

Appendix 4D

Half Year Report

Half year information given to ASX under listing rule 4.2A

Introduced 1/1/2003.

GARRATT'S LIMITED ABN: 95 000 003 725

1.	Half-year ended ('reporting period')	31-Dec-06
	Half-year ended ('previous corresponding period')	31-Dec-05

2. Results for announcement to the market

		\$A'000	
Movements from previous corresponding period			
2.1	Revenues from ordinary activities	up 13.4%	to 5,273
2.2	Profit (loss) from ordinary activities after tax attributable to members	up 82.0%	to (89)
		(Reduced loss)	
2.3	Net profit (loss) for the period attributable to members	up 82.0%	to (89)
		(Reduced loss)	

Dividends

2.4 The Company does not propose to pay dividends in relation to this period.

2.5 Record date for dividends: Not applicable

2.6 Explanation of items 2.1 to 2.4 above:

Fasteners

The contribution to profitability increased by 50% from \$154,000 to \$231,000.

Education

There was a major improvement in the education business. The profit from education was \$336,000 compared with a loss of \$35,000 for the previous corresponding period.

This half year report is to be read in conjunction with the most recent annual financial report.

3. **Net tangible Assets**

Reporting period	Previous corresponding period
-7.0 cents	-4.3 cents

Net tangible asset backing per ordinary share

4. **Gain or loss of control over entities**

Not applicable.

5. **Dividends**

No dividends were paid during the reporting period or the previous corresponding period.

6. **Dividend reinvestment plans**

No dividend reinvestment plans were in operation during the reporting period or the previous corresponding period.

7. **Associates and joint venture entities**

No member of the Group held an interest in, or participated in the results of, an associate or joint venture.

8. **Foreign entities**

No member of the Group is a foreign entity.

Signed: Stephanie Noble

Stephanie Noble
(Finance Manager)

Date: 26 February 2007