



ABN 33 089 447 058

and its controlled entities

(incorporating The Stock Exchange of Newcastle Limited)

Half-Year Financial Report

**Including additional
Appendix 4D disclosures**

31 DECEMBER 2004

**RELEASED
23 FEBRUARY 2005**

NSX LIMITED
ABN: 33 089 447 058
Half Year Ended 31 December 2004

APENDIX 4D
RESULTS FOR ANNOUNCEMENT TO THE MARKET
(Comparative figures being the half year ended 31 December 2003)

				\$A
Revenues from ordinary activities	Up	70%	to	289,600
Explanation Revenue was up 70% due to increased listings on the NSX				
Loss from ordinary activities after tax attributable to members	Down	83%	to	22,280
Explanation Due to increased economies of scale, the loss for the period decreased by 83%.				
Net <u>loss</u> attributable to members	Down	83%	to	22,280

Dividends/distributions	Amount per security	Franked Amount per security
Final dividend (prior year - paid)	Nil	Nil
Interim Dividend (declared)	Nil	Nil
Record date for determining entitlements to dividends.	No dividends are proposed by the Directors' for the period ended 31 December 2004.	

NTA backing

Net tangible asset backing per ordinary share
(Note: figures do not incorporate the capital raised which is taken up in the accounts on 6th January 2005)

Half-year ended 31 Dec 2004	Half-year ended 31 Dec 2003
4.72 cents	6.09 cents

Controlled entities acquired or disposed off

There were no entities acquired or disposed off during the half-year ended 31 December 2004.

Details of shares and results in associates and joint venture entities

There are no associates and joint venture entities at the reporting date other than those consolidated in these financial statements.

NSX LIMITED
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Half Year Ended 31 December 2004

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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 report for the year ended 30 June 2004 and any public announcements made by NSX Limited ("the Company") during the half year reporting period in accordance with the continuous disclosure requirements of the Listing Rules and of the Corporations Act 2001.

NSX LIMITED
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Half Year Ended 31 December 2004

DIRECTORS' REPORT

Your directors submit the consolidated financial report consisting of NSX Limited and its controlled entities for the half-year ended 31 December 2004.

Directors

The names of Directors who held office during or since the end of the half-year and up to the date of this report are:

Mr Francis Markham Menzies
Mr Paul Ernest Seymour
Mr Kelvin Arthur Clarke
Mr Michael Andrew Cox
Mr Raymond Laurence Whitten

Dividends

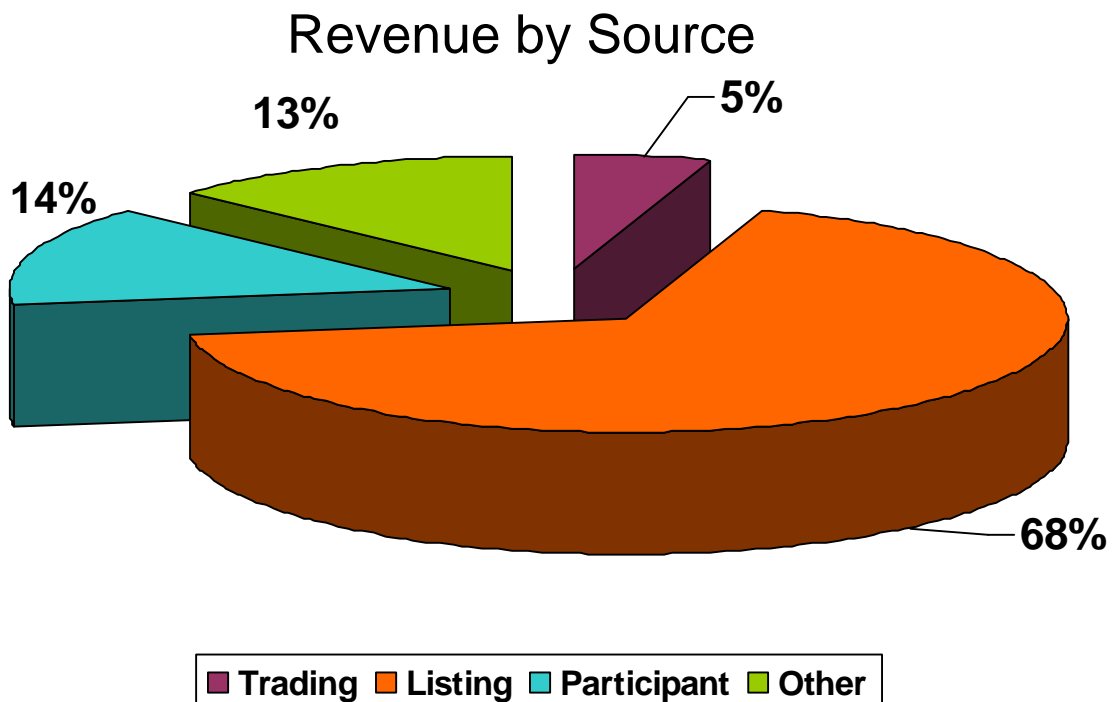
The Directors do not recommend payment of any dividends at this time.

Review of Operations

Profit/Loss

NSX Limited reported a net loss for the half year of \$22,280 a decrease of \$108,796 on the corresponding period last year.

Listing and application fees for the period was \$244,990, an increase of \$87,734 on the corresponding period last year.



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The Consolidated Statement of Cash Flows for the half year ending 31st December 2004 shows a negative cash flow for the period of \$78,615 and a cash balance at that date of \$917,644.

The net profit for the six months of \$22,280 was an improvement of 83% compared to the previous loss of \$131,076.

Trading Statistics

DATE	VOLUME No.	VALUE \$	AVERAGE PRICE \$	TRADES No.	MARKET CAPITALISATION \$	SECURITIES LISTED No.
Feb-05	2,258,029	810,455	0.36	111	236,145,408	35
Jan-05	2,488,027	956,912	0.38	164	229,844,199	30
Dec-04	2,707,185	1,148,380	0.42	108	218,069,348	30
Nov-04	6,558,657	1,475,360	0.22	113	209,991,988	28
Oct-04	8,652,393	3,124,911	0.36	75	255,463,093	29
Sep-04	2,739,918	989,156	0.36	125	242,942,779	28
Aug-04	4,187,804	1,642,475	0.39	95	253,858,118	29
Jul-04	2,076,205	655,513	0.32	64	235,194,437	28
Jun-04	4,676,198	1,057,343	0.23	130	232,030,171	27

Market Participants

During the period the following Participants joined the NSX market

Securities	Participants	Nominated Advisers	Facilitators
Betta Stores Limited - Ordinary	Findlay & Co Stockbrokers	Hopgood Ganim Lawyers McCullough Robertson Lawyers T7 Capital	Sibco Australia Pty Ltd
Heritage Gold NZ Limited - Ordinary			
Quantum Property Trust Number 11 – Units Trust			
Vet Biotechnology Limited - Ordinary and Options			

Participants joining post Balance Date

Securities	Participants	Nominated Advisers	Facilitators
Florin Mining Investment Company Limited - Ordinary and Options	-	Hindal Securities	-
King Equipment Limited - Ordinary and Options			

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Applications received but not yet granted admission to the official list

Trading Code	Issuer
AXF	Axial Depth Filters Limited FPO
QPTXXL	Quantum Property Trust No 12
YYC	Yang Yang China Limited FPO
YYCO	Yang Yang China Limited Options
RJW	RJ Walsh & Son Ltd FPO
LTS	LabTech Systems Limited FPO
LTSOA	LabTech Sytems Limited Opt 30jun2012
LTSOB	LabTech Sytems Limited Opt 30jun2013
AHM	Alchem Limited FPO
PTB	Pacific Turbine Brisbane Limited FPO
ALV	Alternative Lending Australia Limited FPO
PLH	Plantation Land Holdings Limited FPO

Trading Hours

The NSX is in the process of reviewing its trading hours with regard to extending those hours to cover normal business trading hours. The summary of the changes are given in the following table:

	Current Time (AEST)	Proposed Time (AEST)
Normal (pre-open) Bids and Offers may be entered	7:00	3:00
Market Open Trades are executed from	10:29:45 – 10:30:15	8:59:45 – 9:00:15
Market Closes by	12:30	14:30
NETS reports sent to Participants before	15:30	17:00

Feedback is being obtained from Market Participants and subject to this feedback the NSX would expect to be begin these trading hours on Monday 28th March 2005.

Bendigo Stock Exchange

NSX Limited is continuing with negotiations to acquire BSX Group Holdings Limited which is the ultimate parent company of Bendigo Stock Exchange Limited.

NSX LIMITED
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Half Year Ended 31 December 2004

Events Occurring After Balance Date

On 6 December 2004, NSX Limited issued a prospectus for the issue of 24,000,000 fully paid ordinary shares at \$0.50 each to raise \$12,000,000.

On 6 January 2005, 24,000,000 shares were issued and contributed equity increased by \$12,000,000 less costs incurred in connection with the prospectus.

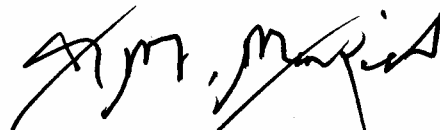
On 13 January 2005, NSX Limited became listed on the Australian Stock Exchange.

NSX Limited is continuing with negotiations to acquire BSX Group Holdings Limited which is the ultimate parent company of Bendigo Stock Exchange Limited.

This report is signed in accordance with a resolution of the Board of Directors.



Michael Andrew Cox
Director



Francis Markham Menzies
Director

Newcastle
Date: 21 February 2005

NSX LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
For the half-year ended 31 December 2004

	Half-year ended 31 Dec 2004	Half-year ended 31 Dec 2003
	\$	\$
Revenue from operating activities	244,990	157,256
Revenue from outside the operating activities	44,610	13,164
Revenue from ordinary activities	289,600	170,420
Depreciation and amortisation expenses	(33,074)	(2,373)
Borrowing costs expense	(13,525)	-
Compliance expenses	(9,318)	(34,469)
Legal expenses	(150)	(61,194)
Market trading expenses	(83,250)	(72,330)
Employee benefits expense	(88,310)	(71,487)
Marketing and promotion expenses	(13,206)	(10,399)
Rental expenses	(16,464)	(15,908)
Other expenses from ordinary activities	(54,583)	(33,336)
	(311,880)	(301,496)
Loss from ordinary activities before tax	(22,280)	(131,076)
Income tax expense	-	-
Net Loss	(22,280)	(131,076)
Total changes in equity not resulting from transactions with owners as owners	(22,280)	(131,076)
 Earnings per security (EPS)		
Basic earnings per share (cents per share)	(0.13)	(0.88)
Diluted earnings per share (cents per share)	(0.13)	(0.88)

The above statement of financial performance should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2004

	Notes	31 Dec 2004 \$	30 Jun 2004 \$
CURRENT ASSETS			
Cash		17,563	296,259
Receivables		18,999	15,634
Other financial assets		900,081	700,000
Other assets		146,044	9,214
TOTAL CURRENT ASSETS		<u>1,082,687</u>	<u>1,021,107</u>
NON-CURRENT ASSETS			
Property, plant and equipment		47,758	54,617
Intangibles (net)		454,329	480,546
TOTAL NON-CURRENT ASSETS		<u>502,087</u>	<u>535,163</u>
TOTAL ASSETS		<u>1,584,774</u>	<u>1,556,270</u>
CURRENT LIABILITIES			
Payables		99,610	48,826
Interest bearing liabilities		220,000	220,000
Provisions		11,680	11,680
TOTAL CURRENT LIABILITIES		<u>331,290</u>	<u>280,506</u>
TOTAL LIABILITIES		<u>331,290</u>	<u>280,506</u>
NET ASSETS		<u>1,253,484</u>	<u>1,275,764</u>
EQUITY			
Contributed equity	4	4,038,332	4,038,332
Accumulated losses	3	<u>(2,784,848)</u>	<u>(2,762,568)</u>
TOTAL EQUITY		<u>1,253,484</u>	<u>1,275,764</u>

The above statement of financial performance should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS
For the half-year ended 31 December 2004

	Half-year ended 31 Dec 2004 \$	Half-year ended 31 Dec 2003 \$
Cash flows related to operating activities		
Receipts from customers	287,569	154,896
Payments to suppliers and employees	(376,181)	(387,781)
Interest received	23,522	4,717
Interest paid	(13,525)	(4,746)
Net cash used in operating activities	(78,615)	(232,914)
Cash flows related to financing activities		
Proceeds from issues of shares	-	700,000
Net cash provided by financing activities	-	700,000
Net increase(decrease) in cash held	(78,615)	467,086
Cash at beginning of period	996,259	387,701
Cash at end of period	917,644	854,787

The above statement of financial performance should be read in conjunction with the accompanying notes.

NSX LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2004

1. Basis of Preparation

This financial report for the half-year ended 31 December 2004 is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB1029: Interim Financial Reporting, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly it is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2004 and any public announcements made by NSX Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the economic entity and are consistent with those applied in the 30 June 2004 annual report.

2. Profit from ordinary activities

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

	Half-year ended 31 Dec 2004	Half-year ended 31 Dec 2003
Revenue		
Listing and application fees	244,990	157,256
Other	6,924	8,448
Interest – other persons	37,686	4,716
	<u>289,600</u>	<u>170,420</u>
Expenses		
Amortisation of goodwill	26,217	-
Depreciation expense	6,857	2,373
Borrowing costs	13,525	-

3. Accumulated losses

Accumulated losses at the beginning of the reporting period	(2,762,568)	(2,491,874)
Net loss attributable to members	(22,280)	(131,076)
Accumulated losses at end of the reporting period	<u>(2,784,848)</u>	<u>(2,622,950)</u>

NSX LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the half-year ended 31 December 2004

4. Contributed equity

	Half-year ended 31 Dec 2004	Half-year ended 31 Dec 2003
Issued and paid-up capital		
15,420,003 (2003: 15,420,003) ordinary shares, fully paid	4,038,332	4,038,332
Movements in ordinary share capital:		
Balance at the beginning of the reporting period	4,038,332	3,338,332
Shares issued		
2,000,000 ordinary shares issued at 35 cents each	-	700,000
Balance at the end of the reporting period	<u>4,038,332</u>	<u>4,038,332</u>

5. Segment information

The consolidated entity operates in one primary business segment being the operation of a stock exchange. The stock exchange activity is conducted within Australia.

6. Contingent liabilities

As part of the Stock Exchange of Newcastle Limited's (subsidiary company) Australian Financial Markets Licence, NSX operates Investor Compensation Arrangements in accordance with Part 7.5 Division 3 of the Corporations Act 2001. The NSX is required to have in place minimum cover of \$800,000 to compensate investors. Of this amount a minimum of \$100,000 is sourced from the NSX Fidelity Fund and the remaining \$700,000 is in the form of a cash deposit provided by NSX Limited held as a letter of credit with Westpac Bank.

7. Events subsequent to reporting date

On 6 December 2004, NSX Limited issued a prospectus for the issue of 24,000,000 fully paid ordinary shares at \$0.50 each to raise \$12,000,000.

On 6 January 2005, 24,000,000 shares were issued and contributed equity increased by \$12,000,000 less costs incurred in connection with the prospectus.

On 13 January 2005, NSX Limited became listed on the Australian Stock Exchange.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the half-year ended 31 December 2004

7. Events subsequent to reporting date (continued)

NSX Limited is continuing with negotiations to acquire BSX Group Holdings Limited which is the ultimate parent company of Bendigo Stock Exchange Limited.

NSX LIMITED
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DIRECTORS' DECLARATION
For the half-year ended 31 December 2004

The directors declare that the financial statements and notes, as set out on pages 4 to 9:

- (a) comply with Australian Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2004 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

- (a) the financial statements comply with the Corporations Act 2001;
- (b) there are reasonable grounds to believe that NSX Limited will be able to pay its debts as and when they become due and payable.

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



Michael Andrew Cox
Director



Francis Markham Menzies
Director

Newcastle
Date: 21 February 2005

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
NSX LIMITED**

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe the half-year financial report of NSX Limited:

- (a) does not give a true and fair view, as required by the Corporations Act 2001 in Australia, of the financials of NSX Limited at 31 December 2004 and of its performance for the half-year ended on that date; and
- (b) is not presented in accordance with the Corporations Act 2001, Accounting Standard AASB 1029; Interim Financial Reporting and other mandatory financial reporting requirements in Australia, and the Corporation Regulations 2001.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for the NSX Limited for the half-year ended 31 December 2004. The consolidated entity comprises both NSX Limited (the company) and the entities it controlled during that half-year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review in order for the company to lodge the financial report with the Australian Securities and Investments Commission/Australian Stock Exchange Limited. Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements.

We performed procedures in order to state whether on the basis of the procedures described, anything has come to our attention that would indicate the financial report does not present fairly, in accordance with the Corporations Act 2001, Accounting Standard AASB 1029; Interim Financial Reporting and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the consolidated entity's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our statement on the basis of the review procedures performed, which included:

- (a) inquiries of company personnel
- (b) analytical procedures applied to data

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Scheme, approved under the professional
Standards Act 1994 (NSW).



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When this review report is included in a document containing information in addition to the financial report, our procedures include reading the other information to determine whether it contains any material inconsistencies with the financial report.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

While we consider the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of decisions made by directors or management.

Independence

In conducting our review, we followed applicable independence requirements of Australian Professional ethical pronouncements and the Corporations Act 2001.

Lawler Partners

LAWLER PARTNERS
Chartered Accountants

J. Abela

Jeffrey Joseph Abela
Partner

Newcastle

Date: Monday, 21 February 2005