

Appendix 4D Half Yearly Report

Name of entity

Jumbuck Entertainment Ltd

ABN or equivalent company reference
69 092 817 171

Reporting Period
31 December 2012
 (Comparative period – 31 December 2011)

2.0 Results for announcement to the market

				\$A
2.1 Total revenues from ordinary activities	Down	(45%)	to	1,569,066
2.2 Loss from continuing operations after tax attributable to members	Down	683%	to	(7,878,904)
2.3 Net loss for the period attributable to members	Down	683%	to	(7,878,904)
2.4 Dividends (distributions)	Amount per security		Franked amount per security	
Current period				
Final dividend	N/A		N/A	
Interim dividend	N/A		N/A	
	<u> </u>			
	<u> </u>			
	<u> </u>			
Previous corresponding period				
Final dividend	N/A		N/A	
Interim dividend	N/A		N/A	
	<u> </u>			
	<u> </u>			
	<u> </u>			
2.5 Record date for determining entitlements to the dividend.	N/A			

2.6 Brief explanation of any of the figures reported above necessary to enable the figures to be understood.

Review and Results of Operations

Jumbuck Entertainment Ltd - Consolidated Group

- The principal activities of Jumbuck Entertainment Ltd (Jumbuck) during the half year ended 31 December 2012 were:
 - the continued provision of global chat and dating communities to carriers;
 - the migration and deployment of global chat communities on popular smart phones platforms;
 - commercial solutions focused on mitigating social media risks including brand protection and reputation management; and
 - development of an interactive, moderated video broadcast platform.
- Total Consolidated Revenue for the half year ended 31 December 2012 was \$1,569,066 (2011: \$2,865,057), a decrease of 45%. The decline in revenue during the period was driven by the following key factors:
 - Structural changes associated with carriers shifting from paying for data traffic to sharing end user revenues.
 - Structural changes to premium SMS billing services to improve compliance with both regulatory and carrier requirements; and
 - Revenue for the half year ended 31 December 2012 was significantly impacted by the stronger AUD compared to the same period last year.
- Total Operating Costs for the half year ended 31 December 2012 were \$9,032,080 (2011: \$4,177,473).
 - Total Operating Costs include non-recurring expenses of \$6,118,850 associated with goodwill impairments (\$4,359,954), intangibles impairments (\$1,432,091) as well as restructuring costs of \$326,805. Excluding these non-recurring expenses, Total Operating Expenses fell 28% to \$2,913,230 when compared to the same period last year.
- Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) for the half year ended 31 December 2012 was \$7,038,198 loss (2011: \$929,867 loss).
- Earnings Before Interest and Tax (EBIT) for the half year ended 31 December 2012 was \$7,508,026 loss (2011: \$1,448,849 loss).
- Current period Income Tax Expense includes a net de-recognition adjustment of \$415,890 against Deferred Tax Assets.
- Loss after Tax for the half year ended 31 December 2012 was \$7,878,904 (2011: \$1,006,441 loss).
- Cash and cash equivalents as at 31 December 2012 was \$2,113,270 (30 June 2012: \$3,621,595).
- Operating Cashflow for the half year ended 31 December 2012 was \$1,062,885 negative (2011: \$793,080 negative).
- At the 27th February 2013 Board Meeting, the directors did not declare any interim dividend on ordinary shares in respect of the half year ended 31 December 2012. (2011: NIL).

3.0 NTA Backing	Current period 31 December 2012	Previous Period 30 June 2012
Net tangible asset backing per +ordinary security	0.05 Cents	0.07 Cents

Total Net Assets at 31 December 2012 were \$2,310,431.

4.0 Control gained or lost over entities having material effect

4.1	Name of entity (or group of entities) of which control was gained during the period.	Not applicable as there were no entities which control was gained/lost during the period which had a material effect
4.2	Consolidated profit/(loss) from ordinary activities <u>after tax</u> of the controlled entity (or group of entities) since the date in the current period on which control was obtained.	Not applicable as there were no entities which control was gained/lost during the period which had a material effect
4.3	Date from which such profit has been calculated.	Not applicable as there were no entities which control was gained/lost during the period which had a material effect
4.4	Profit/(loss) from ordinary activities after tax of the controlled entity (or group of entities) disposed during the period, for the whole of the previous corresponding period.	Not applicable as there were no entities which control was gained/lost during the period which had a material effect

5.0 Dividends

If this is the final dividend, has it been declared?

N/A

Amount per security

Dividends (distributions)	Amount per security	Franked amount per security	Amount per security of foreign sourced dividend
Current Year			
Final	N/A	N/A	N/A
Interim	N/A	N/A	N/A
	N/A		
Previous Year			
Final	N/A	N/A	N/A
Interim	N/A	N/A	N/A
	N/A		

Total Dividends (distributions) per security (interim + final)	Current Year	Previous Year
Final	N/A	N/A
Interim	N/A	N/A
Total	N/A	N/A

Additional information on current year dividends

Date the dividend (distribution) is payable

Not Applicable

Details of individual and total dividends or distributions and dividend or distribution payments.

Not Applicable

The last date(s) for receipt of election notices for the dividend or distribution plans.

Not Applicable

6.0 Material interests in entities which are not controlled entities

Not applicable as there are no entities which control was gained/lost during the year which had a material effect.

7.0 Compliance Statement

This report has been prepared in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations).

The report has been prepared based on a 31 December 2012 Half Yearly Financial Report which has been reviewed by an independent Audit Firm in accordance with the requirements of S302 of the Corporation Act.



Signed here: Date: 27th February 2013
Angelo Tsagarakis
Company Secretary

JUMBUCK ENTERTAINMENT LTD
(ABN 69 092 817 171)

FINANCIAL INFORMATION
FOR THE HALF-YEAR ENDED
31 DECEMBER 2012

ASX CODE: JMB

JUMBUCK ENTERTAINMENT LTD

ABN 69 092 817 171

DIRECTORS

Mr. Harvey C Parker (Chairman)
The Hon Jeffrey G Kennett AC
Mr. Tom SP Kiing

CHIEF OPERATING OFFICER AND COMPANY SECRETARY

Mr. Angelo Tsagarakis

REGISTERED OFFICE

Level 5, 347 Flinders Lane
Melbourne Victoria 3000
Tel : +613 9620 3839
Fax : +613 9620 3840

SHARE REGISTRY

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067
Australia

AUDITORS

Deloitte Touche Tohmatsu

INTERNET ADDRESS

<http://www.jumbuck.com>

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JUMBUCK ENTERTAINMENT LTD

DIRECTORS' INFORMATION

The name of the company's directors in office during the half year ended 31 December 2012, and until the date of this report are as below. Directors were in office for the entire period unless otherwise stated.

Mr. Harvey C Parker	Chairman and Independent Non-Executive Director
The Hon Jeffrey G Kennett AC	Independent Non-Executive Director
Mr. Tom SP Kiing	Independent Non-Executive Director

CHIEF OPERATING OFFICER AND COMPANY SECRETARY

Mr. Angelo Tsagarakis

PRINCIPAL ACTIVITIES

The principal activities of Jumbuck Entertainment Ltd ('Jumbuck') during the half year ended 31 December 2012 were:

- the provision of global chat and dating communities to carriers;
- the migration and deployment of global chat communities on popular smart phone platforms;
- commercial solutions focused on mitigating social media risks including brand protection and reputation management; and
- development of an interactive, moderated video broadcast platform.

REVIEW AND RESULTS FROM OPERATIONS

The financial performance of Jumbuck Entertainment Ltd for the half year ended 31 December 2012 as outlined in the Review of Operations section within the Appendix 4D is disappointing. However, underlying this result, the consolidated entity is still well positioned to rebuild its revenue and profitability.

During the last 6 months, Jumbuck has:

- Restructured the organisation to focus on acquiring customers and growing revenues beyond traditional carrier relationships;
- Navigated its way through a series of structural changes to revenues - providing a foundation for future revenue growth, including:
 - the continued provision of global chat and dating communities to carriers; and
 - the migration of these global chat communities onto popular smart phone platforms;
- Commenced developing commercial solutions focusing on private branded social networks and solutions for social media risk mitigation; and
- Reduced the overall cost base.

JUMBUCK ENTERTAINMENT LTD

DIRECTORS' INFORMATION (continued)

EARNINGS PER SHARE

	31 Dec 2012 Cents	31 Dec 2011 Cents
Basic earnings per share	(16.15)	(2.06)
Diluted earnings per share	(16.15)	(2.06)

RESULTS

The consolidated net loss after tax of the Jumbuck Entertainment Ltd Group for the half year ended 31 December 2012 was \$7,878,904 (2011: \$1,006,441 loss).

DIVIDENDS

	Cents	\$
Interim dividend – 2013		
• On ordinary shares	-	-
<hr/>		
Dividends paid during the half year		
Final Dividend - 2012		
• On ordinary shares	-	-
<hr/>		

JUMBUCK ENTERTAINMENT LTD

DIRECTORS' INFORMATION (continued)

FINANCIAL RESULTS

A summary of the consolidated entity's performance for the half year ended 31 December 2012 is summarised as follows:

	6 months December 12 \$	6 months December 11 \$
Consumer Chat Communities Revenue	1,524,054	2,553,824
Other Revenue	-	174,800
Revenue from Operations	1,524,054	2,728,624
Operating Cost from Continuing Operations	(2,443,402)	(3,508,491)
Operating EBITDA	(919,348)	(779,867)
Goodwill / Impairment Adjustments	(5,792,045)	(150,000)
Restructuring costs	(326,805)	-
Earnings Before Interest and Tax Depreciation and Amortisation (EBITDA)	(7,038,198)	(929,867)
Depreciation and Amortisation	(469,828)	(518,982)
Earnings Before Interest and Tax (EBIT)	(7,508,026)	(1,448,849)
Interest Revenue	45,012	136,433
Income Tax (Expense)/Benefit	(415,890)	305,975
Net Loss After Tax	(7,878,904)	(1,006,441)
Cash Flow used in Operations	(1,062,885)	(793,080)
Closing Cash Reserves	2,113,270	4,714,444

JUMBUCK ENTERTAINMENT LTD

DIRECTORS' INFORMATION (continued)

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the state of affairs during the half year ended 31 December 2012.

SUBSEQUENT EVENTS

There has not been any matter or circumstance in the interval between the end of the half year and the date of this report that has materially affected or may materially affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial periods.

AUDITORS INDEPENDENCE DECLARATION


The Auditors Independence Declaration as required under Section 307C of the Corporations Act is set out on page 5.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Jumbuck Entertainment Ltd support and adhere to the principles of corporate governance.

The company's corporate governance statement is available on the company's website www.jumbuck.com, and is contained in the 30 June 2012 annual report.

Signed in accordance with a resolution of the directors



Harvey C Parker
Chairman

Dated at Melbourne this 27th February 2013

The Board of Directors
Jumbuck Entertainment Ltd
Level 5, 347 Flinders Lane
MELBOURNE, VIC 3000

27 February 2013

Dear Board Members

Jumbuck Entertainment Ltd

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Jumbuck Entertainment Ltd.

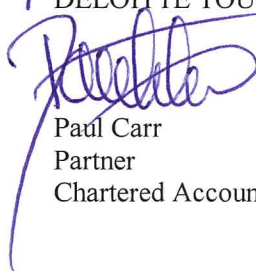
As lead audit partner for the review of the financial statements of Jumbuck Entertainment Ltd for the half-year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely


DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU


Paul Carr
Partner
Chartered Accountants

Independent Auditor's Review Report to the Members of Jumbuck Entertainment Ltd

We have reviewed the accompanying half-year financial report of Jumbuck Entertainment Ltd, which comprises the statement of financial position as at 31 December 2012, and the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 8 to 18.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 internal 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 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 Jumbuck Entertainment Ltd, 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.

Auditor's Independence Declaration


In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Jumbuck Entertainment Ltd, would be in the same terms if given to the directors as at the time of this auditor's review report.

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 Jumbuck Entertainment Ltd 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 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.


DELOITTE TOUCHE TOHMATSU


Paul Carr
Partner
Chartered Accountants
Melbourne, 27 February 2013

JUMBUCK ENTERTAINMENT LTD

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Jumbuck Entertainment Ltd;

- (1) I state that in the opinion of the directors;
- (a) the financial statements of the consolidated entity:
- (i) give a true and fair view of the financial position as at 31 December 2012 and the performance for the half year ended on that date of the consolidated entity;
 - (ii) comply with Accounting Standard 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 a resolution of the directors



Harvey Parker
Director

Melbourne: 27th February 2013

JUMBUCK ENTERTAINMENT LTD

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

<u>Jumbuck Entertainment Ltd - Consolidated Group</u>	Note	CONSOLIDATED	
		31 Dec 12	30 Jun 12
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		2,113,270	3,621,595
Trade and other receivables	4	817,105	1,119,427
Current tax assets		373,443	2,452
Other current assets		57,387	47,135
Total Current Assets		3,361,205	4,790,609
Non-Current Assets			
Plant and equipment		194,069	257,044
Intangible assets	5	7,500	5,651,915
Deferred tax assets		-	799,902
Total Non-Current Assets		201,569	6,708,861
TOTAL ASSETS		3,562,774	11,499,470
LIABILITIES			
Current Liabilities			
Trade and other payables	6	1,073,358	1,123,909
Current tax liabilities		14,227	33,963
Provisions		159,969	265,584
Total Current Liabilities		1,247,554	1,423,456
Non-Current Liabilities			
Provisions		4,789	2,723
Total Non-Current Liabilities		4,789	2,723
TOTAL LIABILITIES		1,252,343	1,426,179
NET ASSETS		2,310,431	10,073,291
EQUITY			
Contributed equity	7	9,649,537	9,649,537
Foreign currency reserves		(1,523,261)	(1,639,031)
Options reserve		682,667	682,393
Retained earnings	8	(6,498,512)	1,380,392
TOTAL EQUITY		2,310,431	10,073,291

The accompanying notes form part of these financial statements.

JUMBUCK ENTERTAINMENT LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Note	CONSOLIDATED	
		31 Dec 12 \$	31 Dec 11 \$
Revenues	2	1,569,066	2,865,057
Expenses			
Advertising and marketing expenses		(125,653)	(210,810)
Employee benefits expenses		(715,984)	(1,358,265)
Contractor benefits expenses		(509,249)	(514,449)
Partner revenue share		(363,825)	(363,255)
Depreciation and amortisation expenses	3(a)	(469,828)	(518,982)
Other expenses	3(b)	(728,691)	(1,061,712)
Impairment of goodwill / intangibles	3(c)	(5,792,045)	-
Restructuring costs	3(d)	(326,805)	-
Loss on disposal of business	3(e)	-	(150,000)
Loss from group operations before tax		(7,463,014)	(1,312,416)
Income tax (expense)/benefit		(415,890)	305,975
Loss attributable to members of Jumbuck Entertainment Ltd		(7,878,904)	(1,006,441)
Other comprehensive income/(losses)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences		115,770	(298,195)
Other comprehensive losses for the period, net of tax		115,770	(298,195)
TOTAL COMPREHENSIVE LOSSES FOR THE PERIOD		(7,763,134)	(1,304,636)
Total comprehensive losses attributable to members of the parent		(7,763,134)	(1,304,636)
Earnings per share (cents per share)			
		<u>Cents</u>	<u>Cents</u>
Basic Earnings Per Share		(16.15)	(2.06)
Diluted Earnings Per Share		(16.15)	(2.06)

The accompanying notes form part of these financial statements.

JUMBUCK ENTERTAINMENT LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	CONSOLIDATED				
	CONTRIBUTED EQUITY	FOREIGN CURRENCY RESERVE	OPTIONS RESERVE	RETAINED EARNINGS	TOTAL
	\$	\$	\$	\$	\$
Balance at 1 July 2011	9,649,537	(1,232,058)	684,081	8,210,790	17,312,350
Loss attributable for the period	-	-	-	(1,006,441)	(1,006,441)
Other comprehensive income/(loss)	-	(298,195)	-	-	(298,195)
Total comprehensive income/(loss) for the period	-	(298,195)	-	(1,006,441)	(1,304,636)
Transactions with owners in their capacity as owners:					
Payment of dividends	-	-	-	(243,923)	(243,923)
Recognition of share based payments	-	-	4,803	-	4,803
Balance at 31 December 2011	9,649,537	(1,530,253)	688,884	6,960,426	15,768,594
Balance at 1 July 2012	9,649,537	(1,639,031)	682,393	1,380,392	10,073,291
Loss attributable for the period	-	-	-	(7,878,904)	(7,878,904)
Other comprehensive income/(loss)	-	115,770	-	-	115,770
Total comprehensive income/(loss) for the period	-	115,770	-	(7,878,904)	(7,763,134)
Transactions with owners in their capacity as owners:					
Payment of dividends	-	-	-	-	-
Recognition of share based payments	-	-	274	-	274
Balance at 31 December 2012	9,649,537	(1,523,261)	682,667	(6,498,512)	2,310,431

The accompanying notes form part of these financial statements.

JUMBUCK ENTERTAINMENT LTD

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Note	CONSOLIDATED	
		31 Dec 12	31 Dec 11
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts of service revenue		1,924,334	2,826,434
Payments to suppliers, employees and contractors		(3,040,103)	(3,709,458)
Interest received		59,259	115,824
Net income tax paid		(6,375)	(25,880)
NET CASH FLOWS USED IN OPERATING ACTIVITIES		(1,062,885)	(793,080)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of plant and equipment		(2,174)	(63,100)
Capitalised development expenses		(443,266)	(402,711)
Acquisition of Business Assets - Inscribe		-	(50,000)
Investment in Top Ten Chefs Pty Ltd	9	-	(150,000)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(445,440)	(665,811)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of dividends on ordinary shares	11	-	(243,923)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		-	(243,923)
NET DECREASE IN CASH & CASH EQUIVALENTS		(1,508,325)	(1,702,814)
Cash at beginning of period		3,621,595	6,417,258
CASH AT END OF FINANCIAL PERIOD		2,113,270	4,714,444

The accompanying notes form part of these financial statements.

JUMBUCK ENTERTAINMENT LTD**NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2012****CORPORATE INFORMATION**

The financial information in this report is for Jumbuck Entertainment Ltd and its subsidiaries (the 'Group') for the half year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors on 27 February 2013.

Jumbuck Entertainment Ltd is a company limited by shares and incorporated in Australia whose shares are publicly listed on the Australian Stock Exchange.

The nature of the operations and principal activities of the Group are described within this note and the Segment Reporting Note 9.

Note 1 BASIS OF PREPARATION

This general purpose condensed financial report for the half year ended 31 December 2012 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This half year financial report does not include all notes of the type normally included within the 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 full financial report.

Cash Reserves

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 31 December 2012, the consolidated entity has an excess of current assets over current liabilities of \$2,113,651 and cash reserves of \$2,113,270. For the half year ended 31 December 2012, the consolidated entity reported a loss of \$7,878,904 after tax and incurred cash outflows from operating and investing activities of \$1,508,325.

Notwithstanding the above, the financial report has been prepared on the going concern basis on the basis of the following assumptions:

- The commercial deployment of Jumbuck's solutions addressing social media risks including brand protection and reputation management;
- The commercial deployment of Jumbuck's new interactive, moderated video broadcast platform; and
- The ability to raise further equity or debt through the issue of equity or convertible notes; and
- Cash reserves in place at the date of this report and cash flow forecasts (which assume successful outcomes of the above) indicate that the consolidated entity will be able to pay its debts as and when they fall due.

In the event that Jumbuck cannot generate sufficient revenue and cash flows from the above activities a cost reduction program will be implemented to enable the company to pay its debts as and when they fall due for the twelve (12) months from the date the financial report is issued.

The accounting policies and methods of computing are the same as those adopted in the most recent annual financial report.

(a) Basis of Accounting

There have been no material adjustments to the accounting policies of the Group since June 2012.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the Group's presentation of, or disclosure in, its half-year financial statements.

The Group has not elected to adopt any new standards or amendments early.

AASB 2011-9 introduces new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

(b) Operating Segment

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's Chief Operating Decision Makers to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments have been identified based on the information provided to the Chief Operating Decision Makers, being the executive management team.

The Group's reportable segments under AASB 8 are therefore as follows:

- Consumer Chat Communities
- Other

The Consumer Chat Communities segment includes Mobile Chat, Fast Flirting and SMS products relating to mobile chat and dating services.

Included in 'Other' are location; content based; as well as professional services revenues.

(c) Statement of Compliance

The half year financial information in this report has been prepared in accordance with the recognition and measurement aspects of Australian Accounting Standards (AASBs) (including Australian Interpretation), the Corporations Act 2001 and Appendix 4D of the Australian Securities Exchange listing rules.

It is recommended that this half yearly financial report of Jumbuck Entertainment Ltd for the half year ended 31 December 2012 be considered together with any public announcements made by Jumbuck Entertainment Ltd and its controlled entities during the half year ended 31 December 2012 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

JUMBUCK ENTERTAINMENT LTD

NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

		CONSOLIDATED	
		31 Dec 12	31 Dec 11
		\$	\$
Note 2	REVENUE		
	Loss before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the Group:		
	Consumer Chat Communities revenue	1,524,054	2,553,824
	Other revenue	-	174,800
	Interest revenue	45,012	136,433
	Total consolidated revenue	1,569,066	2,865,057
Note 3	EXPENSES		
	(a) Depreciation and amortisation of non current assets		
	Depreciation of non-current assets	64,843	81,394
	Amortisation of intangible assets	404,985	437,588
		469,828	518,982
	(b) Other expenses		
	Accounting and audit	78,254	105,621
	Bad and doubtful debts	59,703	4,797
	Commissions	51,578	175,898
	Communication expenses	90,942	135,024
	External consultants	68,544	65,291
	Expensing of share-based payments	274	4,803
	Insurance	48,394	44,358
	Legal	26,655	62,665
	Premises	109,010	140,302
	Travel and accommodation	53,764	81,280
	Other expenses	128,036	283,645
		715,154	1,103,684
	Net (gain)/loss on foreign currencies	13,537	(41,972)
		728,691	1,061,712
	(c) Impairment of goodwill / intangibles		
	Goodwill impairment - Consumer Chat Communities	4,359,954	-
	Capitalised development costs written off	1,432,091	-
		5,792,045	-
	(d) Restructuring costs	326,805	-
		326,805	-
	(e) Loss on disposal of businesses		
	Loss on investment - Top Ten Chefs Pty Ltd	-	150,000
		-	150,000
		6,118,850	150,000

JUMBUCK ENTERTAINMENT LTD

NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 4	TRADE AND OTHER RECEIVABLES (CURRENT)	CONSOLIDATED	
		31 Dec 12	30 Jun 12
		\$	\$
	Trade debtors	567,751	682,163
	Allowance for impairment loss	(81,861)	(22,158)
		<u>485,890</u>	<u>660,005</u>
	Other debtors	32,000	44,248
	Accrued income	299,215	415,174
	Total Trade and Other Receivables (Current)	<u>817,105</u>	<u>1,119,427</u>

Note 5	INTANGIBLE ASSETS		
	Intellectual property	7,500	-
	Goodwill - Consumer Chat Communities	-	4,257,105
	Capitalised Development Costs	9,952,316	9,509,050
	Accumulated amortisation	(9,952,316)	(8,114,240)
		<u>-</u>	<u>1,394,810</u>
	Total Intangible Assets	<u>7,500</u>	<u>5,651,915</u>

Note 6	TRADE AND OTHER PAYABLES (CURRENT)		
	Unsecured liabilities		
	Trade payables	497,706	489,985
	Other payables	575,652	633,924
		<u>1,073,358</u>	<u>1,123,909</u>

Note 7	CONTRIBUTED EQUITY		
	Ordinary shares		
(a)	Issued and fully paid	<u>9,649,537</u>	<u>9,649,537</u>

	31 Dec 12		30 Jun 12	
	No. of Shares	\$	No. of Shares	\$
Beginning of the financial period	48,784,291	9,649,537	48,784,291	9,649,537
End of the financial period	<u>48,784,291</u>	<u>9,649,537</u>	<u>48,784,291</u>	<u>9,649,537</u>

(b) Share options	31 Dec 12	30 Jun 12
	Number	Number
Number of options at the beginning of the financial period	506,666	4,566,666
Options lapsed during the period	(206,666)	(4,060,000)
Number of options at the end of the financial period	<u>300,000</u>	<u>506,666</u>

There were no options exercised during the reporting period.

JUMBUCK ENTERTAINMENT LTD

NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 8 RETAINED EARNINGS

	Note	CONSOLIDATED	
		31 Dec 12	30 Jun 12
		\$	\$
Retained earnings at the beginning of the financial period		1,380,392	8,210,790
Net loss attributable to members of the Company		(7,878,904)	(6,586,475)
Dividends paid	11	-	(243,923)
Retained earnings at the end of the financial period		(6,498,512)	1,380,392

Note 9 SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the Chief Operating Decision Makers in order to allocate resources to the segment and to assess its performance.

Information reported to the Chief Operating Decision Makers for the purposes of resource allocation and assessment of performance is more specifically focused on each group of products. The reportable segments under AASB 8 are therefore as follows:

- Consumer Chat Communities
- Other

The Consumer Chat Communities segment includes Mobile Chat, Fast Flirting and SMS products relating to mobile chat and dating services.

Included in 'Other' are location; content based; as well as professional services revenues.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the consolidated accounting policies.

The following is an analysis of the consolidated entity's revenue and results by reportable operating segment for the year(s) under review:

	Note	Revenue		Segment Profit	
		31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
		\$	\$	\$	\$
Consumer Chat Communities revenue	2	1,522,620	2,553,824	(50,246)	2,190,664
Other revenue	2	1,434	174,800	(899,656)	174,800
		<u>1,524,054</u>	<u>2,728,624</u>	<u>(949,902)</u>	<u>2,365,464</u>
Central administration and directors' salaries				(438,806)	(3,663,650)
Goodwill impairment - Consumer Chat	3(c)			(4,359,954)	-
Capitalised development costs written off	3(c)			(1,432,091)	-
Restructuring cost	3(d)			(326,805)	-
Loss on investment - Top Ten Chefs Pty Ltd	3(e)			-	(150,000)
Finance cost				(468)	(695)
Other income	2			45,012	136,465
Loss before income tax expenses				<u>(7,463,014)</u>	<u>(1,312,416)</u>
Income tax (expense)/ benefit				(415,890)	305,975
Loss for the year				<u>(7,878,904)</u>	<u>(1,006,441)</u>
				31 Dec 12	30 Jun 12
				\$	\$
Segment assets					
Consumer Chat Communities				3,150,893	10,278,035
Other				36,647	421,533
Total segment assets				<u>3,187,540</u>	<u>10,699,569</u>
Unallocated assets				375,234	799,902
Total assets				<u>3,562,774</u>	<u>11,499,470</u>

The revenue reported above represents revenue generated from external customers. There were no intersegment sales during the period. Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, investment revenue, finance costs and income tax expense. This is the measure reported to the Chief Operating Decision Makers for the purposes of resource allocation and assessment of segment performance.

JUMBUCK ENTERTAINMENT LTD

NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**Note 10 EVENTS AFTER THE BALANCE SHEET DATE**

There has not been any matter or circumstance in the interval between the end of the half year and the date of this report that has materially affected or may materially affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial periods.

Note 11 DIVIDENDS PAID AND PROPOSED

CONSOLIDATED
\$ \$

Equity dividends on ordinary shares:**(a) Dividends declared and paid during the half year on ordinary shares**

Final franked dividends for the financial year ended 30 June 2012	-	243,923
NIL cents (2011: 0.5 cents per share)		

(b) Dividends proposed and not recognised as a liability

Interim franked dividends for the half year ended 31 December 2012	-	-
NIL cents (2011: NIL)		

At the 27th February 2013 Board Meeting, the Directors did not declare any interim dividend on ordinary shares in respect of the half year ended 31 December 2012 (2011: NIL).

(c) Franking of Dividends

The above paid dividends are 100% franked at the Company's tax rate of 30% per share.