

Manager, Company Announcements  
ASX Limited

21 February 2012

**Via E-lodgement**

Dear Sir/Madam

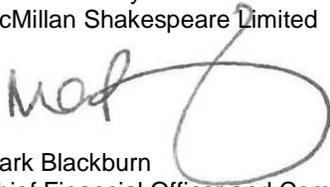
**McMillan Shakespeare Limited  
Interim Results**

Please find attached the Appendix 4D Half Year Report, together with the media release, Directors' Report, the Financial Report and Auditor's Independent Review Report relating to the results for the half year ended 31 December 2011.

This information should be read in conjunction with McMillan Shakespeare Limited's 2011 Annual Report.

This announcement comprises the information required by ASX Listing Rule 4.2A and the statement required by Rule 4.2C.2.

Yours faithfully  
McMillan Shakespeare Limited



Mark Blackburn  
Chief Financial Officer and Company Secretary

**Half-year ended 31 December 2011**  
(Previous corresponding period: Half-Year ended 31 December 2010)

**McMillan Shakespeare Group of Companies**

ABN 74 107 233 983



## Results for announcement to the market

## APPENDIX 4D – Half-year Report

McMillan Shakespeare Limited  
ABN 74 107 233 983

1. Details of the reporting period and the previous corresponding period	
	Current period: 1 July 2011 to 31 December 2011
	Previous corresponding period: 1 July 2010 to 31 December 2010

2. Results for announcement to the market			
	<i>Key information</i>	<b>Percentage change</b>	<b>Half-Year ended 31 December 2011 \$'000</b>
2.1	Revenues from ordinary activities	Up 5.0% to	143,463
2.2a	Profit after income tax	Up 21.4% to	24,918
2.3	Net profit after income tax attributable to members of the parent entity	Up 21.4% to	24,918
	<i>Dividends</i>	<b>Amount per share</b>	<b>Franked amount per share</b>
2.4	Interim dividend	\$0.22	\$0.22
2.5	Record date for determining entitlements to the dividend	16 March 2012	
2.6	<p><b>Commentary on results for the period</b></p> <p>Net profit after income tax for the half-year ended 31 December 2011 was \$24,918,000. The Group result represents an 21.4% increase on the previous corresponding period's result of \$20,526,000.</p> <p>Basic earnings per share as shown in the financial statements was 36.3 cents per share (2010: 30.3 cents) and on a diluted basis was 34.6 cents (2010: 29.2 cents).</p> <p>Refer to the accompanying December 2011 Half-Year Results Announcement for more details on the financial results.</p>		

## APPENDIX 4D – Half-year Report

<b>3. Net tangible assets per share</b>			
		<b>31 December 2011</b>	<b>31 December 2010</b>
		<b>\$</b>	<b>\$</b>
	Ordinary shares	<b>1.35</b>	0.91

<b>4. Control gained or lost over entities during the period</b>		
	<b><i>Name of entities where control was gained during the period</i></b>	<b>Date control gained</b>
	None	N/A
	<b><i>Name of entities where control was lost during the period</i></b>	<b>Date control lost</b>
	None	N/A

<b>5. Dividend</b>			
	<b><i>Dividends</i></b>	<b>Amount per share</b>	<b>Franked amount per share</b>
		<b>Cents</b>	<b>Cents</b>
	Final dividend in respect of the financial year ended 30 June 2011 per share	22.0	22.0
	Interim dividend	22.0	22.0
	The record date for determining entitlement to the interim dividend is 16 March 2012. The interim dividend is payable on 30 March 2012.		

<b>6. Dividend reinvestment plans</b>	
	None

<b>7. Investment in associates and joint ventures</b>	
	None

<b>8. Foreign entities</b>	
	None



## HALF YEAR RESULTS ANNOUNCEMENT McMILLAN SHAKESPEARE LIMITED

McMillan Shakespeare Limited (ASX:MMS) today released its results for the half-year ended 31 December 2011, with a reported after tax profit of \$24.9m.

Highlights of the operating results were:

	1HFY12 \$000	1HFY11 \$000	% Increase	1HFY12 \$000	1HFY11 \$000	% Increase	1HFY12 \$000	1HFY11 \$000
	Group Remuneration Services	Group Remuneration Services		Asset Management	Asset Management		Total	Total
Revenue from operating activities	64,413	53,618	20.1%	78,593	82,683	-4.9%	143,006	136,301
Expenses	38,066	32,123	18.5%	68,518	73,209	-6.4%	106,584	105,332
Pre tax profit from operating activities	26,347	21,495	22.6%	10,075	9,474	6.3%	36,422	30,969
Operating margin	40.9%	40.1%		12.8%	11.5%		25.5%	22.7%
Tax	7,868	6,474	21.5%	3,131	2,868	9.2%	10,999	9,342
<b>Segment net profit after tax</b>	<b>18,479</b>	<b>15,021</b>	<b>23.0%</b>	<b>6,944</b>	<b>6,606</b>	<b>5.1%</b>	<b>25,423</b>	<b>21,627</b>
<b>Unallocated items</b>								
Interest income							458	360
Interest and borrowing costs on parent company debt							(602)	(1,184)
Public company costs							(578)	(475)
Integration							-	(276)
Tax on unallocated items							217	474
<b>Profit after tax from operating activities</b>	<b>18,479</b>	<b>15,021</b>	<b>23.0%</b>	<b>6,944</b>	<b>6,606</b>	<b>5.1%</b>	<b>24,918</b>	<b>20,526</b>
<b>NPAT growth</b>							<b>21.4%</b>	<b>83.0%</b>
Basic earnings per share (cents)							36.27	30.28
Diluted earnings per share (cents)							34.64	29.18
Interim dividend declared per share (cents)							22.00	16.00

## Review of Operations

In our August 2011 results presentation, we envisaged a year of focusing on execution to deliver ongoing, organic, profitable growth.

In the face of the well-publicised problems in the retail sector, and general global economic uncertainty, it is encouraging that our business produced such strong results in the first half of the 2012 financial year. Profit in both segments exceeded our expectations. Once again, our strong performance allowed us to continue to invest in people, property, process and systems ahead of the growth curve, thus ensuring the sustainability of our business model.

Here are some highlights from our last six months' activities:

- Consolidated profit after tax increased 21.4% on the prior comparable period (PCP) to \$25m.
- Strong free cash flow of \$25m (pre the investment in the growth of fleet assets).
- Group Remuneration Services maintained its momentum with net profit after tax increasing by 23% on PCP to \$18.5m. Revenue increased by 20% to \$64.4m.
- The Group Remuneration Services segment result was delivered through pleasing increases in both unit sales and average yield.
- Asset management growth is starting to accelerate, with assets under finance increasing from \$220m to \$239m. The underlying growth was better than this however, as some vehicle deliveries were delayed due to the Japanese earthquake and the Thai floods.
- Second hand car values remained sound which, together with the efforts of our remarketing team, produced pleasing results on the resale of our fleet vehicles.
- We launched broker and vendor financing programs. We also started the asset management business in New Zealand to service our trans-tasman customers.
- We extended our Asset Management credit lines out to 2015, thus enhancing our liquidity. Importantly, in a tightening credit market, we were able to renegotiate our credit on better terms. We believe this is a strong indicator of the "bankability" of our business model and should give shareholders confidence in our ability to weather any future deterioration in credit markets.
- Another excellent credit performance with no losses.
- Our strong free cashflow and proceeds from the exercise of employee options enabled us to reduce corporate debt by \$13m, well ahead of the required repayment schedule.
- Annualised return on equity of 40%.

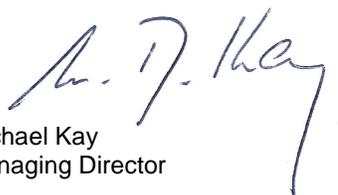
In all, a very satisfactory performance for the first half. With a good pipeline of new business and ongoing strengthening of our distribution and sales capabilities, we are well placed to maintain our momentum into the second half.

The Company declared a fully franked interim dividend of 22 cents per share (up from 16 cents in 1HFY11). The record date is 16 March, 2012 and the dividend will be paid on 30 March, 2012.

Yours faithfully,  
McMILLAN SHAKESPEARE LIMITED



Ronald Pitcher, AM  
Chairman  
Melbourne, 21 February 2012



Michael Kay  
Managing Director

For more information, please contact:

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*About McMillan Shakespeare*

McMillan Shakespeare is considered a market leader in the provision of remuneration programs. Its services include remuneration policy design, salary packaging benefit administration, motor vehicle lease management and taxation recording. McMillan Shakespeare also provides a full fleet management service, including the procurement of motor vehicles and finance and the management of fuel card and service maintenance programs.

## DIRECTORS' REPORT

The Directors of McMillan Shakespeare Limited (the Company) present their report on the consolidated entity consisting of the Company and the entities it controlled at the end of, or during the half-year ended 31 December 2011 (the Group or consolidated entity).

The names of the Directors of the Company during the half-year and until the date of this report are as follows:

Mr R. Pitcher, AM  
Mr M. Kay  
Mr J. Bennetts  
Mr R. Chessari  
Mr G. McMahon  
Mr A. Podesta

The above named Directors held office for the entire period.

### Review of Operations

A review of the operations of the consolidated entity during the half-year ended 31 December 2011 and the results of these operations are set out in the attached results announcement.

### Results

The consolidated net profit for the half-year ended 31 December 2011 attributable to the members of the Company after providing for income tax was \$24,918,000.

### Dividend

On 21 February 2012, the Board of Directors declared a fully franked dividend of 22 cents per ordinary share. The record date is 16 March 2012 and the dividend will be paid on 30 March 2012.

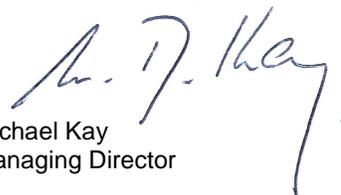
### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration, as required under section 307C of *the Corporations Act 2001* (Cth) is included on page 8 of the half-year financial report.

Signed in accordance with a resolution of the Directors made pursuant to section 306(3) of the *Corporations Act 2001* (Cth).



Ronald Pitcher, AM  
Chairman  
Melbourne, 21 February 2012



Michael Kay  
Managing Director

Grant Thornton Audit Pty Ltd  
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### **Auditor's Independence Declaration To The Directors of McMillan Shakespeare Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of McMillan Shakespeare Limited for the half year ended 31 December 2011, 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.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Simon Trivett  
Partner - Audit & Assurance Services  
Melbourne, 21 February 2012.

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## **Independent Auditor's Review Report To the Members of McMillan Shakespeare Limited**

We have reviewed the accompanying half-year financial report of McMillan Shakespeare Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the 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 controls 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 consolidated half-year financial report based on our review. We conducted our review in accordance with the 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 consolidated entity's financial position as at 31 December 2011 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 McMillan Shakespeare Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

### **Electronic presentation of reviewed financial report**

This auditor's review report relates to the financial report of McMillan Shakespeare Limited for the half-year ended 31 December 2011 included on McMillan Shakespeare Limited's web site. The Company's directors are responsible for the integrity of McMillan Shakespeare Limited's web site. We have not been engaged to report on the integrity of McMillan Shakespeare Limited's web site. The auditor's review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

### **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 McMillan Shakespeare 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 31 December 2011 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.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Simon Trivett  
Partner - Audit & Assurance Services  
Melbourne, 21 February 2012.

**DIRECTORS' DECLARATION**

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the disclosing entity will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached financial statements for the six month period ended 31 December 2011 and notes thereto are in accordance with the *Corporations Act 2001* (Cth), including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors.



Ronald Pitcher, AM  
Chairman  
Melbourne, 21 February 2012



Michael Kay  
Managing Director

**McMILLAN SHAKESPEARE LIMITED**  
**(ABN 74 107 233 983)**  
**AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

	<b>Half-year ended 31 Dec 2011 \$'000</b>	<b>Half-year ended 31 Dec 2010 \$'000</b>
<b>Revenue from continuing operations</b>	<b>143,463</b>	136,661
<b>Expenses</b>		
Employee and director benefit expenses	(31,317)	(27,050)
Depreciation and amortisation	(35,101)	(34,114)
Leasing and vehicle management expenses	(23,401)	(28,841)
Consulting costs	(1,148)	(824)
Marketing costs	(1,901)	(1,455)
Property and corporate expenses	(2,538)	(2,468)
Technology and communication expenses	(3,255)	(2,730)
Other expenses	(3,712)	(3,570)
Finance costs	(5,390)	(6,215)
	<b>(107,763)</b>	<b>(107,267)</b>
<b>Profit before income tax expense</b>	<b>35,700</b>	<b>29,394</b>
Income tax expense	(10,782)	(8,868)
<b>Net profit for the period</b>	<b>24,918</b>	<b>20,526</b>
<b>Other comprehensive income</b>		
Net value loss from hedging	(453)	(84)
Income tax	136	25
Other comprehensive income (loss) net of tax	<b>(317)</b>	<b>(59)</b>
<b>Total comprehensive income for the period</b>	<b>24,601</b>	<b>20,467</b>
Basic earnings per share (cents)	36.27	30.28
Diluted earnings per share (cents)	34.64	29.21

Notes to the financial statements are annexed.

**McMILLAN SHAKESPEARE LIMITED**  
**(ABN 74 107 233 983)**  
**AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2011**

	<b>31-Dec</b>	<b>30-Jun</b>
	<b>2011</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current assets</b>		
Cash and cash equivalents	34,640	15,034
Trade and other receivables	14,571	14,031
Finance lease receivables	5,998	3,748
Inventory	2,237	1,477
Prepayments	1,924	1,489
<b>Total current assets</b>	<b>59,370</b>	<b>35,779</b>
<b>Non current assets</b>		
Finance lease receivables	9,164	4,200
Assets under operating lease	221,660	210,661
Property, plant and equipment	8,768	8,779
Goodwill on acquisition	33,292	33,292
Capitalised software development	4,243	3,794
Contract rights	3,874	2,763
Deferred tax assets	645	1,240
<b>Total non current assets</b>	<b>281,646</b>	<b>264,729</b>
<b>Total assets</b>	<b>341,016</b>	<b>300,508</b>
<b>Current liabilities</b>		
Trade payables	12,631	13,561
Maintenance instalments received in advance	6,536	6,306
Sundry creditors and accruals	27,063	22,136
Receivables in advance	3,237	3,282
Current tax liability	3,600	6,752
Employee benefits	4,099	4,023
Borrowings	-	2,949
<b>Total current liabilities</b>	<b>57,166</b>	<b>59,009</b>
<b>Non current liabilities</b>		
Employee benefits	510	448
Borrowings	146,780	126,539
<b>Total non current liabilities</b>	<b>147,290</b>	<b>126,987</b>
<b>Total liabilities</b>	<b>204,456</b>	<b>185,996</b>
<b>Net assets</b>	<b>136,560</b>	<b>114,512</b>

McMILLAN SHAKESPEARE LIMITED  
(ABN 74 107 233 983)  
AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2011

	31-Dec 2011 \$'000	30-Jun 2011 \$'000
<b>Equity</b>		
Contributed equity	37,584	25,053
Reserves	946	1,320
Retained earnings	98,030	88,139
<b>Total equity</b>	<b>136,560</b>	<b>114,512</b>

Notes to the financial statements are annexed.

**McMILLAN SHAKESPEARE LIMITED**  
**(ABN 74 107 233 983)**  
**AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

	<b>Half-year ended 31 Dec 2011 \$'000</b>	<b>Half-year Ended 31 Dec 2010 \$'000</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	135,052	128,238
Cash payments to suppliers and employees	(54,520)	(66,529)
Proceeds from sale of assets under lease	23,986	25,548
Payments for assets under lease	(78,770)	(53,236)
Interest received	472	342
Interest paid	(4,057)	(4,834)
Income taxes paid	(13,340)	(12,130)
Net cash from operating activities	8,823	17,399
<b>Cash flows from investing activities</b>		
Payments for plant and equipment	(1,427)	(1,523)
Payments for software	(1,728)	(1,418)
Acquisition expenses	-	(340)
Net cash used in investing activities	(3,155)	(3,281)
<b>Cash flows from financing activities</b>		
Net proceeds from share issue	11,965	1,057
Proceeds from borrowings	30,000	-
Borrowings repaid	(13,000)	(8,727)
Dividends paid by parent entity	(15,027)	(9,497)
<b>Net cash used in financing activities</b>	<b>13,938</b>	<b>(17,167)</b>
Net increase in cash and cash equivalents	19,606	(3,049)
Cash and cash equivalents at the beginning of the half year	15,034	16,757
<b>Cash and cash equivalents at the end of the half year</b>	<b>34,640</b>	<b>13,708</b>

Notes to the financial statements are annexed.

**McMILLAN SHAKESPEARE LIMITED**  
**(ABN 74 107 233 983)**  
**AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

	<b>Half-year ended 31 Dec 2011 \$'000</b>	<b>Half-year Ended 31 Dec 2010 \$'000</b>
<b><u>Retained Earnings</u></b>		
Retained earnings at the beginning of the period	88,139	65,067
Profit for the period	24,918	20,526
Dividends paid	(15,027)	(9,497)
<b>Retained earnings at the end of the period</b>	<b>98,030</b>	<b>76,096</b>
<b><u>Reserves</u></b>		
<b><u>Option Reserve</u></b>		
Option reserve at the beginning of the period	1,534	1,284
Option expense	508	167
Transfer to share capital	(565)	(136)
Option reserve at the end of the period	1,477	1,315
<b><u>Hedging Reserve</u></b>		
Hedging reserve at the beginning of the period	(214)	-
Other comprehensive income for period, net of tax	(317)	(59)
Hedging reserve at the end of the period	(531)	(59)
<b>Total Reserves</b>	<b>946</b>	<b>1,256</b>
<b><u>Share Capital</u></b>		
Share capital at the beginning of the period (68,081,810 fully paid shares, December 2010: 67,677,977)	25,053	23,066
Issue of 2,557,509 fully paid shares (December 2010: 241,124) on exercise of options	11,571	1,057
Proceeds received on issue of 314,578 options	415	-
Transfer on exercise of options	565	136
	37,604	24,259
Less: transaction costs arising from option issues	(20)	-
<b>Share capital at the end of the period</b> <b>(70,639,319 fully paid shares, December 2010: 67,919,101)</b>	<b>37,584</b>	<b>24,259</b>

Notes to the financial statements are annexed.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

McMillan Shakespeare Limited (the Company) is a company limited by shares, incorporated and domiciled in Australia.

### 2. BASIS OF PREPARATION

The consolidated half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* (Cth) and AASB 134 Interim Financial Reporting.

This half-year financial report does not include 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 30 June 2011 and any public announcements made by the Company during the half-year period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

The consolidated half-year financial report was approved by the Board of Directors on 21 February 2012.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior periods. The new and revised Standards and Interpretations has not had a material impact and not resulted in changes to the Company's presentation of or disclosure in, its half-year financial statements.

### 4. DIVIDENDS

On 21 February 2012, the Board of Directors declared a fully franked dividend of 22 cents per ordinary share. The record date is 16 March 2012 and the dividend will be paid on 30 March 2012.

	Half-year ended 31 December 2011		Half-year ended 31 December 2010	
	Cents per share	Total \$'000	Cents per share	Total \$'000
<u>Recognised amounts</u>				
Fully paid ordinary shares - Final dividend	22.0	15,027	14.0	9,497
<u>Unrecognised amounts</u>				
Fully paid ordinary shares - Interim dividend	22.0	15,541	16.0	10,880

**McMILLAN SHAKESPEARE LIMITED**  
**(ABN 74 107 233 983)**  
**AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

**5. CONTINGENT LIABILITIES**

There was no material change in contingent liabilities from the last audited financial report for the year ended 30 June 2011.

**6. CAPITAL COMMITMENTS**

There was no material change in capital commitments from the last audited financial report for the year ended 30 June 2011.

**7. SEGMENT REPORTING**

*Reportable segments*

McMillan Shakespeare Limited and its controlled entities operate predominantly within one geographical location, Australia. There are two reportable segments in "Group Remuneration Services" and "Asset Management", in accordance with AASB8 "Operating Segments" based on aggregating the operating segments taking into account the nature of the business services and products sold and the associated business and financial risks and how they affect the pricing and rates of return.

*Group Remuneration Services* - This segment provides administrative services in respect of salary packaging and facilitates the settlement of motor vehicle novated leases for customers, but does not provide financing. The segment also provides ancillary services associated with motor vehicle novated lease products.

*Asset Management* - This segment provides financing and ancillary management services associated with motor vehicles, commercial vehicles and equipment.

	Segment revenue		Segment profit	
	Half-year Dec 2011	Half-year Dec 2010	Half-year Dec 2011	Half-year Dec 2010
	\$'000	\$'000	\$'000	\$'000
Group Remuneration Services	<b>64,413</b>	53,618	<b>26,347</b>	21,495
Asset Management	<b>78,593</b>	82,683	<b>10,075</b>	9,474
Total for segment operations	<b>143,006</b>	136,301	<b>36,422</b>	30,969
Corporate administration and directors' fees			<b>(578)</b>	(475)
Integration costs			-	(276)
Net finance income			<b>(144)</b>	(824)
Profit before tax for the half year			<b>35,700</b>	29,394

**8. CASH FLOW STATEMENT**

Cash flow from the provision of leasing maintenance services have been re-stated in the previous corresponding period to separate proceeds received from expenses paid. This was previously reported on a net basis. The change has increased cash receipts from customers and cash payments to suppliers and employees by the same amount of \$10,113,000 with no impact on cash generated from operations for the period.

**McMILLAN SHAKESPEARE LIMITED  
(ABN 74 107 233 983)  
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

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**9. ROUNDING OF AMOUNTS**

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investment Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

**10. EVENT SUBSEQUENT TO REPORTING DATE**

Subsequent to reporting date the company re-negotiated its borrowing arrangements for Interleasing (Australia) Limited to extend the facility by a further 12 months to 31 March 2015. The facility has been repriced to lower the borrowing costs and the capital management covenants have been improved. The facility limit of \$180m remains unchanged. The parent company McMillan Shakespeare Limited facility of \$4m remains unchanged and expires 31 March 2013.