



Half-yearly
Financial Report

CVC Private Equity Limited

for the half-year ended 31 December 2007

chairman's report

for the half-year ended 31 December 2007

Dear Shareholder

On behalf of the board of CVC Private Equity, I present this summary of the interim report for the six months to 31 December 2007.

The company recorded an after-tax loss of \$2.17 million, the major contributing factor being an impairment write-off of \$3.15 million relating to the company's investment in Blue-Chip Financial Services Ltd. The decision to take an impairment write-off on this investment came about when the company was suspended from trading on the ASX at the request of the directors. At this stage, the directors have not released any information as to if and when the company's suspension will be lifted nor have they provided any information as to the financial health of the company. We will of course continue to closely monitor the situation.

During the period under review, the company continued to assess a number of investment opportunities. The investment climate remained difficult during this period with valuations continuing to remain somewhat stretched resulting in no significant new investments being completed. With the fairly serious problems in both the financial and equity markets which have emerged since the end of the reporting period, it is very likely that pricing of investment opportunities will start coming back to more realistic levels. With almost \$6 million in cash as at the end of December, the company is well placed to take advantage of this changing environment.

Given the loss for the period under review, the Board has resolved not to declare an interim dividend.

Vanda Gould
Chairman

balance sheet

as at 31 December 2007

	31 Dec 2007 \$	30 Jun 2007 \$
CURRENT ASSETS		
Cash and cash equivalents	5,790,895	5,408,555
Trade and other receivables	38,519	75,916
Loans and receivables	-	2,303,980
Total current assets	5,829,414	7,788,451
NON CURRENT ASSETS		
Equity investments	6,781,230	12,128,180
Loans and receivables	1,325,536	1,493,846
Deferred tax assets	1,642,762	715,230
Total non current assets	9,749,528	14,337,256
TOTAL ASSETS	15,578,942	22,125,707
CURRENT LIABILITIES		
Trade and other payables	21,847	27,950
Total current liabilities	21,847	27,950
NON-CURRENT LIABILITIES		
Deferred tax liabilities	119,036	1,360,616
Total non-current liabilities	119,036	1,360,616
TOTAL LIABILITIES	140,883	1,388,566
NET ASSETS	15,438,059	20,737,141
EQUITY		
Contributed equity	20,355,213	20,148,985
Accumulated losses	(5,121,190)	(2,470,441)
Other reserves	204,036	3,058,597
TOTAL EQUITY	15,438,059	20,737,141

income statement

for the half-year ended 31 December 2007

	31 Dec 2007 \$	31 Dec 2006 \$
INCOME		
Interest received	401,019	350,507
Dividend revenue	29,028	160,626
Other income	166,490	19,700
Total income	596,537	530,833
EXPENSES		
Audit, legal and accountancy	18,958	16,235
Directors fees	7,500	13,478
Net loss on sale of equity investments	211,322	-
Impairment of receivables	45,446	-
Management and consultancy	259,214	298,038
Impairment of investment	3,145,286	-
Other expenses	32,213	18,235
(Loss)/profit before income tax	(3,123,402)	184,847
Income tax benefit/(expense)	945,729	(19,857)
(Loss)/profit after income tax	(2,177,673)	164,990
Earnings per share		
Basic and diluted earnings per share (cents)	(9.1)	0.7

cash flow statement

for the half-year ended 31 December 2007

	31 Dec 2007	31 Dec 2006
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	52,811	3,310
Cash payments in the course of operations	(319,301)	(358,940)
Interest received	353,627	329,494
Dividends received	29,028	140,769
Net cash provided by operating activities	116,165	114,633
CASH FLOWS FROM INVESTING ACTIVITIES		
Loans provided	(534,800)	(275,000)
Loans repaid	3,038,473	300,000
Payments for equity investments	(2,601,378)	(901,006)
Proceeds from sales of equity investments	630,728	-
Net cash provided by/(used in) investing activities	533,023	(876,006)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of shares under the dividend reinvestment plan	206,228	179,970
Dividends paid	(473,076)	(466,623)
Net cash used in financing activities	(266,848)	(286,653)
Net increase/(decrease) in cash held	382,340	(1,048,026)
Cash at the beginning of the half-year	5,408,555	10,348,508
CASH AT THE END OF THE HALF-YEAR	5,790,895	9,300,482

statement of changes in equity

for the half-year ended 31 December 2007

	31 Dec 2007	31 Dec 2006
	\$	\$
Income and expenses recognised directly in equity		
(Decrease)/increase in the market value of investments classified as "available-for-sale"	(7,451,587)	178,065
Amounts transferred from other reserves to the income statement on sale	3,373,642	-
Income tax on fair value movements taken to or from other reserves	1,223,384	-
Value of options expired	-	(19,700)
Total income and expense recognised directly in equity	(2,854,561)	158,365
(Loss)/profit for the half-year	(2,177,673)	164,990
Total income and expense for the half-year	(5,032,234)	323,355
Transactions with shareholders in their capacity as shareholders		
Shares issued during the period under the dividend reinvestment plan	206,228	179,970
Dividends paid	(473,076)	(466,623)
Total transactions with shareholders in their capacity as shareholders	(266,848)	(286,653)
Net (decrease)/increase in equity for the half-year	(5,299,082)	36,702
Equity at the beginning of the half-year	20,737,141	16,461,218
EQUITY AT THE END OF THE HALF-YEAR	15,438,059	16,497,920