficult retail environment. Our sales growth of 8.3% was pleasing given the significant price deflation experienced particularly in flat panel TV's and the decline in games which was driven by the lower sales of Nintendo Wii, Nintendo DS and Sony PSP off the strong growth last year. The strength of the model was shown over the half as the diversity of our product offering assisted us in absorbing the reduction in sales in some key categories, whilst delivering our everyday low price strategy supported by our low cost of doing business and benefits from improved scale, ensured that we continued to meet the market on price without sacrificing earnings margin. This result is a credit to the JB team and continues to reinforce the strength of the JB model even in these tougher times."

JB....you've done it again!

For personal use only



JB HI-FI LIMITED
OFFICE TOWER 2
CHADSTONE CENTRE
1341 DANDENONG ROAD
CHADSTONE VIC 3148
PHONE: (03) 8530 7333
ABN: 80 093 220 136
www.jbhifi.com.au

The company opened 13 new JB Hi-Fi stores (Australia: 10, New Zealand: 3) in this first half and plans to open a further 5 new JB Hi-Fi stores in the second half, bringing the total number of new stores for the year to 18. These stores, together with the maturing of the 42 stores opened over the previous two financial years, will continue to drive solid revenue and earnings growth.

The group currently has 153 stores (Australia: 140, NZ: 13), of which 143 are JB Hi-Fi branded stores. The company is targeting 210 JB Hi-Fi branded stores and plans to open circa 15 stores per annum. With 67 JB Hi-Fi stores yet to open, the company can look forward to at least 4 to 5 years of good sales and earnings growth.

JB has continued to develop its online presence. Our online sales grew 35% over the half year and were up 49% in December. Whilst a small but growing percentage of JB total sales, the online business is an important part of our overall strategy.

With our continued strong cash flow generation and strong balance sheet, we have commenced our Capital Management Review and expect to provide the market with the outcome of this review by the end of May 2011.

Sales in the first five weeks of the second half were challenging as consumer spending remained subdued. Consolidated sales growth remained in line with the first half, with JB Hi-Fi Australia's comparable store growth flat. Our Clive Anthonys and JB New Zealand stores experienced negative comparable store sales growth.

"Sales since the start of January have remained tight as high levels of discounting and the impact of price deflation continued. Whilst we anticipate a volatile and competitive market in the second half, we are confident that the JB model can deliver another record year of sales and earnings" said CEO Terry Smart.

The company expects Sales in FY11 to be circa \$3.0 billion and Net Profit after Tax in the range of \$134 million to \$139 million, which is a 13% to 17% increase on the prior year.

Media & Investors:
Terry Smart
Chief Executive Officer
03 8530 7333

Investors:
Richard Murray
Chief Financial Officer
03 8530 7333

¹ Constant local currency ie NZD

JB....you've done it again!

For personal use only

JB Hi-Fi Limited

ABN 80 093 220 136

**Half-year financial report for the half-year
ended 31 December 2010**

**Half-year financial report
for the half-year ended
31 December 2010**

	Page
Directors' report	1
Auditor's independence declaration	2
Independent auditor's review report	3
Directors' declaration	5
Condensed consolidated income statement	6
Condensed consolidated statement of comprehensive income	7
Condensed consolidated balance sheet	8
Condensed consolidated statement of changes in equity	9
Condensed consolidated statement of cash flows	10
Notes to the condensed consolidated financial statements	11

This half-year 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 financial report for the year ended 30 June 2010 and any public announcements made by JB Hi-Fi Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

For personal use only

DIRECTORS' REPORT

The directors of JB Hi-Fi Limited ("the Company") submit herewith the half-year financial report of the Company and its subsidiaries ("the Group") for the half-year ended 31 December 2010. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company during or since the end of the half-year are:

Name

Mr P. Elliott (Chairman)	Dr W. Fraser
Mr J. King	Mr G. Levin
Mr G. Richards	Mr T. Smart

Review of operations

The Group's net profit attributable to equity holders of the parent for the half-year was \$87,859 thousand (2009: \$76,024 thousand). A review of the operations of the Group during the half-year and the results of these operations are set out in the attached company announcement.

Auditor's independence declaration

The auditor's independence declaration is included on page 2 of the half-year financial report.

Rounding off of amounts

The Company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the directors



Terry Smart
Chief Executive Officer

Melbourne,
4 February 2011

The Board of Directors
JB Hi-Fi Limited
Level 4, Office Tower 2
Chadstone Shopping Centre
1341 Dandenong Road
Chadstone VIC 3148

4 February 2011

Dear Sirs,

JB Hi-Fi Limited

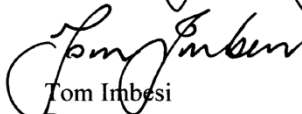
In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of JB Hi-Fi Limited.

As lead audit partner for the review of the financial statements of JB Hi-Fi Limited for the half-year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely


DELOITTE TOUCHE (TOHMATSU)


Tom Imbesi
Partner
Chartered Accountants

Independent Auditor's Review Report to the Members of JB Hi-Fi Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of JB Hi-Fi Limited, which comprises the condensed consolidated balance sheet as at 31 December 2010, and the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 14.

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 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 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 2010 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 JB Hi-Fi 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.

Auditor's Independence Declaration

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

For personal use only

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 JB Hi-Fi 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 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE (TOHMATSU)

Tom Imbesi
Tom Imbesi
Partner
Chartered Accountants

Melbourne, 4 February 2011

Directors' declaration

The directors declare that:

- (a) 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; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Terry Smart
Chief Executive Officer

Melbourne,
4 February 2011

For personal use only

JB Hi-Fi Limited
Condensed consolidated income statement

	Half-year ended	
	31 Dec 2010	31 Dec 2009
	\$'000	\$'000
Revenue	1,682,634	1,553,774
Cost of sales	<u>(1,320,169)</u>	<u>(1,225,968)</u>
Gross profit	362,465	327,806
Other income	1,244	650
Sales and marketing expenses	(147,927)	(139,024)
Occupancy expenses	(56,809)	(49,199)
Administration expenses	(13,713)	(12,922)
Other expenses	(17,084)	(15,358)
Finance costs	<u>(2,611)</u>	<u>(3,234)</u>
Profit before tax	125,565	108,719
Income tax expense	<u>(37,706)</u>	<u>(32,695)</u>
Profit for the half-year	<u>87,859</u>	<u>76,024</u>
Attributable to:		
Equity holders of the parent	<u>87,859</u>	<u>76,024</u>
	<u>87,859</u>	<u>76,024</u>
	Cents	Cents
Earnings per share		
Basic (cents per share)	80.64	70.45
Diluted (cents per share)	80.04	69.37

The above condensed consolidated income statement should be read in conjunction with the accompanying notes.

JB Hi-Fi Limited
Condensed consolidated statement of comprehensive income

	Half-year ended	
	31 Dec 2010 \$'000	31 Dec 2009 \$'000
Profit for the half-year	87,859	76,024
Other comprehensive income		
Changes in the fair value of cash flow hedges (net of tax)	148	863
Exchange differences on translation of foreign operations	<u>(2,776)</u>	<u>227</u>
Other comprehensive income for the half-year	<u>(2,628)</u>	<u>1,090</u>
Total comprehensive income for the half-year	<u>85,231</u>	<u>77,114</u>
Total comprehensive income attributable to:		
Equity holders of the parent	<u>85,231</u>	<u>77,114</u>
	<u>85,231</u>	<u>77,114</u>

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

For personal use only

JB Hi-Fi Limited
Condensed consolidated balance sheet

	Notes	31 Dec 2010 \$'000	30 Jun 2010 \$'000	31 Dec 2009 \$'000
ASSETS				
Current assets				
Cash and cash equivalents		180,011	51,735	127,436
Trade and other receivables	2	130,273	63,499	113,356
Inventories		388,082	334,754	373,256
Other		5,060	4,520	6,378
Total current assets		703,426	454,508	620,426
Non-current assets				
Other financial assets		3	3	3
Plant and equipment		176,834	163,982	155,107
Deferred tax assets		13,982	11,968	16,086
Intangible assets		83,016	83,861	82,784
Total non-current assets		273,835	259,814	253,980
Total assets		977,261	714,322	874,406
LIABILITIES				
Current liabilities				
Trade and other payables	3	507,437	289,505	446,980
Borrowings	4	-	35,000	-
Other financial liabilities		167	684	805
Current tax liabilities		27,605	10,011	19,934
Provisions		26,785	25,975	30,837
Other current liabilities		2,336	1,964	2,062
Total current liabilities		564,330	363,139	500,618
Non-current liabilities				
Borrowings	5	34,574	34,624	69,491
Provisions		4,618	4,421	4,247
Other non-current liabilities		20,985	18,763	16,271
Other financial liabilities		-	79	-
Total non-current liabilities		60,177	57,887	90,009
Total liabilities		624,507	421,026	590,627
Net assets		352,754	293,296	283,779
EQUITY				
Contributed equity		63,644	53,578	52,867
Reserves		1,340	3,873	1,944
Retained earnings		287,770	235,845	228,968
Total equity		352,754	293,296	283,779

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

JB Hi-Fi Limited
Condensed consolidated statement of changes in equity

Consolidated	Contributed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 July 2009	44,783	193	184,276	229,252
Profit for the half-year	-	-	76,024	76,024
Cash flow hedges	-	863	-	863
Exchange differences on translation of foreign operations	-	227	-	227
Total comprehensive income for the half-year	-	1,090	76,024	77,114
Issue of shares under share option plan	6,275	-	-	6,275
Transfer from equity settled benefits reserve	1,809	(1,809)	-	-
Dividends provided for or paid	-	-	(31,332)	(31,332)
Employee share options - value of employee services	-	2,470	-	2,470
Balance at 31 December 2009	52,867	1,944	228,968	283,779
Balance at 1 July 2010	53,578	3,873	235,845	293,296
Profit for the half-year	-	-	87,859	87,859
Cash flow hedges	-	148	-	148
Exchange differences on translation of foreign operations	-	(2,776)	-	(2,776)
Total comprehensive income for the half-year	-	(2,628)	87,859	85,231
Issue of shares under share option plan	7,900	-	-	7,900
Transfer from equity settled benefits reserve	2,166	(2,166)	-	-
Dividends provided for or paid	-	-	(35,934)	(35,934)
Employee share options - value of employee services	-	2,261	-	2,261
Balance at 31 December 2010	63,644	1,340	287,770	352,754

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

JB Hi-Fi Limited
Condensed consolidated statement of cash flows

	Half-year ended	
	31 Dec 2010	31 Dec 2009
Notes	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	1,786,530	1,635,445
Payments to suppliers and employees	(1,543,417)	(1,434,940)
Interest and bill discounts received	1,205	576
Interest and other costs of finance paid	(3,333)	(3,326)
Income taxes paid	<u>(22,442)</u>	<u>(29,396)</u>
Net cash (outflow) inflow from operating activities	<u>218,543</u>	<u>168,359</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(27,659)	(30,554)
Proceeds from sale of plant and equipment	265	256
Payments for intangible assets	-	(1,358)
Net cash (outflow) inflow from investing activities	<u>(27,394)</u>	<u>(31,656)</u>
Cash flows from financing activities		
Repayment of borrowings	(35,000)	(20,000)
Proceeds from issues of equity securities	7,900	6,275
Dividends paid to members of the parent entity	6 (35,934)	(31,332)
Net cash (outflow) inflow from financing activities	<u>(63,034)</u>	<u>(45,057)</u>
Net increase (decrease) in cash and cash equivalents	128,115	91,646
Cash and cash equivalents at the beginning of the half-year	51,735	35,790
Effects of exchange rate changes on cash and cash equivalents	161	-
Cash and cash equivalents at end of the half-year	<u>180,011</u>	<u>127,436</u>

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

1 Summary of significant accounting policies

This general purpose interim financial report for the half-year reporting period ended 31 December 2010 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance 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 2010 and any public announcements made by JB Hi-Fi Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(a) Basis of preparation of half-year financial report

The condensed consolidated financial statements have been prepared on the basis of historical costs, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2010 annual financial report for the financial year ended 30 June 2010, except for the impact of the adoption of the new and revised accounting policy's discussed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations did not have any material financial impact on the amounts recognised in the financial statements of the Group for the current or prior periods.

(b) Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

2 Current assets - Trade and other receivables

	31 Dec 2010 \$'000	30 Jun 2010 \$'000	31 Dec 2009 \$'000
Trade receivables	19,984	10,350	14,373
Allowance for doubtful debts	<u>(1,014)</u>	<u>(281)</u>	<u>(573)</u>
	18,970	10,069	13,800
Non-trade receivables	111,303	53,430	99,483
Goods and services tax (GST) recoverable	<u>-</u>	<u>-</u>	<u>73</u>
	130,273	63,499	113,356

3 Current liabilities - Trade and other payables

	31 Dec 2010 \$'000	30 Jun 2010 \$'000	31 Dec 2009 \$'000
Trade payables	444,811	257,081	399,309
Goods and services tax (GST) payable	18,467	5,803	7,957
Other creditors and accruals	13,132	8,655	14,617
Deferred income	<u>31,027</u>	<u>17,966</u>	<u>25,097</u>
	507,437	289,505	446,980

4 Current liabilities - Borrowings

	31 Dec 2010 \$'000	30 Jun 2010 \$'000	31 Dec 2009 \$'000
Secured			
Bank loans (i)	-	35,000	-

(i) Secured by a fixed and floating charge over the Group's assets, the current market value of which exceeds the value of the loan.

5 Non-current liabilities - Borrowings

	31 Dec 2010 \$'000	30 Jun 2010 \$'000	31 Dec 2009 \$'000
Secured			
Bank loans (i)	34,574	34,624	69,491

(i) Secured by a fixed and floating charge over the Group's assets, the current market value of which exceeds the value of the loan.

6 Dividends

	Half-year ended	
	31 Dec 2010 \$'000	31 Dec 2009 \$'000
(a) Recognised amounts		
Final dividend of 33.0 cents (2009 - 29.0 cents) per share:		
Franked to 100% at 30% (2009: 100% at 30%)	35,934	31,332
(b) Dividends not recognised at the end of the half-year		
Interim dividend of 48.0 cents (2009 - 33.0 cents) per share:		
Franked to 100% at 30% (2009: 100% at 30%)	52,427	35,751

In respect of the half-year ended 31 December 2010, the directors have recommended the payment of an interim dividend of 48.0 cents per share franked to 100% at 30% corporate income tax rate. The record date is 17 February 2011.

7 Segment information

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer that are used to make strategic and operating decisions.

The Chief Executive Officer considers the business primarily from a geographic perspective. On this basis management has identified two reportable segments, Australia and New Zealand. The Chief Executive Officer monitors the performance of these two geographic segments separately. The Group does not operate in any other geographic segment.

(b) Segment information provided to the Chief Executive Officer

The segment information provided to the Chief Executive Officer for the reportable segments for the half-year ended 31 December 2010 is as follows:

31 Dec 2010	Australia \$'000	New Zealand \$'000	Total \$'000
Revenue from external customers	1,606,500	76,134	1,682,634
Operating EBITDA	140,353	(63)	140,290
Total segment assets	915,854	61,407	977,261
31 Dec 2009	Australia \$'000	New Zealand \$'000	Total \$'000
Revenue from external customers	1,477,180	76,594	1,553,774
Operating EBITDA	123,742	(1,139)	122,603
Total segment assets	811,725	62,681	874,406

(i) Operating EBITDA

The Chief Executive Officer assesses the performance of the operating segments based on a measure of Operating EBITDA. This measurement basis excludes the effects of interest revenue, finance costs, income tax, depreciation and amortisation, and non-operating intercompany charges.

A reconciliation of consolidated Operating EBITDA to profit before income tax is provided as follows:

	Half-year ended	
	31 Dec 2010 \$'000	31 Dec 2009 \$'000
Operating EBITDA	140,290	122,603
Interest revenue	1,205	576
Finance costs	(2,611)	(3,234)
Depreciation and amortisation expense	(13,319)	(11,226)
Profit before income tax	125,565	108,719

8 Issuances, repurchases and repayments of equity securities

During the half-year reporting period, the Company issued 878,958 (2009: 988,801) ordinary shares for \$7,900 thousand (2009: \$6,275 thousand) on exercise of 878,958 (2009: 988,801) share options issued under its executive share option plan. As a result of this share issue, \$2,166 thousand (2009: \$1,809 thousand) was transferred from the equity-settled employee benefits reserve to issued capital. There were no other movements in the ordinary share capital or other issued share capital of the Company in the current or prior half-year reporting period.

The Company issued 851,364 share options (2009: 407,311) over ordinary shares under its executive share option plan during the half-year reporting period.

9 Events occurring after the reporting period

On 4 February 2011, the directors declared an interim dividend for the half-year ended 31 December 2010, as set out in note 6.

Other than outlined above, there have been no matters or circumstances occurring subsequent to the end of the half-year, that has 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.