

**SFE Corporation Limited**  
**A.B.N. 74 000 299 392**

**(A wholly owned subsidiary of Australian Stock Exchange Limited with effect  
from and including 12 July 2006)**

**ANALYST BRIEFING FOR THE HALF-YEAR TO**

**30 JUNE 2006**  
**(Unaudited)**

Following the merger of SFE Corporation Limited (SFE) and Australian Stock Exchange Limited (ASX) with effect from 12 July 2006, SFE is no longer a listed company and therefore will not publish separate financial results. The information presented here is intended to assist analysts and investors in the merged ASX.

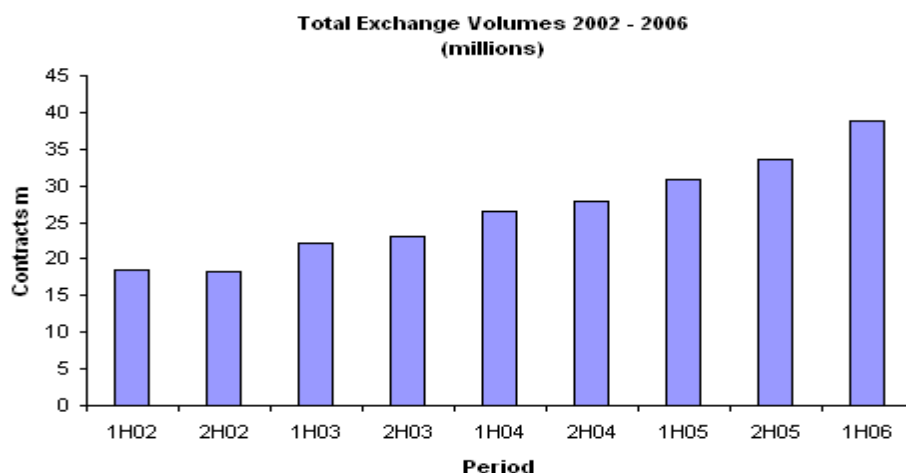
ASX's next financial statements will be in respect of the six month period to 31 December 2006, which will include the results of the SFE group from 12 July 2006. In the period from 1 July 2006 to 11 July 2006, SFE recorded a net loss after tax of \$2.6m (after taking into account merger related costs of \$4.7m after tax) and declared a dividend (in relation to the period to 30 June 2006) of \$44.1m.

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NB : While it is the intention to change SFE's financial year to end on 30 June, in line with the ASX, this has not yet occurred. Throughout this report a reference to an SFE "financial year" or "second half year" refers to a period ending 31 December, and "first half year" refers to a period ending 30 June.

## SFE Exchange Activity Levels and Statistics



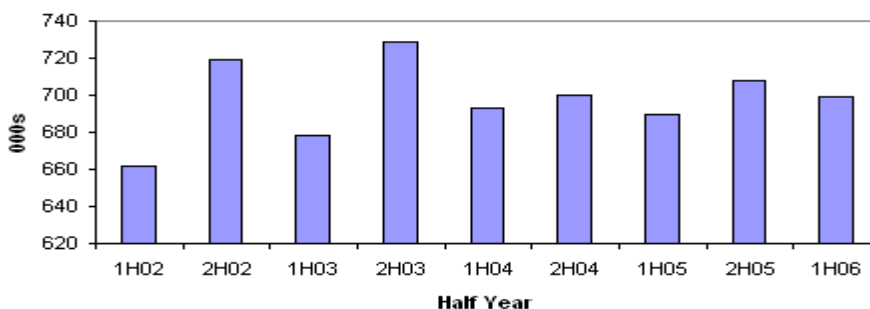
### Sydney Futures Exchange (contracts '000)

	1H06	2H05	1H05	% change - 1H05 to 1H06 #
<b>FUTURES</b>				
SFE SPI 200™	3,125	2,792	2,805	11%
90 Day Bank Bills	9,599	8,534	7,585	27%
3 Year Bonds	15,336	13,400	12,463	23%
10 Year Bonds	6,902	5,875	5,146	34%
30 Day Interbank Cash Rate	858	636	763	12%
AUD Futures	1	1	3	(65%)
Other Interest Rate	<1	<1	<1	-
Agricultural	9	8	12	(25%)
Electricity	19	12	9	105%
Share Futures and Other Equity	21	26	22	(6%)
NZ\$ - 90 Day Bank Bill	915	559	423	116%
<b>Total Futures</b>	<b>36,785</b>	<b>31,843</b>	<b>29,233</b>	<b>26%</b>
<b>OPTIONS</b>				
SFE SPI 200™	381	322	359	6%
90 Day Bank Bills	82	131	114	(28%)
3 Year Bonds	501	283	195	157%
Overnight 3 Year Bonds	762	701	512	49%
Intra-day 3 Year Bonds	289	208	301	(4%)
10 Year Bonds	35	15	25	37%
Overnight 10 Year Bonds	35	42	26	34%
Intra-day 10 Year Bonds	1	<1	1	-
Electricity	1	<1	<1	-
Agricultural	<1	<1	<1	-
NZ\$ - 90 Day Bank Bill	14	<1	3	382%
<b>Total Options</b>	<b>2,101</b>	<b>1,702</b>	<b>1,535</b>	<b>37%</b>
<b>Total Volumes</b>	<b>38,886</b>	<b>33,545</b>	<b>30,769</b>	<b>26%</b>
Daily Average	306	260	244	25%
Average Fee per contract	\$1.45	\$1.46	\$1.52	(5%)

# Volumes have been rounded to the nearest thousand. However, the percentage change is based on actual volumes.

## Austraclear Activity Levels and Statistics

Total Austraclear Volumes 2002-2006



### Settlement and Depository Volumes (transactions '000)

	1H06	2H05	1H05	% change - 1H05 to 1H06 #
Cash Transfers	309	308	304	2%
Fixed Interest Securities	182	191	196	(7%)
Discount Securities	171	175	163	5%
Foreign Exchange	28	25	17	61%
Interest Rate Swaps	5	6	5	(1%)
Forward Rate Agreements	3	3	4	(34%)
Global Securities	<1	1	<1	-
<b>Total Transactions</b>	<b>698</b>	<b>708</b>	<b>690</b>	<b>1%</b>
Average Daily Settlement Volumes	5.64	5.48	5.61	1%
Average Settlement and Depository Fee (including portfolio holding)	\$9.62	\$9.40	\$9.42	2%
Securities holdings (average \$bn)	\$644	\$585	\$552	17%
Securities holding turnover (times pa)	10.6	9.9	10.6	-

### Other Statistics

#### Number of participants

	1H06	2H05	1H05
Clearing	14	15	15
Full	23	22	22
Local	50	50	50
Austraclear	712	693	684
No. of SYCOM® workstations	238	244	221
No. of SYCOM® interfaces	162	148	157
Market data - End users	18,393	17,820	17,554
Market data - Vendors	34	35	34

#### System Uptime (Period average)

	1H06	2H05	1H05
SYCOM®	99.94%	99.67%	99.81%
OMX SECUR	100.00%	100.00%	100.00%
FINTRACS	100.00%	99.88%	100.00%

#### Business Days

	1H06	2H05	1H05
Sydney Futures Exchange	127	129	126
Austraclear	124	129	123

**SFE CORPORATION LIMITED**

**Consolidated proforma income statement for half-year ended 30 June 2006**

	<b>30</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>30</b>
	<b>June</b>	<b>Dec</b>	<b>June</b>	<b>Dec</b>	<b>June</b>
	<b>2006</b>	<b>2005</b>	<b>2005</b>	<b>2004</b>	<b>2004</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>					
Exchange fees	56,185	48,941	46,747	38,894	39,832
Market data fees	4,839	4,256	4,153	4,119	3,897
Settlement and depository fees	6,727	6,657	6,497	5,722	5,688
Registry fees	2,502	2,246	1,945	2,237	1,470
Participation fees	1,242	1,300	1,216	1,587	1,510
Technology infrastructure fees	3,882	3,918	3,656	3,970	3,982
Other revenue	988	1,072	1,040	1,393	1,884
<b>Total revenue excluding interest</b>	<b>76,365</b>	<b>68,390</b>	<b>65,254</b>	<b>57,922</b>	<b>58,263</b>
<b>Expenses</b>					
Employee related expenses	12,795	12,079	11,951	11,793	10,998
Premises expenses	1,427	1,607	1,311	1,555	1,402
Computer related expenses	6,411	6,520	6,702	6,268	7,131
Clearing guarantee expenses	298	605	598	945	1,035
Insurance, legal, accounting and bank fees	1,571	1,609	1,490	1,633	1,732
Other expenses	2,426	1,887	1,818	2,498	1,526
<b>Total cash operating expenses</b>	<b>24,928</b>	<b>24,307</b>	<b>23,870</b>	<b>24,692</b>	<b>23,824</b>
<b>EBITDA</b>	<b>51,437</b>	<b>44,083</b>	<b>41,384</b>	<b>33,230</b>	<b>34,439</b>
Depreciation and amortisation	1,864	2,425	2,652	3,003	3,041
<b>EBIT</b>	<b>49,573</b>	<b>41,658</b>	<b>38,732</b>	<b>30,227</b>	<b>31,398</b>
Investment Income	5,018	4,808	4,355	4,411	4,223
Net interest income on participant balances	5,640	4,421	3,889	3,383	3,235
<b>Profit before income tax</b>	<b>60,231</b>	<b>50,887</b>	<b>46,976</b>	<b>38,021</b>	<b>38,856</b>
Income tax expense	17,915	15,233	13,467	11,146	11,209
<b>Net profit after tax</b>	<b>42,316</b>	<b>35,654</b>	<b>33,509</b>	<b>26,875</b>	<b>27,647</b>
Less: merger related costs (net of tax) *	3,645	-	-	-	-
<b>Statutory net profit after tax</b>	<b>38,671</b>	<b>35,654</b>	<b>33,509</b>	<b>26,875</b>	<b>27,647</b>
* Comprises cost incurred prior to 30 June 2006:					
- Merger transaction costs (Advisers, documentation, meeting costs, mailing etc.)	1,783				
- Other merger costs (Accelerated recognition of executive equity plans)	3,001				
- Tax impact	(1,139)				
	<u>3,645</u>				

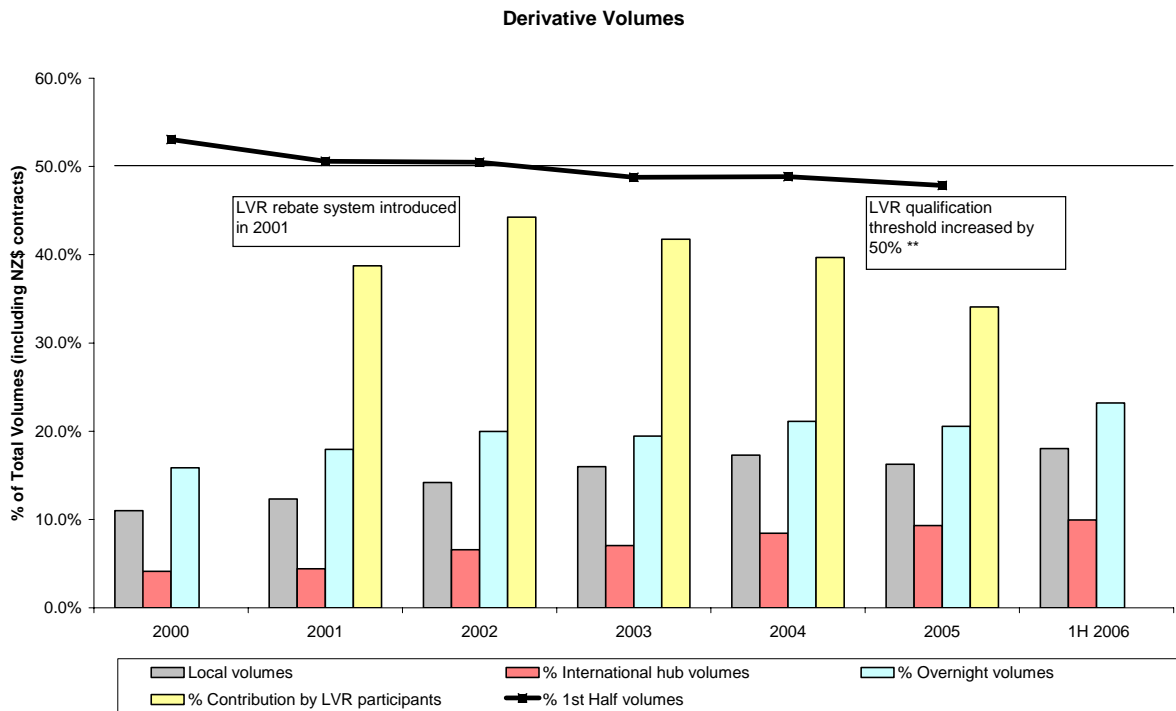
## SFE Exchange Derivative Volumes

Total exchange derivative volumes increased 26% over the comparable prior period, to 38.9 million contracts. Growth in futures was 26% whilst options increased 37%.

SFE's largest product by volume, 3 Year Bond Futures, increased 23% whilst 10 Year Bond Futures increased 34% and 90 Day Bank Bill Futures increased 27%. Options over the 3 Year Bonds grew 157% and Overnight 3 Year Bond Options grew 49% whilst Intra-day 3 Year Bond Options declined 4%. Options over 10 Year Bonds grew 37% and 10 Year Bond Overnight Options grew 34%.

The following graph shows the percentage contribution by various categories of transactions over the last six and a half years. At a participant level, volumes transacted via SFE's overseas hubs (London, Chicago, Hong Kong, Wellington and, previously, Tokyo) have increased as a percentage of total volumes. The percentage of volumes contributed by local participants has generally increased over the years. The upward trend in the volumes transacted in the overnight trading session is less consistent, but it has increased significantly in the first half of 2006.

The percentage of volumes contributed by Large Volume Rebate (LVR) participants has reduced comparatively in recent years, although LVR participant volumes have increased in absolute terms. With respect to 2006, early indications are that the percentage contributed by LVR participants may increase from 2005, based on volumes submitted by participants for the first quarter.

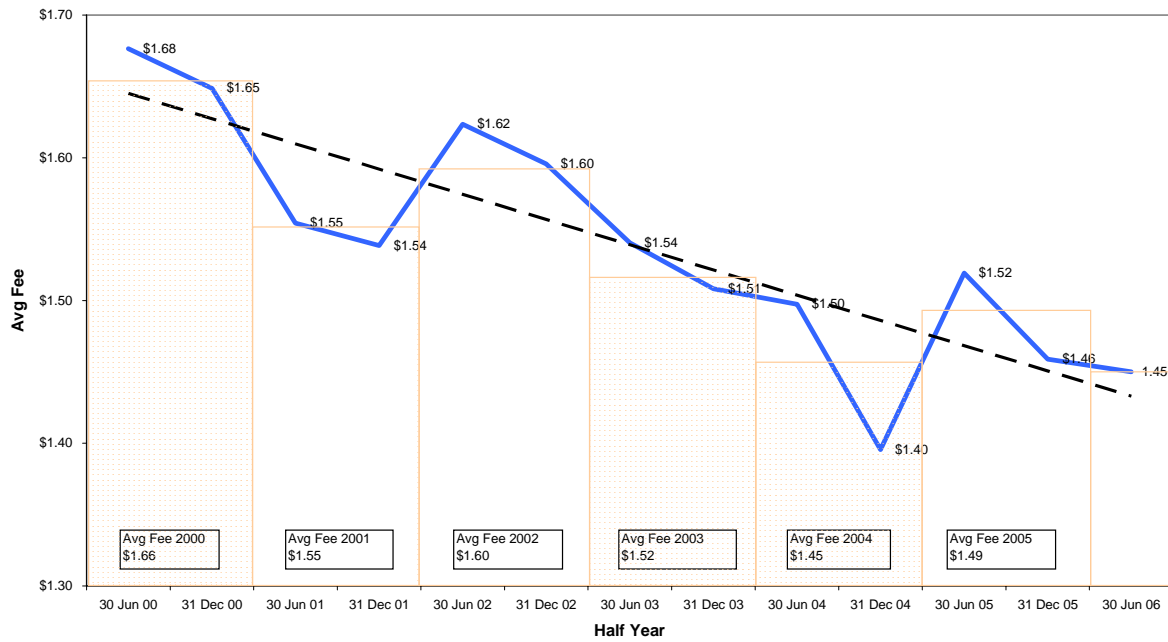


\*\* LVR qualification threshold for individual participants was increased from 1m sides to 1.5m sides in 2005.

## Exchange Trading Average Fee

The following graph shows the general decline in the average exchange fee for each half year since 2000 and demonstrates SFE's commitment to sharing revenue growth from increasing volumes over and above SFE's target volume.

### Sydney Futures Exchange Average Fee : 2000 - 2006



The decline in the average fee in the first half of 2006 is as a result of increased Large Volume Rebate provisions and increased volumes transacted by Local participants who receive specific volume based discounts.

SFE does not provide specific volume forecasts. However, on the assumption that the profile of trading in the first half (by customer and product) is repeated in the second half, the following projections can be made in respect of the likely average transaction fee.

First Half Year	Second Half Year	Full Year
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Actual 2005	\$1.52	\$1.46	\$1.49
Actual 2006	\$1.45	see below	see below

#### Projections :

If 2H06 = 1H06 volumes (ie.FY06 = FY05+20%)	approx.	approx.
If FY06 = FY05+10%	\$1.45	\$1.45
If FY06 = FY05+30%	\$1.55	\$1.50 **
	\$1.35	\$1.40

\*\*The full year average fee is consistent with projection made in the 2005 Annual Report, notwithstanding that the local participant volumes have increased from 16.5% to 18.5% of total (A\$ denominated) exchange volumes (thereby reducing the average exchange fee) and NZ denominated product volumes have increased as a proportion of total volumes (thereby increasing the average exchange fee). The net impact of these changes on the average exchange fee in this period has been minimal.

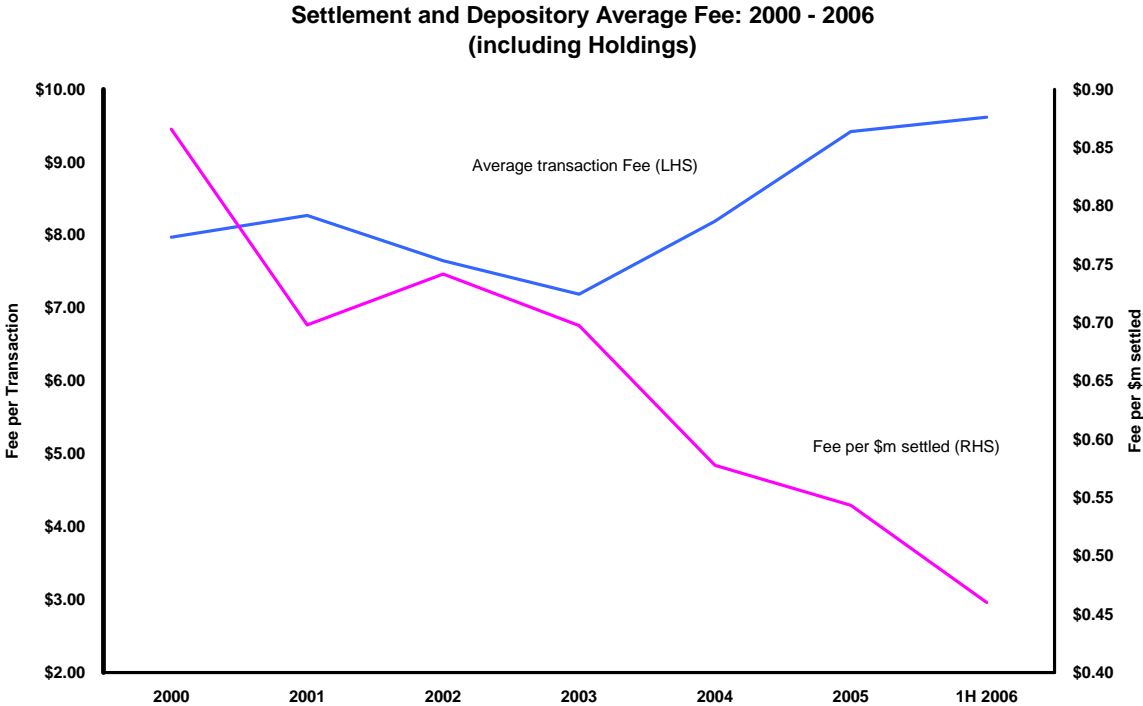
### Settlement and Depository Average Fee

Settlement and depository revenue increased 4% over the comparable half of 2005 with an increase in the average transaction fee from \$9.42 to \$9.62. This resulted from a reduction in a number of transaction fees and an increase in fees based on balances of portfolios held in Austraclear effective 1 January 2006. The composition of Austraclear revenue has changed from 17/83 (holdings revenue / transaction fee revenue) in 2005 to 26/74 in the first half of 2006, thereby reducing the impact of transaction volume changes on revenue, while increasing the benefit of the growth in underlying security holdings.

Total depository transaction volumes were up 1% over the comparable half of 2005. Transaction volumes for discount securities grew 5% and cash transfers grew 2% whilst fixed income volumes decreased by 7%.

Average depository holdings increased significantly from an average of \$552bn in the first half of 2005 to an average of \$644bn for the first half of 2006.

As the chart below demonstrates, while the average fee per transaction has increased since 2003, the actual cost of transacting on SFE Austraclear, expressed as a proportion of the value of the transaction, has declined significantly since SFE’s acquisition of Austraclear in 2000.



**Net Interest Income**

Net interest income increased 29% over the comparable period in 2005 with both investment income and net interest income on participant balances increasing.

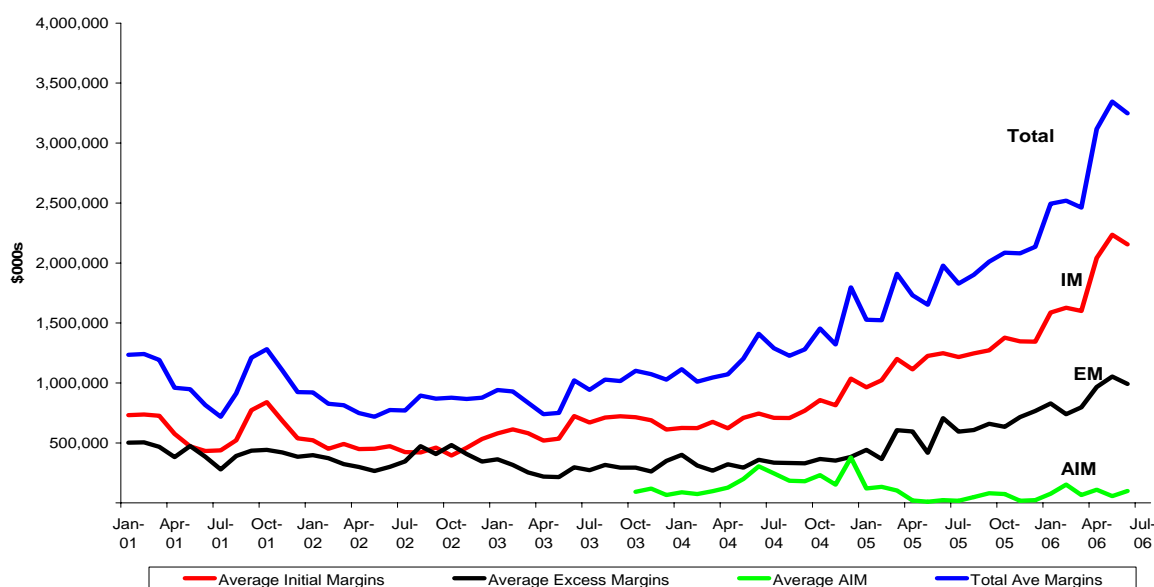
Investment income increased 15% over the comparable period in 2005 due to higher average cash balances (retained earnings). In addition, the recent increase in official interest rates helped increase the average earnings rate on this portfolio.

Net interest income retained from earnings on participant margin balances increased 45% over the comparable period in 2005 due to higher average balances. Total balances during the first half of 2006 averaged \$2.8bn compared to \$1.7bn for the same period in 2005 and \$2.0bn for the second half of 2005. This reflected higher margin requirements per contract on increased marginable positions.

Offsetting the increases, from 1 January 2006 the amount retained on all ‘house’ initial margin balances was reduced from 25 basis points to 10 basis points, having previously been reduced from 50 to 25 basis points in 2005. “House” balances typically comprise 25% of total initial margins.

As shown in the graph below, initial margins and excess margins trended up during the half year to June 2006 whilst additional initial margins (AIMs) fluctuated during the same period.

SFE Monthly Average Margins Held



## Employee Related Expenses

Employment costs increased 7% (on a proforma basis – see below) from the prior comparable half year. Average headcount decreased from 175 to 171 but recruitment of replacement staff at higher average salaries and moderate salary increases for existing staff resulted in a 3% increase in wages and salaries. Also, part (approx 2%) of the increase relates to expensing of the Executive Equity Plan and Executive Equity Plan under AIFRS (note that the prior year comparative proforma figures have been adjusted to reflect the new accounting policy for options granted after 7 November 2002). The remaining 2% relates to lower internal employment cost capitalised (\$1.2m in 1H05 against \$1.0m in 1H06). Costs capitalised in the period were principally in respect of the EXIGO project (replacement for the Austraclear FINTRACS system) and the Contracts for Difference (CFD) project. It is expected that headcount will reduce over the remainder of 2006 (independently of any merger related synergies) once the EXIGO project goes live (21 August) and the need for contract labour employed on the project reduces. This may result in a lower capitalisation amount in the second half.

Full Time Equivalent headcount	30 Jun 2006	31 Dec 2005	30 Jun 2005
Average for period	171	169	175
Actual at period end	170	166	169

As a consequence of the merger, the outstanding shares and options, previously issued under the executive equity and option plans, vested and approximately \$3m in expenses that would otherwise have been recognised over the next 3 years was recognised in the period. This expense has been shown as a merger related expense on the proforma income statement, rather than in employment costs (in the statutory format it is included in “employee related expenses”).

## SHARE CAPITAL

During the half year to June 2006, 137,500 shares were issued as a result of options exercised pursuant to the Executive Option Plan. In addition, 1,100,000 outstanding options and 246,000 shares under the Executive Share Plan vested, as a result of the merger with ASX, and the remaining accounting cost was expensed as a merger related expense, as outlined above.



## CAPITAL EXPENDITURE

Total capital expenditure for the period was \$2.9m. Expenditure was principally in relation to the EXIGO project (\$1.9m), undertaken (since 2003) to replace the existing FINTRACS system employed by SFE Austraclear as its core depository and settlement system. Expenditure has also been incurred on the CFD project. However, this has been offset by contributions from Commsec. Both the expenditure and the contribution received have been treated as balance sheet items.

The go-live date for the EXIGO project is scheduled to be 21 August 2006. SFE remains of the view that the revised date will not give rise to any impairment of the ultimate carrying value (capital cost) of the project. The final capital cost of the project is estimated to be \$22m. This amount will be amortised over the expected useful life of the system, initially estimated to be 7 years in accordance with SFE's existing policy.

### KEY RATIOS AND STATISTICS

(All ratios and statistics have been calculated using the statutory (2004 restated), rather than proforma, results)

	1H06	2H05	1H05	2H04	1H04
<b>Earnings per share (cents)</b>					
Earnings per share	28.6	26.6	25.0	20.2	20.9
Earnings per share (diluted)	28.4	26.4	24.8	20.1	20.7
<b>Dividends per share (fully franked, cents)</b>					
- Interim	32.6	n/a	21.3	n/a	17.2
- Final	n/a	22.4	n/a	16.7	n/a
- Special	-	-	-	-	15.0
<b>Return on Equity (Annualised)</b>					
- Period opening (operating profit after tax)	37.9%	36.5%	36.8%	27.2%	30.2%
<b>Key Ratios</b>					
EBITDA / Operating revenue #	66.3%	63.8%	62.9%	56.9%	58.7%
EBIT / Operating revenue #	63.9%	60.3%	58.8%	51.8%	53.5%
Total Expenses / Operating revenue #	34.5%	38.7%	41.2%	47.4%	46.5%
NPBT / Operating revenue #	71.4%	73.7%	71.4%	65.1%	66.2%
NPAT / Operating revenue #	49.8%	51.6%	50.9%	46.0%	47.1%
Capital Expenditure/Revenue #	3.8%	2.2%	2.2%	6.7%	4.2%
Net asset backing per share	\$1.60	\$1.51	\$1.46	\$1.37	\$1.49
Net tangible asset backing per share	\$1.25	\$1.17	\$1.12	\$1.02	\$1.15
Equity as a percentage of total assets (excluding participants' balances)	39.5%	56.6%	66.3%	67.1%	64.6%
Equity as a percentage of total assets (including participants' balances)	5.5%	7.0%	8.6%	8.3%	10.3%
# Excludes interest revenue/expense					
<b>Share Capital</b>					
Share price at period end	\$16.50	\$13.84	\$10.65	\$8.78	\$6.42
Ordinary Shares on issue at end of period	135,367,368	135,229,868	134,012,368	133,831,958	132,791,958
Weighted Average number of ordinary shares	135,349,495	134,208,163	133,911,971	132,826,931	132,532,543
Options over ordinary shares on issue	1,150,000	1,287,500	2,505,000	1,680,000	2,805,000
Market Value of ordinary shares on issue	\$2.23bn	\$1.87bn	\$1.42bn	\$1.18bn	\$0.85bn
Market to Book Value	10.3:1	9.2:1	7.3:1	6.4:1	4.7:1
No. Shareholders - External	7,712	7,994	6,585	5,095	3,551
- Employee Share Acqn Scheme	58	69	73	66	75
Liquidity of SFE shares traded (average per day)	661,117	450,085	552,783	446,057	391,254
<b>Exchange Fee Revenue</b>					
Percentage of revenue from exchange fees	74%	72%	72%	67%	68%
Percentage of revenue from exchange activities	86%	84%	84%	83%	84%
<b>Interest Revenue</b>					
Average margin earned on cash investments over official cash rates	0.12%	0.12%	0.13%	0.16%	0.18%
<b>Period Avg Margin Balances (AUD \$m)</b>					
Initial Margins	1,941	1,300	1,131	816	667
Additional Initial Margins	792	44	69	230	149
Excess Margins	106	663	523	350	327
<b>Total Margins</b>	<b>2,839</b>	<b>2,007</b>	<b>1,723</b>	<b>1,396</b>	<b>1,143</b>

**SFE Corporation Limited and controlled entities**  
**income statement (statutory format)**  
**for half-year ended 30 June 2006**

	<b>Half-year to 30 June</b>	
	<b>2006</b>	2005
	<b>\$'000</b>	\$'000
<b>Revenue</b>		
Revenue from ordinary operations	77,609	65,826
Interest income	93,610	56,552
	<u>171,219</u>	<u>122,378</u>
<b>Revenue from continuing operations</b>		
	<u>171,219</u>	<u>122,378</u>
<b>Expenses</b>		
Employee related expenses	15,796	11,951
Premises expenses	1,427	1,311
Computer related expenses	6,493	6,824
Clearing guarantee expenses	298	598
Insurance, legal, accounting and bank fees	1,571	1,490
Finance costs	82,952	48,308
Depreciation	1,864	2,652
Other expenses from ordinary activities	5,371	2,268
	<u>115,772</u>	<u>75,402</u>
<b>Profit before income tax</b>	55,447	46,976
Income tax expense	(16,776)	(13,467)
<b>Profit attributable to members of SFE Corporation Limited</b>	<u>38,671</u>	<u>33,509</u>
<b>Earnings per share for profit attributable to the ordinary equity holders of the company:</b>		
Basic earnings per share (cents)	28.6	25.0
Diluted earnings per share (cents)	28.4	24.8

**SFE Corporation Limited and controlled entities**  
**consolidated balance sheet**  
**as at 30 June 2006, plus the movement 01 July – 11 July 2006**

	<b>30 June</b>	31 December
	<b>2006</b>	2005
	<b>\$'000</b>	\$'000
<b>Current assets</b>		
Cash	76,411	168,192
Available-for-sale financial assets	3,473,530	2,577,125
Receivables	287,964	110,871
Other	5,039	5,740
<b>Total current assets</b>	<u>3,842,944</u>	<u>2,861,928</u>
<b>Non-current assets</b>		
Investments	1	1
Plant and equipment	9,281	9,328
Intangibles	22,383	21,397
Goodwill	24,391	24,391
<b>Total non-current assets</b>	<u>56,056</u>	<u>55,117</u>
<b>Total assets</b>	<u>3,899,000</u>	<u>2,917,045</u>
<b>Current liabilities</b>		
Payables	301,613	127,522
Interest bearing liabilities	3,318,727	2,521,918
Provisions	4,221	3,830
Current tax liabilities	9,417	9,312
Deferred income	5,127	5,582
<b>Total current liabilities</b>	<u>3,639,105</u>	<u>2,668,164</u>
<b>Non-current liabilities</b>		
Payables	114	114
Provisions	797	665
Deferred tax liabilities	6,490	7,335
Participant financial backing	36,430	36,940
<b>Total non-current liabilities</b>	<u>43,831</u>	<u>45,054</u>
<b>Total liabilities</b>	<u>3,682,936</u>	<u>2,713,218</u>
<b>Net assets</b>	<u>216,064</u>	<u>203,827</u>
<b>Equity</b>		
Contributed equity	52,326	51,913
Retained profits	162,415	154,067
Reserves	1,323	(2,153)
<b>Total equity</b>	<u>216,064</u>	<u>203,827</u>
<b>Net assets per share \$</b>	1.60	1.51
<b>Movement since balance date until merger effective date:</b>		
Net Loss after tax for period 01 July–11 July 2006	(2,592)	
Movement in Reserves for period 01 July–11 July 2006	18	
Dividend declared on 07 July 2006	(44,129)	
<b>Equity value (net assets) of SFE at 11 July 2006, date of acquisition by Australian Stock Exchange Limited</b>	<u>169,361</u>	

**SFE Corporation Limited and controlled entities  
consolidated statement of changes in equity  
for the half-year ended 30 June 2006**

	<b>Half-year to 30 June</b>	
	<b>2006</b>	2005
	<b>\$'000</b>	\$'000
<b>Total equity at the beginning of the half-year</b>	203,827	183,748
Change in fair value of available-for-sale financial assets, net of tax	(22)	15
Movement in equity compensation reserve	2,278	-
Employee share options	1,220	288
<b>Net income recognised directly in equity</b>	3,476	303
<b>Profit for the half-year</b>	38,671	33,509
<b>Total recognised income and expense for the half-year</b>	42,147	33,812
Transactions with equity holders in their capacity as equity holders:		
Contributions of equity, net of transaction costs	412	374
Dividends provided for or paid	(30,323)	(22,362)
	(29,910)	(21,988)
<b>Total equity at the end of the half-year</b>	216,064	195,572
<b>Total recognised income and expense for the half-year is attributable to:</b>		
Members of SFE Corporation Limited	42,147	33,812

**Movement since balance date until merger effective date:**

<b>Total equity at 30 June 2006</b>	216,064
Net loss after tax for the period 01 July – 11 July 2006	(2,592)
Increase in reserves	18
Dividend declared on 07 July 2006	(44,129)
<b>Total equity on 11 July 2006, merger effective date</b>	169,361

**SFE Corporation Limited and controlled entities  
consolidated statement of cash flows  
for the half-year ended 30 June 2006**

	<b>Half-year to 30 June</b>	
	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Receipts from participants and customers (inclusive of goods and services tax)	75,178	68,253
Payments to suppliers, participants and employees (inclusive of goods and services tax)	<u>(25,861)</u>	<u>(38,090)</u>
	49,317	30,163
Interest received	92,394	56,142
Finance costs paid	(82,952)	(48,308)
Income taxes paid	<u>(17,515)</u>	<u>(11,941)</u>
<b>Net cash inflow from operating activities</b>	<u>41,244</u>	<u>26,056</u>
<b>Cash flows from investing activities</b>		
Net increase in financial liabilities	796,299	33,993
Payments for non-current assets	<u>(2,803)</u>	<u>(1,972)</u>
<b>Net cash inflow from investing activities</b>	<u>793,496</u>	<u>32,021</u>
<b>Cash flows from financing activities</b>		
Repayment of lease liability	(174)	(198)
Issue of new share capital	413	374
Payment of dividends	<u>(30,323)</u>	<u>(22,362)</u>
<b>Net cash outflow from financing activities</b>	<u>(30,084)</u>	<u>(22,186)</u>
<b>Net increase in cash and cash equivalents</b>	804,656	35,891
Fair value increase of available-for-sale financial assets	(32)	15
Cash and cash equivalents at the beginning of the half-year	<u>2,745,317</u>	<u>2,102,657</u>
<b>Cash and cash equivalents at the end of the half-year</b>	<u>3,549,941</u>	<u>2,138,563</u>
<b>Net increase in cash and cash equivalents comprises</b>		
Net increase in participant balances	795,299	33,993
Net increase in SFE cash	<u>9,325</u>	<u>1,898</u>
<b>Net increase in total cash and cash equivalents</b>	<u>804,624</u>	<u>35,891</u>
<b>Total cash and cash equivalents comprises:</b>		
Participants' margins and commitments	3,352,157	1,973,533
SFE cash reserves	197,784	165,030
<b>Total cash and cash equivalents</b>	<u>3,549,941</u>	<u>2,138,563</u>

Total cash comprises cash and available-for-sale financial assets.

**SFE Corporation Limited and controlled entities – segment revenue  
for the half-year ended 30 June 2006**

**Primary Reporting – Business Segments**

	<b>Exchange Traded</b>	<b>Non- Exchange Traded</b>	<b>Inter- segment Eliminations /Unallocated</b>	<b>Consolidated</b>
<b>Half-year to 30 June 2006</b>	<b>2006 \$'000</b>	<b>2006 \$'000</b>	<b>2006 \$'000</b>	<b>2006 \$'000</b>
Exchange fees	57,347	-	-	57,347
Market data fees	4,839	-	-	4,839
Settlement and depository fees	-	6,727	-	6,727
Registry fees	-	2,502	-	2,502
Participation fees	-	1,242	-	1,242
Technology infrastructure fees	3,604	278	-	3,882
Other revenue	600	250	220	1,070
<b>Revenue from operating activities</b>	<u>66,390</u>	<u>10,999</u>	<u>220</u>	<u>77,609</u>
Interest income	88,591	-	5,019	93,610
<b>Total segment revenue</b>	<u>154,981</u>	<u>10,999</u>	<u>5,239</u>	<u>171,219</u>
<b>Segment result</b>	<u>59,220</u>	<u>6,681</u>	<u>-</u>	65,901
Unallocated revenue less unallocated expenses				<u>(10,454)</u>
<b>Profit from continuing operations before related income tax expense</b>				55,447
Income tax expense				<u>(16,776)</u>
Net profit				<u>38,671</u>
<b>Half-year to 30 June 2005</b>	<b>2005 \$'000</b>	<b>2005 \$'000</b>	<b>2005 \$'000</b>	<b>2005 \$'000</b>
Exchange fees	47,197	-	-	47,197
Market data fees	4,153	-	-	4,153
Settlement and depository fees	-	6,497	-	6,497
Registry fees	-	1,945	-	1,945
Participation fees	-	1,216	-	1,216
Technology infrastructure fees	3,278	378	-	3,656
Other revenue	745	320	97	1,162
<b>Revenue from operating activities</b>	<u>55,373</u>	<u>10,356</u>	<u>97</u>	<u>65,826</u>
Interest income	52,197	-	4,355	56,552
<b>Total segment revenue</b>	<u>107,570</u>	<u>10,356</u>	<u>4,452</u>	<u>122,378</u>
<b>Segment result</b>	<u>47,877</u>	<u>5,595</u>	<u>-</u>	53,472
Unallocated revenue less unallocated expenses				<u>(6,496)</u>
<b>Profit from continuing operations before related income tax expense</b>				46,976
Income tax expense				<u>(13,467)</u>
Net profit				<u>33,509</u>