

MONEY3 CORPORATION LIMITED

(ACN 117 296 143)

HALF YEAR FINANCIAL REPORT

31 December 2008

Registered Office and
Principal Place of business:

Level 1, 373-375 St Georges Road
North Fitzroy VIC 3068

APPENDIX 4D

Half Year Report to the Australian Stock Exchange

Name of Entity	Money3 Corporation Limited
ABN	63 117 296 143
Half Year Ended	31 December 2008
Previous Corresponding Reporting Period	31 December 2007

Results for Announcement to the Market

	\$	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	4,891,665	26.9%
Profit from ordinary activities after tax attributable to members	1,018,431	51.5%
Net profit for the period attributable to members	1,018,431	51.5%
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	3 cents (paid on 28/11/08)	3 cents
Interim Dividend	1.5 cents	1.5 cents
Record date for determining entitlements to the dividends (if any)	15 May 2009	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
For an explanation of revenue and profit from continuing operations, see commentary on results included in the accompanying half year report.		

Dividends

Date the dividend is payable	29 May 2009
Record date to determine entitlement to the dividend	15 May 2009
Amount per security	1.5 cents
Total dividend	\$459,067
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	Yes
The last date for receipt of an election notice for participation in any dividend reinvestment plans	15 May 2009

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security (cents per share)	29.1	25.7

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control gained	N/A
Profit / (loss) from ordinary activities after tax of the controlled entity since the date in the current period on which control was acquired.	N/A
Profit / (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period.	N/A

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
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Details of Associates and Joint Venture Entities

Name of Entity (or group of entities)	N/A
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Foreign Entities Accounting Framework

For foreign entities provide details of which accounting standards have been adopted (e.g. International Accounting Standards)

N/A

Audit/Review Status

This report is based on accounts to which one of the following applies:


(Tick one)

The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
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If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification: N/A

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Half Year Financial Report
2	Audit Review Report

Signed By (Director/Company Secretary)	
Print Name	Kang Hong Tan
Date	26 February 2009

COMMENTARY ON RESULTS FOR THE HALF YEAR TO DECEMBER 2008

Highlights

The Directors of Money3 Corporation Limited (MNY) are pleased to report:

- ⇒ Interim dividend increase by 15.4% to 1.5 cents fully franked;
- ⇒ Strong growth in gross revenue - up 26.9% on December 2007;
- ⇒ Profit before income tax of \$1,454,901 – up 40.5% on December 2007;
- ⇒ Profit after income tax of \$1,018,431 – up 51.5% on December 2007;
- ⇒ Earnings Per Share up 46.7% to 3.61 cents;
- ⇒ Low borrowings of \$775,000 – down 28% on June 2008; and
- ⇒ Opening 7 branches in December 2008 and continued growth in Loan Centre.

Half Year Results

The strong results were generated by 13 branches and the Loan Centre. The 7 new branches that were opened in December 2008 will contribute to future results.

Future

The “Sub-Prime Crisis” continues to impact the financial services industry and as predicted 12 months prior, is impacting Money3 to access capital. Money3 has a healthy balance sheet, minimal borrowings of \$775,000 on a loan book of \$10M. The directors are positive about the future outlook and in line with future plans wish to inform that the company opened 7 new branches expanding into New South Wales and Tasmania.

Dividend

The directors are pleased to report a strong trading result and as such increase the interim fully-franked dividend to 1.5 cents per share payable on the 29 May 2009 to shareholders registered at 5.00pm on 15 May 2009.

DIRECTORS' REPORT

Your Directors present their report on the Consolidated Entity consisting of Money3 Corporation Limited and the entities it controlled at the end of the half year ended 31 December 2008.

Directors

The following persons were directors of Money3 Corporation Limited during or since the end of the half year are:

- Bettina Evert BA LLB MAICD - Chairman and Non-Executive Director
- Robert James Bryant – Executive Director
- Kang Hong Tan ACA (UK) PNA (Aust) – Chief Financial Officer and Executive Director
- Christopher James Baldwin CPA – Company Secretary and Non-Executive Director
- Scott Joseph Baldwin MBA – Chief Operation Officer and Executive Officer

None of the Company's Directors hold directorships in other listed companies.

Principal Activities

The principal activities of the consolidated entity during the year were providing financial services specialising in the delivery of small cash loans, personal loans, cheque cashing and international money transfer. There has been no significant change in nature of principal activities during the financial period.

Results of operations

The net profit after tax for the period was \$1,018,431 (31 December 2007, \$672,358).

Review of operations

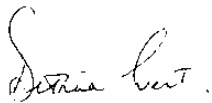
A review of operations of the Consolidated Entity is given on page 5.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

Signed in accordance with a resolution of directors made pursuant to s306(3) of the Corporations Act 2001.

On behalf of the directors,



Bettina Evert
Chairman



Robert Bryant
Executive Director

Melbourne
26 February 2008

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Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Money3 Corporation Limited for the half year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of 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.

This declaration is in respect of Money3 Corporation Limited and the entities it controlled during the year.

D J Garvey
Partner
PKF

26 February 2009
Melbourne

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CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	For the six months ended 31 December 2008	For the six months ended 31 December 2007
	\$	\$
Revenue	4,891,665	3,856,099
Other income	7,511	4,225
Total revenue	<u>4,899,176</u>	<u>3,860,324</u>
Expenses from operating activities:		
General and administration	351,292	278,498
Employment	1,453,099	1,553,649
Advertising and sales	274,934	164,411
Occupancy costs	288,271	223,270
Bad debts	736,420	413,582
Other expenses	87,104	64,955
Depreciation and amortisation	191,536	110,714
Interest expenses	61,619	15,786
Profit/(Loss) before income tax expense	<u>1,454,901</u>	<u>1,035,459</u>
Income tax expense	<u>436,470</u>	<u>363,101</u>
Net profit/(loss) attributable to members	<u>1,018,431</u>	<u>672,358</u>
Earnings per share (cents per share)		
Basic profit/(loss) from continuing operations	3.61 cents	2.46 cents
Diluted profit/(loss) from continuing operations	3.61 cents	2.46 cents

The consolidated income statement should be read in conjunction with the attached notes.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	31 December 2008 \$	30 June 2008 \$
Current assets		
Cash and cash equivalents	1,857,495	591,200
Trade and other receivables	9,203,987	9,625,065
Other assets	140,195	39,915
Total current assets	<u>11,201,677</u>	<u>10,256,180</u>
Non-current assets		
Trade and other receivables	828,266	1,173,916
Other	-	33,118
Property, plant & equipment	1,011,160	989,470
Intangibles	15,323,487	15,411,760
Deferred tax assets	340,816	312,683
Total non-current assets	<u>17,503,729</u>	<u>17,920,947</u>
Total assets	<u>28,705,406</u>	<u>28,177,127</u>
Current Liabilities		
Trade and other payables	489,555	528,096
Borrowings	775,000	1,075,000
Hire Purchase	74,069	78,981
Deferred revenue	2,440,554	2,923,763
Current tax payables	454,274	555,449
Provisions	191,216	180,461
Total current liabilities	<u>4,424,668</u>	<u>5,341,750</u>
Non-current liabilities		
Provisions	38,286	28,072
Total non-current liabilities	<u>38,286</u>	<u>28,072</u>
Total current liabilities	<u>4,462,954</u>	<u>5,369,822</u>
Net assets	<u>24,242,452</u>	<u>22,807,305</u>
Equity		
Issued Capital	22,280,512	21,144,955
Share Option Reserve	365,735	282,402
Accumulated profit/(losses)	1,596,205	1,379,948
Total equity	<u>24,242,452</u>	<u>22,807,305</u>

The consolidated balance sheet should be read in conjunction with the attached notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Issued capital	Retained earnings	Reserves	Total equity
	\$	\$	\$	\$
Opening Balance at 1 July 2008	21,144,955	1,379,947	282,402	22,807,304
Total recognised income and expense for the period	-	1,018,431	-	1,018,431
Transaction with shareholders in their capacity as shareholders:				
Issue of shares - Placement	900,000	-	-	900,000
Issue of shares - DRP	235,557	-	-	235,557
Increase in equity compensation reserve	-	-	83,333	83,333
Transfer to deferred tax asset	-	28,133	-	28,133
Dividend paid	-	(830,306)	-	(830,306)
Closing balance at 31 December 2008	22,280,512	1,596,205	365,735	24,242,452
	Issued capital	Retained earnings	Reserves	Total equity
	\$	\$	\$	\$
Opening Balance at 1 July 2007	20,893,237	1,355,885	115,736	22,364,858
Total recognised income and expense for the period	-	672,358	-	672,358
Transaction with shareholders in their capacity as shareholders:				
Issue of shares - DRP	138,489	-	-	138,489
Increase in equity compensation reserve	-	-	83,333	83,333
Dividend paid	-	(818,250)	-	(818,250)
Closing balance at 31 December 2007	21,031,726	1,209,993	199,069	22,440,788

The consolidated statement of changes in equity should be read in conjunction with the attached notes.

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

	For the six months ended 31 December 2008	For the six months ended 31 December 2007
	\$	\$
Cash flows from operating activities		
Receipts from customers	4,155,245	3,856,099
Payments to suppliers and employees	(2,489,220)	(2,114,486)
Interest received	7,511	4,225
Interest paid	(61,619)	(15,786)
Tax paid	(537,645)	(569,301)
	<u>1,074,272</u>	<u>1,160,751</u>
<i>(Increase) decrease in operating assets:</i>		
Net funds advanced (to)/from customers for loans	316,636	(2,284,241)
Net cash used in operating activities	<u>1,390,908</u>	<u>(1,123,490)</u>
 Cash flows from investing activities		
Payment for property, plant and equipment	(124,953)	(117,452)
Net cash used in investing activities	<u>(124,953)</u>	<u>(117,452)</u>
 Cash flows from financing activities		
Proceeds from the issue of shares	900,000	-
Proceeds from borrowings	100,000	907,069
Repayment of borrowings	(400,000)	(3,500)
Dividend paid	(594,748)	(679,761)
Repayment of HP	(4,912)	-
Net cash provided by financing activities	<u>340</u>	<u>223,808</u>
 Net (decrease)/increase in cash held	1,266,295	(1,017,134)
 Cash at the beginning of the period	591,200	893,328
 Cash at the end of the period	<u>1,857,495</u>	<u>(123,806)</u>

The consolidated cash flow statement should be read in conjunction with the attached notes.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

INTRODUCTION

The financial report of Money3 Corporation Limited ("Money3") for the half year ended 31 December 2008 was authorised for issue in accordance with a resolution of directors on 26 February 2009. Money3 is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Stock Exchange. The financial report is presented in Australian dollars. The nature of the operations and principal activities of the Group are described in Note 4.

NOTE 1. Basis of preparation of half year report

The half year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 134 "Interim Financial Reporting". Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 "Interim Financial Reporting".

The 31 December 2008 half year financial report does not include notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the annual financial report.

The financial report should be read in conjunction with the financial report for the year ended 30 June 2008 and considered together with any public announcements made by Money3 during the half year ended 31 December 2008, in accordance with continuous disclosure obligations of the ASX listing rules.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those of the previous financial year and corresponding interim reporting period.

NOTE 2. Dividends

	For the six months ended 31 December 2008 \$	For the six months ended 31 December 2007 \$
(a) Dividends paid during the half year on ordinary shares: Final franked dividend for the financial year ended 30 June 2008: 3 cents, paid on 28 November 2008 (2007: 3 cents)	830,306	818,250
(b) Dividends proposed and not yet recognised as a liability: - Interim franked dividend for the half year ended 31 December 2008: 1.5 cents, proposed to be paid 29 May 2009 (2007: 1.3 cents)	459,067	357,147

NOTE 3. Issued Capital

	For the six months ended 31 December 2008		For the year ended 30 June 2008	
	Ordinary shares	Value \$	Ordinary shares	Value \$
Balance at beginning of period	27,676,856	21,144,955	27,275,000	20,893,237
Issue of shares on DRP	619,926	235,557	401,856	251,718
Issue of shares on Placement	2,307,694	900,000	-	-
Balance at end of period	<u>30,604,476</u>	<u>22,280,512</u>	<u>27,676,856</u>	<u>21,144,955</u>

NOTE 4. Segment information

This segment information is not provided as the Company operates in one business and geographical segment being short term cash loan industry in Australia.

NOTE 5. Contingent liabilities

The Company has no contingent liabilities as at 31 December 2008.

NOTE 6. Subsequent events

No significant events have occurred since balance date which would impact on the financial position of the Company.

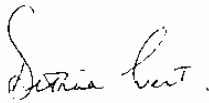
DIRECTORS DECLARATION

The Directors of Money3 Corporation Limited declare that they are of the opinion that:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
- I. giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half year ended on that date as represented by the results of its operations, changes in equity and its cash flows, for the half year ended on that date; and
 - II. comply with Accounting Standards AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors.



Bettina Evert
Chair



Robert Bryant
Executive Director

Melbourne
26 February 2009

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Money3 Corporation Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Money3 Corporation Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement or description of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the Money3 Corporation Limited and the entities it controlled at 31 December 2008 or from time to time during the half year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Money3 Corporation Limited 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 2008 and their 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 Money3 Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

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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 Money3 Corporation 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 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

A handwritten signature of the PKF firm, written in black ink.

PKF

A handwritten signature in black ink that reads 'David J Garvey'.

D J Garvey
Partner

26 February 2009
Melbourne

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