

PRELIMINARY HALF YEAR REPORT ANNOUNCEMENT

Media Technology Group Limited

(Name of Listed Issuer)

For Year Ended

31-Mar-05

(referred to in this report as the "current period")

Preliminary full year report on consolidated results (including the results for the previous corresponding full year in accordance with Listing Rule 10.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates [see Note [X] attached] and is based on audited financial statements. If the report is based on audited financial statements, any qualification made by the auditor is to be attached.

The Listed Issuer has a formally constituted Audit Committee of the Board of Directors.

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE	*Consolidated Statement Financial Performance		
	Current Full Year \$NZ'000	*Up/Down %	Previous period (8 months) \$NZ'000
1.1 OPERATING REVENUE			
(a) Trading Revenue	20,210	503.1%	3,351
(b) Other Revenue			
(c) Total Operating Revenue	20,210	503.1%	3,351
1.2 OPERATING (DEFICIT) BEFORE TAXATION	(793)	(68.0%)	(2,476)
(a) Less taxation on operating result	144		19
1.3 OPERATING (DEFICIT) AFTER TAX	(937)	(62.4%)	(2,495)
(a) Extraordinary Items after Tax [detail in Item 3]			
(b) Unrealised net change in value of investment properties			
1.4 NET (DEFICIT) FOR THE PERIOD	(937)	(62.4%)	(2,495)
(a) Net *Surplus (Deficit) attributable to minority interests			
1.5 NET (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	(937)	(62.4%)	(2,495)

2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ 8 months	*Consolidated Statement of Financial Performance	
	Current Full Year \$NZ'000	Previous period (8 months) \$NZ'000
2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE		
(a) Interest revenue included in Item 1.1(b)		1
(b) # Unusual items for separate disclosure (gain/loss) (detail - Item 3)		190
(c) Equity earnings (gain/loss) (detail - Item 16)		
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)	446	63
(e) Leasing and renting expenses	843	130
(f) Depreciation	420	72
(g) Diminution in the value of assets (other than depreciation)		
(h) Amortisation of goodwill	682	114
(i) Amortisation of other intangible assets		
(j) Impairment of goodwill		2,243
(k) Impairment of other intangible assets		

5 EARNINGS PER SECURITY	Earnings Per Security	
	Current Full Year	Previous period (8 months)
	\$NZ'000	\$NZ'000
Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share		
(a) Basic EPS (cents/share)	(1.1)	(8.9)
(b) Diluted EPS (if materially different from (a))	(1.1)	(8.9)

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (VII) at	
(a) Name of subsidiary or group of subsidiaries	_____
(b) Percentage of ownership acquired	_____
(c) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	_____
(d) Date from which such contribution has been calculated	_____

7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)	
(a) Name of subsidiary or group of subsidiaries	nil
(b) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$ _____
(c) Date from which such contribution has been calculated	_____
(d) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) for the previous corresponding full year	_____
(e) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) from sale of subsidiary	\$ _____

8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS

Information on the industry and geographical segments of the Listed Issuer is to be reported for the period in accordance with the provisions of SSAP:23: Financial Reporting for Segments. Because of the differing nature and extent of segments among Listed Issuers, no complete proforma is provided, and the segment information should be completed separately and attached to this report. However, the following shows a suitable list of items for presentation and indicates which amounts should agree with items included elsewhere in the report for the period:

SEGMENTS See attached schedule

Industry

- Operating revenue:
 - * Sales to customers outside the group
 - * Intersegment sales
 - * Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

Geographical

- Operating revenue:
 - * Sales to customers outside the group
 - * Intersegment sales
 - * Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

	Consolidated Statement of Financial Position		
	At end of current full year \$NZ'000	As shown in last Annual Report \$NZ'000	If half yearly as shown in last half yearly report \$NZ'000
(Note (VIII) attached has particular relevance for the preparation)			
9 CURRENT ASSETS:			
(a) Cash	296	370	
(b) Trade receivables	2,322	2,677	
(c) Investments			
(d) Inventories	551	410	
(e) Other assets, current	671		
TOTAL CURRENT ASSETS	3,840	3,457	
9.1 NON-CURRENT ASSETS			
(a) Trade receivables			
(b) Investments			
(c) Inventories			
(d) Property, plant and equipment	1,222	1,500	
(e) Goodwill	6,022	6,732	
(f) Deferred Taxation Assets			
(g) Other Intangible Assets			
(h) Other assets, non current			
9.2 TOTAL NON-CURRENT ASSETS	7,244	8,232	
9.3 TOTAL ASSETS	11,084	11,689	
9.4 CURRENT LIABILITIES			
(a) Trade Creditors	3,044	3,886	
(b) Income in advance, current			
(c) Secured loans	880	2,410	
(d) Unsecured loans			
(e) Provisions, current			
(f) Other liabilities, current	1,159		
TOTAL CURRENT LIABILITIES	5,083	6,296	
9.5 NON-CURRENT LIABILITIES			
(a) Accounts payable, non-current			
(b) Secured loans	1,600		
(c) Unsecured loans			
(d) Provisions, non-current			
(e) Deferred Taxation Liability, non-current			
(f) Other liabilities, non-current			
9.6 TOTAL NON-CURRENT LIABILITIES	1,600		
9.7 TOTAL LIABILITIES	6,683	6,296	
9.8 NET ASSETS	4,401	5,393	
9.9 SHAREHOLDERS' EQUITY			
(a) Share capital (optional)	17,371	17,371	
(b) Reserves (optional) (i) Revaluation reserve	(229)	(174)	
(ii) Other reserves			
(c) Retained Surplus (accumulated Deficit) (optional)	(12,741)	(11,804)	
9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	4,401	5,393	
(a) Minority equity interests in subsidiaries			
9.11 TOTAL SHAREHOLDERS' EQUITY	4,401	5,393	
(a) Returns on Assets (%) (EBIT divided by Total Assets)	(3.1%)	(20.6%)	
(b) Return on Equity (%) (Net Income divided by Shareholders' Equity)	(21.3%)	(46.3%)	
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	152%	117%	

		Consolidated Statement of cash flows for period	
		Current Full Year \$NZ'000	Previous period (8 months) \$NZ'000
(See Note (IX) attached)			
10	CASH FLOWS RELATING TO OPERATING ACTIVITIES		
(a)	Receipts from customers	20,087	2,850
(b)	Interest received		1
(c)	Dividends received		
(d)	Payments to suppliers and employees	(18,735)	(3,176)
(e)	Interest paid	(361)	(78)
(f)	Income taxes paid	(202)	(67)
(g)	Other cash flows relating to operating activities	(789)	(25)
	NET OPERATING FLOWS	-	(495)
(See Note (IX) attached)			
11	CASH FLOWS RELATING TO INVESTING ACTIVITIES		
(a)	Cash proceeds from sale of property, plant and equipment		
(b)	Cash proceeds from sale of equity investments		
(c)	Loans repaid by other entities		30
(d)	Cash paid for purchases of property, plant and equipment	(143)	(66)
(e)	Interest paid - capitalised		
(f)	Cash paid for purchases of equity investments		
(g)	Loans to other entities		
(h)	Other cash flows relating to operating activities		
	NET INVESTING CASH FLOWS	(143)	(36)
(See Note (IX) attached)			
12	CASH FLOWS RELATED TO FINANCING ACTIVITIES		
(a)	Cash proceeds from issue of shares, options, etc.		650
(b)	Borrowings	104	165
(c)	Repayment of borrowings	(35)	(93)
(d)	Dividends paid		
(e)	Other cash flows relating to operating activities		
	NET FINANCING CASH FLOWS	69	722
(See Note (IX) attached)			
13	NET INCREASE (DECREASE IN CASH HELD)	(74)	191
(a)	Cash at beginning of period	370	(101)
(b)	Cash acquired with acquisition of Subsidiaries		278
	Foreign exchange gain on conversion of cash balances		2
(c)	CASH AT END OF PERIOD	296	370
14	NON-CASH FINANCING AND INVESTING ACTIVITIES		
	Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows:		

15 RECONCILIATION OF CASH		Current Full Year	Previous period (8 months)
		\$NZ'000	\$NZ'000
For the purposes of the above Statement of cash flows, cash includes:			
Cash at the end of the period as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:			
Cash on hand and at bank		296	370
Deposits at call			
Bank overdraft			
Other (provide details eg Term Deposits)			
Total = Cash at End of Period (Item 13(c) above)		296	370

16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES	
Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).	

16.1 GROUP SHARE OF RESULTS OF ASSOCIATES

	Equity Earnings	
	Current Full Year	Previous period (8 months)
	\$NZ'000	\$NZ'000
(a) OPERATING *SURPLUS (DEFICIT) BEFORE TAX	n/a	n/a
(b) Less tax		
(c) OPERATING *SURPLUS (DEFICIT) AFTER TAX		
(i) Extraordinary items		
(d) NET *SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX		

16.2 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES

(a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of Period		Contribution to net *surplus (deficit) (Item 1.5)	
	Current Period	Previous Corresponding Full Year	Current Full Year	Previous period (8 months)
			\$NZ'000	\$NZ'000
Equity Accounted Associates			<i>Equity Accounted in current year</i>	
	nil	nil	n/a	n/a
Other Material Interests			<i>Not Equity Accounted in current year</i>	
	nil	nil	n/a	n/a

(b) Investments in Associates

	Current Full Year	Previous period (8 months)
	\$NZ'000	\$NZ'000
Carrying value of investments in associates beginning of period	n/a	n/a
Share of changes in associates' post acquisition surpluses/and reserves:		
- Retained surplus		
- Reserves		
Net goodwill amortisation and impairment adjustments in the period		
Less Dividends received in the period		
Equity carrying value of investments at the end of period		
Amount of goodwill included in carrying value at end of that period		

17 ISSUED AND QUOTED SECURITIES AT END OF CURRENT PERIOD

Category of Securities	Issued	Quoted	Cents	Paid-Up Value (If not fully paid)
PREFERENCE SHARES:				
# (Description)	nil			
Issued during current *half year/full year	nil			
ORDINARY SHARES:				
Beginning of year	85,031,485	85,031,485		
Issued during current period				
CONVERTIBLE NOTES				
# (Description)	nil			
Issued during current *half year/full year				
OPTIONS:				
	Issued	Quoted	Exercise Price	Expiry Date
	nil			
Issued during current *half year/full year				
DEBENTURES - Totals only:	nil	\$		
UNSECURED NOTES - Totals only:	nil	\$		
OTHER SECURITIES	nil	\$	\$	

Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

18 COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

- (a) Material factors affecting the revenues and expenses of the group for the current full year

The directors announced on 16th March 2005 a reduction in forecast EBITDA to \$750,000. The actual result for the year ended March 2005 is an EBITDA of \$755,132.

- (b) Significant trends or events since end of current full year

Nil

- (c) Changes in accounting policies since last Annual Report and last Half Yearly to be disclosed

Nil

- (d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain

The directors have reviewed the valuation of goodwill and conclude that there has been no impairment in goodwill value but consider it prudent to continue to amortise goodwill over ten years, consistent with the previous year policy, pending any change in policy arising from adopting the International Accounting Standards. Goodwill amortised in the current period is \$681,753.

- (e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty

The EBITDA of \$755,132 for the year also reflects a significant investment in market development and IT services to deliver the company's new SMARTTrack media and CD mailer products which are expected to yield benefits in the 2nd half of the forthcoming year.

- (f) Other comments

The results for this period are for 12 months whereas the comparative results are for 8 months.

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- (a) Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)
- (b) Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)

20 ANNUAL MEETING (if full year report)

- (a) To be held at
To be advised
- (b) Date Time 27/06/2005
- (c) Approximate date of availability of Annual Report 27/06/2005

If this full year report was approved by resolution of the Board of Directors, please indicate date of meeting:



(signed by) Authorised Officer of Listed Issuer 25/05/2005
(date)

*Delete as required