



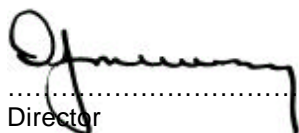
Imperial Pacific Limited

ABN 65 000 144 561

Appendix 4D Half Year Report for the period ending 31 December 2011

Results for Announcement to the market:

Reporting Period / Previous corresponding period	6 months to 31 Dec 2011	6 months to 31 Dec 2010
2.1 The amount of and percentage change up or down from the previous corresponding period of revenue from ordinary activities	\$70,197 (down 27%)	\$96,137
2.2 The amount of and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.	(\$38,319) (up 25%)	(\$30,541)
2.3 The amount of and percentage change up or down from the previous corresponding period of the net profit (loss) for the period attributable to members.	(\$38,319) (up 25%)	(\$30,541)
2.4 The amount per security and franked amount per security of final and interim ordinary dividends.	Imperial Pacific does not pay interim dividends (5.0 cents in fully franked dividends paid on 14 Oct 2011).	Imperial Pacific does not pay interim dividends (3.5 cents in fully franked dividends paid on 20 Oct 2011.)
2.5 The record date for determining entitlements to the dividends (if any)	Imperial Pacific does not pay interim dividends	NA
2.6 A brief explanation of any of the figures in 2.1 and 2.4 necessary to enable the figures to be understood.	See formal accounts.	See formal accounts.
3.0 Net Tangible Assets per security with the comparative figure for the previous corresponding period.	\$1.23	\$1.47
4.0 Details of entities over which control has been gained or loss over the period.	NA	NA
5.0 Details of individual and total dividends including dates of distribution.	\$145,325 - 5.0 cents in fully franked dividends paid on 14 Oct 2011.	\$101,728 - 3.5 cents in fully franked dividends paid on 20 Oct 2011.
6.0 Details of Dividend Distribution plan in operation.	No plan in operation	No plan in operation.
7.0 Details of associates and joint venture entities including names and details of investments and contribution to profits.	London City Equities Limited - 29.3% owned (Dec 2011 - Profit of \$24,475)	London City Equities Limited - 29.1% owned (Dec 2010 - Profit of \$12,329)
8.0 Foreign entities requirements	NA	NA
9.0 Whether the accounts are subject to audit dispute or qualification.	No	No



 Director

24 February 2012



Imperial Pacific Limited

ABN 65 000 144 561

and Controlled Entities

Half Yearly Report

31 December 2011

Established in 1954



Website: www.belmontholdings.com.au



Imperial Pacific Limited

Chairman's Key Points – December Half

➤ **The Half Year**

Imperial Pacific is comfortable in terms of both cash on deposit and holding some good underlying investments. So, given market conditions, we have refrained from outlaying funds in new investments over this period, choosing to research opportunities and focus on assisting London City Equities Limited.

Our activist investment fund aspirations continue and time was spent on reviewing the situation and monitoring potential target investments.

➤ **The Financial Results**

The December year resulted in a small loss of \$38,000 for the period, much in line with the \$31,000 in 2010. Costs are always watched closely at Imperial Pacific. Income-wise, we received no performance fees because of poor market conditions and the awful performance of London City's investment in Penrice Soda. A fully franked dividend of 5.0 cents per share was paid to shareholders in October.

➤ **The Net Assets Per Share - \$1.23 – Cash around 50 cents per share**

The group's net assets, \$1.23 per share in December, have fallen around 10% since 30 June, mainly through the 5.0 cent dividend paid in October and the stock-market decline in the period.

Cash on deposit with Imperial Pacific's bankers is very comfortable at around \$1.4 million.

➤ **The Main Investments**

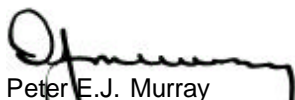
Imperial Pacific's shareholding in London City edged up slightly to 29.3% because of that company's share buy-back programme. London City's performance continues to be impacted by the lack of profits and the collapsed share price of Penrice Soda where it owns 5.0%. We assisted London City in its successful legal moves in the Federal Court to inspect certain books and documents of Penrice. The inspection process is continuing.

We are awaiting MainstreamBPO Pty Limited's 2011 annual accounts to see how they are performing.

➤ **The Outlook**

The market downturn has produced opportunities we have not seen for a long time for both Imperial Pacific and London City Equities. The domestic and international scenery will determine the timing of any move.

For and on behalf of the Board


Peter E.J. Murray
Chairman of Directors

24 February 2012



Statutory Directors' Report For the Half Year ended 31 December 2011

The Directors of Imperial Pacific Limited submit their report together with the consolidated financial report for the above period.

Directors

The names of Directors who held office at any time during the half year and up to the date of this report are Mr Peter E.J.Murray, Mr John C Plummer and Mr Rob Chenery.

Results

The Belmont group recorded a small loss of \$38,319 for the period, much in line with the loss of \$30,541 in 2010. These results are not surprising in these market conditions but they do also reflect the depressed stock-market conditions and frustrating time spent on a problem investment of London City, Penrice Soda Holdings Limited. The lack of performance fees on its management of London City's portfolio is particularly noticeable.

Review of Operations

Imperial Pacific's subsidiary Imperial Pacific Asset Management continued its management of the portfolio of London City. The positive feature was the successful expansion of London City's portfolio during the period, but the negative feature was the ongoing poor performance London City's 5% owned Penrice Soda Holdings Limited where Section 247A legal action was successful and the inspection process is underway. London City, 29% owned by Imperial Pacific, continues to hold around 20% of its assets in secure bank deposits.

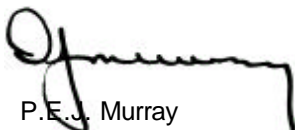
Imperial Pacific's funds on deposit presently amount to around \$1.5 million.

Auditor's Independence Declaration

The auditors, Cutcher & Neale, have provided us with the enclosed declaration of independence.

This Report is made in accordance with a resolution of the Directors. Dated at Sydney this 24th day of February, 2012.

On behalf of the Board



P.E.J. Murray
Director



J.C.Plummer
Director

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Consolidated Income Statement for the Half Year to 31 December 2011

		--- Consolidated Entity ---	
	Note	31 Dec 2011	31 Dec 2010
		\$	\$
Revenue	(2)		
Investment revenue		42,233	59,110
Management fees received		26,514	37,027
Other Income		1,450	-
		<hr/>	<hr/>
		70,197	96,137
Operating Expenses	(2)		
Management fees		(66,080)	(68,480)
Directors' fees		(25,000)	(25,000)
Other		(41,911)	(45,437)
		<hr/>	<hr/>
		(62,794)	(42,780)
Share of net profit (loss) of associate accounted for using the equity accounting method	(2)	24,475	12,329
		<hr/>	<hr/>
Profit (Loss) from Ordinary Activities before Income Tax	(2)	(38,319)	(30,451)
Income Tax Expense relating to ordinary activities		-	-
		<hr/>	<hr/>
Net Profit attributable to outside equity interests		(38,319)	(30,451)
Total changes in equity other than those resulting from transactions with owners as owners		(38,319)	(30,451)
		<hr/> <hr/>	<hr/> <hr/>
Basic and diluted Earnings Per Share (Cents per Share)		(1.3)	(1.0)

The accompanying notes form part of this financial report.

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Statement of Financial Position as at 31 December 2011

		--- Consolidated Entity ---	
	Note	31 Dec 2011	30 June 2011
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		1,428,772	1,576,122
Trade and other receivables	(4)	24,649	30,056
TOTAL CURRENT ASSETS		1,453,421	1,606,178
NON-CURRENT ASSETS			
Investment Portfolio		2,218,488	2,428,462
Property, Plant & Equipment		903	1,003
Deferred Tax Assets		30,000	30,000
TOTAL NON-CURRENT ASSETS		2,249,391	2,459,465
TOTAL ASSETS		3,702,812	4,065,643
CURRENT LIABILITIES			
Trade and other payables		118,178	143,853
Tax liabilities		-	-
TOTAL CURRENT LIABILITIES		118,178	143,853
NON-CURRENT LIABILITIES			
Deferred Tax Liability		-	-
TOTAL LIABILITIES		118,178	143,853
NET ASSETS		3,584,634	3,921,790
SHAREHOLDERS' EQUITY			
Issued Capital	(3)	1,560,970	1,560,970
Realised Capital Gains Reserve		4,261,858	3,402,647
Unrealised Revaluation Reserve		(1,012,723)	-
Accumulated Losses		(1,225,471)	(1,041,827)
TOTAL EQUITY		3,584,634	3,921,790

The accompanying notes form part of this financial report.

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Consolidated Statement in Changes in Equity for the Half Year to 31 December 2011

2011	Issued Capital	Realised Capital Gains Reserve	Unrealised Profits Reserve	Retained Earnings (Losses)	Total Equity
	\$	\$	\$	\$	\$
At 1 July 2011	1,560,970	4,757,568	(1,354,921)	(1,041,827)	3,921,790
Available-for-sale financial assets:					
- Net realised loss taken to equity:		(708,158)			(708,158)
- Tax on realised loss		212,448			212,448
- Net unrealised loss taken to equity:			488,854		488,854
- Tax on unrealised loss			(146,656)		(146,656)
Net Income for period				(38,319)	(38,319)
Dividends Paid				(145,325)	(145,325)
At 31 December 2011	1,560,970	4,261,858	(1,012,723)	(1,225,471)	3,584,634

2010	Issued Capital	Realised Capital Gains Reserve	Unrealised Profits Reserve	Retained Earnings (Losses)	Total Equity
	\$	\$	\$	\$	\$
At 1 July 2010	1,560,970	4,757,568	(1,154,684)	(863,526)	4,300,328
Available-for-sale financial assets:					
- Net unrealised gain taken to equity:			153,718		153,718
- Tax on unrealised gains			(45,962)		(45,962)
Net Income for period				(30,451)	(30,451)
Dividends Paid				(101,728)	(101,728)
At 31 December 2010	1,560,970	4,757,568	(1,046,928)	(995,705)	4,275,905

The accompanying notes form part of this financial report.

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Consolidated Cash Flow Statement for the Half Year ended 31 December 2011

	--- Consolidated Entity ---	
	31 Dec 2011	31 Dec 2010
	\$	\$
Cash flows from operating activities		
Receipts from customers	34,024	78,651
Payments to suppliers and management	(174,193)	(73,658)
Dividends received	63,785	61,683
Interest received	45,270	4
Income Tax Paid	-	-
Net Cash provided by (used in) operating activities	(31,114)	66,680
Cash flows from investing activities		
Proceeds from Investments	17,119	-
Deposit received re sale of investment	-	97,362
Payments for Investments	-	(61,683)
Net Cash provided by (used in) investing activities	17,119	35,679
Cash flows from financing activities		
Cash movements - related corporation	19,842	-
Repayment of advances	(8,000)	-
Dividend Paid to Shareholders	(145,197)	(101,728)
Net Cash provided by (used in) financing activities	(133,355)	(101,728)
Net increase (decrease) in cash held	(147,350)	631
Cash at beginning of half year	1,576,122	2,917
Cash at end of the period	1,428,772	3,548
Comprising:		
Cash and cash equivalents	1,428,772	3,548
	1,428,772	3,548

The accompanying notes form part of this financial report.

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Notes to the Accounts as at 31 December 2011

Note 1 Statement of Significant Accounting Policies

(a) Basis of Preparation

This general purpose half-year condensed financial report has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001 and other applicable Accounting Standards and other mandatory professional reporting requirements.

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report should be read in conjunction with the 2011 Annual Report and public announcements made by the company during the half year, in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This half-year financial report has been prepared in accordance with AIFRS (Australian Equivalents to International Financial Reporting Standards).

The financial statements are prepared using the valuation methods described below for holdings of securities. All other items have been treated in accordance with the historical cost convention.

The accounting policies adopted have been consistently applied by the company and are consistent with those applied in the 30 June 2011 annual report. New standards or interpretations mandatory for the annual reporting period beginning 1 July 2011 will not have any effect on the financial position or performance of the company.

(b) Other Disclosure

The financial report of Imperial Pacific Limited for the six months ended 31 December 2011 was authorised for issue in accordance with a resolution of the Directors on 21 February 2012.

Imperial Pacific Limited is a company limited by shares incorporated in Australia. Its shares are publicly traded on the Australian Securities Exchange.

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Notes to the financial statements - 31 December 2011 (Cont'd)

Note 2 Profit (Loss) from ordinary activities

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

(a) crediting as revenue:

	31 Dec 2011 \$	31 Dec 2010 \$
Interest	42,233	59,110
Dividends Received	-	-
Management Fees - associated company	26,514	37,027
Other Income	1,450	-
	<u>70,197</u>	<u>96,137</u>

(b) charging as expense:

Payable to Auditors - Audit	(4,350)	(5,400)
Payable to Auditors - Other Services	(2,375)	(2,250)
Depreciation	(100)	(134)
Directors Fees - parent company	(25,000)	(25,000)
Interest Paid	(202)	(521)
Management Fees - Director Related	(66,080)	(68,480)
Superannuation - Director Related	(1,125)	(1,125)
Other Operating Expenses	(33,759)	(36,007)
	<u>(132,991)</u>	<u>(138,917)</u>

Share of net profit (Loss) of associate accounted for using the equity accounting method

24,475 12,329

Profit (Loss) from Ordinary Activities before Income Tax

(38,319) (30,451)

Note 3 Shares on Issue

Ordinary Shares - 1 July 2011	2,906,504	2,906,504
Plus Increases during Period	-	-
Ordinary Shares - 31 December 2011	<u>2,906,504</u>	<u>2,906,504</u>
Average Shares on Issue during period	2,906,504	2,906,504

Note 4 Trade and other receivables

Other Debtors, Bank Bills and Prepayments	24,649	238,374
	<u>24,649</u>	<u>238,374</u>

Note 5 Dividends

The following dividends were recognised in the current accounting period.

A fully franked ordinary dividend of 5.0 cents per share was paid to shareholders on 14 October 2011 (3.5 cents in previous year).

101,728 101,728

There are no interim dividends proposed for payment.

Imperial Pacific Limited

(ABN 65 000 144 56)

and Controlled Entities



Notes to the financial statements - 31 December 2011 (Cont'd)

Note 6 Segment Information

During the period the economic entity acted mainly in the investment and property sectors within Australia.

<i>December 2011</i>	Investment	Financial Services	Consolidated
Revenue			
Investment /other revenue	43,683	26,514	70,197
Segment Result			
Profit after Tax	1,663	(39,982)	(38,319)
Segment Assets	3,679,641	23,171	3,702,812
Segment Liabilities	(55,695)	(62,485)	(118,180)
Net cash inflow from operating activities	21,756	(52,871)	(31,115)

Carrying amount on investment in associates accounted for using the equity accounting method	2,039,587	-	2,039,587
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<i>December 2010</i>	Investment	Financial Services	Consolidated
Revenue			
Investment /other revenue	59,110	37,027	96,137
Segment Result			
Profit after Tax	29,764	(60,215)	(30,451)
Segment Assets	4,481,328	257,785	4,739,113
Segment Liabilities	(138,962)	(324,246)	(463,208)
Net cash inflow from operating activities	61,687	4,993	66,680

Carrying amount on investment in associates accounted for using the equity accounting method	2,554,554	-	2,554,554
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Note 7 Contingent Liabilities

In support of past and future financing needs the parent company and its subsidiary Imperial Pacific Asset Management Pty Ltd have in place cross-guarantees to a bank. Neither company presently has any bank loan facilities or arrangements.

Note 8 Contingent Assets

On 28 January 2011 shareholders of Imperial Pacific approved the sale of the company's interest in convertible loan notes in MainstreamBPO Pty Limited. It was a condition of that contract that Imperial Pacific will accrue a profit share of 15% of the realised gain achieved by the purchaser if the investment is sold within five years. There is insufficient information at the date of this report to estimate any future benefit that may arise.

On 17 June and on 25 July 2011 associated company London City Equities Limited was granted judgment in its favour by the Federal Court of Australia to access certain records and documents of Penrice Soda Holdings Limited ("Penrice"). This followed legal action by London City to assess the conduct of the directors of Penrice and the provision of information at the time London City made investments in Penrice. This investigatory process may ultimately lead to legal action being taken against the Directors of Penrice, or that company itself, for the recovery of substantial investment losses. There is insufficient information at the date of this report to estimate any future benefit that may arise.

Note 9 Events occurring after balance sheet date.

No material event has taken place since balance date.

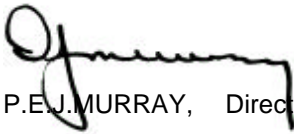


Directors' Declaration

In the Directors' opinion:

1. the financial statements and notes set out on pages 3 to 9 are in accordance with the Corporations Act 2001, including
 - (i) complying with Accounting Standards , the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the Company's financial position as at 31 December 2011 and its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date.
2. there are reasonable grounds to believe that Imperial Pacific Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



P.E.J. MURRAY, Director



J. C. PLUMMER, Director

Sydney

Dated this 24th day of February 2012



**Auditor's Independence Declaration to the Directors of
Imperial Pacific Limited**

In relation to our review of the financial report of Imperial Pacific Limited for the half year ended 31 December 2011, to the best of my knowledge and belief there have been:

- (a) no contravention of the auditor independence requirements of the Corporation Act 2001;
- (b) no contravention of any applicable code of professional conduct.

Dated this 24th day of February 2012
First Floor
25 Bolton Street
NEWCASTLE

CUTCHER & NEALE
CHARTERED ACCOUNTANTS

I. K. Neale FCA
Partner



Independent Review Report to the Members of Imperial Pacific Limited

Scope

The financial report and director's responsibility

We have reviewed the financial report of Imperial Pacific Limited for the half year ended 31 December 2011 as set out on pages 3 to 10. The financial report comprises the statement of financial position, income statement, cash flow statement, statement of changes in equity, accompanying note to the financial statements, and the directors' declaration for Imperial Pacific Limited and its consolidated entities ("the consolidated entity") for the half year ended 31 December 2011.

The company's directors are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with Accounting Standards AASB 134 "Interim Financial Reporting", in accordance with the corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review Approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company and in order for the company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our Review was conducted 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, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standard AASB 134: "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position, and of its performance as measured by the results of its operations and its cash flows. In addition, ASRE 2410 requires compliance with the ethical requirements relevant to the audit of the annual financial report.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than that given in an audit. We have not performed an audit and, accordingly, do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

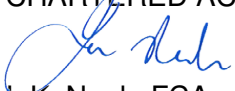
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Imperial Pacific Limited is not in accordance with:

(a) the Corporations Law, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the half year ended on that date; and
- (ii) complying with accounting standard AASB 134: "Interim Financial Reporting" and the Corporations Regulations 2001; and

(a) other mandatory financial reporting requirements in Australia.

Dated this 24th day of February 2012
First Floor
25 Bolton Street
NEWCASTLE

CUTCHER & NEALE
CHARTERED ACCOUNTANTS

I. K. Neale FCA
Partner