

## Statement of Cash Flows

For the Half Year Ended 31 December 2004

	31 Dec 2004	31 Dec 2003
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash payments in the course of operations	(113,989)	(159,817)
Interest received	69,063	69,268
Dividend received	11,437	-
<b>Net cash used in operating activities</b>	<b>(33,489)</b>	<b>(90,549)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	208,950	431,579
Loans provided	(400,000)	-
Payments for equity investments	(500,000)	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(691,050)</b>	<b>431,579</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(120,987)	(229,875)
Issue of shares	-	261,500
<b>Net cash (used in)/provided by financing activities</b>	<b>(120,987)</b>	<b>31,625</b>
Net (decrease)/increase in cash held	(845,526)	372,655
Cash at the beginning of the financial period	2,597,862	2,182,620
<b>CASH AT THE END OF THE FINANCIAL PERIOD</b>	<b>1,752,336</b>	<b>2,555,275</b>



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## Half Yearly Report

For the Half Year Ended 31 December 2004

## Statement of Financial Position

As at 31 December 2004

Dear Shareholder

On behalf of the Directors, I am pleased to present the interim report for CVC Sustainable Investments Limited (formerly The Eco Fund Limited) ("the Company").

For the half year ended 30 December 2004, your Company reported a net profit of \$93,577 (\$166,422 for the previous corresponding period in 2003).

During the financial year to 31 December 2004, the Company expanded its investment portfolio with a \$0.5m equity investment in Traffic Technologies Limited and a \$0.4m loan to an investee company, Wind Corporation Australia Limited. The Company also realised profits from the further sale of shares in Geodynamics Limited which permitted the payment of a 0.5 cent dividend.

Throughout the period the Company continued to pursue opportunities to raise new capital and list its shares on ASX. These remain important short-term objectives.

In summary, since raising \$4.6 million in June 2002 and as at 31 December 2004, your Company had:

- increased the market value\* of the capital it had invested from \$3.2 million to \$4.4 million;
- paid two tax-exempt, split-adjusted dividends – one of 1 cent per share (in October 2003) and another of 0.5 cents per share (in November 2004); and
- increased the market value of net tangible assets per share from 19.49 cents to 21.52 cents.\*\*

I thank you for your continued support of CVC Sustainable Investments which remains dedicated to the task of producing market beating returns by investing cautiously in environmental sustainability.

Vanda Gould  
Chairman  
February 2005

\* The market value of the Company's investment portfolio is based on the closing share price on ASX on 31 December 2004 and includes a realised profit before tax of \$365,078. The market value is determined in accordance with AVCAL valuation guidelines.

\*\* The market value of net tangible assets per share includes unrealised gains on investments adjusted for expected taxation.

	31 Dec 2004	30 Jun 2004
	\$	\$
<b>CURRENT ASSETS</b>		
Cash assets	1,752,336	2,597,862
Receivables	26,318	21,727
<b>Total current assets</b>	<b>1,778,654</b>	<b>2,619,589</b>
<b>NON-CURRENT ASSETS</b>		
Receivables	406,428	-
Other financial assets	2,523,500	2,094,000
Deferred tax assets	10,879	14,098
<b>Total non-current assets</b>	<b>2,940,807</b>	<b>2,108,098</b>
<b>TOTAL ASSETS</b>	<b>4,719,461</b>	<b>4,727,687</b>
<b>CURRENT LIABILITIES</b>		
Payables	18,036	15,167
Current tax liability	52,952	36,637
<b>Total current liabilities</b>	<b>70,988</b>	<b>51,804</b>
<b>TOTAL LIABILITIES</b>	<b>70,988</b>	<b>51,804</b>
<b>NET ASSETS</b>	<b>4,648,473</b>	<b>4,675,883</b>
<b>EQUITY</b>		
Contributed equity	4,718,387	4,718,387
Accumulated losses	(69,914)	(42,504)
<b>TOTAL EQUITY</b>	<b>4,648,473</b>	<b>4,675,883</b>

## Statement of Financial Performance

For the Half Year Ended 31 December 2004

	31 Dec 2004	31 Dec 2003
	\$	\$
<b>Revenues from ordinary activities:</b>		
Interest income	74,996	77,782
Proceeds from sale of shares	208,950	431,579
Dividend received	11,437	-
<b>Total revenue</b>	<b>295,383</b>	<b>509,361</b>
<b>Expenses from ordinary activities:</b>		
Audit fees	1,100	-
Cost of shares sold	70,500	206,000
Directors' fees	12,000	12,000
Management & consulting	70,447	56,365
Printing	8,697	8,456
Other expenses	15,368	12,893
<b>Profit from ordinary activities before related income tax expense</b>	<b>117,271</b>	<b>213,557</b>
<b>Income tax expense relating to ordinary activities</b>	<b>23,694</b>	<b>47,135</b>
<b>Profit from ordinary activities after related income tax expense</b>	<b>93,577</b>	<b>166,422</b>