TRINITY GROUP
(Comprising Trinity Limited and Trinity Stapled Trust and their controlled entities)

APPENDIX 4D
RESULTS FOR ANNOUNCEMENT TO THE MARKET
HALF YEAR REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010
TO THE AUSTRALIAN STOCK EXCHANGE

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1. Company details and reporting period

Name of Entity and ABN:

TRINITY GROUP ('Combined Group') comprising of
- Trinity Limited ABN 11 110 831 288; and
- Trinity Stapled Trust ARSN 111 389 596 the responsible entity of which is Trinity Investment Management Limited ABN 47 137 565 149, AFS Licence number 338688;
- and their controlled entities.

Reporting Period: 31 December 2010

Previous Corresponding Period: 31 December 2009

2. Results for Announcement to the Market

	$'000	% change from prior period
Revenue and other income from continuing activities	5,552	Down 75%
Net loss for the period attributable to members	(1,559)	Down 96%
Dividends / Distributions	-	-
Distribution per security	0 cents	-
Record date for determining entitlement to the distribution	31 December 2010	

	31 December 2010	31 December 2009
Net tangible assets per security	$0.183	$0.217

3. Statement of Comprehensive Income with Notes to the Statement

Refer to pages 3 and 4 of the 31 December 2010 Trinity Group and Trinity Stapled Trust Half Year Financial Report and accompanying notes.

4. Statement of Financial Position with Notes to the Statement

Refer to pages 5 and 6 of the 31 December 2010 Trinity Group and Trinity Stapled Trust Half Year Financial Report and accompanying notes.

5. Statement of Cashflows with Notes to the Statement

Refer to page 7 of the 31 December 2010 Trinity Group and Trinity Stapled Trust Half Year Financial Report and accompanying notes.

6. Entities over which control has been gained during the period

The Trinity Group did not gain or lose control over any entities during the period.

7. Dividends / Distributions

Refer to page 13 of the 31 December 2010 Trinity Group and Trinity Stapled Trust Half Year Financial Report and accompanying notes.

8. Dividend & Distribution Reinvestment Plan

A dividend and distribution reinvestment plan was launched in February 2007 for the securityholders of Trinity Group. The plan is not available in respect of the current distribution period.

9. Associates and Joint Venture Entities

Entity Name	Group Holding Dec 2010	Group Holding Dec 2009	Group Share of Net Profit / (Loss)	
			6 Months 31 Dec 2010 $'000	6 Months 31 Dec 2009 $'000
Trinity Funds Management Services Group	50%	100%	556	n/a

10. Other significant information

Refer to the 31 December 2010 Trinity Group and Trinity Stapled Trust Half Year Financial Report and accompanying notes.

11. Accounting standards used for foreign entities

Not applicable.

12. Commentary on the results for the period

Refer to the Directors' Report on pages 1 to 2 of the 31 December 2010 Trinity Group and Trinity Stapled Trust Half Year Financial Report and attached ASX announcement.

13. Status of the Audit

The attached Half Year Financial Reports for Trinity Group and Trinity Stapled Trust for the half year ended 31 December 2010 and accompanying notes have been reviewed.

14. Dispute or qualifications if audited

None.

Janita Robba
Company Secretary

25 February 2011

TRINITY GROUP

Half Year Financial Report
31 December 2010

Trinity Group comprises Trinity Limited (ABN 11 110 831 288), Trinity Stapled Trust (ARSN 111 389 596) and their controlled entities.

This half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report, for the year ended 30 June 2010 and any public announcements made by the Trinity Group and Trinity Stapled Trust during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

All press releases, financial reports and other information are available on our website: www.trinity.com.au

The directors of Trinity Limited and Trinity Investment Management Limited, the Responsible Entity of Trinity Stapled Trust, present their reports together with the consolidated financial statements of Trinity Group consisting of Trinity Limited and its controlled entities and Trinity Stapled Trust and its controlled entities ("the Trust") for the half year ended 31 December 2010 and the auditors' report thereon.

DIRECTORS

The names of the directors of Trinity Limited and Trinity Investment Management Limited in office during the half year and until the date of this report are:

Brett Heading	Chairman
Richard Friend	Independent Non-Executive Director
Christopher Morton	Deputy Chairman

The Directors were in office from the beginning of the half year until the date of this report, unless otherwise stated.

COMPANY SECRETARY

The company secretary of Trinity Limited as at 31 December 2010 is:

Janita Robba	Appointed 23 December 2010

PRINCIPAL ACTIVITIES

The principal activities of the Trinity Group are:

- investment in commercial and industrial properties;
- investment in funds management businesses and unlisted managed property funds.

The principal activities of the Trust during the course of the half year were investment in commercial and industrial properties.

The Responsible Entity holds an Australian Financial Services License No 338688 issued pursuant to Section 913B of the *Corporations Act 2001* and the Trust was registered as a Managed Investment Scheme on 28 October 2004.

The Trust did not have any employees during the year.

THE TRINITY GROUP

The stapled securities of the Trinity Group are quoted on the Australian Stock Exchange under the code TCQ and comprise of one unit in Trinity Stapled Trust and one share in Trinity Limited. The unit and the share are stapled together and cannot be treated separately. Each entity forming part of the Trinity Group continues as a separate legal entity in its own right under the *Corporations Act 2001*.

REVIEW OF OPERATIONS

The consolidated net loss for the half year after providing for income tax attributable to the securityholders of the Trinity Group was $1.56 million (December 2009 – loss of $38.01 million). Expenses charged directly to equity for the half year were $1.74 million primarily associated with decreases in value of investments in managed funds. The Trinity Group's equity has decreased by $3.08 million (1 July to 31 December 2009 – decrease of $38.44 million).

The six months ended 31 December 2010 has seen the Trinity Group make significant steps forward in dealing with the hurdles of the past.

Of particular significance was the conditional settlement that the Trinity Group reached with Don O'Rorke and the Project Partners which was announced to the ASX in November 2010. The settlement remains subject to the satisfaction of certain conditions precedent which are expected to be satisfied by 31 March 2011. In addition to removing any further uncertainty in relation to potential legal action associated with Mr O'Rorke and the Project Partners for the Trinity Group, this settlement is expected to improve the Trinity Group's net tangible assets per security.

In an ancillary transaction to the above settlement, Mr O'Rorke and associated entities will acquire the Trinity Group's Japanese operations subject to the settlement of the above transaction and consent of the Japanese financiers. Similar to the above transaction, this settlement is expected to further improve the Trinity Group's financial position and will see the divestment of non core assets.

Given the resolution of the protracted litigation process which has consumed significant amounts of executive time, the Board is now focussed on determining the future strategy of the business and has commenced the formulation of such.

The Board also continues to adopt a prudent attitude with respect to debt management with the Trinity Group being in compliance with its debt covenants at 31 December 2010.

DISTRIBUTIONS

No distributions were paid or payable to stapled securityholders for the half year ended 31 December 2010 (December 2009: nil).

STATE OF AFFAIRS

Direct Property

The Trinity Group has seen an improved performance in its Australian Direct Property holdings for the half year ended 31 December 2010. The primary reason for this has been the strong performance of the leasing at 308 Queen Street/88 Creek Street in Brisbane. At the date of this report the commercial tower at 88 Creek Street is close to fully let with 5 floors having been let since 30 June 2010. 2 suites at 308 Queen Street were let during the period and 2 heads of agreement have been executed in relation to the retail space attaching to the building. In December 2010, the Trinity Group announced its intention to sell the properties at Richlands, Queensland and Mulgrave, Victoria during 2011 as the Board determined these assets to be non core to the Trinity Group's operations.

The Trinity Group has executed 6 contracts of sale on units at The Cumberland Lorne Resort subsequent to balance date with all sale prices exceeding book value. All net proceeds from these sales are being repaid to the Trinity Group's principal financier as the Board continues its focus on prudent debt management.

Funds Management

The 50% investment in Trinity Funds Management Limited and Trinity Funds Management Services Group performed well during the period with the businesses well positioned to take advantage of an improving property market.

Investment

The Trinity Group continues to hold investments in Trinity Development Group, Trinity Land Group, Trinity Property Trust and Trinity Opportunistic Fund No 1, which are funds managed by Trinity Funds Management Limited. Overall the value of these investments decreased during the period which was directly attributable to the investments in Trinity Development Group and Trinity Land Group.

EVENTS SUBSEQUENT TO BALANCE DATE

On 1 February 2011 the bank facility secured against the Osaka commercial property expired. The financier has advised that it does not yet intend to issue a default notice in relation to the expired facility. The financier has no recourse to the Trinity Group in respect of the facility. Although a member of the Trinity Group has provided a limited conduct guarantee it cannot be called upon in these circumstances.

On 17 February 2011, NAB provided the Trinity Group with a 6 month extension on their debt facilities with the bank of $72.98 million, such that the expiry date of the facilities is now 30 April 2012 (previously 31 October 2011).

Subsequent to balance date the Trinity Group has executed 6 contracts of sale on units at the Cumberland Lorne Resort. One unit settled in early February 2011 and the proceeds from settlement were used to repay debt. The contracts of sale on the remaining 5 units are unconditional and will settle by 30 June 2011.

Other than the matters discussed above, there have been no other significant events since balance date which may affect either the operations of the consolidated entity or the results of those operations or the state of affairs of the consolidated entity, which have not been disclosed already in this report.

AUDITOR'S INDEPENDENCE DECLARATION

We confirm that we have obtained a declaration of independence from our auditors, in accordance with Section 307C of the *Corporations Act 2001*, as set out on page 25.

ROUNDING AMOUNTS

The entity is a kind of entity referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors of Trinity Limited and Trinity Investment Management Limited.

Director | Director

Dated in Brisbane this 25th day of February 2011

	Notes	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
		31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
		$'000	$'000	$'000	$'000
Revenue and other income from continuing activities					
Revenue from property rental		5,930	8,825	4,257	7,318
Revenue from rendering of services	**1(f)**	(1,666)	4,150	-	-
Revenue from property development		408	7,697	-	-
Finance income		204	827	25	4,724
Other revenues and other income		676	447	317	25
Total revenue and other income from continuing activities		5,552	21,946	4,599	12,067
Other expenses from continuing activities excluding finance costs	**4**	(2,290)	(21,046)	(4,310)	(18,865)
Fair value movements in investment properties	**8**	163	(7,841)	163	(7,842)
Inventory write down to net realisable value		(476)	(10,878)	-	-
Net change in fair value of derivative financial instruments		728	1,546	709	1,569
Profit/(loss) from continuing activities before tax, finance costs and equity accounted associates		**3,677**	**(16,273)**	**1,161**	**(13,071)**
Finance costs		(3,485)	(6,297)	(3,245)	(5,337)
Share of net profit/(loss) of equity accounted associates		556	(10,397)	-	(7,190)
Loss from continuing activities before income tax		748	(32,967)	(2,084)	(25,598)
Income tax (expense)/benefit		-	(41)	-	-
Profit/(loss) for the half year from continuing activities		748	(33,008)	(2,084)	(25,598)
Discontinued operations					
Loss from discontinued operations after income tax	**6**	(2,307)	(5,006)	(2,307)	(5,006)
Net loss for the half year		(1,559)	(38,014)	(4,391)	(30,604)
Other comprehensive (loss)/income					
Foreign currency translation differences for foreign operations		204	(429)	204	(429)
Net change in fair value of available for sale financial assets		(1,946)	-	233	-
Other comprehensive (loss)/income for the half year, net of tax		(1,742)	(429)	437	(429)
Total comprehensive loss for the half year		(3,301)	(38,443)	(3,954)	(31,033)
Loss for the half year attributable to:					
Members of the parent		(1,824)	(18,816)	-	-
Unit holders of the Trust		294	(19,146)	(4,362)	(30,552)
Minority interest		(29)	(52)	(29)	(52)
Loss for the half year		(1,559)	(38,014)	(4,391)	(30,604)

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

	Notes	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
		31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
		$'000	$'000	$'000	$'000
Total comprehensive loss for the half year attributable to:					
Members of the parent		(4,003)	(18,816)	-	-
Unitholders of the Trust		677	(19,708)	(3,979)	(31,114)
Stapled securityholders		(3,326)	(38,524)	(3,979)	(31,114)
Other minority interest		25	81	25	81
Total comprehensive loss for the half year		(3,301)	(38,443)	(3,954)	(31,033)
Earnings per stapled security	**3**				
Basic loss per stapled security (cents)		(0.66)	(16.38)	n/a	n/a
Diluted loss per stapled security (cents)		(0.66)	(16.38)	n/a	n/a
Continuing activities	**3**				
Basic profit/(loss) per stapled security (cents)		0.32	(14.25)	n/a	n/a
Diluted profit/(loss) per stapled (cents)		0.32	(14.25)	n/a	n/a
Distributions per security (cents)	**2**	-	-	-	-
Dividend per security (cents)		-	-	-	-

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

	Notes	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
		31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
		$'000	$'000	$'000	$'000
Current assets					
Cash and cash equivalents	**5**	3,958	28,558	958	25,662
Trade and other receivables		4,226	5,194	788	850
Assets of discontinued operations held for sale	**6**	35,688	-	35,688	-
Assets held for sale	**7**	39,550	-	39,550	-
Inventory		2,188	-	-	-
Other assets		919	250	684	158
Total current assets		86,529	34,002	77,668	26,670
Non-current assets					
Trade and other receivable		220	475	48,538	53,202
Equity accounted investments	**9**	873	373	-	-
Available for sale financial assets	**10**	24,848	26,794	10,012	9,779
Investment properties	**8**	51,879	127,079	51,879	127,079
Inventory		23,456	25,545	-	-
Property, plant and equipment		113	138	-	-
Intangible assets		1,365	1,471	-	-
Other assets		955	335	955	335
Total non-current assets		103,709	182,210	111,384	190,395
Total assets		190,238	216,212	189,052	217,065
Current liabilities					
Trade and other payables		4,098	7,717	1,502	6,150
Interest bearing loans and borrowings	**11**	91,193	37,269	61,264	37,269
Liabilities directly associated with discontinued operations held for sale	**6**	39,734	-	39,734	-
Derivative financial instruments	**11**	273	1,040	274	1,040
Provisions		114	123	-	-
Total current liabilities		135,412	46,149	102,774	44,459
Non-current liabilities					
Trade and other payables		145	175	145	-
Interest bearing loans and borrowing	**11**	-	111,548	-	82,097
Derivative financial instruments	**11**	89	666	89	666
Provisions		11,093	11,095	-	-
Total non-current liabilities		11,327	123,484	234	82,763
Total liabilities		146,739	169,633	103,008	127,222
Net Assets		43,499	46,579	86,044	89,843

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

	Notes	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
		31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
		$'000	$'000	$'000	$'000
Equity					
Equity attributable to members of the Company	**12**				
Contributed equity		44,329	44,329	-	-
Reserves		(3,344)	(787)	-	-
Accumulated losses		(77,655)	(76,275)	-	-
		(36,670)	(32,733)	-	-
Equity attributable to unitholders of the Trust	**12**				
Contributed equity		259,781	259,781	259,781	259,781
Reserves		3,617	5,024	3,617	5,024
Deficiency		(183,381)	(185,620)	(177,506)	(175,089)
		80,017	79,185	85,892	89,716
Minority interest		152	127	152	127
Total equity		43,499	46,579	86,044	89,843

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

	Note	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
		31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
		$'000	$'000	$'000	$'000
Cash flows from operating activities					
Cash receipts in the course of operations		7,458	23,255	4,530	11,528
Cash payments in the course of operations		(4,583)	(19,154)	(1,599)	(4,301)
Interest received		87	651	25	70
Interest and finance costs paid		(4,190)	(6,486)	(4,179)	(5,762)
Income taxes paid		-	(1)	-	-
Operating cash flows from discontinued operations		103	-	103	-
Net cash from operating activities		(1,125)	(1,735)	(1,120)	1,535
Cash flows from investing activities					
Payments for investment properties and assets held for sale		(165)	(37)	(165)	(37)
Proceeds from sale of investment properties and assets held for sale		-	16,400	-	16,400
Payment for inventory		-	(21,546)	-	-
Proceeds from sale of inventory		-	410	-	-
Payments for capitalised development costs		(570)	(974)	-	(241)
Loans to related entities		-	(75)	-	(4,220)
Loans to associated entities		-	-	-	-
Net payments for property, plant and equipment		(11)	(9)	-	-
Repayment of loan from related entity		29	158	180	-
Loss of control of subsidiary		-	(458)	-	-
Obtaining control of subsidiary		-	275	-	-
Dividends/distributions received		1,108	1,144	744	1,122
Investing cash flows from discontinued operations		(59)	-	(59)	-
Net cash from investing activities		332	(4,712)	700	13,024
Cash flows from financing activities					
Proceeds from borrowings		477	21,743	-	-
Payments for loan establishment costs		-	(37)	-	-
Repayment of borrowings		(20,870)	(16,110)	(20,870)	(16,110)
Distributions/dividends paid		-	-		-
Net cash from financing activities		(20,393)	5,596	(20,870)	(16,110)
Net decrease in cash and cash equivalents		(21,186)	(851)	(21,290)	(1,551)
Net foreign exchange differences		(304)	(247)	(304)	(247)
Cash and cash equivalents at beginning of the half year		28,558	20,181	25,662	9,124
Cash and cash equivalents at the end of the half year	**5**	7,068	19,083	4,068	7,326

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

TRINITY GROUP CONSOLIDATED	Attributable to members of the company				Attributable to unitholders of the Trust					
	Contributed equity $'000	Reserves $'000	(Accumulated losses)/ $'000	Total $'000	Contributed equity $'000	Reserves $'000	(Accumulated losses)/ $'000	Total $'000	External minority interest $'000	Total equity $'000
At 1 July 2010	44,329	(787)	(76,275)	(32,733)	259,781	5,024	(185,620)	79,185	127	46,579
Losses of the half year attributable to members of the Company	-	-	(1,824)	(1,824)	-	-	-	-	-	(1,824)
Losses for the half year attributable to unitholders of the Trust	-	-	-	-	-	-	294	294	(29)	265
Other comprehensive losses	-	(2,179)	-	(2,179)	-	383	-	383	54	(1,742)
Total comprehensive losses for the half year	-	(2,179)	(1,824)	(4,003)	-	383	294	677	25	(3,301)
Transactions with members recorded directly in equity:										
Movement in executive share option reserve	-	(378)	444	66	-	(1,790)	1,945	155	-	221
Total changes in equity as a result of transactions with members as members	-	(378)	444	66	-	(1,790)	1,945	155	-	221
At 31 December 2010	44,329	(3,344)	(77,655)	(36,670)	259,781	3,617	(183,381)	80,017	152	43,499

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

TRINITY GROUP CONSOLIDATED	Attributable to members of the company				Attributable to unitholders of the Trust					
	Contributed equity $'000	Reserves $'000	(Accumulated losses) $'000	Total $'000	Contributed equity $'000	Reserves $'000	(Accumulated losses) $'000	Total $'000	External minority interest $'000	Total equity $'000
At 1 July 2009	44,329	393	(51,839)	(7,117)	259,781	5,282	(159,796)	105,267	48	98,198
Losses of the half year attributable to members of the Company	-	-	(18,816)	(18,816)	-	-	-	-	-	(18,816)
Losses for the half year attributable to unitholders of the Trust	-	-	-	-	-	-	(19,146)	(19,146)	(52)	(19,198)
Other comprehensive losses	-	-	-	-	-	(562)	-	(562)	133	(429)
Total comprehensive losses for the half year	-	-	(18,816)	(18,816)	-	(562)	(19,146)	(19,708)	81	(38,443)
Total changes in equity as a result of transactions with members as members	-	-	-	-	-	-	-	-	-	-
At 31 December 2009	44,329	393	(70,655)	(25,933)	259,781	4,720	(178,942)	85,559	129	59,755

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

TRINITY STAPLED TRUST CONSOLIDATED	Contributed equity $'000	Accumulated losses $'000	Reserves $'000	Minority interest $'000	Total $'000
At 1 July 2010	259,781	(175,089)	5,024	127	89,843
Losses for the half year attributable to unitholders	-	(4,362)	-	(29)	(4,391)
Other comprehensive losses	-	-	383	54	437
Total comprehensive losses for the half year	-	(4,362)	383	25	(3,954)
Transactions with members recorded directly in equity:					
Movement in executive share option reserve	-	1,945	(1,790)	-	155
Total changes in equity as a result of transactions with members as members	-	1,945	(1,790)	-	155
At 31 December 2010	259,781	(177,506)	3,617	152	86,044

	Contributed equity $'000	Accumulated losses $'000	Reserves $'000	Minority interest $'000	Total $'000
At 1 July 2009	259,781	(138,448)	5,282	48	126,663
Losses for the half year attributable to unitholders	-	(30,552)	-	(52)	(30,604)
Other comprehensive losses	-	-	(562)	133	(429)
Total comprehensive losses for the half year	-	(30,552)	(562)	81	(31,033)
Total changes in equity as a result of transactions with members as members	-	-	-	-	-
At 31 December 2009	259,781	(169,000)	4,720	129	95,630

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

1. Summary of significant accounting policies

This general purpose financial report for the half year reporting period ended 31 December 2010 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half year report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2010 and any public announcements made by the Trinity Group and Trinity Stapled Trust during the half year period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies are consistent with those of the previous financial year and corresponding half year reporting period. These policies have been consistently applied to all the periods presented except as noted in 1(g) below.

The financial statements were approved by the Board of Directors of Trinity Limited and Trinity Investment Management Limited on 25 February 2011.

a. Going concern

The half year financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

As at 31 December 2010, Trinity Group and the Trust had deficiencies in working capital of $48.88 million and $25.11 million respectively. The directors believe the going concern assumption to be appropriate for the following reasons:

Trinity Group

a) Trinity Group has positive net assets of $43.50 million;
b) Trinity Group is in compliance with its Australian banking covenants at 31 December 2010;
c) Current liabilities of continuing operations include interest bearing debt totalling $91.25 million which was due to expire on 31 October 2011. Subsequent to balance date, NAB have advised that their total facilities with Trinity Group of $72.98 million have been extended until 30 April 2012;
d) The balance of the interest bearing debt disclosed in current liabilities is a limited recourse facility from another financier secured by a second mortgage over the property to which it relates. The value of the security of $4.8 million is less than the senior debt of NAB (secured by first mortgage) of $11.66 million; and
e) Trinity Group's 12 month cash flow forecast shows positive operating cash flows.

After taking into account item (c) above, Trinity Group has positive working capital of $24.10 million as the NAB debt is now not due within the next 12 months.

Trinity Stapled Trust

a) The Trust has positive net assets of $86.04 million;
b) The Trust is in compliance with its Australian banking covenants at 31 December 2010;
c) NAB have advised that the Trust's debt facilities have been extended until 30 April 2012;
d) Included in non current assets are receivables from entities within the Trinity Group totalling $48.32 million. Although none of these loans are repayable within 12 months, the Trust has access to financial support from any company within the Trinity Group (of which the Trust is a part of) as the Trinity Group runs a centralised group treasury system. In accordance with the analysis above, Trinity Group has positive working capital of $24.10 million.
e) There is no current intention to unstaple Trinity Limited and Trinity Stapled Trust.
f) Trinity Group's 12 month cash flow forecast shows positive operating cash flows.

As noted above and subsequent to balance date, NAB has granted an extension to the Trinity Group of its debt facilities for a period of six months, to 30 April 2012. The extension was granted on 17 February 2011 and will allow the Trinity Group sufficient time to determine the future strategy of the business and the resulting debt funding requirements for that strategy.

The Board believes it continues to have the support of NAB and the Directors are confident that the Trinity Group and the Trust will be able to generate sufficient cash flows from operating activities to fund ongoing working capital needs for at least a period of twelve months from the date of the Directors' report.

1. Summary of significant accounting policies (continued)

b. Consolidated financial statements

This half-year financial report includes separate financial statements for Trinity Group, consisting of Trinity Limited and Trinity Stapled Trust and their controlled entities and for Trinity Stapled Trust (the "Trust") and its controlled entities. Trinity Limited has been deemed the parent entity of the Trust.

This half-yearly financial report has been drawn up in accordance with ASIC Class Order 05/642 relating to combining accounts under stapling, and for the purpose of fulfilling the requirements of the Australian Stock Exchange.

c. Significant accounting estimates, assumptions and judgements

Trinity Group is required in certain circumstances to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. In preparing this half year financial report, the key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next reporting period are:

- **Intangibles**

  Trinity Group determines whether intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of intangibles with indefinite useful lives are discussed in note 18 of the June 2010 financial report.

- **Investment properties**

  Investment properties are fair valued by reference to either external independent property valuations at least twice every 3 years at 30 June and 31 December or internal valuations undertaken by suitably experienced and qualified appraisers for those properties not externally valued at each reporting date. The best evidence of fair value is current prices in an active market for similar investment properties. Where such information is not available, the Trinity Group determines a property's value within a range of reasonable fair value estimates. In making its judgement, the Trinity Group considers information from a variety of sources. For more detail refer to note 1 (y) of the 30 June 2010 financial report.

  Fair value of investment property is the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. A "willing seller" is not a forced seller prepared to sell at any price. The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition.

  The current lack of comparable market evidence relating to pricing assumptions and market drivers means that there is less certainty in regard to valuations and the assumptions applied to valuation inputs. The period of time needed to negotiate a sale in this environment may also be significantly prolonged. The fair value of investment property has been adjusted to reflect market conditions at the end of the reporting period. While this represents the best estimates of fair value as at balance date, the current market uncertainty means that if investment property is sold in future the price achieved may be higher or lower than the most recent valuation, or higher or lower than the fair value recorded in the financial statements.

- **Allowances for Project Partner Contributions**

  Project Partners share profits and losses in accordance with their project partner agreements. In the event of losses, project partners are required to reimburse the project for their share of any loss. Trinity Group has guaranteed the performance of project partners to the Trinity Land Group. In the event of default by a project partner, Trinity Group will reimburse the project for the project partner's loss and will then seek recovery from the project partner in accordance with contractual arrangements. Allowances are made against these recoveries where the project partner has insufficient forecast profit share in remaining projects to offset forecast losses. Potential losses arising under the guarantee are brought to account when identified but Trinity Group is only required to settle any loss upon the realisation of development losses for the Trinity Land Group and after project partner default.

  Forecast profit share and losses are estimates based on the most recent feasabilities and information. As the outcome of land projects are subject to various factors outside the control of Trinity Group such as economic conditions, estimates for these allowances may be subject to future fluctuation.

d. Rounding of amounts

This half year financial report has been prepared in accordance with Class Order 98/100 issued by the Australian Securities and Investment Commission, relating to the 'rounding off' of amounts in financial reports. Amounts shown in the financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order unless otherwise noted.

1. Summary of significant accounting policies (continued)

e. Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Trinity Group and the Trust as at 31 December 2010 and the results of all subsidiaries for the half year then ended.

Subsidiaries are all those entities over which the Trinity Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Trinity Group or the Trust controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Trinity Group or the Trust. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities are eliminated. Unrealised losses are eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Associates and jointly controlled entities

Associates are all entities over which the Trinity Group and the Trust has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Jointly controlled entities are those entities over whose activities the Trinity Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for in the consolidated financial statements using the equity method. The Trinity Group's investment includes goodwill (net of any accumulated impairment loss) identified on acquisition.

Under this method, Trinity Group's and the Trust's share of the equity accounted investees' net profit after tax is recognised in the consolidated statements of comprehensive income, and the share of movements in reserves is recognised in reserves in the consolidated statements of financial position. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Distributions and dividends receivable reduce the carrying amount of the investment.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised directly in equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign currency translation reserve is transferred to profit or loss.

f. Revenue from rendering of services

Management fees recognised in past financial years have been reversed in this financial year.

g. New standard adopted

The Trinity Group has adopted all new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2010. When the adoption of the Standard or Interpretation is deemed to have an impact on the financial statements or performance of the entity, its impact is described below:

(i) AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the *Annual Improvements Process* affect various AASB's resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The adoption of the amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Trinity Group.

h. Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

2. Distributions paid and payable to securityholders

No distributions/dividends were paid or payable to stapled securityholders for the half year ended 31 December 2010 (2009: nil).

3. Earnings per stapled security

	31 Dec 2010 '000	31 Dec 2009 '000
Earnings used in calculating earnings per stapled security		
Net profit/(loss) after tax from continuing activities attributable to securityholders ($)	748	(33,008)
Loss attributable to discontinued operations	(2,278)	(4,954)
Net loss after tax and minority interest attributable to securityholders ($)	(1,530)	(37,962)
Weighted average number of stapled securities		
Total stapled securities on issue at period end	231,701	231,701
Weighted average stapled securities – basic	231,701	231,701
Weighted average stapled securities – diluted	231,701	231,701

For the half year ended 31 December 2010 there are no dilutive transactions to be included in the diluted earnings per security calculation.

There have been no other dilutive transactions involving ordinary stapled securities or potential ordinary stapled securities since the reporting date and before the completion of these financial statements.

4. Other expenses from continuing activities

	Note	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
		31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
Classified by nature		**$'000**	**$'000**	**$'000**	**$'000**
Property related costs		891	1,756	891	1,847
Accounting and audit fees		61	50	28	21
Employee related expenses		915	2,858	-	-
Rent		141	177	-	-
Depreciation and amortisation		108	83	-	-
Consultancy and legal fees		339	1,300	59	188
Property development expenses (a)		-	128	-	-
Project performance guarantee expense	1 (c)	-	31	-	-
Doubtful debts – trade and other receivables (b)		(1,384)	253	2,785	15,272
Project partners doubtful debts		525	6,772	-	-
Other project doubtful debts (b)		(1,575)	607	-	-
Project investigation costs		-	646	-	-
Management fees		-	-	382	717
Management and administration expenses		647	633	165	10
CVC settlement		-	2,800	-	-
Lorne Resort costs		1,588	1,812	-	-
Costs of sales – Lorne apartment		-	330	-	-
Loss on sale property, plant and equipment		34	-	-	-
Loss on sale of investment properties		-	810	-	810
Loss of sale of equity accounted investments		-	-	-	-
		2,290	21,046	4,310	18,865

(a) Property development expenses includes share of losses associated with various development projects.
(b) Allowances for doubtful debts recognised in past financial years have been reversed in this financial year.

5. Cash and cash equivalents

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
	$'000	$'000	$'000	$'000
Cash at bank and in hand	3,958	28,558	958	25,662

Reconciliation to statement of cash flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

Cash at bank and in hand	3,958	28,558	958	25,662
Cash at bank and in hand attributable to discontinued operations (note 6)	3,110	-	3,110	-
	7,068	28,558	4,068	25,662

6. Discontinued operations

The Japanese segment is presented as a discontinued operation following the decision of Trinity Group's Board to dispose of the subsidiary. Should the conditions precedent for the sale to entities associated with Mr O'Rorke be met, disposal of the Japanese operations is expected to occur prior to 30 June 2011. Should the conditions precedent not be met it is still the Trinity Group's intention to dispose of the Japanese operations.

Financial performance of discontinued operations

The results of the discontinued operation for the half year are presented below:

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
	$'000	$'000	$'000	$'000
Revenue	996	840	996	840
Expenses	(812)	(483)	(812)	(483)
Gross loss	184	357	184	357
Finance costs	(1,150)	(452)	(1,150)	(452)
Net change in fair value of derivative financial instruments	-	(73)	-	(73)
Fair value movement in investment properties	(1,337)	(4,838)	(1,337)	(4,838)
Loss before tax from discontinued operations	(2,303)	(5,006)	(2,303)	(5,006)
Income tax	(4)	-	(4)	-
Loss for the half year from discontinued operations	(2,307)	(5,006)	(2,307)	(5,006)

6. Discontinued operations (continued)

Assets and liabilities of discontinued operations

The major classes of assets and liabilities of discontinued operations at 31 December 2010 are as follows:

	31 Dec 2010
	$'000
Assets	
Cash and cash equivalents	3,110
Trade and other receivables	8
Other assets	4
Investment properties	32,566
Assets of discontinued operations held for sale	35,688
Liabilities	
Trade and other payables	(5,750)
Interest bearing loans and borrowings (a)	(33,981)
Income tax payable	(3)
Liabilities directly associated with discontinued operations held for sale	(39,734)
Net liabilities attributable to discontinued operations	(4,046)

(a) Interest bearing loans and borrowings

Interest bearing loans comprise two separate facilities. The first facility which was used to acquire the property in Tokyo is for Yen 1.5bn (equating to $17.45 million at an exchange rate of JPY 85.98 as at 31 December 2010) and is secured by a registered mortgage over the property in Tokyo. The covenant of this facility is that the debt service coverage ratio is not to exceed 1:1.1. The facility expired on 31 July 2010 and was fully drawn at balance date.

The financier has notified the borrower that it is in default under the facility agreement, solely due to the expiry of the facility. Default interest of 14%pa is being charged from 1 August 2010. The financier intends to sell the asset to enable the debt to be repaid. The facility is a limited recourse facility, secured against the property. The financier has no recourse to the Trinity Group in respect of the facility. Although a member of the Trinity Group has provided a limited conduct guarantee it cannot be called upon in these circumstances.

The second facility which was used to acquire a development property in Osaka is for Yen 1.74bn (equating to $20.24 million at an exchange rate of JPY 85.98 as at 31 December 2010) and is secured by a registered mortgage over the property in Osaka. The covenant of this facility is that the debt service coverage ratio is not to exceed 1:1.6. The facility expired on 1 February 2011 and at balance date was drawn to Yen 1.42bn (equating to $16.54 million at an exchange rate of JPY 85.98 as at 31 December 2010).

The financier of the second facility has advised that it does not yet intend to issue a default notice. Under the terms of the facility agreement the financier is entitled to charge default interest of 14%pa from 1 February 2011. The financier has no recourse to the Trinity Group in respect of the facility. Although a member of the Trinity Group has provided a limited conduct guarantee it cannot be called upon in these circumstances. The financier gave consent for the sale of the asset in January 2011.

In the 2009 year Trinity Japan Fund, a subsidiary of Trinity Stapled Trust, entered into a Vanilla Put Option for ¥1.5 billion (cost AUD$0.384 million) to hedge against fluctuations in foreign currency movements. This option expired in September 2010.

7. Assets held for sale

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
	$'000	$'000	$'000	$'000
Investment properties held for sale	39,550	-	39,550	-

As at 31 December 2010 the directors have resolved to sell two investment properties located in Mulgrave, Victoria and Richlands, Queensland as a consequence of a review of the Trust assets. Discussions have commenced with sales agents in relation to these sales and both properties are expected to be sold within the next 12 months.

As at 31 December 2010 these properties are included in the property investment segment (see note 14).

8. Investment Properties

Investment properties at fair value	51,879	127,079	51,879	127,079
Movements in investment properties:				
Balance at the beginning of the financial period	127,079	139,380	127,079	139,380
Transfer from inventory	-	23,042	-	23,042
Additions	1,338	217	1,338	217
Disposals	-	(54,455)	-	(54,455)
Classified as held for sale/discontinued – transfers in/(out)	(72,116)	29,000	(72,116)	29,000
Foreign exchange movement	(3,248)	747	(3,248)	747
Net gain/(loss) from fair value adjustments – continuing activities	163	(10,852)	163	(10,852)
Net loss from fair value adjustments – discontinued operations	(1,337)	-	(1,337)	-
Balance at end of the financial period	51,879	127,079	51,879	127,079

Fair value is determined by either a registered independent valuer or an appropriately experienced and professionally qualified internal appraiser (refer Note 1 for further details regarding the accounting policy for investment property).

Details of investments properties are as follows:

Property	Ownership interest	Acquisition Date	Book Value 31 Dec 2010 $'000	Book Value 30 June 2010 $'000	Independent Valuation Date	Independent Valuation Amount $'000	Valuer
Commercial							
308 Queen Street, Brisbane, QLD	100%	21/12/2006	29,300	25,900	31/12/2010	29,300	CBRE
Com.Park Circuit, Mulgrave, VIC	100%	13/01/2005	15,700	16,300	31/12/2010	15,700	CBRE
Industrial							
Rivergate Distribution Centre, Murrarie, QLD	100%	28/02/2007	24,000	23,800	31/12/2010	24,000	CBRE
425-479 Freeman Road, Richlands, QLD	100%	30/04/2008	23,850	24,500	31/12/2010	23,850	CBRE
Residential							
1912-7, 1912-8, 1912-9 Honcho2chrome, Koganei-shi, Tokyo, Japan	97%	10/08/2007	17,446#	19,162	31/12/2010	18,144*	JREIC

8. Investment Properties (continued)

Property	Ownership interest	Acquisition Date	Book Value 31 Dec 2010 $'000	Book Value 30 June 2010 $'000	Independent Valuation Date	Independent Valuation Amount $'000	Valuer
Commercial							
30-4,31-19 Sonezaki 2 chome, Kita-ku, Osaka-shi, Japan	99.49%	01/02/2008	15,120	18,012	31/12/2010	15,120**	Land Coordinating Research Inc
Total investment properties (including amounts classified in other assets and receivables)			125,416	127,674			
Less amounts classified as:							
Held for sale			(39,550)	-			
Discontinued operations			(32,566)				
Other assets – lease incentives			(1,200)	(417)			
Trade and other receivables – straight lining of operating lease rental income			(221)	(178)			
Total investment properties			51,879	127,079			

* The valuation of the Tokyo property is for Yen 1.56 billion converted at an exchange rate on 31 December 2010 of Yen 85.98.
** The valuation of the Osaka property is for Yen 1.30 billion converted at an exchange rate on 31 December 2010 of Yen 85.98.
# The directors' valuation of the Tokyo property is for Yen 1.50 billion converted at an exchange rate on 31 December 2010 of Yen 85.98.

9. Equity accounted investments

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
	$'000	$'000	$'000	$'000
Trinity Funds Management Services Group	873	373	-	-

Interest in associate	Country of incorporation/ formation	Balance Date	Ownership Interest	
			Dec 2010	June 2010
Trinity Funds Management Services Group	Australia	31 Dec	50.0%	50.0%

10. Available for sale financial assets

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
	$'000	$'000	$'000	$'000
Unlisted investments				
Trinity Funds Management Limited	6,856	7,045	-	-
Trinity Development Group	875	2,798	-	-
Trinity Land Group	3,743	3,891	-	-
Trinity Opportunistic Property Fund No 1	619	615	619	615
Trinity Property Trust	12,755	12,445	9,393	9,164
	24,848	26,794	10,012	9,779

11. Interest bearing loans and borrowings

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
	$'000	$'000	$'000	$'000
Current				
Bank loans – secured	11,660	37,331	-	37,331
Bank bills – secured	61,325		61,325	-
Other related parties – secured	18,269	-	-	-
Borrowing costs net of amortisation	(61)	(62)	(61)	(62)
	91,193	37,269	61,264	37,269
Non-current				
Other related parties – secured	-	17,791	-	-
Bank loans – secured	-	11,660	-	-
Bank bills – secured	-	82,195	-	82,195
Cash advance facility – secured	-	-	-	-
Borrowing costs net of amortisation	-	(98)	-	(98)
	-	111,548	-	82,097

As at 31 December 2010 Trinity Group, excluding the Trinity Japan Fund, has access to an aggregated facility with NAB with a limit of $73.74 million of which $72.98 is drawn. The facility, which was due to expire on 31 October 2011 and was extended to 30 April 2011 subsequent to balance date, is secured by a first registered mortgage over all the investment properties of Trinity Prime Industrial Trust and Trinity Stapled Trust, a specific charge over the units held in Trinity Property Trust by Trinity Stapled Trust and a debenture charge from Trinity Limited. It is also secured by a first registered mortgage over the real property held by San Remo Project Pty Ltd and Trinity Lorne Resort Pty Ltd and a specific charge by Trinity Resort Management Pty Ltd over the management rights attached to the Cumberland Lorne Resort which was acquired in July 2009.

The Trinity Group's current facility contains the following covenants:

- minimum aggregated property finance interest cover ratio to be 1.35 times as at 31 December 2010 and half yearly thereafter.
- a maximum amended aggregated property finance loan to value ratio of 62.5% as at 31 December 2010 and 60% as at 30 June 2011.
- a minimum weighted average lease term of 5 years tested half yearly in relation to Trinity Stapled Trust and Trinity Prime Industrial Trust.

As at 31 December 2010 the Trinity Group is in compliance with the above covenants.

In addition to the facility provided by NAB, San Remo Project Pty Limited, a subsidiary of the consolidated entity has a limited recourse facility of $19.1 million with another financier secured by a second mortgage over real property held by that entity and a second ranking fixed and floating charge over the assets of that entity. This facility expires on 31 October 2011 and at balance date was drawn to $18.3 million.

At 31 December 2010 Trinity Limited held a loan facility with Trinity Stapled Trust on no fixed terms and with an interest rate of 0% (June 2010: 0%)

Derivative financial instruments

In the 2009 year Trinity Group entered into interest rate derivatives to minimise its exposure to changes in interest rates on borrowings. The total face value of these interest rate swaps is $50 million and they were fair valued at 31 December 2010, resulting in a gain of $0.61 million.

12. Contributed equity

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
Stapled Securities	$'000	$'000	$'000	$'000
Contributed equity at period end	314,452	314,452	267,933	267,933
Transaction costs arising on issue of securities	(10,342)	(10,342)	(8,152)	(8,152)
	304,110	304,110	259,781	259,781

December 2010

During the half year the following movements in issued securities occurred:	No of units	$'000	No of units	$'000
Ordinary securities				
On issue at the beginning of period	231,701,540	304,110	231,701,540	259,781
On issue at end of period	231,701,540	304,110	231,701,540	259,781
Total equity attributable to securityholders		304,110		259,781

June 2010

During the financial year the following movements in issued securities occurred:	No of units	$'000	No of units	$'000
Ordinary securities				
On issue at the beginning of period	231,701,540	304,110	231,701,540	259,781
On issue at end of period	231,701,540	304,110	231,701,540	259,781
Total equity attributable to securityholders		304,110		259,781

The shares and stapled securities do not have a par value. Under the terms of the Stapling Agreement, one ordinary share and one unit were issued to each securityholder.

13. Capital commitments

	Trinity Group Consolidated		Trinity Stapled Trust Consolidated	
	31 Dec 2010	30 June 2010	31 Dec 2010	30 June 2010
	$'000	$'000	$'000	$'000
Capital expenditure contracted for but not capitalised in the financial statements				
Payable:				
- less than one year	4,544	4,544	-	-

The above relates to the unpaid tranche 3 call on the Trinity Development Group units held by Trinity Holdings No 2 Pty Limited. Interest of 10% per annum has been charged by Trinity Development Group on the unpaid calls and an expense of $0.2 million has been recognised by Trinity Group for the half year. Should the settlement with Mr O'Rorke proceed the Trinity Group will be released from any obligation to pay the outstanding tranche 3 call.

14. Segment reporting

Trinity Group Consolidated

Trinity Group comprises the following reporting segments, as reviewed by executive management (the chief operating decision makers). The following summary describes the operations in each of the Trinity Group's operating segments:

Operating segments	Products/Services
Funds management	Establishment and management of property investment vehicles
Property investment	Investment and management of income producing properties
Investment in managed funds	Investments in unlisted property funds
Investment in TFML/TFMS Group	Investment in a funds management business

Trinity Stapled Trust Consolidated

The Trust operates in predominantly one operating segment being investment in direct property.

The accounting policies of the Trinity Group have been applied consistently across all operating segments as described in Note 1. Transactions between operating segments occur on an arms length basis.

Comparative segment information has been represented in conformity with the requirement of AASB 8 *Operating Segments.*

Trinity Group	**Funds Management**	**Property investment**	**Investment in managed funds**	**Investment in TFML /TFMS Group**	**Other**	**Total**
December 2010	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue						
External revenue	-	6,143	415	250	(1,461)	5,347
Inter-segment revenue	-	6	-	-	382	388
Interest revenue	-	37	-	-	168	205
Total segment revenue	-	6,186	415	250	(911)	5,940
Reconciliation of segment revenue to group revenue						
Inter-segment elimination						(388)
Total group revenue						5,552
Segment net profit before tax	-	1,639	187	806	(1,884)	748
Reconciliation of segment result before tax to group net loss before tax and discontinued operations						748
Amounts included in segment result reviewed by Board						
Depreciation and amortisation	-	(96)	-	-	(12)	(108)
Finance costs	-	(3,255)	(229)	-	(1)	(3,485)
Share of net profit of equity accounted investments	-	-	-	556	-	556
Fair value adjustment of investment properties	-	163	-	-	-	163
Net change in fair value of financial assets	-	728	-	-	-	728
Net gain on sale of investment properties	-	11	-	-	-	11
Inventory write down to net realisable value	-	(476)	-	-	-	(476)

14. Segment reporting (continued)

Trinity Group	**Funds Manage-ment**	**Property investment**	**Investment in managed funds**	**Investment in TFML /TFMS Group**	**Other**	**Total**
December 2009	**$'000**	**$'000**	**$'000**		**$'000**	**$'000**
Revenue						
External revenue	3,596	9,246	-	-	8,277	21,119
Inter-segment revenue	792	5,856	-	-	-	6,648
Interest revenue	107	79	-	-	641	827
Total segment revenue	4,495	15,181	-	-	8,918	28,594
Reconciliation of segment revenue to group revenue						
Inter-segment elimination						(6,648)
Total group revenue						21,946
Segment net profit before tax	1,221	(18,813)	(10,647)	-	(4,728)	(32,967)
Reconciliation of segment result before tax to group net loss before tax and discontinued operations						(32,967)
Amounts included in segment result review by Board						
Depreciation and amortisation	(52)	(4)	-	-	(27)	(83)
Finance costs	(2)	(6,065)	(229)	-	(1)	(6,297)
Share of net loss of equity accounted investments	-	-	(10,397)	-	-	(10,397)
Fair value adjustment of investment properties	-	(7,841)	-	-	-	(7,841)
Net change in fair value of financial assets	-	1,588	(19)	-	(23)	1,546
Net loss on sale of investment properties	-	(810)	-	-	-	(810)
Inventory write down to net realisable value	-	(10,878)	-	-	-	(10,878)

15. Contingent assets and liabilities

As at 31 December 2010 Trinity Group has a contingent liability in relation to its investment in the Trinity Land Group (TLG) of $4.0 million. Trinity Group has agreed to treat a portion of its co investment equity (up to 10% of TLG's paid up equity) in TLG as subordinated equity. In the event of a net loss in TLG at the time it is wound up the loss will first be absorbed by the subordinated equity.

As at 31 December 2010 Trinity Group has a contingent asset being a $1.0 million receivable representing further consideration in relation to the disposal of 50% of the Trinity Funds Management Limited and Trinity Funds Management Services Pty Ltd business. The $1.0 million is payable contingent on subsequent events and is secured by a fixed charge over Trinity Property Trust units owned by the purchaser.

16. Events subsequent to balance date

On 1 February 2011 the bank facility secured against the Osaka commercial property expired. The financier has advised that it does not yet intend to issue a default notice in relation to the expired facility. The financier has no recourse to the Trinity Group in respect of the facility. Although a member of the Trinity Group has provided a limited conduct guarantee it cannot be called upon in these circumstances.

On 17 February 2011, NAB provided the Trinity Group with a 6 month extension on their debt facilities with the bank of $72.98 million, such that the expiry date of the facilities is now 30 April 2012 (previously 31 October 2011).

Subsequent to balance date the Trinity Group has executed 6 contracts of sale on units at the Cumberland Lorne Resort. One unit settled in early February 2011 and the proceeds from settlement were used to repay debt. The contracts of sale on the remaining 5 units are unconditional and will settle by 30 June 2011.

Other than the matters discussed above, there have been no other significant events since balance date which may affect either the operations of the consolidated entity or the results of those operations or the state of affairs of the consolidated entity, which have not been disclosed already in this report.

The directors of Trinity Limited and Trinity Investment Management Limited as Responsible Entity for the Trinity Stapled Trust declare that they are of the opinion that:

(a) the attached financial statements and notes on pages 3 to 23 comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *'Interim Financial Reporting'*, the *Corporate Regulations 2001* and other mandatory professional reporting requirements; and

(b) the attached financial statements and notes on pages 3 to 23 give a true and fair view of Trinity Group's and the Trust's financial position as at 31 December 2010 and of their performance for the half year ended on that date; and

(c) there are reasonable grounds to believe that Trinity Group and the Trust will be able to pay their debts as and when they become due and payable.

Signed in accordance with resolutions of the Boards of Directors of Trinity Limited and Trinity Investment Management Limited made pursuant to section 303(5) of the *Corporations Act 2001*.

Director

Director

Dated in Brisbane this 25th day of February 2011

Chartered Accountants
& Business Advisers

Auditor's Independence Declaration

As lead auditor for the review of Trinity Group for the half year ended 31 December 2010, 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 Trinity Group which comprises both Trinity Limited and the entities it controlled during the half year and Trinity Stapled Trust and the entities it controlled during the financial year.

PKF

PKF

K L Colyer
Partner

Dated at Brisbane this 25th day of February 2011

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Chartered Accountants
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the securityholders of Trinity Group

Report on the Half-Year Financial Report

Trinity Group ("Trinity Group") comprises both Trinity Limited and the entities it controlled during the half-year, and Trinity Stapled Trust and the entities it controlled during the half-year ("Trinity Stapled Trust").

We have reviewed the accompanying half-year financial report of Trinity Group, which comprises the statements of financial position as at 31 December 2010, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of both Trinity Limited and Trinity Investment Management Limited as Responsible Entity for Trinity Stapled Trust.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Trinity Limited and the directors of Trinity Investment Management Limited as Responsible Entity for Trinity Stapled Trust are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a 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 Trinity Group's financial position as at 31 December 2010 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 Trinity Group, 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.

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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 Trinity Group is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Trinity Stapled Trust's and Trinity Group's financial position as at 31 December 2010 and of their 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

PKF

K.L. Colyer

K L Colyer
Partner

Dated at Brisbane the 25th day of February 2011