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Souls Private Equity Limited

ASX Appendix 4D

Interim Financial Report

31 January 2009

Lodged with the ASX under Listing Rule 4.2A

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Reporting Period *(Appendix 4D item 1)*

The reporting period is the half-year ended 31 January 2009 with the previous corresponding period the half year ended 31 January 2008



Souls Private Equity Limited Half Year ended 31 January 2009

Souls Private Equity Limited (ASX Code: SOE)

Investment Manager's Report for the half year ended 31 January 2009

Souls Private Equity Limited (SPEL) recorded a net loss after tax for the six months ended 31 January 2009 of \$20.7 million. The major items included in the results were:

- Share of associates earnings increased to \$5.4 million for the six months which represents a 64% increase over the previous corresponding period last year;
- Decline in value of the listed SMEs on a 'marking to market' basis of \$15.2 million (the listed SMEs are CMA Corporation and CBD Energy);
- Decline in value of the listed share portfolio on a 'marking to market' basis of \$10.7 million; and
- Impairments against the portfolio of SME investments and loans of \$5.4 million.

The net assets of the Group have declined to \$116.9 million as at 31 January 2009. The balance sheet remains strong with nil debt. SPEL's net assets on a per share basis at the reporting date was 19.7 cents per share while SPEL's net tangible assets on a per share basis was 17.8 cents per share.

The table below summarises the balance sheet on a segmented basis in comparison to the end of the 2008 financial year as well as to the previous corresponding half year.

Segmented net assets	31-Jan-09		31-Jul-08		31-Jan-08	
	\$ millions	%	\$ millions	%	\$ millions	%
SME investment portfolio ⁽ⁱ⁾	74.3	63.6%	86.3	62.4%	114.4	66.2%
Listed share portfolio ⁽ⁱⁱ⁾	32.4	27.7%	47.3	34.2%	52.8	30.6%
Cash and cash equivalents ⁽ⁱⁱ⁾	4.8	4.1%	6.8	4.9%	10.0	5.8%
Other net assets and eliminations ⁽ⁱⁱ⁾	5.4	4.6%	(2.2)	-1.5%	(4.4)	-2.6%
Totals	116.9	100.0%	138.2	100.0%	172.8	100.0%

(i) The SME investment portfolio does not include the Deferred Tax Liability of \$3.4m on investments in associates. In the Interim Financial Report, this liability is included in the "SME Investments" segment.

(ii) The listed share portfolio, cash and cash equivalents and other net assets are aggregated in the "Other Investments" segment in the Interim Financial Report.



Souls Private Equity Limited Half Year ended 31 January 2009

Investment Manager's Report for the half year ended 31 January 2009 (continued)

The table below highlights the Group's balance sheet.

Net assets per share	Cost	Financial Year Invested	Book value at 31 January 2009		Accounting Method
			\$M	cents / share	
Ampcontrol	11.5	2006	22.4	3.8	Equity accounted
Cromford*	27.9	2005	21.2	3.5	Consolidated
Pitt Capital Partners	5.9	2005	9.4	1.6	Equity accounted
CMA Corporation	12.0	2007	4.5	0.8	Marked to market
Supercorp Australia	3.6	2007	3.6	0.6	Equity accounted
Asian Property Investments	2.0	2005	2.6	0.4	Fair value
Austrains	2.9	2005	2.5	0.4	Equity accounted
Belaroma Coffee	3.1	2006	2.3	0.4	Equity accounted
InterRisk Australia	2.2	2005	2.2	0.4	Equity accounted
Soda Brands*	5.7	2005	1.3	0.2	Consolidated
CBD Energy	2.9	2007	1.2	0.2	Marked to market
Specialist Oncology Property	1.0	2005	1.1	0.2	Equity accounted
Total SME investments	80.7		74.3	12.5	
Listed share portfolio	45.9		32.4	5.5	Marked to market
Cash			4.8	0.8	Actual
Other net assets and eliminations			5.4	0.9	Actual
Total net assets			116.9	19.7	

* deemed book value of the controlled entities is calculated as the original cost plus / minus the movement in net assets of the subsidiary since the date of original investment

SME Investment Portfolio (Unlisted and Listed)

No new SME investments were made during the first six months of the 2009 financial year. Three "follow on" investments were made during the first six months of the year for a total of \$7.5 million via equity and loans. These included Cromford, InterRisk and Soda Brands.

An additional \$6.5 million was invested in the 100% owned Cromford to complete the Moss Vale factory construction and development.

A further \$0.7 million was invested in InterRisk. This increased SPEL's shareholding in InterRisk from 20% to 40%. InterRisk is now an associate and therefore the investment has commenced being equity accounted during this half.

Likewise a further \$0.3 million in working capital funding was extended to Soda Brands. SPEL's shareholding in Soda Brands has decreased from 68.2% to 50.3%. The dilution is due to two acquisitions (HairFX and Kistani) completed by Soda Brands that were funded by cash and shares.



Souls Private Equity Limited Half Year ended 31 January 2009

Investment Manager's Report for the half year ended 31 January 2009 (continued)

As discussed at the 2008 Annual General Meeting SPEL's shareholding in Krispy Kreme has diluted from 24% to 7% at the reporting date. This is due to the decision not to invest in a 'follow on' rights issue that was undertaken during the first half. KK was fully impaired last financial year.

Impairments against the SME portfolio totalled \$5.4 million for three investments during the period under review. Investments impaired included Soda Brands (\$3.4 million), Belaroma Coffee (\$1.0 million) and Asian Property Investments (\$1.0 million).

Soda Brands sales have been detrimentally affected by the decline in discretionary consumer spending. APIL has been impacted by the fall in property values experienced in Hong Kong. Belaroma has experienced margin pressure partially attributed to the fall in the Australian dollar.

The largest single impact on the earnings of SPEL during the first half is the decline in the value (on a 'marking to market' basis) of the listed CMA Corporation. SPEL's valuation of CMA declined from \$18.0 million at the end of the 2008 financial year to \$4.5 million as at 31 January 2009. CMA has announced that its earnings for the first half of the year were negatively impacted by an unprecedented fall in scrap steel prices. The result was also impacted by 'one-off' factors including; inventory write downs, provisioning of bad debts and foreign exchange losses.

The share of earnings from associates increased to \$5.4 million for the six months against \$3.3 million for the corresponding period last year. This represents a 64% increase in earnings from associates. The main driver of this improvement was SPEL's share of the earnings of Pitt Capital Partners (25% owned by SPEL). As previously announced Pitt Capital earned substantial success fee on a completed asset sale transaction during the first six months of the year.

Cromford's development and construction of the Moss Vale factory will be completed during last quarter of fiscal 2009. The Smithfield factory was closed during the first half of the 2009 fiscal year. Cromford is now operating from two owned sites.

The polyethylene film business operates from the Pendle Hill site while all pipe manufacturing operations are now Moss Vale based. While the Moss Vale site has been under construction Cromford has been operating from 3 sites in the interim.



Souls Private Equity Limited Half Year ended 31 January 2009

Investment Manager's Report for the half year ended 31 January 2009 (continued)

Listed Share Portfolio

The share portfolio has declined in market value by \$10.7 million during the period under review. Dividends and distributions received from the portfolio for the first six months of the 2009 fiscal year was \$1.8 million which is a 50% increase over the previous corresponding period last year. During the six months the disposals have included AGL Energy, Babcock & Brown Infrastructure and BBI EPS. The total net gain on these disposals was \$0.2 million. The table below summarises the listed share portfolio as at 31 January 2009 which included 14 securities.

Listed share portfolio (excluding listed SMEs) as at 31 January 2009	Original Cost \$ millions	Book Value \$ millions
Telstra Corporation	9.6	8.0
Commonwealth Bank of Australia	6.3	5.1
Australia & New Zealand Banking Group	5.4	3.3
National Income Securities Stapled Floating Rate	4.6	3.1
Transurban Group Triple Stapled Securities	2.6	2.3
BHP Billiton	1.1	2.1
Orica Step-up Preference Shares	2.5	2.0
Coca Cola Amatil	1.6	1.8
Westfield Group	2.0	1.5
Wesfarmers	2.7	1.1
Suncorp-Metway	2.2	0.7
Fairfax Media	1.9	0.6
Woolworths Unsecured Floating Rate Notes	0.5	0.5
Bravura Solutions	2.9	0.3
Totals	45.9	32.4

The economic downturn has continued to affect the market value of our listed SMEs and our listed Share portfolio (combined valuation decline of \$25.9 million) during the first half of the 2009 financial year.

We remain committed to our original Prospectus strategy of investing in SMEs for the longer term (3 to 10 years). Our longest held SME investment was invested in 4 years ago.

During the first half we have reviewed 76 potential SME investments. 68 have been rejected while 8 remain under review. During the last 6 months SPEL's management team have been experiencing a more realistic pricing expectations on potential investments. Such a valuation climate is part and parcel of the current global financials crisis.

Results for Announcement to the Market

(Appendix 4D item 2)

		% Change	Amount of Change \$'000		\$ '000
Revenue from ordinary activities <i>(Appendix 4D item 2.1)</i>	Up	27.17%	3,070	to	14,368
Profit/(loss) from ordinary activities after tax attributable to members <i>(Appendix 4D item 2.2)</i>	Down	-491.58%	(26,014)	to	(20,722)
Net profit/(loss) for the period attributable to members <i>(Appendix 4D item 2.3)</i>	Down	-491.58%	(26,014)	to	(20,722)

Dividends/distributions <i>(Appendix 4D item 2.4)</i>	Amount per security	Franked amount per security
Nil	-	-

Day/Month/Year

Record date for determining entitlements to the dividend:
(Appendix 4D item 2.5)

N/A

Explanation of Operating Results *(Appendix 4D item 2.6)*

The reported consolidated loss for the half-year ended 31 January 2009 was \$20,722,000 (2008: \$5,292,000 profit) and represents the loss earned for the half-year period under review.

Refer to the Investment Manager's Report contained in the attached Souls Private Equity Limited 31 January 2009 Half-Year Report for further information on the operating result.



Souls Private Equity Limited Half Year ended 31 January 2009

Results for Announcement to the Market - Continued

NTA Backing *(Appendix 4D item 3)*

	31/01/2009	31/07/2008	31/01/2008
Net tangible asset backing per ordinary share after tax	17.8 cents	21.9 cents	27.2 cents

Controlled entities acquired or disposed of *(Appendix 4D item 4)*

Disposed entities

No entity was disposed of during the half-year ended 31 January 2009.

Acquired entities

No entity was acquired during the half-year ended 31 January 2009.

Additional dividend/distribution information *(Appendix 4D item.5)*

No dividends/distributions were declared or paid during or subsequent to the half-year ended 31 January 2009.

Dividend reinvestment plans ("DRP") *(Appendix 4D item 6)*

N/A

Results for Announcement to the Market - Continued

Associates and Joint Venture entities *(Appendix 4D item 7)*

Details of associates and percentage holding, share of profits of these entities are:

		Beneficial Interest %	31-Jan-09 \$'000	Beneficial Interest %	31-Jan-08 \$'000
Pitt Capital Partners Limited		25.00	3,520	25.00	25
Specialist Oncology Property Pty Ltd		21.30	66	21.30	39
Austgrains Pty Limited		48.00	12	48.00	(116)
Asian Property Investment Ltd	(iii)	-	-	19.40	1,199
Ampcontrol Pty Ltd		45.00	1,685	45.00	2,410
Supercorp Pty Ltd		30.21	(43)	30.21	(5)
Source Engine Asia Ltd		35.00	-	35.00	-
Belaroma Coffee Pty Ltd		40.00	70	40.00	81
Krispy Kreme Holdings Australia Pty	(i)	-	-	24.00	(351)
InterRISK Australia Pty Ltd	(ii)	40.00	88	-	-
			<u>5,398</u>		<u>3,282</u>

- (i) SPEL's shareholding in Krispy Kreme Holdings Australia Pty Limited has diluted during the period to 7.00% and therefore is no longer deemed an associate.
- (ii) During the period SPEL increased its shareholding in InterRISK Australia Pty Ltd to 40% therefore it is now deemed and associate entity, SPEL also holds one of 7 board positions.
- (iii) SPEL's shareholding in Asian Property Investment Limited has diluted during the period to 16.90% and therefore is no longer deemed an associate.

Foreign Accounting Standards *(Appendix 4D item 8)*

N/A

Auditor's Review *(Appendix 4D item 9)*

This report is based on accounts which have been reviewed.

Refer attached Souls Private Equity Limited 31 January 2009 Half-Year Report for complete review report.



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INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 JANUARY 2009



Souls Private Equity Limited Half Year ended 31 January 2009

CORPORATE DIRECTORY

Directors

Robert D Millner, Chairman
David J Fairfull, Non-Executive Director
David E Wills, Non-Executive Director
Robert G Westphal, Non-Executive Director

Company Secretary

Richard Pillinger

Registered Office

Level 2
160 Pitt Street Mall
Sydney 2000
NSW
Telephone: (02) 9210 7000
Facsimile: (02) 9210 7099
Postal Address:
GPO Box 5015
Sydney 2001

Auditors

Grant Thornton NSW
Level 17
383 Kent Street
Sydney 2000

Investment Manager

Pitt Capital Partners Limited
Level 2
160 Pitt Street Mall
Sydney 2000

Share Registry

Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
Sydney 2000

Australian Stock Exchange Code

Ordinary Shares	SOE
Options	SOEO



Souls Private Equity Limited Half Year ended 31 January 2009

DIRECTORS' REPORT

The directors of Souls Private Equity Limited present the following report of the consolidated entity for the half-year ended 31 January 2009.

1. Directors

The following persons were directors of the Company for the half year and up to the date of this report unless otherwise stated:

Robert D Millner, Chairman
David J Fairfull, Non-Executive Director

David E Wills, Non-Executive Director
Robert G Westphal, Non-Executive Director

2. Review of operations and results

The consolidated loss for the half year ending 31 January 2009 was \$20,722,000 (2008: \$5,292,000 profit). Please refer to Investment Manager's Report on pages 2 - 5.

3. Significant changes in the state of affairs

Other than as stated above and in the Interim Financial Report, there were no significant changes in the state of affairs of the consolidated entity during the reporting period.

4. Rounding

The amounts contained in this report and in the half-year financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the consolidated entity under ASIC Class Order 98/0100. The consolidated entity is an entity to which the Class Order applies.

5. Events subsequent to balance date

The Directors note that there has continued to be substantial fluctuations in the listed share markets in which the Company invests since the half year end and the date of this report. Changes in the value of the Company's investments are reflected in the Company's Net Asset Backing per share which is reported to the ASX monthly.

During February and March 2009, an additional investment of \$1,750,000, by way of a loan, was provided by the Company to Cromford Pty Limited.

Other than the above, there has been no event of which the directors are aware which has had a material effect on the consolidated entity or its financial position.

6. Auditor's independence declaration

The lead auditor's independence declaration as required under section 307(c) of the Corporations Act 2001 for the period ended 31 January 2009 is set out on page 25.

This report is signed in accordance with a resolution of the directors.

Robert D Millner
Chairman

Sydney 19 March 2009



Souls Private Equity Limited
Half Year ended 31 January 2009

CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 JANUARY 2009

	Notes	31-Jan-09 \$ '000	31-Jan-08 \$ '000
Revenue	2 (a)	14,368	11,298
Other (losses) / gains	2 (b)	(31,046)	4,388
Expenses	2 (c)	(18,918)	(12,102)
Finance costs		(8)	(15)
Share of net profits of associates accounted for using the equity method (Loss)/Profit before income tax expense		5,398	3,282
		(30,206)	6,851
Income tax benefit/(expense)		8,010	(1,566)
(Loss)/Profit after income tax expense		(22,196)	5,285
Net loss attributable to minority interest		1,474	7
(Loss)/Profit for the period attributable to members of the Company		(20,722)	5,292
Basic (loss) / earnings per share (cents)		(3.49)	0.89
Diluted (loss) / earnings per share (cents)		(3.49)	0.89

These financial statements should be read in conjunction with the accompanying notes.



Souls Private Equity Limited
Half Year ended 31 January 2009

CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2009

	Notes	31-Jan-09 \$ '000	31-Jul-08 \$ '000
ASSETS			
Cash and cash equivalents		4,797	6,795
Trade and other receivables		4,011	5,332
Current tax asset		609	190
Investments in securities	3	40,623	69,746
Inventories		5,575	6,463
Prepayments		277	195
Property, plant & equipment		16,717	14,170
Investments accounted for using the equity method	4	43,522	41,350
Other long term receivables		100	100
Deferred tax assets		10,025	3,957
Intangible assets		1,511	4,437
TOTAL ASSETS		127,767	152,735
LIABILITIES			
Trade and other payables		4,571	6,452
Employee benefits		494	408
Deferred tax liabilities		5,764	7,707
TOTAL LIABILITIES		10,829	14,567
NET ASSETS		116,938	138,168
SHAREHOLDERS' EQUITY			
Issued capital		144,928	144,928
Reserves		54	54
Accumulated losses		(29,421)	(8,329)
Parent entity interest		115,561	136,653
Minority Interests		1,377	1,515
TOTAL EQUITY		116,938	138,168

These financial statements should be read in conjunction with the accompanying notes.



Souls Private Equity Limited
Half Year ended 31 January 2009

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 JANUARY 2009

CONSOLIDATED ENTITY	Share Capital	Reserves	Retained Earnings	Minority Interest	Total Equity
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Total equity at 1 August 2007	144,924	48	26,834	1,617	173,423
Issue of shares, net of cost	3	-	-	-	3
Dividends paid or provided for	-	-	(5,935)	-	(5,935)
Total transactions with equity holders in their capacity as equity holders	3	-	(5,935)	-	(5,932)
Profit/(loss) for the period	-	-	5,292	(7)	5,285
Total recognised income and expense for the period	-	-	5,292	(7)	5,285
Share-based payments recognised	-	6	-	-	6
Total equity at 31 January 2008	144,927	54	26,191	1,610	172,782
Total equity at 1 August 2008	144,928	54	(8,329)	1,515	138,168
Change in controlled entities equity	-	-	(370)	1,336	966
Total transactions with equity holders in their capacity as equity holders	-	-	(370)	1,336	966
Loss for the period	-	-	(20,722)	(1,474)	(22,196)
Total recognised income and expense for the period	-	-	(20,722)	(1,474)	(22,196)
Total equity at 31 January 2009	144,928	54	(29,421)	1,377	116,938

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 JANUARY 2009

	31-Jan-09	31-Jan-08
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	15,708	9,024
Payments to suppliers and employees	(21,299)	(11,704)
Payments for current investments	-	(5,293)
Proceeds from sale of current investments	4,594	4,993
Dividends and distributions received	1,563	1,206
Income tax paid	(420)	(3,440)
Finance costs	(8)	(9)
Interest received	473	953
Net cash inflow / (outflow) from operating activities	<u>611</u>	<u>(4,270)</u>
Cash flows from investing activities		
Payments for associated entities	(655)	-
Dividends received from associated entities	808	887
Payments for the purchase of business operations	(500)	-
Payments for property, plant and equipment	(3,228)	(1,717)
Proceeds from sale of associate entities	-	265
Loans advanced to associate entities	-	(650)
Loans advanced to other entities	-	(950)
Net cash (outflow) from investing activities	<u>(3,575)</u>	<u>(2,165)</u>
Cash flows from financing activities		
Proceeds from issue of shares	-	3
Controlled entities issue of shares net of costs	966	-
Dividends Paid	-	(5,935)
Net cash inflow / (outflow) from financing activities	<u>966</u>	<u>(5,932)</u>
Net decrease in cash held	(1,998)	(12,367)
Cash and cash equivalents at the beginning of the period	<u>6,795</u>	<u>23,498</u>
Cash and cash equivalents at the end of the period	<u>4,797</u>	<u>11,131</u>

These financial statements should be read in conjunction with the accompanying notes.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009

1. BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 July 2008 and any public announcements made by Souls Private Equity Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the 31 July 2008 Annual Financial Report, unless otherwise stated.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

Reporting Basis and Conventions

This 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.

Critical accounting estimates and judgements

The preparation of this financial report requires the use of certain critical estimates based on historical knowledge and best available current information. Key judgements and estimates are outlined below.

(i.) Private equity valuation

Private equity investments are regularly valued by the Investment Manager using valuation techniques and guide lines endorsed by the Australian Private Equity & Venture Capital Association Limited (AVCAL) that they deem appropriate to each investment. Valuation techniques may involve methods such as price/earnings analysis or discounted cash flow techniques. All valuation methods require assumptions to be made and the Company is satisfied that those assumptions are realistic and support the carrying value of each investment.

(ii.) Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The current challenging financial conditions have impacted on the operational performance and potential future profitability of some components of the SME Investment Portfolio. For details of the impact of this and resulting impairments refer to the Investment Manager's report.



Souls Private Equity Limited
Half Year ended 31 January 2009

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

2. (LOSS) / PROFIT FOR THE PERIOD

	Consolidated	
	31-Jan-09	31-Jan-08
	\$ '000	\$ '000
(a) Revenue:		
Sales revenue	12,417	9,054
Fully franked dividends:		
- other corporations	1,288	1,097
Unfranked dividends:		
- other corporations	10	14
Trust distributions	284	95
Interest income - notes	187	-
Interest income - third parties	182	1,020
Interest income - related parties	-	18
Total revenue	14,368	11,298
(b) Other (losses) / gains:		
Gain on disposal of shares	165	1,242
Unrealised (loss)/gain on listed investments held for sale	(25,890)	3,990
Impairment loss on goodwill	(3,426)	-
Impairment loss on investments in associates	(1,043)	-
Impairment loss on investments in available for sale unlisted investments	(904)	-
Impairment loss on long term advances and receivables	-	(950)
	(31,098)	4,282
Other income	52	106
	(31,046)	4,388
(c) Expenses:		
Cost of sales	13,437	7,445
Depreciation	681	535
Director Fees	81	95
Management fees	1,154	1,620
Professional fees	180	219
Administration expenses	2,390	1,579
Selling and marketing expenses	952	609
Bad and doubtful debt expense	25	-
Other Expenses	17	-
	18,918	12,102



Souls Private Equity Limited
Half Year ended 31 January 2009

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

3. INVESTMENTS IN SECURITIES

	Consolidated	
	31-Jan-09	31-Jul-08
	\$ '000	\$ '000
Financial assets at fair value through profit and loss classified as held for trading listed securities at fair value:		
- Shares in corporations	32,359	61,400
- Converting and convertible notes and other interest bearing securities	5,654	6,861
	38,013	68,261
Available for sale unlisted investments at fair value:		
- Shares in corporations	2,610	1,485
	40,623	69,746

List of securities held and their fair value at 31 January 2009 were:

Stock	Number of Shares Held	Fair Value \$'000	Portfolio Weight %
Australia & New Zealand Banking Group Limited	250,000	3,303	8.7%
BHP Billiton Limited	70,000	2,131	5.6%
Bravura Solutions Limited	1,500,000	285	0.8%
CBD Energy Limited	23,071,429	1,154	3.0%
CMA Corporation Limited	37,500,000	4,500	11.8%
Coca Cola Amatil Limited	200,000	1,810	4.8%
Commonwealth Bank of Australia	192,000	5,148	13.5%
Fairfax Media Limited	400,000	554	1.5%
National Income Securities Stapled Floating Rate Securities	45,500	3,094	8.1%
Orica Limited Step up Preference Securities	25,000	1,950	5.1%
Suncorp-Metway Limited	99,733	699	1.8%
Telstra Corporation Limited	2,111,000	7,980	21.0%
Transurban Group Triple Stapled Securities	455,000	2,321	6.1%
Wesfarmers Limited	73,125	1,135	3.0%
Westfield Group	123,913	1,481	3.9%
Woolworths Limited Unsecured Floating Rate Notes	5,000	468	1.3%
	66,121,700	38,013	100.0%



Souls Private Equity Limited Half Year ended 31 January 2009

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

4. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Movements during the period in equity accounted investment in associated entities are:

	Carrying value at 31 Jul 08 \$ '000	Transfers / Additions / (Disposal) \$ '000	Share of profit/(loss) \$ '000	Impairment \$ '000	Dividend Received \$ '000	Carrying value at 31 Jan 09 \$ '000
Pitt Capital Partners Limited	6,243	-	3,520	-	(375)	9,388
Specialist Oncology Property Pty Ltd	1,112	-	66	-	(54)	1,124
Austgrains Pty Limited	2,507	-	12	-	-	2,519
Asian Property Investment Ltd (iii)	3,513	(3,513)	-	-	-	-
Ampcontrol Pty Ltd	21,066	-	1,685	-	(379)	22,372
Supercorp Pty Ltd	3,670	-	(43)	-	-	3,627
Source Engine Asia Ltd	-	-	-	-	-	-
Belaroma Coffee Pty Ltd	3,239	-	70	(1,043)	-	2,266
Krispy Kreme Holdings Australia Pty (i)	-	-	-	-	-	-
InterRISK Australia Pty Ltd (ii)	-	2,138	88	-	-	2,226
Total	41,350	(1,375)	5,398	(1,043)	(808)	43,522

- (i) SPEL's shareholding in Krispy Kreme Holdings Australia Pty Limited has diluted during the period to 7.00% and therefore is no longer deemed an associate.
- (ii) During the period SPEL increased its shareholding in InterRISK Australia Pty Ltd to 40% therefore it is now deemed and associate entity, SPEL also holds one of 7 board positions.
- (iii) SPEL's shareholding in Asian Property Investment Limited has diluted during the period to 16.90% and therefore is no longer deemed an associate.

5. EARNINGS PER SHARE

	31/01/2009 cents	31/01/2008 cents
Basic earnings per share	(3.49)	0.89
Diluted earnings per share	(3.49)	0.89
Weighted average number of shares used in the calculation of basic and diluted earnings per share	593,528,451	593,517,770



NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

6. EQUITY SECURITIES

Movement in ordinary shares during the half year to 31 January were:

	31/01/09		31/01/08	
	Number of Shares	\$000	Number of Shares	\$000
Beginning of the period	593,528,451	144,928	593,513,927	144,924
Issued during the period:				
- share options exercised	-	-	10,614	3
End of the period	<u>593,528,451</u>	<u>144,928</u>	<u>593,524,541</u>	<u>144,927</u>

Movement in listed options during the half year to 31 January were:

	31/01/09	31/01/08
	Number of options	Number of Options
Beginning of the period	73,725,207	73,739,731
Share options exercised	-	(10,614)
End of the period	<u>73,725,207</u>	<u>73,729,117</u>

Movement in unlisted options during the half year to 31 January were:

Beginning of the period	8,740,000	8,480,000
Issued during the period	-	1,020,000
Cancelled during the period	-	(760,000)
Exercised during the period	-	-
End of the period	<u>8,740,000</u>	<u>8,740,000</u>

7. DIVIDENDS

No dividends have been paid or proposed during the half year.

	2009		2008	
	Cents	\$000	Cents	\$000
Final dividend for the year ended 31 July 2007, fully franked, paid during the half-year on 593,517,297 ordinary fully paid shares	<u>-</u>	<u>-</u>	<u>0.75</u>	<u>4,451</u>
Special dividend for the year ended 31 July 2007, fully franked, paid during the half-year on 593,517,297 ordinary fully paid shares	<u>-</u>	<u>-</u>	<u>0.25</u>	<u>1,484</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

8. RELATED PARTY TRANSACTIONS

Arrangements with related parties continue to be in place and there have been no significant changes in these arrangements since 31 July 2008. For details on these arrangements, refer to the 31 July 2008 annual financial report.

9. FINANCIAL REPORTING BY SEGMENTS

The following table presents the revenue and profit information regarding business segments for the half-year periods ended 31 January 2009 and 31 January 2008

31 January 2009

Revenue	SME	Other	Eliminations	Consolidated
	Investments	Investments ^(a)		
Revenue	12,447	2,568	(647)	14,368
Results				
Results before non cash items	(4,714)	914	-	(3,800)
Equity accounted net profits	5,398	-	-	5,398
Gains on disposal of assets	165	-	-	165
Unrealised asset revaluation	(15,230)	(10,660)	-	(25,890)
Impairment loss on goodwill	(3,426)	-	-	(3,426)
Impairment loss on investments	(1,947)	-	-	(1,947)
Impairment loss on receivables	(25)	-	-	(25)
Depreciation	(681)	-	-	(681)
Income tax expenses	5,717	2,293	-	8,010
Loss after tax	(14,743)	(7,453)	-	(22,196)
Assets				
Segment assets	37,003	47,242	-	84,245
Equity accounted investments	43,522	-	-	43,522
Total assets	80,525	47,242	-	127,767
Liabilities				
Segment liabilities	9,645	1,184	-	10,829
Total Liabilities	9,645	1,184	-	10,829
Net assets	70,880	46,058	-	116,938



Souls Private Equity Limited
Half Year ended 31 January 2009

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

9. FINANCIAL REPORTING BY SEGMENTS (continued)

31 January 2008

Revenue	SME	Other	Eliminations	Consolidated
	Investments	Investments ^(a)		
Revenue	8,057	4,752	(1,511)	11,298
Results				
Results before non cash items	(848)	1,807	(1,124)	(165)
Equity accounted net profits	3,282	-	-	3,282
Gain on disposal of assets	1,242	-	-	1,242
Unrealised asset revaluation	9,493	(5,503)	-	3,990
Impairment loss on receivables	(950)	-	-	(950)
Depreciation	(535)	-	-	(535)
Share based payment	-	(6)	-	(6)
Income tax expenses	(3,226)	1,660	-	(1,566)
Profit after tax	8,458	(2,042)	(1,124)	5,292
Assets				
Segment assets	60,054	66,858	-	126,912
Equity accounted investments	54,852	-	-	54,852
Other assets	7,765	-	-	7,765
Total assets	122,671	66,858	-	189,529
Liabilities				
Segment liabilities	12,193	4,554	-	16,747
Net assets	110,478	62,304		172,782

Note (a) – other investments is made up of cash and the Listed Share Portfolio (excluding CBD Energy Ltd and CMA Corporation Ltd, which are treated as an SME investment) along with parent entity balances.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 JANUARY 2009 (continued)

10. ACQUISITION OF CONTROLLED ENTITIES

The Company did not acquire any controlled entities during the six months to 31 January 2009 (2008: Nil).

11. EVENTS SUBSEQUENT TO BALANCE DATE

The Directors note that there has continued to be substantial fluctuations in the listed share markets in which the Company invests since the half year end and the date of this report. Changes in the value of the Company's investments are reflected in the Company's Net Asset Backing per share which is reported to the ASX monthly.

During February and March 2009, an additional investment of \$1,750,000, by way of a loan, was provided by the Company to Cromford Pty Limited.

Other than the above, there has been no event of which the directors are aware which has had a material effect on the consolidated entity or its financial position.

12. CONTINGENT LIABILITIES

The consolidated entity has no contingent liabilities as at 31 January 2009 and there has been no change since the last annual reporting date.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Souls Private Equity Limited, the directors declare that:

1. The financial statements and notes as set out on pages 12 to 23
 - (a) give a true and fair view of the consolidated entity's financial position as at 31 January 2009 and of its performance for the half year ended on that date, and
 - (b) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations.
2. In the directors' opinion 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



Robert D Millner
Director

Sydney
19 March 2009

Grant Thornton NSW
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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF SOULS PRIVATE EQUITY LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Souls Private Equity Limited for the half-year ended 31 January 2009, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON NSW
Chartered Accountants



A J Archer
Partner

Sydney, 19 March 2009

Grant Thornton NSW
ABN 25 034 787 757

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SOULS PRIVATE EQUITY LIMITED

We have reviewed the accompanying half-year financial report of Souls Private Equity Limited (the Company), which comprises the balance sheet as at 31 January 2009, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during that half-year.

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 establishing 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 consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410: Review of Interim Financial and Other Reports 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 consolidated entity's financial position as at 31 January 2009 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.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SOULS PRIVATE EQUITY LIMITED (cont)**

Auditor's responsibility (cont)

As the auditor of Souls Private Equity 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 complied with the independence requirements of the Corporations Act 2001.

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 Souls Private Equity 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 January 2009 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.



GRANT THORNTON NSW
Chartered Accountants



A J Archer
Partner

Sydney, 19 March 2009