Appendix 4D

Half yearly report

Name of entity

INTERNATIONAL EQUITIES CORPORATION LTD

ABN or equivalent company reference	Half year ended ('current period')
97 009 089 696	**31 DECEMBER 2013**

For announcement to the market

Extracts from this report for announcement to the market. $A'000

Revenues from ordinary activities	Down	10.54%	to	13,832
Profit (loss) from ordinary activities after tax attributable to members (2012: Profit of $1,571k)	Down	29.79 %	to	1,103
Profit (loss) from sale of a controlled entity (**see explanation below)		N/A	to	N/A
Net profit (loss) for the period attributable to members (2012: Profit of $1,571k)	Down	29.79 %	to	1,103

Dividends	Amount per security	Franked amount per security
Interim dividend	N/A	N/A
Previous corresponding period	N/A	N/A

+Record date for determining entitlements to the dividend: N/A

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

Please refer to interim financial report for the half year ended 31st December 2013 as attached.

NTA backing	Current period	Previous corresponding Period
Net tangible asset backing per +ordinary security	$0.157	$0.136

+ See chapter 19 for defined terms.

Control gained over entities having material effect

Name of entity (or group of entities)	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was +acquired	N/A
Date from which such profit has been calculated	N/A
Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of control of entities having material effect

Name of entity (or group of entities)	N/A
	$A'000
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A
Date to which the profit (loss) in item 14.2 has been calculated	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	N/A

Dividends (in the case of a trust, distributions)

Date the dividend (distribution) is payable	N/A
+Record date to determine entitlements to the dividend (distribution) (i.e., on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	N/A

Amount per security

		Amount per security	Franked amount per security at % tax	Amount per security of foreign source dividend
Interim dividend:	Current year	N/A	N/A	N/A
	Previous year	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Interim dividend (distribution) on all securities

	Current period $A'000	Previous corresponding period - $A'000
+Ordinary securities *(each class separately)*	N/A	N/A
Preference +securities *(each class separately)*	N/A	N/A
Other equity instruments *(each class separately)*	N/A	N/A
Total	N/A	N/A

The +dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the +dividend or distribution plans	N/A

Any other disclosures in relation to dividends (distributions). *(For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting)*

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':	Current period $A'000	Previous corresponding period - $A'000
Profit (loss) from ordinary activities before tax	N/A	N/A
Income tax on ordinary activities	N/A	-
Profit (loss) from ordinary activities after tax	N/A	N/A
Extraordinary items net of tax	N/A	-
Net profit (loss)	N/A	N/A
Adjustments	N/A	-
Share of net profit (loss) of associates and joint venture entities	N/A	N/A

+ See chapter 19 for defined terms.

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. *(If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)*

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss)	
Equity accounted associates and joint venture entities	Current Period	Previous corresponding period	Current period $A'000	Previous corresponding period - $A'000
Total	N/A	N/A	N/A	N/A
Other material interests	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

Foreign Entities

For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards)

N/A

Audit Dispute or Qualification

For all entities, if the +accounts are subject to audit dispute or qualification, a description of the dispute or qualification should follow:

N/A

+ See chapter 19 for defined terms.

International Equities Corporation Ltd

and controlled entities **ABN 97 009 089 696**

Financial report for the half year ended 31 December 2013

INTERIM FINANCIAL REPORT

DIRECTORS' REPORT

Your Directors submit the consolidated financial report of International Equities Corporation Limited for the half year ended 31 December 2013.

Directors
The directors in office during or since the end of the half year are:

Marcus Peng Fye Tow (Chairman / Chief Executive Officer)
Tow Kong Liang
Aubrey George Menezes (Chief Financial Officer / Company Secretary)
Krishna Ambalavanar

The company secretary in office during or since the end of the half year is:

Aubrey George Menezes

Review of Operations
A summary of the consolidated revenues and results by industry segments is set out below:

	Segment Revenue 31 December		Segment Results 31 December	
	2013	**2012**	**2013**	**2012**
	$000	**$000**	**$000**	**$000**
Property Development	2,219	3,483	(599)	36
Tourism	11,216	11,186	1,483	961
Leasing/Rental Property	397	793	219	574
	13,832	15,462	1,103	1,571

Comments on the operations and the results of those operations are set out below:

For the half year ended 31 December 2013, International Equities Corporations Limited (IEC) generated revenues of $13.832 million mostly from hotel operations and sale of properties. This resulted in a consolidated post tax profit of $1.103 million.

Property development, management and hotels continue to be IEC's main core business. In 2014, the sale of residential apartments will continue to be a priority to reduce debt whilst the serviced apartment operations will provide a steady income stream.

DIRECTORS' REPORT

Events Occurring after Balance Date

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial year.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is included on page 3.

Rounding of amounts

The consolidated entity has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest $1,000.

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

Aubrey George Menezes
Director

Dated this 28th day of February 2014

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF INTERNATIONAL EQUITIES CORPORATION LIMITED

As lead auditor for the review of International Equities Corporation Limited and its controlled entities for the half year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements as set out in 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.

Neil Pace

Neil Pace
Partner

MOORE STEPHENS

Moore Stephens
Chartered Accountants

Signed at Perth this 28th day of February 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Note	Consolidated entity	
		31 December 2013 $000	**31 December 2012 $000**
Revenues from continuing operations	**2**	13,832	15,462
Property development costs		(2,141)	(3,013)
Hotel cost of goods sold & Administrative expenses		(9,438)	(9,529)
Sales commission		(81)	(167)
Borrowing costs expense	**2**	(783)	(909)
Depreciation and amortisation expenses		(286)	(273)
Profit/(loss) from continuing operations before income tax expense		1,103	1,571
Income tax expense		-	-
Profit/(loss) from continuing operations after tax		**1,103**	**1,571**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:		-	-
		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		**1,103**	**1,571**
Net Gain from continuing operations attributable to the members of the parent entity		**1,103**	**1,571**
Total comprehensive income attributable to members of the parent entity		**1,103**	**1,571**
Basic earnings per share		0.86c	1.23c
Diluted earnings per share		0.86c	1.23c

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Consolidated Entity	
	31 December 2013 $000	**30 June 2013 $000**
CURRENT ASSETS		
Cash assets	2,757	2,068
Receivables	2,169	2,446
Inventories	8,392	8,412
Other	283	259
TOTAL CURRENT ASSETS	13,601	13,185
NON CURRENT ASSETS		
Property, plant and equipment	40,909	43,252
Intangible assets	361	405
TOTAL NON CURRENT ASSETS	41,270	43,657
TOTAL ASSETS	54,871	56,843
CURRENT LIABILITIES		
Payables	2,462	2,268
Interest-bearing liabilities	3,372	27,897
Provisions	334	444
TOTAL CURRENT LIABILITIES	6,168	30,609
NON CURRENT LIABILITIES		
Interest-bearing liabilities	28,575	7,209
TOTAL NON CURRENT LIABILITIES	28,575	7,209
TOTAL LIABILITIES	34,743	37,818
NET ASSETS	**20,128**	**19,025**
EQUITY		
Contributed equity	12,093	12,093
Reserves	16,746	16,746
Retained earnings / (accumulated losses)	(8,711)	(9,814)
TOTAL EQUITY	**20,128**	**19,025**

The above should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Share capital	Other reserves	Retained earnings	Total	Total equity
Balance at 1 July 2013	**12,093**	**16,746**	**(9,814)**	**19,025**	**19,025**
Net profit for the half year	-	-	1,103	1,103	1,103
Total recognised income & expense for the period	12,093	16,746	(8,711)	20,128	**20,128**
Increase in Revaluation reserve	-	-	-	-	-
Dividends paid or declared	-	-	-	-	-
Issue of share capital	-	-	-	-	-
Equity share options issued	-	-	-	-	-
Balance at 31 December 2013	**12,093**	**16,746**	**(8,711)**	**20,128**	**20,128**

	Share capital	Other reserves	Retained earnings	Total	Total Equity
Balance at 1 July 2012	**12,093**	**16,746**	**(12,979)**	**15,860**	**15,860**
Net loss for the half year	-	-	1,571	1,571	1,571
Total recognised income & expense for the period	12,093	16,746	(11,408)	17,431	**17,431**
Increase in Revaluation reserve	-	-	-	-	-
Dividends paid or declared	-	-	-	-	-
Issue of share capital	-	-	-	-	-
Equity share options issued	-	-	-	-	-
Balance at 31 December 2012	**12,093**	**16,746**	**(11,408)**	**17,431**	**17,431**

The above statement of equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Consolidated entity	
	31 December 2013 $000	**31 December 2012 $000**
Cash flows from operating activities		
Receipts from customers	14,044	14,211
Payments to suppliers and employees	(9,434)	(8,909)
Interest received	16	15
Borrowing costs paid	(783)	(1,093)
Other Income	44	93
Net cash used in operating activities	3,887	4,317
Cash flows from investing activities		
Purchase of property, plant & equipment	(39)	(255)
Purchase of investments	-	-
Net cash used in investing activities	(39)	(255)
Cash flows from financing activities		
Proceeds from borrowings	-	27,510
Repayment of borrowings	(3,159)	(32,512)
Net cash provided by financing activities	(3,159)	(5,002)
Net increase/(decrease) in cash held	688	(940)
Cash at start of period	2,068	2,943
Cash at end of period	**2,756**	**2,003**

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS HALF YEAR ENDED 31 DECEMBER 2013

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for half year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with any public announcements made by International Equities Corporation Limited and its controlled entities during the year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001.*

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the 30 June 2013 annual report.

This report does not include full disclosures of the type normally included in an annual financial report.

1. New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

(i) *Consolidated financial statements, joint arrangements and disclosure of interests in other entities*

The Group has adopted the following new and revised Australian Accounting Standards from 1 July 2013 together with consequential amendments to other Standards:

– AASB 10: *Consolidated Financial Statements;*

– AASB 127: *Separate Financial Statements* (August 2011);

– AASB 12: *Disclosure of Interests in Other Entities;*

– AASB 2011–7*: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards*; and

– AASB 2012–10: *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments.*

These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. The Group has applied these Accounting Standards retrospectively in accordance with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* and the specific transition requirements in AASB 10 and AASB 11. The effects of initial application of these Standards in the current half-year reporting period are as follows:

– *Consolidated financial statements:*

AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. Revised AASB 127 facilitates the application of AASB 10 and prescribes requirements for separate financial statements of the parent entity.

Although the first-time application of AASB 10 (together with the associated Standards) caused certain changes to the Group's accounting policy for consolidation and determining control, it did not result in any changes to the amounts reported in the Group's financial statements as the "controlled" status of the existing subsidiaries did not change, nor did it result in any new subsidiaries being included in the Group as a consequence of the revised definition. However, the revised wording of accounting policy for consolidation is set out in Note (iv).

– Disclosure of interest in other entities:

AASB 12 is the Standard that addresses disclosure requirements of AASB 10, AASB 11, AASB 127 and AASB 128. No new disclosures are material to this interim financial report.

(ii) *Fair value measurements and disclosures*

The Group has adopted AASB 13: *Fair Value Measurement* and AASB 2011–8: *Amendments to Australian Accounting Standards arising from AASB 13* from 1 July 2013 together with consequential amendments to other Standards. These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. AASB 13 sets out a comprehensive framework for measuring the fair value of assets and liabilities and prescribes enhanced disclosures regarding all assets and liabilities measured at fair value.

NOTE 1: BASIS OF PREPARATION (CONTINUED)

New disclosures prescribed by AASB 13 that are material to this interim financial report have been provided in Note 6. Although these Standards do not significantly impact the fair value amounts reported in the Group's financial statements, the directors have determined that additional accounting policies providing a general description of fair value measurement and each level of the fair value hierarchy, as set out in Note (v), should be incorporated in these financial statements.

(iii) *Other*

Other new and amending Standards that became applicable to the Group for the first time during this half-year reporting period are as follows:

AASB 2012–2: *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* and AASB 2012–5: *Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle.*

These Standards make changes to presentation and disclosure requirements, but did not affect the Group's accounting policies or the amounts reported in the financial statements.

AASB 119: *Employee Benefits* (September 2011) and AASB 2011–10*: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011).*

These Standards did not affect the Group's accounting policies or the amounts reported in the financial statements, mainly because the Group does not have defined benefit plan assets or obligations.

(iv) *Principles of Consolidation*

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent International Equities Corporation Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 7.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(v) *Fair Value of Assets and Liabilities*

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

NOTE 1: BASIS OF PREPARATION (CONTINUED)

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share- based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

– *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

– *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

– *Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.*

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or

(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (ie transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

NOTES TO THE FINANCIAL STATEMENTS HALF YEAR ENDED 31 DECEMBER 2013

NOTE 2 (I): PROFIT OR LOSS FOR THE PERIOD

	Consolidated Group	
	31 December 2013	31 December 2012
Operating Activities		
Sales of Apartments	2,191	3,409
Property Management fees	355	482
Sales of Services and Accommodation	11,071	11,039
Rental Revenue	155	424
Interest Received	16	15
Other Revenue	44	93
	13,832	15,462

NOTE 2 (II): FINANCIAL COST EXPENSES

	Consolidated Group	
	31 December 2013	31 December 2012
Borrowing Costs	(783)	(909)
	(783)	(909)

NOTE 3: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group’s operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the type or class of customer for the products or service;
- the distribution method; and
- external regulatory requirements.

Types of products and services by segment

Property Development

The property development and re-sale segment is responsible for identifying, costing and financing potential development opportunities, developing acquisitions and finding buyers for completed developments.

NOTE 3: OPERATING SEGMENTS (CONTINUED)

Tourism

Tourism relates to the Group's own hotel operations and to leasing and operating a hotel cum serviced apartment for a fee.

Leasing Rental Property

This relates to the operations of a licensed real estate agency which includes sale and/or leasing of apartments for a management fee.

(i) Segment performance

	Property Development	Tourism	Leasing	Total
	$000	$000	$000	$000
Six months ended 31 December 2013				
Revenue				
Total segment revenue	2,568	11,648	406	14,622
Interest income	6	10		16
Less: intersegment elimination	(355)	(442)	(9)	(806)
Total segment revenue	2,219	11,216	397	13,832
Segment results	(599)	1,483	219	1,103
Profit from operations before income tax expense				1,103

	Property Development	Tourism	Leasing	Total
	$000	$000	$000	$000
Six months ended 31 December 2012				
Revenue				
Total segment revenue	3,760	11,615	1,536	16,911
Interest income	3	16		19
Less: intersegment elimination	(280)	(445)	(743)	(1,468)
Total segment revenue	3,483	11,186	793	15,462
Segment results	36	961	574	1,571
Profit from operations before income tax expense				1,571

(ii) Segment assets

	Property Development	Tourism	Leasing	Total
	$000	$000	$000	$000
Opening balance 1 July 2013	21,583	35,061	199	56,843
Additions	-	-	125	125
Disposals	(2,018)	(79)	-	(2,097)
Closing balance 31 December 2013	19,565	34,982	324	54,871

NOTE 3: OPERATING SEGMENTS (CONTINUED)

(iii) Revenues & Assets by Geographic Region

The consolidated entity's revenues and assets are based in Australia.

(iv) Major customers

The Group has no external customers in any of its segments which accounts for more than 10% of external segment revenue.

NOTE 4: CONTINGENT LIABILITIES

The Group has no contingent liabilities aside from Seasons Harbour Plaza Pty Ltd, a wholly owned subsidiary of the parent company, has provided a bank guarantee of up to $775,000 as a rental bond to Landlords of the Seasons Harbour Plaza Hotel.

NOTE 5: EVENTS OCCURRING AFTER THE END OF THE INTERIM PERIOD

There has not arisen, in the interval between the end of the financial half year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to significantly affect the operations of the company, the results of those operations, or the state of affairs of the Company in future financial years.

There have been no significant events subsequent to balance date.

NOTE 6: FAIR VALUE MEASUREMENT

a. **Recurring and Non-recurring Fair Value Measurement Amounts and the Level of the Fair Value Hierarchy within which the Fair Value Measurements Are Categorised**

		Fair Value Measurements at 31 December 2013 Using:		
		Quoted Prices in Active Markets for Identical Assets $000	**Significant Observable Inputs Other than Level 1 Inputs $000**	**Significant Unobservable Inputs $000**
Description	**Note**	**(Level 1)**	**(Level 2)**	**(Level 3)**
Recurring fair value measurements				
Property, plant and equipment (at revalued amounts):				
Freehold land and buildings	(i)	-	40,448	-

NOTE 6: FAIR VALUE MEASUREMENT (CONTINUED)

		Fair Value Measurements at 30 June 2013 Using:		
		Quoted Prices in Active Markets for Identical Assets $000	Significant Observable Inputs Other than Level 1 Inputs $000	Significant Unobservable Inputs $000
Description	**Note**	**(Level 1)**	**(Level 2)**	**(Level 3)**
Recurring fair value measurements				
Property, plant and equipment (at revalued amounts):				
Freehold land and buildings	(i)	-	42,558	-

(i) The fair value measurement amounts of freehold land and buildings relate to the Seasons of Perth Hotel in Western Australia and the Serviced Apartments at Seasons Heritage Melbourne Hotel in Victoria. The fair values of these assets are based on the Valuation Report conducted by CBRE in 2012.

There were no transfers between Level 1 and Level 2 during the reporting period.

b. **Valuation Techniques and Inputs Used to Determine Level 2 Fair Values**

Description	Fair Value at 31 December 2013	Description of Valuation Techniques	Inputs Used
Level 2	**$000**		
CBRE Valuation Report 13 June 2012	40,448	Direct Comparison Approach, Estimation of future trading results, Going Concern valuation	Supply-demand factors, current market rental and sales prices, Management Rights, Historical and forecasted trading figures.

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

NOTES TO THE FINANCIAL STATEMENTS HALF YEAR ENDED 31 DECEMBER 2013

NOTE 7: INTEREST IN SUBSIDIARIES

Information about Principal Subsidiaries

Set out below are the Group's subsidiaries at 31 December 2013. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's country of incorporation or registration is also its principal place of business.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non-controlling Interests
		At 31 December 2013	At 30 June 2013	At 31 December 2013
(IEC) Pacific Pty Ltd	Australia	100 %	100 %	0%
IEC (Management) Pty Ltd	Australia	100 %	100 %	0%
IEC Real Estate Pty Ltd	Australia	100 %	100 %	0%
Renaissance Australia Pty Ltd	Australia	100 %	100 %	0%
Seasons Heritage Melbourne Pty Ltd	Australia	100 %	100 %	0%
IEC Properties Pty Ltd	Australia	100 %	100 %	0%
Seasons Apartment Hotel Group Pty Ltd	Australia	100 %	100 %	0%
Seasons International Management Pty Ltd	Australia	100 %	100 %	0%
Seasons Darling Harbour Pty Ltd	Australia	100 %	100 %	0%
Seasons Harbour Plaza Pty Ltd	Australia	100 %	100 %	0%

Subsidiaries' financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

DIRECTOR'S DECLARATION

In accordance with a resolution of the Directors of International Equities Corporation Ltd, the Directors of the Company declare that:

1. The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

    a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and

    b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half year ended on that date.

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.

AG Menezes
Director

Perth, Western Australia
Dated this 28th day of February 2014

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INDEPENDENT REVIEW REPORT TO THE MEMBERS OF INTERNATIONAL EQUITIES CORPORATION LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of International Equities Corporation Limited and its controlled entities ("the consolidated entity"), which comprises the consolidated statement of financial position as at 31 December 2013, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the half-year ended on that date, a summary of significant accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at half year's end or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity 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 it 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 a 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 Corporation Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 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 International Equities Corporation Limited and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the financial report.

A review of the half-year financial report consists of making enquiries, primarily of persons responsible for the 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 applicable 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 International Equities Corporation Limited and its controlled entities 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 31 December 2013 and of its performance for the half-year ended on that date; and

(ii) complying with Accounting Standard AASB 134: "Interim Financial Reporting" and the Corporations Regulations 2001; and

Neil Pace	**Moore Stephens**
Partner	**Chartered Accountants**

Dated in Perth, this 28th day of February 2014