



12 March 2003

The Manager  
Announcements  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

**By facsimile: 1300 300 021**

Dear Sir/Madam

## **RESULTS FOR SIX MONTHS ENDED 28 DECEMBER 2002**

As a result of the successful takeover of Rebel Sport Limited by a subsidiary of Harvey Norman Holdings Limited in July 2001, the balance date of Rebel Sport Limited was changed at 30 June 2002, from 31 March to 30 June, to coincide with that of Harvey Norman Holdings Limited. The results in this report represent the six months ended 28 December 2002. The previous corresponding period was for the six months ended 29 September 2001 and therefore the comparative figures are not strictly comparable.

Rebel Sport Limited has achieved a record consolidated profit before income tax of \$14.66 million for the six months ended 28 December 2002 (for the six months ended 29 September 2001: \$0.58 million). Net profit after income tax and outside equity interests was \$10.03 million, a \$9.69 million increase on the \$0.34 million result achieved for the six months ended 29 September 2001. This is equivalent to 13.44 cents per share (for the six months ended 29 September 2001: 0.53 cents per share).

Total revenue achieved for the six months ended 28 December 2002 was \$153.8 million, an increase of 38% over the six months ended 29 September 2001. When compared to the equivalent six month period, July to December 2001, sales revenue grew by 11% to \$143.5 million and the sales revenue from like for like stores increased by 7%. Sales have remained strong for the first two months since 28 December 2002, increasing by 15% and on a like for like basis by 8%.

During the period ended 28 December 2002, Rebel Sport opened four new stores located in Cairns, Pacific Fair (Surfers Paradise), Townsville and Pagewood, Sydney. During March 2003, Rebel Sport will open further stores, in Melville, WA and Tuggerah, NSW bringing the total combined number of Rebel Sport and Glue stores to 53.

A number of new Rebel Sport stores are planned to open during the 2003 calendar year.

### **REBEL SPORT LIMITED**

A.C.N. 003 283 823

348 Hume Highway, Bankstown NSW 2200

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<http://www.rebelsport.com.au>

An interim fully franked dividend of 1.0 cent per share (2001: Nil) has been declared by the Board. The dividend will be payable on 2 May 2003 to shareholders registered on 18 April 2003 and transfers will be received by the Company until 5.00pm on that date.

Yours faithfully

Stephen Heath  
**Managing Director**

**Half Year Financial Report  
of Rebel Sport Limited (ABN 78 003 283 823)  
for the half year ended 28 December 2002**

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## Directors' Report

The directors present their report, together with the consolidated financial report of Rebel Sport Limited ("the Company") for the half year ended 28 December 2002. The consolidated financial report represents the consolidated entity, comprising of the Company and its controlled entities.

As a result of the successful takeover of the Company by a subsidiary of Harvey Norman Holdings Limited in July 2001, the balance date of the Company and the consolidated entity was changed from 31 March 2002 to 30 June 2002 to coincide with that of Harvey Norman Holdings Limited. The attached half yearly report for the consolidated entity has therefore been prepared for the six-month financial period 1 July 2002 to 28 December 2002. The previous corresponding financial period was for the six-month period 1 April 2001 to 29 September 2001 and therefore comparative amounts disclosed in the half yearly report are not strictly comparable.

### Directors

The names of directors in office during the entire half year and up to the date of this report (unless otherwise indicated) are:

Gerald Harvey - Non-Executive Chairman, Age 63

Stephen M. Heath - Managing Director, Age 35

Chris H. Brown - Non-Executive Director, Age 53

Kay L. Page - Non-Executive Director, Age 46

Hilton Seskin - Executive Director, Age 44

John Skippen - Non-Executive Director, Age 55

Ian D. Dresner - Executive Director, Age 52 (resigned 31 January 2003)

The Company has an Audit Committee which includes directors Messrs. John Skippen (Chairman) and Stephen Heath.

### Review of Operations

The consolidated entity achieved a net profit after income tax attributable to members of \$10,028,000 (2001: \$342,000) for the half year ended 28 December 2002.

### Rounding Off

The Company is of a kind referred to in ASIC Class Order 98/0100 and amounts in this report and the accompanying half yearly report have been rounded off to the nearest one thousand dollars in accordance with that Class Order, unless otherwise indicated.

Signed in accordance with a resolution of the directors for and on behalf of the directors by:

**G. Harvey**  
Director

**S. M. Heath**  
Director

**R. J. Skippen**  
Director

Sydney, 12 March 2003

## Half Yearly Report

Name of entity

**Rebel Sport Limited**

ABN

Half yearly  
(tick)

Preliminary  
final (tick)

Half year ended ('current period')\*

**78 003 283 823**

**28 December 2002**

For announcement to the market

*Extracts from this report for announcement to the market (see note 1)*

			<b>\$A'000</b>
Revenues from ordinary activities ( <i>item 1.1</i> )	<b>up</b>	<b>38% to</b>	<b>153,762</b>
Profit from ordinary activities after tax attributable to members ( <i>item 1.22</i> )	<b>up over</b>	<b>100% to</b>	<b>10,028</b>
Profit from extraordinary items after tax attributable to members ( <i>item 2.5(d)</i> )			<b>NIL</b>
Net profit for the period attributable to members ( <i>item 1.11</i> )	<b>up over</b>	<b>100% to</b>	<b>10,028</b>

<b>Dividends (distributions)</b>	Amount per security	Franked amount per security
Final dividend ( <i>Preliminary final report only - item 15.4</i> )	N/A	N/A
Interim dividend ( <i>Half yearly report only - item 15.6</i> )	<b>1.0¢</b>	<b>1.0¢</b>
Previous corresponding period ( <i>Preliminary final report - item 15.5; half yearly report - item 15.7</i> )	NIL	NIL

Record date for determining entitlements to the dividend, (see *item 15.2*)

**18 April 2003**

Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

No such matters

\* As a result of the successful takeover of the entity by a subsidiary of Harvey Norman Holdings Limited in July 2001, the balance date of the entity was changed from 31 March 2002 to 30 June 2002 to coincide with that of Harvey Norman Holdings Limited. This half yearly report has been prepared for the six-month financial period 1 July 2002 to 28 December 2002. The previous corresponding financial period was for the six-month period 1 April 2001 to 29 September 2001 and therefore comparative amounts disclosed in this half yearly report are not strictly comparable.

<b>Condensed consolidated statement of financial performance</b>		<b>Current period (1) \$A'000</b>	<b>Previous corresponding period (2) \$A'000</b>
1.1	Revenues from ordinary activities ( <i>see items 1.23 -1.25</i> )	153,762	111,102
1.2	Expenses from ordinary activities ( <i>see items 1.26 &amp; 1.27</i> )	138,445	109,328
1.3	Borrowing costs	659	1,195
1.4	Share of net profits (losses) of associates and joint venture entities ( <i>see item 16.7</i> )	-	-
<b>1.5</b>	<b>Profit from ordinary activities before tax</b>	<b>14,658</b>	579
1.6	Income tax on ordinary activities	4,520	242
<b>1.7</b>	<b>Profit from ordinary activities after tax</b>	<b>10,138</b>	337
1.8	Profit from extraordinary items after tax ( <i>see item 2.5</i> )	-	-
<b>1.9</b>	<b>Net profit</b>	<b>10,138</b>	337
1.10	Net (profit) loss attributable to outside equity interests	(110)	5
<b>1.11</b>	<b>Net profit for the period attributable to members</b>	<b>10,028</b>	342
<b>Non-owner transaction changes in equity</b>			
1.12	Increase (decrease) in revaluation reserves	-	-
1.13	Net exchange differences recognised in equity	-	-
1.14	Other revenue, expense and initial adjustments recognised directly in equity ( <i>attach details</i> )	-	-
1.15	Initial adjustments from UIG transitional provisions	-	-
1.16	Total transactions and adjustments recognised directly in equity ( <i>items 1.12 to 1.15</i> )	-	-
<b>1.17</b>	<b>Total changes in equity not resulting from transactions with owners as owners</b>	<b>10,028</b>	342
<b>Earnings per security (EPS)</b> ( <i>see item 10</i> )			
1.18	Basic EPS	<b>13.44 cents</b>	0.53 cents
1.19	Diluted EPS	<b>12.98 cents</b>	0.52 cents

(1) Being for the six-month period ended 28 December 2002.

(2) Being for the six-month period ended 29 September 2001.

<b>Notes to the condensed consolidated statement of financial performance</b>		<b>Current period \$A'000</b>	<b>Previous corresponding Period \$A'000</b>
<b>Profit from ordinary activities attributable to members</b>			
1.20	Profit from ordinary activities after tax ( <i>item 1.7</i> )	<b>10,138</b>	337
1.21	Plus (less) outside equity interests	<b>(110)</b>	5
<b>1.22</b>	<b>Profit from ordinary activities after tax, attributable to members</b>	<b>10,028</b>	342
<b>Revenue and expenses from ordinary activities</b>			
1.23	<b>Revenue</b>		
	<i>Revenue from operating activities</i>		
	Sales revenue		
	Sales of goods	<b>140,845</b>	102,868
	Hire of equipment	<b>2,716</b>	2,201
	<b>Total sales revenue</b>	<b>143,561</b>	105,069
1.24	<b>Interest received</b>	<b>330</b>	25
	Dividends received	-	-
	Franchise royalty income	<b>665</b>	604
	Other revenue (refer note (a))	<b>9,132</b>	5,193
	<i>Revenue from outside operating activities</i>		
	Proceeds from sale of property, plant and equipment (refer note (b))	<b>74</b>	211
1.25	<b>Total other revenue (excluding interest revenue)</b>	<b>9,871</b>	6,008
	<b>Total revenue</b>	<b>153,762</b>	111,102
1.26	<b>Expenses</b>		
	Cost of sales	<b>89,116</b>	65,970
	Advertising expenses	<b>4,561</b>	4,955
	Occupancy expenses	<b>9,816</b>	8,606
	Employee expenses	<b>23,334</b>	19,377
	Amortisation and depreciation expenses (see item 1.27)	<b>5,160</b>	5,053
	Other expenses	<b>6,458</b>	5,367
	<b>Total expenses excluding borrowing costs</b>	<b>138,445</b>	109,328
	Borrowing costs	<b>659</b>	1,195
	<b>Total expenses</b>	<b>139,104</b>	110,523

	<b>Current period \$A'000</b>	<b>Previous corresponding Period \$A'000</b>
Note (a): Other revenue includes settlement discounts received, co-operative advertising contributions, amortisation of lease incentive contributions and other sundry revenue		
Note (b): Net (profit) loss on disposal of property, plant and equipment	<b>10</b>	(3)
Net loss on scrapping of property, plant and equipment	<b>311</b>	-
1.27 Depreciation and amortisation of property, plant and equipment excluding amortisation of intangibles	<b>4,921</b>	4,698
Amortisation of goodwill ( <i>see item 2.3</i> )	<b>10</b>	32
Amortisation of deferred expenditure (refer note(a))	<b>229</b>	323
	<b>5,160</b>	5,053

Note (a):

Refer to Item 19.5 for change in accounting policy related to deferred expenditure.



	<b>Current period \$A'000</b>	<b>Previous corresponding Period \$A'000</b>
<b>Income Tax</b>		
Prima facie income tax on profit from ordinary activities at 30%	4,397	174
Add/(less) income tax effect of:		
Non-deductible items	39	27
Other items	84	-
Adjustments to deferred tax balances	-	41
<b>Income tax on ordinary activities</b>	<b>4,520</b>	<b>242</b>
<b>Capitalised outlays</b>		
1.28 Interest costs capitalised in asset values	-	-
1.29 Outlays (except those arising from the acquisition of an existing business) capitalised in other current assets	-	-

<b>Consolidated retained profits</b>		<b>Current period \$A'000</b>	<b>Previous corresponding Period \$A'000</b>
1.30	Retained profits at the beginning of the financial period	15,437	8,076
1.31	Net profit attributable to members ( <i>item 1.11</i> )	10,028	342
1.32	Net transfers from (to) reserves ( <i>details if material</i> )	-	-
1.33	Net effect of changes in accounting policies (see item 19.5)	739	-
1.34	Dividends and other equity distributions paid or payable (refer note (a))	(751)	-
<b>1.35</b>	<b>Retained profits at end of financial period</b>	<b>25,453</b>	<b>8,418</b>

Note (a):

The final dividend for the financial period ended 30 June 2002 of \$751,000 (being 1.0 cents per share) was paid during the current period. The provision for this dividend included in the statement of financial position at 30 June 2002 was \$739,000. The additional \$12,000 represents dividends paid on new shares issued during the current period and prior to the entitlement date of the dividend.

#### **Intangible and extraordinary items**

		<b>Consolidated - current period</b>			
		<b>Before tax \$A'000</b>	<b>Related tax \$A'000</b>	<b>Related outside equity interests \$A'000</b>	<b>Amount attributable to members after tax \$A'000</b>
2.1	Amortisation of goodwill	10	-	6	4
2.2	Amortisation of other intangibles	-	-	-	-
<b>2.3</b>	<b>Total amortisation of intangibles</b>	<b>10</b>	<b>-</b>	<b>6</b>	<b>4</b>
2.4	Extraordinary items (details)	-	-	-	-
<b>2.5</b>	<b>Total extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### **Comparison of half year profits**

(Preliminary final report only)

		<b>Current period \$A'000</b>	<b>Previous corresponding Period \$A'000</b>
3.1	Consolidated profit from ordinary activities after tax attributable to members reported for the 1st half year (item 1.22 in the half yearly report)	N/A	N/A
3.2	Consolidated profit from ordinary activities after tax attributable to members for the 2nd half year	N/A	N/A

<b>Condensed consolidated statement of financial position</b>		<b>At end of current period</b>	<b>As shown in last annual report (1)</b>	<b>As shown in last half yearly statement (2)</b>
		<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>
<b>Current assets</b>				
4.1	Cash	15,967	10,170	2,181
4.2	Receivables	15,578	10,677	3,725
4.3	Investments	-	-	-
4.4	Inventories	62,905	51,009	56,605
4.5	Tax assets	1,270	1,436	-
4.6	Other (provide details if material)			
	• prepayments and net deferred expenditure	1,047	3,025	2,325
	• property, plant and equipment (net) to be sold and leased back	-	-	1,213
<b>4.7</b>	<b>Total current assets</b>	<b>96,767</b>	<b>76,317</b>	<b>66,049</b>
<b>Non-current assets</b>				
4.8	Receivables	92	92	92
4.9	Investments (equity accounted)	-	-	-
4.10	Other investments	-	-	-
4.11	Inventories	-	-	-
4.12	Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	-	-	-
4.13	Development properties (mining entities)	-	-	-
4.14	Other property, plant and equipment (net)	31,648	30,700	29,901
4.15	Intangibles (net)	330	340	1,151
4.16	Tax assets	3,377	3,346	3,851
4.17	Other (provide details if material)	-	-	-
<b>4.18</b>	<b>Total non-current assets</b>	<b>35,447</b>	<b>34,478</b>	<b>34,995</b>
<b>4.19</b>	<b>Total assets</b>	<b>132,214</b>	<b>110,795</b>	<b>101,044</b>
<b>Current liabilities</b>				
4.20	Payables	44,727	30,441	32,488
4.21	Interest bearing liabilities	6,272	9,231	19,129
4.22	Tax liabilities	3,970	867	23
4.23	Provisions (exc. tax liabilities)	2,769	3,215	2,237
4.24	Other (provide details if material)			
	• lease incentive contributions	1,116	1,178	1,268
<b>4.25</b>	<b>Total current liabilities</b>	<b>58,854</b>	<b>44,932</b>	<b>55,145</b>

Condensed consolidated statement of financial position	At end of current period \$A'000	As shown in last annual report (1) \$A'000	As shown in last half yearly statement (2) \$A'000
<b>Non-current liabilities</b>			
4.26 Payables	-	-	-
4.27 Interest bearing liabilities	6,557	9,346	10,899
4.28 Tax liabilities	1,357	1,695	1,846
4.29 Provisions (exc. tax liabilities)	639	728	569
4.30 Other (provide details if material) • lease incentive contributions	2,810	2,874	3,610
<b>4.31 Total non-current liabilities</b>	<b>11,363</b>	<b>14,643</b>	<b>16,924</b>
<b>4.32 Total liabilities</b>	<b>70,217</b>	<b>59,575</b>	<b>72,069</b>
<b>4.33 Net assets</b>	<b>61,997</b>	<b>51,220</b>	<b>28,975</b>
<b>Equity</b>			
4.34 Capital/contributed equity	35,589	34,793	19,323
4.35 Reserves	-	-	-
4.36 Retained profits	25,453	15,437	8,418
<b>4.37 Equity attributable to members of the parent entity</b>	<b>61,042</b>	<b>50,230</b>	<b>27,741</b>
4.38 Outside equity interests in controlled entities	955	990	1,234
<b>4.39 Total equity</b>	<b>61,997</b>	<b>51,220</b>	<b>28,975</b>
4.40 Preference capital included as part of 4.37	N/A	N/A	N/A

(1) Being for the fifteen-month financial period ended 30 June 2002.

(2) Being for the six-month financial period ended 29 September 2001.

#### Notes to the condensed consolidated statement of financial position

##### Exploration and evaluation expenditure capitalised

*(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)*

5.1 Not applicable

##### Development properties

*(To be completed only by entities with mining interests if amounts are material)*

6.1 Not applicable

<b>Condensed consolidated statement of cash flows</b>		<b>Current period (1)</b>	<b>Previous corresponding Period (2)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
<b>Cash flows related to operating activities</b>			
7.1	Receipts from customers	<b>157,789</b>	115,767
7.2	Payments to suppliers and employees	<b>(131,780)</b>	(103,051)
7.3	GST paid	<b>(1,921)</b>	(3,287)
7.4	Dividends received	-	-
7.5	Interest and other items of similar nature received	<b>313</b>	25
7.6	Interest and other costs of finance paid	<b>(659)</b>	(1,195)
7.7	Income taxes paid	<b>(1,617)</b>	(1,554)
7.8	Other (provide details if material)		
	• franchise royalties received	-	1,087
	• other receipts	<b>229</b>	283
<b>7.9</b>	<b>Net operating cash flows</b>	<b>22,354</b>	8,075
<b>Cash flows related to investing activities</b>			
7.10	Payments for purchases of property, plant and equipment	<b>(6,265)</b>	(2,762)
7.11	Proceeds from sale of property, plant and equipment	<b>74</b>	211
7.12	Payment for purchases of equity investments	-	-
7.13	Proceeds from sale of equity investments	-	-
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	29
7.16	Other (provide details if material)		
	• payments for purchase of short term investments	<b>(23,000)</b>	-
	• proceeds from repayment of short term investments	<b>17,970</b>	-
<b>7.17</b>	<b>Net investing cash flows</b>	<b>(11,221)</b>	(2,522)

<b>Condensed consolidated statement of cash flows</b>		<b>Current period (1)</b>	<b>Previous corresponding Period (2)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
<b>Cash flows related to financing activities</b>			
7.18	Proceeds from issues of securities (shares, options, etc.)	<b>796</b>	799
7.19	Proceeds from borrowings and lessor contributions	<b>511</b>	4,286
7.20	Repayment of borrowings	<b>(5,747)</b>	(6,892)
7.21	Dividends paid	<b>(751)</b>	(936)
7.22	Other (provide details if material)	<b>(145)</b>	(111)
<b>7.23</b>	<b>Net financing cash flows</b>	<b>(5,336)</b>	(2,854)
7.24	<b>Net increase (decrease) in cash held</b>	<b>5,797</b>	2,699
7.25	Cash at beginning of period	<b>10,170</b>	(518)
7.26	Exchange rate adjustments to item 7.25.	-	-
<b>7.27</b>	<b>Cash at end of period</b> <i>(see Reconciliation of cash)</i>	<b>15,967</b>	2,181

(1) Being for the six-month period ended 28 December 2002.

(2) Being for the six-month period ended 29 September 2001.

#### **Notes to the condensed consolidated statement of cash flows**

1. During the current period, the consolidated entity paid **\$NIL** (2001 - \$729,000) for certain assets utilised in new and refurbished store fit-outs. These assets were refinanced by means of finance leases on completion of the fit-outs, resulting in a cash inflow of **\$NIL** (2001 - \$729,000) to the consolidated entity. These offsetting cash flows have not been reflected in the condensed consolidated statement of cash flows.

#### **Non-cash financing and investing activities**

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

1. During the current period, the consolidated entity acquired plant and equipment, including those referred to in the Notes to the condensed consolidated statement of cash flows above, with an aggregate fair value of **\$NIL** (2001 - \$829,000) by means of finance leases which are not reflected in the condensed consolidated statement of cash flows.

## Reconciliation of cash

Reconciliation of cash at the end of the financial period (as shown in the condensed consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding Period \$A'000
8.1 Cash on hand, in transit and at bank	15,967	2,181
8.2 Deposits at call	-	-
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
<b>8.5 Total cash at end of period (item 7.27)</b>	<b>15,967</b>	<b>2,181</b>

## Other notes to the condensed financial statements

### Ratios

	Current period	Previous corresponding Period
<b>Profit before tax/revenue</b>		
9.1 Consolidated profit from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	9.53%	0.52%
<b>Profit after tax/equity interests</b>		
9.2 Consolidated net profit from ordinary activities after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 4.37)	16.43%	1.23%

	Current period '000	Previous corresponding Period '000
<b>Earnings per security (EPS)</b>		
10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of AASB 1027: "Earnings Per Share" are as follows:		
(a) Earnings used in calculation of basic and diluted earnings per share.	<b>10,028</b>	342
(b) Weighted average number of ordinary shares used in the calculation of basic earnings per share. The number of shares in the prior period has been adjusted for the rights issue which occurred in June 2002	<b>74,605</b>	64,777
Effect of dilutive securities: Share options	<b>2,661</b>	1,216
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share.	<b>77,266</b>	65,993
(c) Weighted average number of converted, lapsed or cancelled shares under option included in the calculation of diluted earnings per share.	<b>1,368</b>	1,102
(d) Subsequent to balance date, 46,000 options over ordinary shares have been exercised, resulting in the issue of 46,000 ordinary shares.		

**NTA Backing**

	Current period	Previous corresponding Period
11.1 Net tangible asset backing per ordinary security	<b>81 cents</b>	42 cents

The ordinary shares outstanding at balance date in both periods have been used in the above calculation of net tangible asset backing.

**Discontinuing Operations**

12.1 Not applicable

**Control gained over entities having material effect**

13.1 Not applicable

**Loss of Control of entities having material effect**

14.1 Not applicable



## Dividends

15.1 Date the dividend is payable

2 May 2003

15.2 Record date to determine entitlements to the dividend (ie, on the basis of proper instruments of transfer received by 5.00 pm if securities are not CHES approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are CHES approved)

18 April 2003

15.3 If it is a final dividend, has it been declared?  
(Preliminary final report only)

N/A

## Amount per security

		Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
15.4	(Preliminary final report only) <b>Final dividend:</b> Current year	N/A	N/A	N/A
15.5	Previous year	N/A	N/A	N/A
15.6	(Half yearly and preliminary final reports) <b>Interim dividend:</b> Current year	1.0¢	1.0¢	NIL
15.7	Previous year	NIL	NIL	NIL

## Total dividend (distribution) per security (interim plus final) (Preliminary final report only)

15.8 Ordinary securities

Current year

Previous year

N/A

N/A

15.9 Preference securities

N/A

N/A

## Half yearly report - interim dividend (distribution) on all securities or Preliminary final report - final dividend (distribution) on all securities

15.10 Ordinary securities (each class separately)

752

-

15.11 Preference securities (each class separately)

-

-

15.12 Other equity instruments (each class separately)

-

-

**15.13 Total**

752

-

In accordance with the requirements of new accounting standard, AASB1044 "Provisions, Contingent Liabilities and Contingent Assets", the interim dividend has not been provided for in the statement of financial position.

## Details of aggregate share of profits of associates and joint venture entities

16.1 Not applicable

## Material interests in entities which are not controlled entities

17.1 Not applicable

## Issued and quoted securities at end of current period

Description must include rates of interest and any redemption or conversion rights together with prices and dates

Category of securities	Number issued	Number quoted	Issue price per security (cents)	Amount paid-up per security (cents)
18.1 Preference securities	-	-	-	-
18.2 Issued during current period	-	-	-	-
18.3 Ordinary securities	75,188,043		Fully Paid	Fully Paid
18.4 Issued during current period (Refer notes 1 and 2 below)	1,332,000			
18.5 Convertible debt securities	-	-	-	-
18.6 Issued during current period	-	-	-	-
18.7 Options (description and conversion factor) Options unissued ordinary shares		<b>Shares Entitled on Exercise</b>	<b>Average Exercise Price Per Option</b>	<b>Expiry Date</b>
	668,000	668,000	\$0.82	2 Mar 2004
	157,000	157,000	\$0.82	3 July 2005
	800,000	800,000	\$0.67	3 Aug 2006
	400,000	400,000	\$0.38	3 Aug 2006
	3,000,000	3,000,000	\$0.83	30 Sept 2007
	400,000	400,000	\$1.75	30 Sept 2007
	5,425,000	5,425,000		
18.8 Issued during current period (Refer to note 3 below)	3,400,000	3,400,000		
18.9 Exercised during current period (Refer notes 1 and 2 below)		<b>Shares Issued on Exercise</b>	<b>Average Exercise Price per Option</b>	<b>Average Amount paid per share issued</b>
	1,332,000	1,332,000	\$0.60	\$0.60
18.10 Expired/cancelled during Current period	36,000	36,000	-	-
18.11 Debentures	-	-		
18.12 Unsecured notes	-	-		

- Pursuant to the Employee Option Incentive Scheme, 132,000 options were exercised by 12 employees of the consolidated entity during the financial period, at an average exercise price of \$0.82 per option. This resulted in the issue of 132,000 ordinary shares.
- During the current period, one executive director, Ian Dresner, exercised 800,000 options at \$0.67 each and 400,000 options at \$0.38 each. This resulted in the issue of 1,200,000 ordinary shares.
- At a general meeting of shareholders of the Company held on 26 September 2002, the Company approved the granting of 3,400,000 options to Stephen Heath, the managing director of the Company. The options entitle the option holder to subscribe for a total of 3,000,000 ordinary shares in the Company at a price of \$0.83 cents each and 400,000 ordinary shares in the Company at a price of \$1.75 each. The option holder cannot participate in new issues of shares without exercising the options. The options cannot be exercised before 1 October 2005 and they expire on 30 September 2007.

## Reports for industry and geographical segments

The consolidated entity operates primarily as a retailer of footwear, clothing and equipment in the sporting and leisure sectors with all material operations being conducted within Australia.

## Comments by Directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB 1029: "Interim Financial Reporting". The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

## Basis of financial report preparation

19.1 This half year report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Applicable Accounting Standards including AASB 1029 "Interim Financial Reporting", the Listing Rules and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

The half year financial report has been prepared in accordance with the historical cost convention.

The 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 a full understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half year financial report should be read in conjunction with the last annual financial report of Rebel Sport Limited as at 30 June 2002, together with any announcements to the market made by the entity during the half year ended 28 December 2002 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and the Listing Rules of the ASX.

Certain comparative information has been adjusted to conform with changes in presentation for the current financial period.

## 19.2 **Material factors affecting the revenues and expenses of the consolidated entity for the current period.**

In a half year report, provide explanatory comments about any seasonal or irregular factors affecting operations.

As stated on Page 3 of this half year report, the current reporting period is the six-month financial period 1 July 2002 to 28 December 2002. It is not strictly comparable with the amounts disclosed for the previous corresponding financial period which are for the six-month period 1 April 2001 to 29 September 2001. In particular, the current reporting period includes the results of trading for the peak December retail trading period.

## 19.3 **A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible).**

There no such matters

## 19.4 **Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.**

The estimated amount of franking credits available to the Company (franked at 30%) already in existence or which will arise from income tax payments and refunds in the following period, related to the profit for the current period, and after adjusting for the proposed interim dividend, is **\$33,669,000**. The ability to utilise these franking credits is dependent upon there being sufficient available profits to declare dividends.

**19.5 Changes in accounting policies since the last annual report are disclosed as follows:**

Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

**Deferred Expenditure**

The consolidated entity changed its accounting policy relating to deferred expenses from the commencement of the current financial period. The net deferred costs capitalised in the balance sheet at 1 July 2002, totalling \$229,000, have been expensed during the current period.

Under the previous accounting policy, material items of expenditure such as initial advertising, payroll, travel and other costs associated with the opening of new stores were deferred and amortised over the first twelve months of trading. Under the revised accounting policy, all such expenditure is expensed at the time the new store opens. The change does not have a material impact on the reported net profit of the consolidated entity or the basic and diluted earnings per share.

**Provision for Dividend**

The consolidated entity has adopted the new Accounting Standard, AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets", which has resulted in a change in the accounting for dividend provisions. Previously, the consolidated entity recognised a provision for dividend based on the amount that was proposed or declared after the reporting date. In accordance with the requirements of the new standard, a provision for dividend will only be recognised at the reporting date where the dividends are declared, determined or publicly recommended prior to the reporting date. The effect of the revised policy has been to increase consolidated retained profits and decrease provisions at the beginning of the half-year by \$739,000. In accordance with the new Standard, no provision for dividend has been recognised for the half-year ended 28 December 2002. The change in accounting policy has had no effect on basic and diluted earnings per share.

All other material accounting policies remain unchanged from the last annual report.

**19.6 Revisions in estimates of amounts reported in previous interim periods.**

For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year.

No such matters

**19.7 Changes in contingent liabilities or assets.**

For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report.

No such matters

**Compliance statement**

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views.
2. This report does give a true and fair view of the matters disclosed.
3. This report is based on accounts which have been subject to review.
4. The entity has a formally constituted audit committee.

Sign here: ..... Date: 12 March 2003  
Raymond John Skippen  
Director/Company Secretary

## **Directors' Declaration**

In accordance with a resolution of the directors Rebel Sport Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity:
  - (i) give a true and fair view of the financial position as at 28 December 2002 and the performance for the half year ended on that date of the consolidated entity; and
  - (ii) comply with Accounting Standard AASB 1029 "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.

On behalf of the Board

**G. Harvey**  
Director

**S.M. Heath**  
Director

**R.J. Skippen**  
Director

Sydney, 12 March 2003

To the members of Rebel Sport Limited

### Scope

We have reviewed the financial report of Rebel Sport Limited in the form of Appendix 4B of the Australian Stock Exchange (ASX) Listing Rules, as set out on pages 3 to 20 including the Directors' Declaration for the half-year ended 28 December 2002, but excluding the following sections:

- 1) material factors affecting the revenues and expenses of the consolidated entity for the current period (section 19.2, pg 17);
- 2) compliance statement (page 19).

The financial report includes the consolidated financial statements of the consolidated entity comprising Rebel Sport Limited and the entities it controlled at the end of the half-year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia, statutory requirements and ASX Listing Rules as they relate to Appendix 4B, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission and the ASX.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review was limited primarily to inquiries of the company's personnel and analytical review procedures applied to financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### Review Statement

As a result of our review, we have not become aware of any matter that makes us believe that the half-year financial report, as defined in the scope section, of Rebel Sport Limited is not in accordance with:

- a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 28 December 2002 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting", and the Corporations Regulations 2001; and
- b) other mandatory professional reporting requirements in Australia and ASX Listing Rules as they relate to Appendix 4B.

Ernst & Young

Christopher George  
Partner

Sydney  
12 March 2003

To the members of Rebel Sport Limited

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Ernst & Young

Christopher George  
Partner

Sydney  
12 March 2003