

MONEY3 CORPORATION LIMITED
(ACN 117 296 143)

HALF YEAR FINANCIAL REPORT

31 December 2007

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 2007
Previous Corresponding Reporting Period	31 December 2006

Results for Announcement to the Market

	\$	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	3,856,099	43.8%
Profit from ordinary activities after tax attributable to members	672,358	87.3%
Net profit for the period attributable to members	672,358	87.3%
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	3 cents (paid on 28/11/07)	3 cents
Interim Dividend	1.3 cents	1.3 cents
Record date for determining entitlements to the dividends (if any)	16 April 2008	
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	30 April 2008
Record date to determine entitlement to the dividend	16 April 2008
Amount per security	1.3 cents
Total dividend	\$357,147
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	16 April 2008

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security (cents per share)	25.7	24.5

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	27 February 2008

COMMENTARY ON RESULTS FOR THE HALF YEAR TO DECEMBER 2007

Highlights

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

- ⇒ strong growth in gross revenue - up 43.8% on December 2006;
- ⇒ Profit before income tax of \$1,035,459 – up 82.2% on December 2006;
- ⇒ Profit after income tax of \$672,358 – up 87.3% on December 2006;
- ⇒ Earnings Per Share up 65% to 2.46 cents;
- ⇒ 78.3% increase of Loan Book from \$6M at 31 December 2006 to \$10.7M at 31 December 2007;
- ⇒ low borrowings of \$1.29M; and
- ⇒ the successful establishment of the Loan Centre.

With such a strong half year result the Directors are pleased to announce an interim dividend of 1.3 cents fully franked.

Half Year Results

The strong results were generated by 12 branches and the Loan Centre, which opened in March 2007. Ballarat, the newest branch opened in February 2007 and is now trading exceedingly well.

Consolidated Revenue Information	Gross Fees	Deferred revenue adjustment	Revenue recognised for the period
	\$	\$	\$
Half year to 31 December 2007	4,577,840	(721,741)	3,856,099
Half year to 31 December 2006	3,505,525	(824,544)	2,680,981
Increase	30.6%		43.8%

Future

The “Sub-Prime Crisis” has affected many financial services related companies. Money3 is only affected in so far as to the future capital raising whilst the financial market is still coming to terms with the magnitude of the problem. Money3 has a healthy balance sheet, minimal borrowings of \$1.3M on a loan book of \$10.7M. The directors are positive about the future outlook and in line with future plans wish to inform that the company has signed a lease for the next branch at Wodonga. It is expected to open on 31 March 2008. This branch will be 51% owned by Money3 and will be fully funded by the 49% equity partners.

Dividend

The directors are pleased to report a strong trading result and as such maintain an interim fully-franked dividend of 1.3 cents per share payable on the 30 April 2008 to shareholders registered at 5.00pm on 16 April 2008.

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 2007.

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

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. The company made various business combinations during the year and details are contained in the review and results of operations section in this annual financial report. 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 \$672,358 (31 December 2006, \$358,989).

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
Chair



Robert Bryant
Executive Director

Melbourne
27 February 2008



Chartered Accountants
& Business Advisers

27 February 2008

Board of Directors
Money3 Corporation Limited
140 Ryrie Street
GEELONG VIC 3220

Dear Directors

INDEPENDENCE DECLARATION

As lead engagement partner for the review of Money3 Corporation Limited for the half-year ended 31 December 2007, 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.



PKF
Chartered Accountants

D J Garvey
Partner

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CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007

	For the six months ended 31 December 2007	For the six months ended 31 December 2006
	\$	\$
Revenue	3,856,099	2,680,981
Other income	4,225	43,306
Total revenue	<u>3,860,324</u>	<u>2,724,287</u>
Expenses from operating activities:		
General and administration	278,498	220,673
Employment	1,553,649	994,861
Advertising and sales	164,411	251,945
Occupancy costs	223,270	202,830
Bad debts	413,582	354,769
Other expenses	64,955	47,887
Depreciation and amortisation	110,714	72,639
Interest expenses	15,786	10,444
Profit/(Loss) before income tax expense	<u>1,035,459</u>	<u>568,239</u>
Income tax expense	<u>363,101</u>	<u>209,250</u>
Net profit/(loss) attributable to members	<u>672,358</u>	<u>358,989</u>
Earnings per share (cents per share)		
Basic profit/(loss) from continuing operations	2.46 cents	1.49 cents
Diluted profit/(loss) from continuing operations	2.46 cents	1.47 cents

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

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2007

	31 December 2007	30 June 2007
	\$	\$
Current assets		
Cash and cash equivalents	259,982	893,328
Trade and other receivables	9,290,083	7,449,430
Other assets	88,224	62,459
Total current assets	<u>9,638,289</u>	<u>8,405,217</u>
Non-current assets		
Trade and other receivables	1,445,283	693,538
Property, plant & equipment	947,332	940,594
Intangibles	15,386,487	15,386,487
Deferred tax assets	312,683	312,683
Total non-current assets	<u>18,091,785</u>	<u>17,333,302</u>
Total assets	<u>27,730,074</u>	<u>25,738,519</u>
Current Liabilities		
Trade and other payables	589,566	427,100
Deferred revenue	2,710,504	1,988,763
Borrowings	1,290,857	-
Hire purchase	30,537	34,037
Current tax payables	537,404	743,604
Provisions	109,488	158,534
Total current liabilities	<u>5,268,356</u>	<u>3,352,038</u>
Non-current liabilities		
Provisions	20,930	21,623
Total non-current liabilities	<u>20,930</u>	<u>21,623</u>
Total current liabilities	<u>5,289,286</u>	<u>3,373,661</u>
Net assets	<u>22,440,788</u>	<u>22,364,858</u>
Equity		
Issued Capital	21,031,726	20,893,237
Reserves	199,069	115,736
Accumulated profit/(losses)	1,209,993	1,355,885
Total equity	<u>22,440,788</u>	<u>22,364,858</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 2007

	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

	Issued capital	Retained earnings	Reserves	Total equity
	\$	\$	\$	\$
Opening Balance at 1 July 2006	4	498,339	-	498,343
Total recognised income and expense for the period	-	1,212,121	-	1,212,121
Transaction with shareholders in their capacity as shareholders:				
Fair value of shares issued pursuant to the acquisition of Money3 Trading Companies	16,767,000	-	-	16,767,000
Issue of shares to the public	4,500,000	-	-	4,500,000
Issue of shares to employees	100,000	-	-	100,000
Discount on shares issued to employees	80,000	-	-	80,000
Increase in equity compensation reserve	-	-	115,736	115,736
Initial public offer cost	(796,527)	-	-	(796,527)
Transfer to deferred tax reserve	242,760	-	-	242,760
Dividend Paid	-	(354,575)	-	(354,575)
Closing balance at 31 December 2006	20,893,237	1,355,885	115,736	22,364,858

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 2007**

	For the six months ended 31 December 2007	For the six months ended 31 December 2006
	\$	\$
Cash flows from operating activities		
Receipts from customers	3,856,099	2,680,981
Payments to suppliers and employees	(2,114,486)	(1,639,448)
Interest received	4,225	43,306
Interest paid	(15,786)	(10,444)
Tax paid	(569,301)	(80,638)
	<u>1,160,751</u>	<u>993,757</u>
<i>(Increase) decrease in operating assets:</i>		
Net funds advanced to customers for loans	(2,284,241)	(1,434,954)
Net cash used in operating activities	<u>(1,123,490)</u>	<u>(441,197)</u>
Cash flows from investing activities		
Payment for property, plant and equipment	(117,452)	(212,883)
Payment for purchase of business combination, net of cash acquired	-	(452,070)
Payment for Computer System	-	(40,000)
Net cash used in investing activities	<u>(117,452)</u>	<u>(704,953)</u>
Cash flows from financing activities		
Proceeds from the issue of shares	-	4,600,000
Payments – IPO expenses	-	(664,319)
Proceeds from borrowings	907,069	43,901
Repayment of borrowings	(3,500)	(27,693)
Dividend paid	(679,761)	-
Repayment of Directors' loans	-	(450,000)
Net cash provided by financing activities	<u>223,808</u>	<u>3,501,889</u>
Net (decrease)/increase in cash held	(1,017,134)	2,355,739
Cash at the beginning of the period	893,328	6,800
Cash at the end of the period	<u>(123,806)</u>	<u>2,362,539</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 2007**

INTRODUCTION

The financial report of Money3 Corporation Limited ("Money3") for the half year ended 31 December 2007 was authorised for issue in accordance with a resolution of directors on 26 February 2008. 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 3.

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 2007 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 2007 and considered together with any public announcements made by Money3 during the half year ended 31 December 2007, 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 adopted and disclosed in the company's annual financial report for the year ended 30 June 2007.

NOTE 2. Dividends

	For the six months ended 31 December 2007 \$	For the six months ended 31 December 2006 \$
(a) Dividends paid during the half year on ordinary shares: Final franked dividend for the financial year ended 30 June 2007: 3 cents, paid on 30 November 2007 (2006: nil)	818,250	-
(b) Dividends proposed and not yet recognised as a liability: - Interim franked dividend for the half year ended 31 December 2007: 1.3 cents, proposed to be paid 30 April 2008 (2006: 1.3 cents)	357,147	354,575

NOTE 3. 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 4. Contingent liabilities

The Company has no contingent liabilities as at 31 December 2007.

NOTE 5. Subsequent events

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

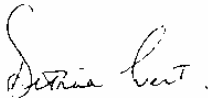
DIRECTORS DECLARATION

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 2007 and the performance for the half year ended on that date.; and
 - II. complying 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
27 February 2008



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MONEY3 CORPORATION LIMITED**

Chartered Accountants
& Business Advisers

We have reviewed the accompanying half-year financial report of Money3 Corporation Limited ("Money3"), which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a description of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising Money3 Corporation and the entities it controlled at 31 December 2007 or from time to time during the half-year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of Money3 Corporation 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 designing, implementing 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 Money3 Corporation's financial position as at 31 December 2007 and its 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, 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.

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 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 2007 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.

PKF
Chartered Accountants

27 February 2008
Melbourne

DJ Garvey
Partner

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