

**NORFOLK GROUP LIMITED**  
**APPENDIX 4D - HALF YEAR REPORT**  
**SIX MONTHS ENDED 30 SEPTEMBER 2009**

**Results for announcement to the market**

<b>Financial Results</b>	<b>September 2009 \$'000</b>	<b>September 2008 \$'000</b>	<b>Change \$'000</b>	<b>Change %</b>
Revenue	388,387	376,576	11,811	Up 3%
Earnings before interest and tax from continuing operations	11,475	10,441	1,034	Up 10%
Net Profit from continuing operations	5,681	4,386	1,295	Up 30%

<b>Dividends</b>	<b>Amount per Security</b>	<b>Franked Amount per Security</b>
Interim Dividend	N/A	N/A
Previous Period	2 cents	2 cents
Record Date for Determining Entitlement	N/A	

The directors have determined that no interim dividend will be declared in relation to the half year ending 30 September 2009 in line with the company's focus on debt reduction.  
There is currently no dividend reinvestment plan in operation

<b>Net Tangible Asset Backing</b>	<b>September 2009</b>	<b>September 2008</b>
Net tangible asset backing per ordinary security	\$ (0.08)	\$( 0.09)
Net asset backing per ordinary security	\$ 0.28	\$ 0.27

<b>Explanation of Results</b>
Earnings before interest and tax from continuing operations for the half year ending 30 September 2009 was \$11,475,000, representing a 10% increase from the period ending 30 September 2008.
Please refer to the attached Interim Consolidated Financial Statements and the attached Half Year Results Announcement for the period ended September 30, 2009 for further explanation of results.

The information required by listing rule 4.2A is contained in both this Appendix 4D, the attached Interim Consolidated Financial Statements and the attached Half Year Results Announcement for the period ended September 30, 2009.

This interim financial 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 report for the year ended 31 Mar 2009 and any public announcements made by Norfolk Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

**NORFOLK GROUP LIMITED**  
**ACN: 125 709 971**

**CONSOLIDATED INTERIM FINANCIAL REPORT**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

## NORFOLK GROUP LIMITED

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## **NORFOLK GROUP LIMITED DIRECTORS' REPORT**

The directors submit their interim financial report on the consolidated entity consisting of Norfolk Group Limited and the entities it controlled during the half-year ended 30 September 2009 ("the period").

### **DIRECTORS**

The following persons were directors of Norfolk Group Limited during the whole of the period and up to the date of this report, unless otherwise stated:

#### **Name**

Peter Abery  
Paul Chrystall  
Glenn Wallace  
Rod Keller  
Peter Lowe

### **PRINCIPAL ACTIVITIES**

The principal activities of the consolidated entity, Norfolk Group Limited and its subsidiaries ("Norfolk Group"), during the period were to provide integrated electrical, communications, heating, ventilation and air-conditioning (HVAC), passive fire protection and property services and products. The Consolidated entity has operations in Australia, New Zealand, and India.

### **REVIEW OF OPERATIONS**

#### **Overview**

The Norfolk Group is a leading Australasian provider of integrated electrical, communications, HVAC (Heating, Ventilation and Air Conditioning), passive fire protection and property services and products. Norfolk Group Limited was incorporated on 31 May 2007 and was listed on the Australian Securities Exchange on 27 July 2007.

The Norfolk Group employed 3,404 people as at 30 September 2009 and operates through three divisions; Electrical and Communications; Mechanical; and Fire and Property Services.

#### **Financial performance**

The profit for the Norfolk Group after providing for income tax and minority interests amounted to \$4,286,000. (2008, \$4,275,000)

Demand for the Group's services remained strong across each division, particularly within Australia. Total revenue for this period was \$388,553,000 with the split between divisions being \$200,285,000 in Electrical and Communications, \$147,154,000 in Mechanical and \$43,839,000 in Fire and Property Services.

During the period, the Group completed the divestment of the Trafalgar fire business. The Trafalgar business is reported in this financial report as a discontinued operation.

Net profit after tax from continuing operations for the period was \$5,681,000. (2008: \$4,386,000).

Earnings per share from continuing operations for the period was 4.37 cents. (2008: 3.36 cents)

Refer to the half year results announcement for further detail on the financial performance for the period.

### **AUDITOR'S INDEPENDENCE DECLARATION**

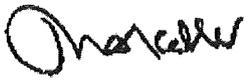
The auditor's independence declaration is included on page 5 of the interim financial report.

## ROUNDING OF AMOUNTS

The Norfolk Group is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the directors' report are rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases to the nearest dollar.

Signed in accordance with a resolution of the directors

On behalf of the Directors



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Rod Keller  
Chairman, Norfolk Group Limited  
Sydney, 24 November 2009

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### Auditor's Independence Declaration

As lead auditor for the review of Norfolk Group Limited for the half year ended 30 September 2009, 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 Norfolk Group Limited and the entities it controlled during the period.



Eddie Wilkie  
Partner  
PricewaterhouseCoopers

Sydney  
24 November 2009

**NORFOLK GROUP LIMITED**  
**CONSOLIDATED INCOME STATEMENT**  
For the half-year ended 30 September 2009

	Half year ended 30 September 2009 \$000	Half year ended 30 September 2008 \$000
Revenue from continuing operating activities	388,387	376,576
Other income	166	96
<b>Expenses</b>		
Cost of sales	(330,697)	(318,479)
Selling and distribution costs	(18,427)	(20,595)
Marketing expenses	(348)	(311)
Occupancy expenses	(4,060)	(3,860)
Administrative expenses	(23,334)	(22,682)
Finance costs	(3,200)	(4,280)
<b>Profit before income tax expense</b>	<b>8,487</b>	<b>6,464</b>
Income tax expense	(2,806)	(2,078)
<b>Profit/(loss) from continuing operations</b>	<b>5,681</b>	<b>4,386</b>
<b>Profit/(loss) from discontinued operations</b>	<b>(1,392)</b>	<b>(99)</b>
<b>Profit/(loss) for the half year</b>	<b>4,289</b>	<b>4,287</b>
<b>Other comprehensive income</b>		
Translation of foreign operations	(75)	(24)
Changes in the fair value of cash flow hedges	770	-
Tax effect of changes in the fair value of cash flow hedges	(231)	-
<b>Total other comprehensive income for the half year, net of tax</b>	<b>464</b>	<b>(24)</b>
<b>Total comprehensive income for the half year</b>	<b>4,753</b>	<b>4,263</b>
<b>Profit is attributable to:</b>		
Minority interests	3	12
Equity holders of the company	4,286	4,275
	<b>4,289</b>	<b>4,287</b>
<b>Total comprehensive income for the half year is attributable to:</b>		
Minority interests	3	12
Equity holders of the company	4,750	4,251
	<b>4,753</b>	<b>4,263</b>
<b>Earnings per share for profit attributable to the equity holders of the company</b>		
Basic earnings per share from continuing operations	4.37	3.36
Diluted earnings per share from continuing operations	4.33	3.32
Basic earnings per share	3.30	3.29
Diluted earnings per share	3.27	3.25

The above consolidated income statement should be read in conjunction with the accompanying notes

**NORFOLK GROUP LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**As at 30 September 2009**

	Notes	30 September 2009 \$000	31 March 2009 \$000
<b>Current assets</b>			
Cash and cash equivalents		15,628	13,263
Trade and other receivables		157,824	170,369
Inventories		6,715	8,043
		<u>180,167</u>	<u>191,675</u>
Current assets classified as held for sale	10	-	688
<b>Total current assets</b>		<u><b>180,167</b></u>	<u><b>192,363</b></u>
<b>Non-current assets</b>			
Property plant and equipment		12,411	10,845
Intangibles		46,532	46,837
Deferred tax		22,531	18,633
		<u>81,474</u>	<u>76,315</u>
<b>Total assets</b>		<u><b>261,641</b></u>	<u><b>268,678</b></u>
<b>Current liabilities</b>			
Trade and other payables		146,768	157,131
Borrowings	7	59,665	61,821
Income tax		7,846	6,708
Derivative Financial Instruments		857	1,537
Provisions		7,541	6,929
		<u>222,677</u>	<u>234,126</u>
<b>Non current liabilities</b>			
Borrowings	7	1,403	942
Provisions		1,427	2,739
		<u>2,830</u>	<u>3,681</u>
<b>Total liabilities</b>		<u><b>225,507</b></u>	<u><b>237,807</b></u>
<b>Net Assets</b>		<u><b>36,134</b></u>	<u><b>30,871</b></u>
<b>Equity</b>			
Contributed equity	5	243,919	243,919
Reserves	6	(225,346)	(226,320)
Retained profits/(accumulated losses)		17,503	13,217
<b>Parent entity interest</b>		<u><b>36,076</b></u>	<u><b>30,816</b></u>
<b>Minority interest</b>		58	55
<b>Total Equity</b>		<u><b>36,134</b></u>	<u><b>30,871</b></u>

The above consolidated balance sheet should be read in conjunction with the accompanying notes

**NORFOLK GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the half year ended 30 September 2009

	Contributed equity \$000	Reserves \$000	Retained profits \$000	Parent interest \$000	Minority interest \$000	Total equity \$000
<b>Opening Balance at 31 March 2009</b>	<b>243,919</b>	<b>(226,320)</b>	<b>13,217</b>	<b>30,816</b>	<b>55</b>	<b>30,871</b>
<b>Total comprehensive income for the half year</b>	<b>-</b>	<b>464</b>	<b>4,286</b>	<b>4,750</b>	<b>3</b>	<b>4,753</b>
<b>Transactions with owners in their capacity as owners</b>						
Share based payments/provisions		510	-	510	-	510
<b>Balance at 30 September 2009</b>	<b>243,919</b>	<b>(225,346)</b>	<b>17,503</b>	<b>36,076</b>	<b>58</b>	<b>36,134</b>

	Contributed equity \$000	Reserves \$000	Retained profits \$000	Parent interest \$000	Minority interest \$000	Total equity \$000
<b>Opening Balance at 31 March 2008</b>	<b>243,919</b>	<b>(225,208)</b>	<b>18,892</b>	<b>37,603</b>	<b>23</b>	<b>37,626</b>
<b>Total comprehensive income for the half year</b>	<b>-</b>	<b>(24)</b>	<b>4,275</b>	<b>4,251</b>	<b>12</b>	<b>4,263</b>
<b>Transactions with owners in their capacity as owners</b>						
Dividend paid	-	-	(7,410)	(7,410)	-	(7,410)
Share based payments/provisions		304	-	304	-	304
<b>Balance at 30 September 2008</b>	<b>243,919</b>	<b>(224,928)</b>	<b>15,757</b>	<b>34,748</b>	<b>35</b>	<b>34,783</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

**NORFOLK GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the half year ended 30 September 2009**

	Half year ended 30 September 2009 \$000	Half year ended 30 September 2008 \$000
<b>Cash flows from operating activities</b>		
Gross receipts from customers	400,555	395,462
Gross payments for suppliers and employees	(384,339)	(387,159)
Interest and other costs of finance paid	(2,690)	(2,365)
Income tax paid	(6,075)	(2,233)
<b>Net cash provided by operating activities</b>	<b>7,451</b>	<b>3,705</b>
<b>Cash flows from investing activities</b>		
Payment for property, plant and equipment	(3,946)	(1,134)
Proceeds from sale of property, plant & equipment	487	597
Payment for other acquisitions	(3)	(1,168)
<b>Net cash used in investing activities</b>	<b>(3,462)</b>	<b>(1,705)</b>
<b>Cash flows from financing activities</b>		
Repayment of finance lease liabilities	(150)	(840)
Proceeds from finance leases	1,399	-
Proceeds from borrowings	17,000	17,756
Repayments of borrowings	(19,823)	-
Dividends paid	-	(7,410)
<b>Net cash from financing activities</b>	<b>(1,574)</b>	<b>9,506</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,415</b>	<b>11,506</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>13,263</b>	<b>12,454</b>
Net foreign exchange differences	(50)	(4)
<b>Cash and cash equivalents at end of period</b>	<b>15,628</b>	<b>23,956</b>
<b>Reconciliation of operating cash flows with net profit</b>		
<b>Profit for the period</b>	<b>4,289</b>	<b>4,386</b>
Gain on disposal of assets	(119)	(96)
Depreciation and amortisation	2,260	2,351
Non-cash derivative expenses	93	852
Share based payments	510	305
(Decrease)increase in current tax liability	1,115	1,916
(Increase)decrease in deferred tax balances	(4,114)	(2,072)
(Increase)decrease in trade and other receivables	12,402	20,077
(Decrease)increase in trade and other payables	(10,231)	(16,864)
(Increase)decrease in inventories	1,945	(6,610)
(Decrease)increase in provisions	(699)	(540)
<b>Net cash from operating activities</b>	<b>7,451</b>	<b>3,705</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

**NORFOLK GROUP LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the half year ended 30 September 2009**

**1. GENERAL INFORMATION**

Norfolk Group Limited (Norfolk) is a Company incorporated and domiciled in Australia. These interim consolidated financial statements of the Group for the half year ended 30 September 2009 comprise the Company, Norfolk Group Limited and its subsidiaries. Norfolk is a leading Australian provider of integrated electrical, communications, heating ventilation and air conditioning (HVAC), passive fire protection and property services and products and has operations in Australia, New Zealand and India.

The consolidated interim financial statements were authorised for issue by the directors on 24 November 2009

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting**

These consolidated financial statements are for the half year ended 30 September 2009 . They have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards which include Australian Equivalents to International Financial Reporting Standards (AIFRS); AASB 134 "Interim Financial Reporting".

This interim financial 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 report for the year ended 31 March 2009, and any public announcements made by Norfolk Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Having considered the matters below, the directors have prepared the financial report on a going concern basis. The Group will realise its assets and settle its liabilities and commitments in the normal course of business and for at least the amounts stated in the financial report.

As at 30 September 2009, the Group has a deficiency of net current assets of \$42,084,000. This deficiency of net current assets is a result of the classification of the Group's bank borrowings as current at half year end. The Group has generated operating profits and positive cash flows during the period ending on that date.

The current bank overdraft facility is a \$20,000,000 facility which may be drawn at any time and is subject to annual review. At balance date \$nil was utilised. The bank loan facility is a \$90,000,000 facility which may be drawn at any time in either Australian or New Zealand dollars and has a term ending in July 2010. At balance date \$57,886,000 was utilised.

The company is in the process of negotiating new financing arrangements, in conjunction with its banks, to replace the current one. It is anticipated that this will be successfully concluded by the financial year end

### 3. SEGMENT INFORMATION – Continuing Operations

#### Primary Segment

Half Year to 30 September 2009

	Electrical & Communications \$000	Mechanical \$000	Fire and Property Services \$000	Corporate Services \$000	Intersegment eliminations/ unallocated \$000	Total \$000
Total revenue	200,285	147,154	43,839	108	(2,833)	388,553
Segment profit before interest and tax	9,682	5,147	1,229	(4,583)	-	11,475
Finance cost (net)						(2,988)
Profit before income tax expense						8,487
Income tax expense						(2,806)
Profit after income tax expense						5,681
Total segment assets (continuing & discontinued)	100,106	97,938	20,807	245,152	(202,362)	261,641

Half Year to 30 September 2008

Total revenue	177,127	155,871	44,523	303	(1,152)	376,672
Segment profit before interest and tax	8,689	5,138	1,864	(5,250)	-	10,441
Finance cost (net)						(3,977)
Profit before income tax expense						6,464
Income tax expense						(2,078)
Profit after interest and tax						4,386
Total segment assets (continuing & discontinued)	137,076	115,325	35,218	88,100	(92,080)	283,639

### 3. SEGMENT INFORMATION – Continuing Operations (Continued)

	Australia \$000	New Zealand \$000	Other \$000	Total \$000
<b>Secondary Segment</b>				
<b>Half Year to 30 September 2009</b>				
Total revenue	344,082	42,918	1,553	388,553
Segment profit before interest and tax	10,414	1,486	(425)	11,475
Finance cost (net)				(2,988)
Profit before income tax expense				8,487
Income tax expense				(2,806)
Profit after income tax expense				5,681
Total segment assets (continuing & discontinued)	229,328	31,313	1,000	261,641
<b>Half Year to 30 September 2008</b>				
Total revenue	324,277	50,990	1,405	376,672
Segment profit before interest and tax	10,458	(137)	120	10,441
Finance cost (net)				(3,977)
Profit before income tax expense				6,464
Income tax expense				(2,078)
Profit after interest and tax				4,386
Total segment assets (continuing & discontinued)	242,647	39,992	1,000	283,639

### 4. DIVIDENDS

	30 September 2009 \$000	30 September 2008 \$000
Ordinary Shares		
Dividends paid during the half year	-	7,410
<b>Dividends not recognised at the end of the half-year</b>		
The directors have determined that no interim dividend will be declared in relation to the half year ending 30 September 2009. The aggregate amount of the proposed dividend expected to be paid out of retained profits, but not recognised as a liability at the end of the half-year is :	-	2,600

### 5. SHARE CAPITAL

	No of shares	30 September 2009 \$000	31 March 2009 \$000
Ordinary Shares – fully paid	130,000,000	243,919	243,919

## 6. RESERVES

	30 September 2009 \$000	31 March 2009 \$000
Foreign currency reserve	(31)	44
Share-based payments reserve	2,537	2,027
Hedging Reserve	(333)	(872)
Common control reserve	(227,519)	(227,519)
	<u>(225,346)</u>	<u>(226,320)</u>

## 7. BORROWINGS

	30 September 2009 \$000	31 March 2009 \$000
<b>Lease liabilities</b>		
Current	1,779	988
Non-current	1,403	942
	<u>3,182</u>	<u>1,930</u>
<b>Bank loans</b>		
Current	57,886	60,833
Non-current	-	-
	<u>57,886</u>	<u>60,833</u>

### Lease liabilities

Interest rates on the Australian dollar denominated finance leases varied in the range of 6.5% to 7.0%. The lease liabilities are secured by the leased assets.

### Bank loans

The Group has a syndicated loans facility with Australia and New Zealand Banking Group Limited and Westpac Banking Corporation for an amount of \$160,000,000 inclusive of the bank guarantee facility. The loans facility expires in July 2010. The Australian and New Zealand entities within the group are jointly and severally liable for the facility and a cross guarantee has been provided to the lenders. The loans are secured by fixed and floating charges over the assets of the Australian and New Zealand entities.

## 8. CONTINGENT LIABILITIES

The group has issued bank guarantees as at 30 September 2009 of \$53,343,000 (31 March 2009: \$28,930,000)

The total bank guarantee facilities as at 30 September 2009 were \$56,000,000, and the unused portion was \$2,657,000

## 9. BUSINESS COMBINATIONS

	30 September 2009 \$000	30 September 2008 \$000
Gross purchase consideration	-	936
Less non-cash consideration relating to: Purchase consideration in respect of prior acquisitions	3	232
<b>Cash outflow on acquisition</b>	<u>3</u>	<u>1,168</u>
Add bank overdraft acquired	-	-
<b>Cash outflow on acquisition, net of cash acquired</b>	<u>3</u>	<u>1,168</u>

## 10. DISCONTINUED OPERATIONS

### (a) Description

During the 2009 financial year, the Company undertook a review of the Trafalgar fire business. The outcome of that review was a decision to restructure and ultimately divest Trafalgar's assets, which was completed in the half year ended 30 September 2009. The Trafalgar business is reported in this financial report as a discontinued operation.

Financial information relating to the discontinued operation for the half year is set out below.

### (b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the half year ended 30 September 2009 and for the half year ended 30 September 2008.

	<b>30 September 2009 \$000</b>	<b>30 September 2008 \$000</b>
Revenue	317	6,907
Expenses	(1,439)	(7,049)
<b>Profit/(loss) before income tax</b>	<b>(1,122)</b>	<b>(142)</b>
Income tax benefit/(expenses)	(270)	43
<b>Profit/(loss) from discontinued operations</b>	<b>(1,392)</b>	<b>(99)</b>
Net cash inflow/(outflow) from operating activities	(303)	(355)
Net cash inflow/(outflow) from investing activities	-	-
Net cash inflow/(outflow) from financing activities	1,000	-
<b>Net increase/(decrease) in cash generated by the business</b>	<b>697</b>	<b>(355)</b>

### (c) Current assets classified as held for sale

The carrying value of assets classified as held for sale is:

	<b>30 September 2009 \$000</b>	<b>31 March 2009 \$000</b>
Inventories	-	688
<b>Total assets classified as held for sale</b>	<b>-</b>	<b>688</b>

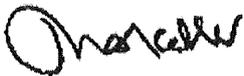
**NORFOLK GROUP LIMITED**  
**DIRECTORS' DECLARATION**  
**For the half-year ended 30 September 2009**

Directors' declaration

In the directors' opinion:

- (a) The financial statements and notes set out on pages 6 to 14 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) giving a true and fair view of the consolidated entity's financial position as at 30 September 2009 and of its performances for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Norfolk Group 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 directors.



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Rod Keller  
Chairman, Norfolk Group Limited  
24 November 2009

PricewaterhouseCoopers  
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## Independent auditor's review report to the members of Norfolk Group Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial statements of Norfolk Group Limited, which comprise the balance sheet as at 30 September 2009, and the income statement, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Norfolk Group Limited (the consolidated entity). The consolidated entity comprises both Norfolk Group Limited (the company) and the entities it controlled during that half-year.

#### *Directors' responsibility for the half-year financial report*

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2009 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 Norfolk Group Limited, 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. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. 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.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

**Independent auditor's review report to the members of  
Norfolk Group Limited (continued)**

*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 Norfolk Group Limited 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 30 September 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*Eddie Wilkie*

Eddie Wilkie  
Partner

Sydney  
24 November 2009