

Monday, 13 August 2007

## MARKET ANNOUNCEMENT

### Net Tangible Asset Backing - 31 July 2007

Month Ending:	%Change	Current Month 31 July 2007	Previous Month 31 May 2007
Pre-Tax NTA Backing per share <sup>(1)</sup>	-0.64%	\$1.3675	\$1.3763
Post-Tax NTA Backing per share <sup>(2)</sup>	+2.36%	\$1.2481	\$1.2187
Based on total issued share capital		19,399,671	19,399,671

The NTA position (post-tax) comprises the following items:

Net Assets	Current Month \$'millions	Previous Month \$'millions
Investment in the FSP Equities Leaders' Fund (FSP Fund) managed by the Company's investment manager, FSP Equities Management Limited (FSP) <sup>(1)</sup>	22.20	21.88
Shares in Drillsearch Energy Limited (DLS) <sup>(3)</sup>	3.96	4.54
Provision for income tax <sup>(2)</sup>	(2.32)	(3.01)
Net cash on deposit / other assets	0.37	0.08
<b>Total Net Assets</b>	<b>24.21</b>	<b>23.49</b>

#### About The FSP Equities Leaders' Fund (FSP Fund) <sup>(4)</sup>

The 12 month net performance of the FSP Fund to 31 July 2007 was 46.19%. The benchmark performance (S&P/ASX 200 Accumulation Index) was 28.19%.

The FSP Fund is a wholesale fund not open to retail investors. The investment management team is led by Mr Ronni Chalmers. The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium term. There is no minimum equity weighting with the equity weighting as at 30 June 2007 being 95%.

75% of the equity portfolio is targeted to companies contained within the S&P/ASX 200 index. The remaining 25% of the portfolio is invested in companies outside of the S&P/ASX 200 index. The equity portfolio contains approximately 125 holdings as at 30 June 2007. The Investment Manager is "style neutral" and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

ABN 58 061 287 045

#### Registered Office:

Suite 202, Angela House  
 30-36 Bay Street  
 Double Bay New South Wales 2028  
 T | (02) 9363 5088  
 F | (02) 9363 5488  
 E | info@scarboroughequities.com.au  
 W | www.scarboroughequities.com.au

ASX Code: SCB



#### Company Secretarial Office:

Level 14, The Forrest Centre  
 221 St Georges Terrace  
 Perth, Western Australia 6000  
 Local T | 1300 762 678  
 T | (08) 9214 9717  
 F | (08) 9322 1515  
 E | info@scarboroughequities.com.au

**Notes:**

1. NTA backing is calculated for SCB and its controlled entities (**SCB Group**).

The SCB Group's investments are financial assets which are measured at fair value at month end. The fair value of listed securities are measured at bid price (where available) and last sale price (where bid price is not available) at month end and excludes disposal costs. The fair value of the Company's investment in the FSP Fund is valued at the unit price at month end published by FSP - such unit price reflects the net tangible asset backing of the fund and no buy/sell spread or exit fees are charged to the Company.

2. The post-tax NTA backing per share is reported net of provision for tax liabilities on the SCB Group's net profit (including after any realised and unrealised gains on investments) after consolidation.
3. 23,300,000 DLS shares at 17 cents each as at 31 July 2007 (30 June: 23,300,000 shares at 18.5 cents each).
4. Based on information provided by the Investment Manager, FSP Equities Management Limited.

---

**For further information:**

Farooq Khan  
Chairman  
T | 1300 762 678  
E | fkhan@scarboroughequities.com.au

Christopher Ryan  
Director  
T | (02) 9363 5088  
E | c.ryan@westchester.com.au