

Friday, 13 June 2008

MARKET ANNOUNCEMENT

Net Tangible Asset Backing - 31 May 2008

Month Ending:	%Change	Current Month 31 May 2008	Previous Month 30 April 2008
Pre-Tax NTA Backing per share ⁽¹⁾	+2.82%	\$1.0296	\$1.0014
Post-Tax NTA Backing per share ⁽²⁾	+1.95%	\$0.9981	\$0.9790
Based on total issued share capital		19,737,896	19,737,896

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) ⁽¹⁾	18.57	18.41
Shares in Drillsearch Energy Limited (DLS) ⁽³⁾	1.72	1.28
Provision for income tax ⁽²⁾	(0.62)	(0.44)
Net cash on deposit / other assets	0.03	0.08
Total Net Assets	19.70	19.32

About The FSP Equities Leaders' Fund (FSP Fund) ⁽⁴⁾

The 12 month net performance of the FSP Fund to 31 May 2008 was -8.6%. The benchmark performance (S&P/ASX 200 Accumulation Index) was -6.6%.

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 31 May 2008 being 96%.

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 contained approximately 120 holdings as at 31 May 2008. 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

FSP Equities Leaders Fund - Performance

Returns To:	1mth	3mths	6mths	1yr	2yrs	3yrs	Since Inception
31/05/2008	(%)	(%)	(%)	(%)	(% p.a.)	(% p.a.)	(% p.a.)
FSP Fund	0.8%	-0.7%	-15.9%	-8.6%	14.2%	18.5%	18.2%
ASX / S&P 200 Accumulation Index	1.5%	2.6%	-11.6%	-6.6%	10.9%	16.1%	13.4%

FSP Equities Leaders Fund as at 31 May 2008

Top 20 Holdings		
ASX Code	Asset Name	Fund Weight
BHP	BHP BILLITON	17.1%
WBC	WESTPAC BANKING CORPORATION	7.7%
RIO	RIO TINTO	4.6%
WPL	WOODSIDE PETROLEUM	4.3%
WES	WESFARMERS	3.6%
DXL	DYNO NOBEL	2.6%
CBA	COMMONWEALTH BANKING GROUP	2.4%
MOG	MACQUARIE GROUP	2.3%
NCM	NEWCREST MINING	1.6%
TSE	TRANSFIELD SERVICES	1.5%
WSA	WESTERN AREAS	1.2%
SUN	SUNCORP-METWAY	1.2%
LYC	LYNAS CORPORATION	1.1%
SRL	STRAITS RESOURCES	1.1%
SRK	STRIKE RESOURCES	1.1%
HVN	HARVEY NORMAN	1.1%
BXB	BRAMBLES	1.0%
LGL	LIHIR GOLD	1.0%
ORI	ORICA MINING	1.0%
MTS	METCASH	1.0%

Sector weights of equity holdings	Fund Weight
Materials Total	46.9%
Financials Total	21.3%
Industrials Total	9.5%
Energy Total	7.7%
Consumer Staples Total	6.2%
Consumer Discretionary Total	5.4%
Health Care Total	1.7%
Utilities Total	0.6%
Telecommunication Services Total	0.4%
Information Technology Total	0.3%
Property Trusts Total	0.1%

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. 29,180,334 DLS shares at 5.9 cents each, being the closing bid price on 31 May 2008 (30 April: 29,180,334 shares at closing bid price of 4.4 cents each). Subsequent to 31 May 2008, the Company disposed of its DLS shares on market realising gross proceeds of \$1,968,289 and a net profit on sale of \$169,757.
4. Based on information provided by the Investment Manager, FSP Equities Management Limited.
5. FSP Equities Management Limited (FSP) was appointed manager in December 2004.

For further information:

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

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