

**GUOCO GROUP LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 53)

**OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

Please refer to the attached announcement on the next page.



**View Announcement**

	Announcement
	<p> <a href="#">Edit</a>                                <a href="#">Delete</a>                                <a href="#">Transfer</a>                                <a href="#">Submit</a> </p>
Issuer	BIL Finance Limited
Headline	Full Year Results to 30 June 2006
Announcement text	<p>For Full Year Ended : 30 June 2006</p> <p>This report has been prepared in a manner, which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates and is based on audited accounts.</p> <p><b>CONSOLIDATED OPERATING STATEMENT</b> Current Full Year NZ\$'000; Up/Down %; Previous Corresponding Full Year NZ\$'000</p> <p>Total operating revenue: \$2,109; Down 82%; \$11,763.</p> <p>OPERATING SURPLUS BEFORE UNUSUAL ITEMS AND TAX: \$15; Down 83%; \$86.</p> <p>Unusual items for separate disclosure: Nil.</p> <p>OPERATING SURPLUS BEFORE TAX: \$15; Down 83%; \$86.</p> <p>Less tax on operating profit: Nil.</p> <p>OPERATING SURPLUS AFTER TAX BUT BEFORE MINORITY INTEREST: \$15; Down 83%; \$86.</p> <p>Less minority interest: Nil.</p> <p>OPERATING SURPLUS AFTER TAX ATTRIBUTABLE TO MEMBERS OF LISTED ISSUER: \$15; Down 83%; \$86.</p> <p>Extraordinary items after tax attributable to Members of the Listed Issuer: Nil.</p> <p>OPERATING SURPLUS AND EXTRAORDINARY ITEMS AFTER TAX ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER: \$15; Down 83%; \$86.</p> <p>Earnings per share: 0.147 cps; 0.860 cps</p> <p>Dividends: Nil.</p> <p>Summary of commentary:</p> <p>As at 30 June 2006 Capital Notes to the value of \$14,993,000 (30 June 2005 : \$35,053,000) with election dates ranging from 15 October 2006 to 15 October 2007 were held external to the BIL Group of Companies. The Capital Notes pay interest at rates between 8.0% to 9.25% (30 June 2005 : 8.0% to 9.25%).</p>

Embargo Until None

Attachments

**Being Worked On (1)**

- V Ong
  - Full Year Results to 30 June 2006

**Waiting for Release (0)**

No announcements pending.

**Last 5 Released Announcement(s)**



- Interim Report Provided
  - Released - 3 Apr 2006 at 09:01:22 AM
- Interest Payments on Capital Notes
  - Released - 17 Mar 2006 at 08:52:19 AM
- Half Year Results to 31 December 2005
  - Released - 28 Feb 2006 at 08:30:22 AM
- Change of Registered Office and Address for Service
  - Released - 2 Dec 2005 at 04:07:11 PM
- Change of Registered Office and Address for Service
  - Released - 1 Dec 2005 at 02:56:26 PM

**Last 0 Rejected Announcement(s)**

There aren't any rejected Announcements.

**Logged in (1)**

- V Ong

Description	Type	Size (kb)	Delete	View
Preliminary Full Year Report Announcement for full year ended 30 June 2006	PDF file	409		

**Comments**

**Add** 

This announcement has no comments.

**BIL FINANCE LIMITED**

Level 5  
70 Shortland Street, Auckland,  
New Zealand

**PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT**

**For Full Year Ended 30 June 2006**

(referred to in this report as the "current full year")

Preliminary full year report on results (including the results for the previous corresponding full year) in accordance with Listing Rule 10.4.2. of the Listing Rules of the New Zealand Exchange Limited.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates and is based on audited financial statements.

The Issuer **does not have** a formally constituted Audit Committee of the Board of Directors.

The Issuer is wholly owned subsidiary of BIL International Limited ("BIL"). The principal activity of the Issuer is to borrow, by way of Capital Notes, and lend at a margin above average cost to BIL Group of Companies. The Issuer has advanced all its monies to BIL Group of Companies in accordance with the terms of the issue of the Capital Notes and accordingly has received interest income on those advances. The advances are on a subordinated basis, repayable on demand, and no amounts were in arrears at the above date.

All of the Capital Notes issued by the Issuer have been guaranteed by BIL on a subordinated basis.

## BIL FINANCE LIMITED

### Statement Financial Performance

- 1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE**
- 1.1 OPERATING REVENUE**
- (a) Trading Revenue
  - (b) Other Revenue
  - (c) Total Operating Revenue
- 1.2 OPERATING SURPLUS BEFORE TAXATION**
- (a) Less taxation on operating result
- 1.3 OPERATING SURPLUS AFTER TAX**
- (a) Extraordinary Items after Tax (detail in Item 3)
  - (b) Unrealised net change in value of investment properties
- 1.4 NET SURPLUS FOR THE PERIOD**
- (a) Net Surplus attributable to minority interests
- 1.5 NET SURPLUS ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER**

Current full Year \$NZ'000	Down %	Previous corresponding full year \$NZ'000
2,109	82%	11,763
NIL	NIL	NIL
2,109	82%	11,763
2,109	82%	11,763
15	83%	86
NIL	NIL	NIL
15	83%	86
NIL	NIL	NIL
NIL	NIL	NIL
15	83%	86
NIL	NIL	NIL
15	83%	86

### Statement of Financial Performance

- 2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR FULL YEAR**
- 2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE**
- (a) Interest revenue included in Item 1.1(b)
  - (b) Unusual items for separate disclosure (detail - Item 3)
  - (c) Equity earnings (gain/loss) (detail - Item 16)
  - (d) Interest expense included in Item 1.2 (include all forms of interest, etc)
  - (e) Leasing and renting expenses
  - (f) Depreciation including all forms of amortisation and writing down of investment
  - (g) Diminution in the value of assets (other than depreciation)
  - (h) Amortisation of goodwill
  - (i) Amortisation of other intangible assets
  - (j) Impairment of goodwill
  - (k) Impairment of other intangible assets
- 2.2 SUPPLEMENTARY ITEMS**
- (a) Interest costs excluded from Item 2.1(d) and capitalised
  - (b) Outlays (other than those arising from the acquisition of an existing business) capitalised in intangibles
  - (c) Unrecognised differences between the carrying value and market value of publicly traded investments

Current full year \$NZ'000	Previous corresponding full year \$NZ'000
2,109	11,763
NIL	NIL
NIL	NIL
1,802	11,465
NIL	NIL
NIL	83
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL

**3 DISCONTINUED, UNUSUAL (INCLUDING NON RECURRING), AND EXTRAORDINARY ITEMS OF THE GROUP**

**DETAILS AND COMMENTS**

Discontinued Activities:

(Disclose Operating Revenue and Operating Surplus)

**TOTAL DISCONTINUED ACTIVITIES**

Material Unusual (including Non Recurring) Items (Included in 1.2)

Description:

**TOTAL MATERIAL NON RECURRING ITEMS**

Extraordinary Items (Ref. Item 1.3(a))

Description:

**TOTAL EXTRAORDINARY ITEMS**

**Group - Current  
Full Year**

Operating Revenue \$NZ'000	Operating Surplus \$NZ'000
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL

**4 STATEMENT OF MOVEMENTS IN EQUITY**

**4.1 NET SURPLUS ATTRIBUTABLE TO MEMBERS OF LISTED ISSUER**

(a) Net Surplus attributable to minority interest

**4.2 OTHER RECOGNISED REVENUE AND EXPENSES**

(a) \*Increases (decreases) in revaluation reserves

(b) Current Translation Differences

(c) Minority interest in other recognised revenue and expenses

**4.3 TOTAL RECOGNISED REVENUES AND EXPENSES**

**4.4 OTHER MOVEMENTS**

(a) Contributions by Owners

(b) Distributions to Owners

(c) Other

**4.5 EQUITY AT BEGINNING OF FULL YEAR**

**4.6 EQUITY AT END OF FULL YEAR**

**Statement of Movements  
in Equity**

Current full year \$NZ'000	Previous corresponding full year \$NZ'000
15	86
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
3,328	3,242
3,343	3,328

**5 EARNINGS PER SECURITY**

Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share

(a) Basic EPS

(b) Diluted EPS (if materially different from (a))

**Earnings Per Security**

Current full year \$NZ'000	Previous corresponding full year \$NZ'000
0.147	0.860

**6 MATERIAL ACQUISITIONS OF SUBSIDIARIES**

- (a) Name of subsidiary or group of subsidiaries
- (b) Percentage of ownership acquired
- (c) Contribution to consolidated net \*Surplus (Deficit) (Item 1.4) NA
- (d) Date from which such contribution has been calculated

**7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)**

- (a) Name of subsidiary or group of subsidiaries
- (b) Contribution to consolidated net \*Surplus (Deficit) (Item 1.4)
- (c) Date from which such contribution has been calculated
- (d) Contribution to consolidated net \*Surplus (Deficit) (Item 1.4) for the previous corresponding full year NA
- (e) Contribution to consolidated net \*Surplus (Deficit) (Item 1.4) from sale of subsidiary

**8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS**

The principal activity of the Issuer is to borrow and lend at a margin above average cost to BIL Group of Companies.  
 The Issuer operates principally in New Zealand.

## Statement of Financial Position

	At end of current full Year \$NZ'000	As shown in last Annual Report \$NZ'000	As shown in last half yearly report \$NZ'000
<b>9 CURRENT ASSETS:</b>			
(a) Cash	NIL	NIL	NIL
(b) Trade receivables	NIL	NIL	NIL
(c) Investments	NIL	NIL	NIL
(d) Inventories	NIL	NIL	NIL
(e) Prepaid Interest and Capitalised Issue Cost	NIL	NIL	5
<b>TOTAL CURRENT ASSETS</b>	<b>NIL</b>	<b>NIL</b>	<b>5</b>
<b>9.1 NON-CURRENT ASSETS</b>			
(a) Trade receivables			
(b) Investments	NIL	NIL	NIL
(c) Inventories	NIL	NIL	NIL
(d) Property, plant and equipment	NIL	NIL	NIL
(e) Goodwill	NIL	NIL	NIL
(f) Deferred Taxation Assets	NIL	NIL	NIL
(g) Other Intangible Assets	NIL	NIL	NIL
(h) Advances to BIL Group of Companies	18,666	39,087	18,644
<b>9.2 TOTAL NON-CURRENT ASSETS</b>	<b>18,666</b>	<b>39,087</b>	<b>18,644</b>
<b>9.3 TOTAL ASSETS</b>	<b>18,666</b>	<b>39,087</b>	<b>18,649</b>
<b>9.4 CURRENT LIABILITIES</b>			
(a) Trade Creditors			
(b) Income in advance, current	NIL	NIL	NIL
(c) Capital Notes	7,210	20,060	7,210
(d) Unsecured loans	NIL	NIL	NIL
(e) Provisions, current	NIL	NIL	NIL
(f) Accounts payable	330	686	319
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,540</b>	<b>20,746</b>	<b>7,529</b>
<b>9.5 NON-CURRENT LIABILITIES</b>			
(a) Accounts payable, non-current			
(b) Capital notes	7,783	14,993	7,783
(c) Unsecured loans	NIL	NIL	NIL
(d) Provisions, non-current	NIL	NIL	NIL
(e) Deferred Taxation Liability, non-current	NIL	NIL	NIL
(f) Other liabilities, non-current	NIL	NIL	NIL
<b>9.6 TOTAL NON-CURRENT LIABILITIES</b>	<b>7,783</b>	<b>14,993</b>	<b>7,783</b>
<b>9.7 TOTAL LIABILITIES</b>	<b>15,323</b>	<b>35,739</b>	<b>15,312</b>
<b>9.8 NET ASSETS</b>	<b>3,343</b>	<b>3,328</b>	<b>3,337</b>
<b>9.9 SHAREHOLDERS' EQUITY</b>			
(a) Share capital*	NIL	NIL	NIL
(b) Reserves*	NIL	NIL	NIL
(c) Retained Surplus	3,343	3,328	3,337
<b>9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER</b>	<b>3,343</b>	<b>3,328</b>	<b>3,337</b>
(a) Minority equity interests in subsidiaries	NIL	NIL	NIL
<b>9.11 TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,343</b>	<b>3,328</b>	<b>3,337</b>
(a) Returns on Assets (%) (EBIT divided by Total Assets)	NIL	NIL	NIL
(b) Return on Equity (%) (Net Income divided by Shareholders' Equity)	NIL	NIL	NIL
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	4.6	10.7	4.6

\* The paid in share capital of the issuer is NZ\$100

Page four



**12 CASH FLOWS RELATING TO OPERATING ACTIVITIES**

- (a) Receipts from customers
- (b) Interest received
- (c) Dividends received
- (d) Payments to suppliers and employees
- (e) Interest paid
- (f) Income taxes paid
- (g) Other cash flows relating to operating activities

**NET OPERATING FLOWS**

**12.1 CASH FLOWS RELATING TO INVESTING ACTIVITIES**

- (a) Cash proceeds from sale of property, plant and equipment
- (b) Cash proceeds from sale of equity investments
- (c) Loans repaid by other entities
- (d) Cash paid for purchases of property, plant and equipment
- (e) Interest paid - capitalised
- (f) Cash paid for purchases of equity investments
- (g) Advances to BIL Group of Companies
- (h) Other cash flows relating to operating activities

**NET INVESTING CASH FLOWS**

**12.2 CASH FLOWS RELATED TO FINANCING ACTIVITIES**

- (a) Cash proceeds from issue of Capital Notes
- (b) Borrowings
- (c) Repayment of Capital Notes
- (d) Dividends paid
- (e) Other cash flows relating to operating activities

**NET FINANCING CASH FLOWS**

**12.3 NET INCREASE (DECREASE IN CASH HELD)**

- (a) Cash at beginning of full year
- (b) Exchange rate adjustments to Item 12.3(a) above
- (c) **CASH AT END OF FULL YEAR**

**13 NON-CASH FINANCING AND INVESTING ACTIVITIES : NIL (2005 : NIL)**

**Statement  
of cash flows for full year**

Current full year \$NZ'000	Corresponding full year \$NZ'000
NIL	NIL
2,109	11,763
NIL	NIL
(283)	(151)
(2,167)	(17,443)
NIL	NIL
NIL	NIL
(341)	(5,831)
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
20,401	517,985
NIL	NIL
20,401	517,985
NIL	NIL
NIL	NIL
(20,080)	(512,154)
NIL	NIL
NIL	NIL
(20,080)	(512,154)
NIL	NIL
NIL	NIL
NIL	NIL

**14 RECONCILIATION OF CASH**

For the purposes of the above Statement of cash flows, cash includes:

Cash at the end of the full year as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:

Cash on hand and at bank  
 Deposits at call  
 Bank overdraft  
 Other  
**Total = Cash at End of \*Half/Full Year (Item 12.3(c) above)**

Current full year NZ\$'000	Previous Corresponding full year NZ\$'000
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL

**15 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES**

**Equity Accounted Earnings from Associates**

**15.1 GROUP SHARE OF RESULTS OF ASSOCIATES**

- (a) OPERATING SURPLUS (DEFICIT) BEFORE TAX
- (b) Less tax
- (c) OPERATING SURPLUS (DEFICIT) AFTER TAX
  - (i) Extraordinary items
- (d) NET SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX

Current full year \$NZ'000	Previous corresponding full year \$NZ'000
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL

**15.2 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES**

- (a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of Full Year		Contribution to net surplus (deficit) (Item 1.5)	
	Current Full Year	Previous Corresponding Full Year	Current Full Year NZ\$'000	Previous Corresponding Full Year NZ\$'000
Equity Accounted Associates	NIL	NIL	<i>Equity Accounted in current year</i>	
			NIL	NIL
Other Material Interests	NIL	NIL	<i>Not Equity Accounted in current year</i>	
			NIL	NIL

(b) Investments in Associates

Carrying value of investments in associates beginning of full year  
 Share of changes in associates' post acquisition surpluses/and reserves:  
 - Retained surplus  
 - Reserves  
 Net goodwill amortisation and impairment adjustments in the period  
 Less Dividends received in the period  
 Equity carrying value of investments at the end of half year/full year  
 Amount of goodwill included in carrying value at end of that half year/full year

Current full Year \$NZ'000	Previous Corresponding full year \$NZ'000
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL

16 ISSUED AND QUOTED SECURITIES AT END OF CURRENT FULL YEAR

Category of Securities	Number		Paid-Up Value (if not fully paid)
	Issued	Quoted	
<b>ORDINARY SHARES:</b>	100	NIL	
Issued during current full year	NIL	NIL	
<b>CAPITAL NOTES</b>	7,210,000	7,210,000	Election Date 15/10/06
	7,783,000	7,783,000	15/10/07

As at 30 June 2006, the above are the only outstanding Capital Notes on issue.

As at 31 October 2005, BIL procured the cancellation of the following BIL Finance Limited Capital Notes which it purchased:  
 - 20,060,000 units with an election date 15 October 2005

17 COMMENTS BY DIRECTORS

(a) Material factors affecting the revenues and expenses of the group for the current full year

During the year, 20,060,000 units of Capital Notes were cancelled hence a reduction in interest expense. Corresponding repayment of advances from the Company to BIL Group of Companies has resulted in a reduction in interest revenue.

(b) Significant trends or events since end of current full year

NIL

(c) Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed

NIL

(d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain

NIL

(e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty  
NIL

(f) Other comments

As at 30 June 2006 Capital Notes to the value of \$14,993,000 (30 June 2005 : \$35,053,000) with election dates ranging from 15 October 2006 to 15 October 2007 were held external to the BIL Group of Companies. The Capital Notes pay interest at rates between 8.0% and 9.25% (30 June 2005 : 8.0% and 9.25%)

**18 DIVIDEND**

(a) Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)

No dividend has been authorised by the Board.

(b) Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)

NIL

**19 ANNUAL MEETING (if full year report)**

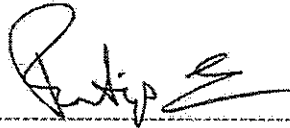
(a) To be held at : NIL

(b) Date :

Time :

(c) Approximate date of availability of Annual Report

This full year report was approved by resolution of the Board of Directors on 24 August 2006,



(signed by) Authorised Officer of Listed Issuer

24 August 2006

(date)



## Audit report

### To the shareholders of BIL Finance Limited

We have audited the financial statements on pages 5 to 17. The financial statements provide information about the past financial performance of the company and its financial position as at 30 June 2006. This information is stated in accordance with the accounting policies set out on pages 10 to 11.

#### Directors' responsibilities

The Directors are responsible for the preparation of financial statements which give a true and fair view of the financial position of the company as at 30 June 2006 and the results of its operations and cash flows for the year ended on that date.

#### Auditors' responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Directors and report our opinion to you.

#### Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgments made by the Directors in the preparation of the financial statements;
- whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors we have no relationship with or interests in the company.



### **Unqualified opinion**

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the company as far as appears from our examination of those records;
- the financial statements on pages 5 to 17:
  - comply with New Zealand generally accepted accounting practice;
  - give a true and fair view of the financial position of the company as at 30 June 2006 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 24 August 2006 and our unqualified opinion is expressed as at that date.

KPMG

Wellington