



Friday, 27 February 2009

Australian Stock Exchange Limited
Level 3
Stock Exchange Centre
530 Collins Street
Melbourne VIC 3000

Jackgreen Half Year Results Confirm Strong Revenue Growth

- Consolidated revenue up 74 per cent to \$35 million.
- Company forecast to achieve goal of 100 per cent annual growth.
- Policy conditions favour strong growth for GreenPower and Easy Being Green energy efficiency businesses.

Leading Australian green electricity retailer Jackgreen [ASX: JGL] today released its audited half year results, which confirmed robust growth during the past six months.

The results also support forecasts for the coming period, which remain strong.

Consolidated revenue for the half increased to \$35 million, up 74 per cent on the corresponding period last year. The company reported an EBIT loss of \$475,000, excluding non-recurring items, significantly better than its preliminary report following positive audit adjustments. The EBIT including non-recurring items was a loss of \$1.09 million.

As previously announced the revenue increase has been largely from its GreenPower electricity business, while its energy efficiency business, Easy Being Green, is expected to grow rapidly in the coming half.

The company is forecast to continue its near 100 per cent annual growth record for this year and return significant profit and positive cash flow from next year. For further detail refer to the corporate update released to the market on 20th February 2009.

This growth will capitalise on favourable policy conditions including the increase in the government's solar hot water rebate and its focus on building Australia's renewable energy sector. Jackgreen and Easy Being Green continue to be extremely well positioned to take advantage of the fast moving environmental and carbon markets especially in light of increasing government initiatives.

The Company has continued to build the Easy Being Green business and has recorded a profit for the six month period of \$260k. The growth forecasts for the

solar hot water business are expected to add significant returns in the coming period.

Jackgreen is Australia's dedicated renewable energy retailer, licensed in New South Wales, ACT, Queensland, South Australia, and Victoria. Easy Being Green is one of Australia's larger creators of carbon credits through energy efficiency products and services.

For further information on Jackgreen visit www.jackgreen.com.au. For information or comment please phone Andrew Randall, Managing Director of Jackgreen Limited on (02) 8302 3812.

Signed

A handwritten signature in black ink, appearing to read 'A. Woodward', written over a light grey watermark that says 'For personal use only'.

Andrew Woodward
Company Secretary

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Jackgreen Limited

A.B.N. 46 006 768 332

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2008

**JACKGREEN LIMITED
ABN 46 006 768 332
DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

The directors of Jackgreen Limited submit herewith the financial report for the half year ended 31 December 2008. In order to comply with the Corporations Act 2001, the directors report as follows:

DIRECTORS

The names and particulars of the Directors of Jackgreen Limited in office at any time during or since the end of the period:

| Name | Title |
|-------------------|-----------------------------------|
| John A Smith | Non Executive Director – Chairman |
| Andrew M. Randall | Managing Director |
| Andrew Woodward | Executive Director |
| Peter Vines | Non-Executive Director |

RESULTS AND REVIEW OF OPERATIONS

The Company has delivered a significant revenue increase to \$34.9 million from \$20.0 million for the corresponding period last year (74%). The loss for the half year of \$1.9 million includes \$1.67 million in doubtful debt write offs and provisions and borrowing costs of \$875k which compares favourably with the loss for last half year of \$2.4 million. The Company has also continued to fund growth of the customer base which has now reached 65,000 customers. The Easy Being Green business that was purchased in January last year has contributed a \$260k profit for the half year and is expected to grow rapidly over the coming six months as increased Government incentives provide further support to the compelling solar hot water offer taken to market.

The Company is working diligently to continue its growth strategy over the next six months in both the Jackgreen energy and Easy Being Green businesses, as the group builds to both a profitable and cash positive position. For further detail refer to the Corporate Update released to the market on 20th February 2009.

As previously noted, Jackgreen purchased Easy Being Green Pty Ltd in January 2008. The company is a leading provider of carbon abatement products and services in Australia. Easy Being Green has a positive and respected market brand awareness that Jackgreen has continued to develop and expand. Easy Being Green operated at a profit in the last six months by offering free energy efficient light globes and launched a solar hot water product in October 2008 with the Federal Minister Hon Peter Garrett. The business provides tremendous synergies to cross promote to a similar audience as well as providing further services to a database of 650,000 existing customers. The growth opportunities in the solar hot water market are substantial and the company will be working hard over the second half year to build this business into a significant profit contributor to the group.

SIGNIFICANT EVENTS AFTER BALANCE DATE

There have been no significant events after balance date.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

ROUNDING OF AMOUNTS

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors report and half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s306(3) of the Corporations Act 2001.

On behalf of the Directors



Andrew Randall
Director
Sydney, 27 February 2009

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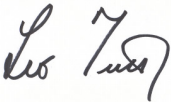
Auditor's Independence Declaration

To the Directors of Jackgreen Limited:

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2008, there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

William Buck
Chartered Accountants



L.E. Tutt
Partner
Sydney, 27 February 2009

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Jackgreen Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying consolidated half-year financial report of Jackgreen Limited, which comprises the condensed balance sheet as at 31 December 2008, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement, selected explanatory notes and the directors' declaration.

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 designing, implementing and maintaining internal control 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 half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 company's financial position as at 31 December 2008 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 Jackgreen Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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 have complied with the independence requirements of the *Corporations Act 2001*.

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Conclusion

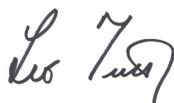
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Jackgreen Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 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.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualification to the conclusion expressed above, attention is drawn to the following matter. The matters described in Note 1(d) in the half year financial report indicate that further working capital may be required within the next 12 months if revenues from the consolidated entity's energy retail activities are insufficient to meet the company's working capital requirements. Accordingly, there exists material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half year financial report.

William Buck
Chartered Accountants



L.E. Tutt
Partner
Sydney, 27 February 2009

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JACKGREEN LIMITED
ABN 46 006 768 332
DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

In the opinion of the directors of Jackgreen Limited:

- a) The accompanying financial statements and notes are in accordance with the Corporations Act 2001, comply with the *AASB 134 Interim Financial Reporting* and give a true and fair view of the Company's financial position as at 31 December 2008, and of its performance for the half year ended on that date; and
- b) At the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, for the reasons noted in Note 1(d).

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the Directors



Andrew Randall
Director
27 February 2009
Sydney, NSW

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**JACKGREEN LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

| | 31 December 2008 \$'000 | 31 December 2007 \$'000 |
|---|--|--|
| REVENUES FROM ORDINARY ACTIVITIES | | |
| Revenue from sales or services | 34,119 | 19,912 |
| Other Income | 679 | 22 |
| Interest revenue | 74 | 94 |
| Total Revenue | 34,872 | 20,028 |
| EXPENSES FROM ORDINARY ACTIVITIES | | |
| Cost of sales | (26,844) | (15,647) |
| Salaries and employee benefits expense | (2,821) | (2,728) |
| Provision for bad debts | (1,667) | (651) |
| Direct sales commissions | (1,270) | (543) |
| Consultancy fees | (529) | (99) |
| Other operating expenses | (2,757) | (2,380) |
| Borrowing costs | (875) | (415) |
| Depreciation and amortisation | (20) | (21) |
| LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE | (1,911) | (2,456) |
| Income tax benefit attributable to ordinary activities | - | - |
| LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX | (1,911) | (2,456) |
| Net profit attributable to outside equity interests | - | - |
| NET LOSS ATTRIBUTABLE TO MEMBERS OF JACKGREEN LIMITED | (1,911) | (2,456) |
| TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS | (1,911) | (2,456) |
| Basic earnings per share (cents per share) | (0.9) cents | (1.4) cents |
| Diluted earnings per share (cents per share) | (0.8) cents | (1.4) cents |

The above income statement is to be read in conjunction with the attached notes.

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**JACKGREEN LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008**

| | 31 December | 30 June |
|--------------------------------------|--------------------|----------------|
| | 2008 | 2008 |
| | \$'000 | \$'000 |
| CURRENT ASSETS | | |
| Cash assets | 2,975 | 3,971 |
| Receivables | 26,228 | 21,037 |
| Inventories | 895 | 25 |
| Other assets | 97 | - |
| Prepayments | 2,159 | 1,428 |
| TOTAL CURRENT ASSETS | 32,354 | 26,461 |
| NON-CURRENT ASSETS | | |
| Investments | 88 | 88 |
| Intangibles | 11,005 | 11,005 |
| Property, plant and equipment | 275 | 272 |
| Other Non-Current Assets | - | 18 |
| TOTAL NON-CURRENT ASSETS | 11,368 | 11,383 |
| TOTAL ASSETS | 43,722 | 37,844 |
| CURRENT LIABILITIES | | |
| Payables | 11,921 | 8,402 |
| Provisions | 221 | 691 |
| TOTAL CURRENT LIABILITIES | 12,142 | 9,093 |
| NON-CURRENT LIABILITIES | | |
| Payables | - | 72 |
| Interest bearing liabilities | 13,603 | 11,903 |
| TOTAL NON-CURRENT LIABILITIES | 13,603 | 11,975 |
| TOTAL LIABILITIES | 25,745 | 21,068 |
| NET ASSETS | 17,977 | 16,776 |
| SHAREHOLDERS EQUITY | | |
| Issued Capital | 49,992 | 46,938 |
| Reserves | (57) | (115) |
| Accumulated losses | (31,958) | (30,047) |
| TOTAL SHAREHOLDERS EQUITY | 17,977 | 16,776 |

The above balance sheet is to be read in conjunction with the attached notes.

JACKGREEN LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2008

| | 31 December | 31 December |
|--|--------------------|--------------------|
| | 2008 | 2007 |
| | \$'000 | \$'000 |
| (a) Accumulated Losses | | |
| Accumulated losses at the beginning of the period | (30,047) | (26,967) |
| Loss for the period | (1,911) | (2,456) |
| Accumulated losses at the end of the period | <u>(31,958)</u> | <u>(29,423)</u> |
| (b) Reserves | | |
| Reserves at the beginning of the period | (115) | 195 |
| Movement in reserves | 58 | - |
| Reserves at the end of the period | <u>(57)</u> | <u>195</u> |
| (c) Share Capital | | |
| Share capital at the beginning of the period - 203,128,566 fully paid ordinary shares | 46,938 | 41,046 |
| Issue of shares | 3,055 | 5,892 |
| Share capital at the end of the period - 230,855,839 fully paid ordinary shares | <u>49,993</u> | <u>46,938</u> |
| (d) Total recognised income and expenses for the period | | |
| Net loss for the period | (1,911) | (2,456) |
| Total recognised income and expenses for the period | <u>(1,911)</u> | <u>(2,456)</u> |

The above statement of changes in equity is to be read in conjunction with the attached notes.

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**JACKGREEN LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

| | 31 December 2008 \$'000 | 31 December 2007 \$'000 |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | 29,000 | 14,534 |
| Payments to suppliers and employees | (32,323) | (27,088) |
| Interest received | 74 | 95 |
| NET CASH FLOWS USED IN OPERATING ACTIVITIES | (3,249) | (12,459) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (35) | (98) |
| Loans to other entities | (90) | (48) |
| Proceeds from disposal of property, plant and equipment | 5 | - |
| NET CASH FLOWS USED IN INVESTING ACTIVITIES | (120) | (146) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Issues of shares | 1,554 | 5,892 |
| Proceeds from borrowings | 1,694 | 8,859 |
| Repayment of borrowings | - | (2,000) |
| Interest and other cost of finance paid | (875) | (415) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 2,373 | 12,336 |
| NET INCREASE (DECREASE) IN CASH HELD | (996) | (269) |
| Cash at beginning of period | 3,971 | 6,758 |
| CASH AT THE END OF PERIOD | 2,975 | 6,489 |

The above cash flow statement is to be read in conjunction with the attached notes.

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**JACKGREEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Jackgreen Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company for the six months ended 31 December 2008 comprises the Company and its subsidiaries (together referred to as the "consolidated entity").

The consolidated interim financial report was authorised for issue by the directors on 27 February 2009.

(a) Statement of compliance

This general purpose financial report for the interim half-year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting Urgent Issues Group Interpretation* adapted by the Australian Accounting Standards Board (AASB), the *Corporations Act 2001*, and the authoritative pronouncements of the Australian Accounting Standards Board.

The interim financial report does not include all the 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 2008 and any public announcements made by Jackgreen Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(b) Significant accounting policies

The financial report is presented in Australian dollars. The accounting policies applied by the consolidated entity in this consolidated financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 30 June 2008.

The accounting policies have been consistently applied throughout the consolidated entity for the purposes of this consolidated interim financial report.

(c) Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(d) Going Concern Statement

The Consolidated entity incurred a loss of \$1,911,000 and net cash outflows from operating activities of \$3,249,000 during the 6 months to 31 December 2008.

Notwithstanding this, the Directors believe that the consolidated entity will be able to generate sufficient revenue and/or access sufficient sources of funds where needed and, accordingly, have prepared the half year financial report on a going concern basis. At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the half year financial report at 31 December 2008.

Accordingly, no adjustments have been made to the half year financial report relating to the recoverability and classification of the asset carrying amounts or the amount and classification of liabilities.

The Directors believe this basis continues to be appropriate given the following:

- the Consolidated entity's ability to raise additional capital as required through the Australian Stock Exchange;
- continued growth of the Consolidated entity's Energy retail business in NSW, Victoria, Queensland and South Australia;
- continued growth of the Consolidated entity's Solar Hot Water installation business in Australia.

NOTE 2 PROFIT FOR THE PERIOD

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

a. Expenses

| | Consolidated Entity | |
|--|---------------------------|---------------------------|
| | 31 December 2008 \$ | 31 December 2007 \$ |
| Cost of wholesale electricity | 26,527,326 | 15,648,066 |
| Cost of Globes and Solar Hot Water Systems | 1,079,318 | - |
| Borrowing costs | 875,219 | 297,739 |
| Depreciation of non-current assets | 20,335 | 21,042 |
| Rental expenses | 129,466 | 135,122 |

NOTE 3 SEGMENT INFORMATION

Segment Revenue

| | EXTERNAL SALES | | INTER-SEGMENT | | TOTAL | |
|--------------------------------------|----------------|--------------|---------------|--------------|---------------|---------------|
| | 2008 '000 | 2007 '000 | 2008 '000 | 2007 '000 | 2008 '000 | 2007 '000 |
| Energy efficiency goods and services | 2,556 | - | - | - | 2,556 | - |
| Electricity | 31,563 | 19,912 | - | - | 31,563 | 19,912 |
| Other | 753 | 116 | - | - | 753 | 116 |
| Total of all segments | | | | | 34,872 | 20,028 |
| Eliminations | | | | | - | - |
| Unallocated | | | | | - | - |
| Consolidated | | | | | 34,872 | 20,028 |

Segment Result

| | 2008 '000 | 2007 '000 |
|--------------------------------------|--------------|--------------|
| Energy efficiency goods and services | 262 | - |
| Electricity | (2,133) | (1,986) |
| Other | (40) | (470) |
| Eliminations | - | - |
| Unallocated | - | - |
| Loss before income tax expense | (1,911) | (2,456) |
| Income tax expense | - | - |
| Loss for the period | (1,911) | (2,456) |

NOTE 4 SIGNIFICANT TRANSACTIONS

There were no known significant transactions.

NOTE 5 ISSUED CAPITAL

a) Ordinary Shares

| | Parent Entity | |
|-----------------|----------------------------|------------------------|
| | 31 December 2008 Number | 31 December 2008 \$ |
| Ordinary Shares | 230,855,839 | 49,991,747 |

b) Movement in ordinary shares on issue

| | 31 December 2008 Number | 31 December 2008 \$ |
|---------------------------------|----------------------------|------------------------|
| Beginning of the financial year | 203,128,566 | 46,937,971 |
| Capital Raising | 27,727,273 | 3,075,000 |
| Options converted to shares | - | - |
| Less: Costs of Capital Raising | - | (21,224) |
| | 230,855,839 | 49,991,747 |

NOTE 6 CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

NOTE 7 FINANCIAL INSTRUMENTS

Objectives and significant terms and conditions

The consolidated entity enters into a variety of derivative instruments to manage its exposure to electricity purchase price risks arising in the normal course of business. The consolidated entity does not enter into such instruments for speculative purposes.

At half year end the consolidated entity held cash flow hedges for forecast transactions and states them at fair value. The fair value of hedges at 31 December 2008 was \$1,822,296 (2007: \$334,698).

During the half year the consolidated entity expensed \$3,123,499 (2007: \$2,194,991) in the profit and loss for hedge costs and recognised \$1,085,831 (2007: 3,213,471) for hedge gains.

NOTE 8 RESERVES

Hedge Reserve

The hedge reserve comprises the effective portion of the cumulative net change in fair value of cash flow hedging instruments related to hedge transactions that have not yet occurred.

NOTE 9 EVENTS SUBSEQUENT TO REPORTING DATE

There have been no material subsequent events after the reporting date.

Appendix 4D

Jackgreen Limited

A.B.N. 46 006 768 332

Half Year Report Period Ended 31 December 2008

(Previous Corresponding Period: Half year ended 31 December 2007)

Results for announcement to the market

| | | | | \$A'000 |
|---|------|-----|----|---------|
| Revenues from ordinary activities | Up | 74% | to | 34,872 |
| Loss from ordinary activities after tax attributable to members | Down | 22% | to | (1,911) |
| Net Loss for the period attributable to members | Down | 22% | to | (1,911) |

| Dividends (distributions) | Amount per security | Franked amount per security |
|-------------------------------|---------------------|-----------------------------|
| Interim dividend | - ¢ | - ¢ |
| Previous corresponding period | - ¢ | - ¢ |

Record date for determining entitlements to the dividend

| |
|-----|
| N/A |
|-----|

The Company has delivered a significant revenue increase to \$34.9 million from \$20.0 million for the corresponding period last year (74%) due to an increase of customer numbers from approximately 50,000 to 65,000. The loss for the half year of \$1.9 million includes \$1.667 million in doubtful debt write offs and provisions and borrowing costs of \$875k which compares favourably with the loss for last half year of \$2.4 million. The Easy Being Green business that was purchased in January last year has contributed a \$260k profit for the half year and is expected to grow rapidly over the coming six months as increased Government incentives provide further support to the compelling solar hot water offer taken to market.

Net Tangible Assets Per Security

Net tangible assets per security (with the comparative figure for the previous corresponding period):

| | Current period | Previous corresponding period |
|------------------------------|----------------|-------------------------------|
| Net tangible assets security | 3.27 Cents | 3.98 Cents |

The Net Tangible Assets has been calculated using a weighted average number of ordinary shares for the period.

Controlled Entities

Control has been gained over the following entities during the period: **Date of Control**

Not Applicable

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