Argo Global Listed Infrastructure Limited

ABN 23 604 986 914

Appendix 4D

Half-year Report
for the period ended 31 December 2017
(previous corresponding period being
the half-year ended 31 December 2016)

ARGO GLOBAL LISTED INFRASTRUCTURE LIMITED ABN 23 604 986 914

RESULTS FOR ANNOUNCEMENT TO THE MARKET
HALF-YEAR ENDED 31 DECEMBER 2017

(Comparative figures being the half-year ended 31 December 2016)

				2017 $A'000	2016 $A'000
Revenue from operating activities	up	569.9%	to	13,062	(2,780)
Profit/(loss) for the half-year	up	271.1%	to	7,213	(4,219)

Dividend

Interim unfranked dividend payable 23 March 2018 (previous corresponding period 1.0 cent unfranked)	1.25 cents

The Company's Dividend Reinvestment Plan will operate for the interim dividend. Shares issued under the DRP will be allocated based on the volume weighted average ex-dividend market price of the shares traded on the record date and the three business days following the record date.

The DRP Terms and Conditions can be accessed at the Company's website at www.argoinfrastructure.com.au.

The record date for determining entitlements to the interim dividend	5 March 2018
The election date for determining participation in the Dividend Reinvestment Plan	6 March 2018

Final unfranked dividend for year ended 30 June 2017 paid 29 September 2017	2.5 cents

Net Tangible Asset (NTA) Backing

	31 December 2017	31 December 2016
NTA per share [1]	2.10	$1.96
NTA after unrealised tax provision [2]	2.07	$1.97

1. This figure allows for all costs incurred, including company tax and any tax payable on gains realised from portfolio sales.
2. Under ASX Listing Rules, the Company is also required to calculate the NTA per share after providing for estimated tax on unrealised gains/losses in the portfolio (tax that may arise should the entire portfolio be disposed of on the above date).

ARGO GLOBAL LISTED INFRASTRUCTURE LIMITED

ACN 604 986 914

ASX/Media Release

19 February 2018

Argo Global Listed Infrastructure Limited (AGLI) has recorded a profit of $7.2 million for the half-year ended 31 December 2017. An unfranked interim dividend of 1.25 cents per share has been declared, up from the 1.0 cent per share paid for the previous year's first half.

AGLI is a listed investment company with a market capitalisation of over $250 million, which provides investors with access to a global universe of infrastructure companies.

Summary of financial results

	31 December 2017	*31 December 2016*
Profit*	**$7.2 million**	-$4.2 million
Interim dividend per share (unfranked)	**1.25 cents**	1.0 cent
Net tangible asset backing (NTA) per share, after costs and tax	**$2.10**	$1.96

** under Australian Accounting Standards, AGLI's operating income and realised profits and losses are added to, or reduced by, changes in the market value of the Company's assets. This can lead to large variations in reported profit from one period to the next.*

Overview

The 2017 calendar year was a very strong one for most global equity markets, with many indices hitting record highs. Infrastructure returns were also positive in this environment, but to a lesser extent than broader equity markets, due to the sector's defensive characteristics.

However, in light of the sharp market declines experienced in recent weeks, it should be noted that in comparison to general equities, global listed infrastructure stocks have generally tended to offer relative downside protection and lower volatility, whilst still providing competitive returns through various investment cycles.

Within the infrastructure sector, the best performers over the calendar year were the companies with operations that are most sensitive to economic activity, especially airports, toll roads, marine ports and railways. The more defensive and interest rate sensitive stocks, such as electric and gas utilities, underperformed as investors started to look ahead to the likely prospect of rising interest rates should economic growth continue.

In the US, significant tax cuts were passed by Congress just before Christmas and this benefited railway companies in particular as they are historically high tax payers. With this mind, AGLI has been increasing its weighting in Union Pacific, which is now a top 5 holding.

Communications towers are less cyclical in nature, but continue to show strong performance due to rapidly growing mobile data usage on wireless devices. Two of AGLI's top three holdings are communications tower companies.

Investment Performance

The performance table below shows that although the infrastructure sector lagged the strong performance of broader equity markets in the half-year to 31 December 2017, AGLI's New York-based specialist portfolio manager, Cohen & Steers Inc, has added significant value above the benchmark index for the half-year and the full calendar year.

Accumulated performance	*6 months to 31 Dec 2017*	*12 months to 31 Dec 2017*
Infrastructure:		
AGLI - share price return	+3.9%	+15.4%
Portfolio return	+3.9%	+11.1%
Infrastructure sector - benchmark index (A$)*	+2.8%	+9.2%
Broader equities:		
World - MSCI World equity index (A$)	+8.5%	+13.3%
Australia - S&P ASX200 Accum. Index	+8.4%	+11.8%

** The AGLI benchmark is the FTSE Global Core Infrastructure 50/50 Index (in A$).*

Outlook

As we enter 2018, economic lead indicators continue to look supportive, with synchronised global growth the strongest since the GFC. While this should be good for earnings, markets are becoming increasingly concerned that "too much of a good thing" may lead to accelerating inflation and ultimately higher interest rates than are currently factored into forward expectations.

Although this may provide some shorter term headwinds for the interest rate sensitive sectors of the equity market, including infrastructure, previous cycles have revealed that any initial underperformance has generally turned around in the following 6-12 months, with much of the infrastructure universe benefiting from the positive economic conditions. We remain optimistic that the economic strength experienced in recent months will continue, and that the portfolio is positioned to benefit from this.

This week in the US, the White House released the President's long awaited infrastructure plan. The overall amount of direct Federal spending under the proposal remains at around US$200 billion, in order to trigger about US$1.3 trillion or more in state, local, and private infrastructure investment. Due to concerns over adding to the US deficit, the plan's success will depend on significant investment from the private sector. While the plan still needs to be legislated, it is expected that a number of listed and unlisted infrastructure companies will benefit, with projects that are the most attractive to private investors likely to be prioritised.

We firmly believe that AGLI can bring important diversification benefits to Australian equity investors from an asset class, geographic and currency perspective. The essential service nature of infrastructure assets are likely to perform relatively well in a more uncertain outlook. The portfolio has around 60 quality global listed infrastructure companies and the manager is adding value to this portfolio above the index.

AGLI shares are currently trading at a discount to the underlying asset value of the Company, which may provide an attractive entry point for those investors looking to diversify their portfolios.

Media contact:
Jason Beddow
Managing Director
02 8274 4702

Argo Global Listed Infrastructure Limited

ABN 23 604 986 914

Half-year Report

31 December 2017

Table of Contents

for the half-year ended 31 December 2017

Page

Directors' Report

The Directors of Argo Global Listed Infrastructure Limited (AGLI or Company) present their report together with the financial statements of the Company for the half-year ended 31 December 2017.

DIRECTORS

The following persons were Directors of the Company during the period and up to the date of this report:

Geoffrey Ian Martin AM, Chairman	Non-independent Director (appointed 26 March 2015)
Jason Beddow	Non-independent Director (appointed 26 March 2015)
Joycelyn Cheryl Morton	Non-independent Director (appointed 26 March 2015)
Gary John Simon	Independent Director (appointed 27 April 2015)
Andrea Elizabeth Slattery	Independent Director (appointed 27 April 2015)

PRINCIPAL ACTIVITIES

The Company is a listed investment company established to provide investors with the opportunity to invest in a diversified portfolio of listed global infrastructure securities, with the primary objective of providing shareholders with long-term capital growth and dividend income.

REVIEW OF OPERATIONS

The Company's investment portfolio is invested in global listed infrastructure securities, global infrastructure fixed income securities and cash.

The Company recorded a profit after tax of $7.2 million for the period to 31 December 2017, compared with a loss of $4.2 million in the previous corresponding period. The Company generates operating revenue from dividends and distributions received from the investments in its portfolio. In addition to this operating income, AGLI's reported profit or loss includes gains and losses resulting from the sale of investments during the period and the revaluation to market value of the investments which are held at the end of the accounting period. This element of income is more volatile, as the whole portfolio is revalued at each period end, producing movements due to fluctuations in markets and currencies.

Net tangible asset (NTA) backing per ordinary share at 31 December 2017 pre-tax was $2.10, compared with $2.06 as at 30 June 2017 and $1.96 as at 31 December 2016. The NTA backing per ordinary share at 31 December 2017 post-tax was $2.07, compared with $2.04 as at 30 June 2017 and $1.97 as at 31 December 2016. The post-tax figures take into account the provision for deferred tax on set up costs and estimates of net tax provisions that would arise if the entire portfolio were disposed of at the end of the reporting period.

DIVIDENDS

An unfranked final dividend of 2.5 cents per fully paid ordinary share for the year ended 30 June 2017 was paid on 29 September 2017.

On 19 February 2018, the Directors declared an interim unfranked dividend of 1.25 cents per fully paid ordinary share to be paid on 23 March 2018.

MATTERS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial period which has significantly affected or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in future financial years.

ROUNDING OF AMOUNTS

Australian Securities and Investments Commission Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191 applies to the Company and accordingly amounts have been rounded to the nearest one thousand dollars in accordance with that Instrument, unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001*, is included on page 4.

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

On behalf of the Board

G.I. Martin
Chairman
Sydney
19 February 2018

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Argo Global Listed Infrastructure Limited

As lead auditor for the review of Argo Global Listed Infrastructure Limited for the half-year ended 31 December 2017, 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.

Ernst & Young

Ernst & Young

Rohit Khanna
Partner
Sydney
19 February 2018

Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2017

	Note	2017 $'000	2016 $'000
Investment income			
Dividends and distributions		3,786	4,080
Interest		21	138
Net foreign exchange losses		(91)	(53)
Change in fair value of financial instruments held at fair value through profit or loss (realised and unrealised)		9,346	(6,945)
Total investment income/(loss)		13,062	(2,780)
Expenses			
Management fees		(1,787)	(1,689)
Custody and administration fees		(129)	(130)
Directors' fees		(83)	(82)
Registry fees		(76)	(74)
Transaction costs		(150)	(110)
Other expenses		(150)	(158)
Total expenses		(2,375)	(2,243)
Profit/(loss) before income tax		10,687	(5,023)
Income tax (expense)/benefit		(3,474)	804
Profit/(loss) after income tax		7,213	(4,219)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the half-year		7,213	(4,219)
		cents	cents
Earnings per share			
Basic and diluted earnings per share	2	5.0	(2.9)

(to be read in conjunction with the accompanying notes)

Statement of Financial Position

as at 31 December 2017

	Note	31 December 2017 $'000	30 June 2017 $'000
Current Assets			
Cash and cash equivalents		5,574	5,528
Receivables		1,069	1,467
Receivables – trade settlements		1,279	3,585
Financial assets held at fair value through profit or loss	3	298,159	287,467
Total Current Assets		306,081	298,047
Current Liabilities			
Payables		363	378
Payables – trade settlements		2,679	1,179
Current tax liability		1,765	-
Financial liabilities held at fair value through profit or loss	4	1	-
Total Current Liabilities		4,808	1,557
Non-Current Liabilities			
Deferred tax liability		3,955	2,796
Total Non-Current Liabilities		3,955	2,796
Total Liabilities		8,763	4,353
Net Assets		297,318	293,694
Equity			
Contributed equity	5	282,062	282,062
Profit reserve		32,055	18,102
Retained earnings		(16,799)	(6,470)
Total Equity		297,318	293,694

(to be read in conjunction with the accompanying notes)

Statement of Changes in Equity

for the half-year ended 31 December 2017

	Note	Contributed equity $'000	Profit reserve $'000	Retained earnings $'000	Total $'000
Balance as at 1 July 2017		282,062	18,102	(6,470)	293,694
Total comprehensive income for the half-year		-	-	7,213	7,213
Transfer of profits during the half-year		-	17,542	(17,542)	-
Dividend paid	6	-	(3,589)	-	(3,589)
Balance as at 31 December 2017		282,062	32,055	(16,799)	297,318

for the half-year ended 31 December 2016

	Note	Contributed equity $'000	Profit reserve $'000	Retained earnings $'000	Total $'000
Balance as at 1 July 2016		281,151	8,371	478	290,000
Total comprehensive income for the half-year		-	-	(4,219)	(4,219)
Dividend paid	6	-	(3,578)	-	(3,578)
Dividend reinvestment plan	5	141	-	-	141
Shares issued on exercise of options	5	70	-	-	70
Balance as at 31 December 2016		281,362	4,793	(3,741)	282,414

(to be read in conjunction with the accompanying notes)

Statement of Cash Flows

for the half-year ended 31 December 2017

	2017 $'000	2016 $'000
Cash flows from operating activities		
Proceeds from sale of financial instruments held at fair value through profit or loss	95,494	66,134
Purchase of financial instruments held at fair value through profit or loss	(92,877)	(59,727)
Net foreign exchange loss	(84)	(53)
Interest received	83	209
Dividends and distributions received	3,579	3,786
GST recovered	197	190
Management fees paid	(1,789)	(1,687)
Custody fees paid	(129)	(130)
Other expenses paid	(832)	(687)
Net cash inflow from operating activities	3,642	8,035
Cash flows from financing activities		
Proceeds from exercise of options	-	70
Dividend paid	(3,589)	(3,437)
Net cash outflow from financing activities	(3,589)	(3,367)
Net increase in cash and cash equivalents	53	4,668
Cash and cash equivalents at the beginning of the half-year	5,528	1,713
Effect of foreign currency exchange rate changes on cash and cash equivalents	(7)	-
Cash and cash equivalents at the end of the half-year	5,574	6,381

(to be read in conjunction with the accompanying notes)

Contents of the Notes to the Financial Statements

for the half-year ended 31 December 2017

Notes to the Financial Statements

for the half-year ended 31 December 2017

1. BASIS OF PREPARATION OF HALF-YEAR REPORT

The general purpose financial report for the half-year ended 31 December 2017 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this half-yearly report is to be read in conjunction with the Annual Report for the year ended 30 June 2017 and any public announcements made by Argo Global Listed Infrastructure Limited (Company) during the half-year, in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001.*

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The Company has applied a tax rate of 30% for the half-year ended 31 December 2017 due to the aggregated turnover tax threshold of income being exceeded making the Company ineligible for the 27.5% tax rate.

The half-year financial report was authorised for issue by the Directors on 19 February 2018.

2. EARNINGS PER SHARE

	2017 number '000	**2016** number '000
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	143,583	143,168
	$'000	$'000
Earnings used in the calculation of basic and diluted earnings per share	7,213	(4,219)
	cents	cents
Basic and diluted earnings per share	5.0	(2.9)

3. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2017 $'000	30 June 2017 $'000
Designated at fair value through profit or loss:		
Equity securities	263,720	249,440
Unit trusts	34,438	27,357
Interest bearing securities	-	10,667
	298,158	287,464
Held for trading:		
Derivatives	1	3
	1	3
Total	298,159	287,467

The Company is a listed investment company that invests in tradeable global listed infrastructure securities. Due to the nature of its business, the Company will always be subject to market risk as it invests its capital in securities which have fluctuating market prices. The Company's portfolio is diversified to reduce risk but market risk cannot be completely eliminated.

4. FINANCIAL LIABILITIES HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2017 $'000	30 June 2017 $'000
Held for trading:		
Derivatives	1	-
Total	1	-

5. CONTRIBUTED EQUITY

Ordinary shareholders are entitled to receive dividends as declared and are also entitled to one vote per share at shareholders' meetings.

	2017 number	2016 number	2017 $'000	2016 $'000
Opening balance	143,583,305	143,104,638	282,062	281,151
Dividend reinvestment plan	-	79,106	-	141
Options exercised at $2.00 per share	-	35,000	-	70
Closing balance	143,583,305	143,218,744	282,062	281,362

On 29 September 2017, shares were purchased on-market at $1.74 per share pursuant to the Dividend Reinvestment Plan in operation for the final dividend paid for the year ended 30 June 2017.

6. DIVIDENDS

Dividends are recognised during the half-year when declared.

	2017 $'000	2016 $'000
Dividend paid during the half-year:		
Final dividend for the period ended 30 June 2017 of 2.5 cents unfranked, paid 29 September 2017 (2016: 2.5 cents unfranked)	3,589	3,578
Dividend declared after balance date:		
Since the end of the financial half-year, the Directors have declared the following dividend which has not been recognised as a liability at the end of the financial year:		
Interim dividend for the year ending 30 June 2018 of 1.25 cents unfranked, payable 23 March 2018 (2017: 1.0 cent unfranked).	1,795	1,433

7. SEGMENT INFORMATION

The Company is managed as a whole and is considered to have a single operating segment, being investment in global listed infrastructure securities. There is no further division of the Company or internal segment reporting used by the Directors when making strategic, investment or resource allocation decisions.

The Company is domiciled in Australia and derives its revenue from its international investment portfolio through the receipt of dividends, distributions, interest and any profits on the revaluation or sale of its investments.

The portfolio of global listed infrastructure securities has the following geographical diversification:

	31 December 2017 A$'000	31 December 2017 %	30 June 2017 A$'000	30 June 2017 %
United States of America	151,177	50.7	147,390	51.3
Canada	25,146	8.4	28,623	9.9
Japan	18,024	6.1	19,344	6.7
Australia	13,715	4.6	14,472	5.0
Spain	13,390	4.5	9,726	3.4
Other countries	76,707	25.7	67,912	23.7
Total	298,159	100.0	287,467	100.0

8. FAIR VALUE MEASUREMENT

The Company discloses fair value measurements by level of the following fair value hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) **Fair value in an active market (Level 1)**

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets and liabilities held by the Company is the last traded price.

The Company values its investments in accordance with the accounting policies set out in Note 2 to the financial statements in the Annual Report. For the majority of its investments, the Company relies on information provided by independent pricing services for the valuation of its investments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(b) **Valuation techniques used to derive Level 2 and Level 3 fair value**

The fair value of financial assets and liabilities that are not exchange-traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the financial year applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Company would receive or pay to terminate the contract at the end of the pricing period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

(c) **Recognised fair value measurement**

The tables below sets out the Company's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy.

31 December 2017	**Level 1** $'000	**Level 2** $'000	**Level 3** $'000	**Total** $'000
Financial assets				
Financial assets designated at fair value through profit or loss:				
Equity securities	263,720	-	-	263,720
Unit trusts	34,438	-	-	34,438
Financial assets held for trading:				
Derivatives	-	1	-	1
Total	298,158	1	-	298,159
Financial liabilities				
Derivatives	-	1	-	1
Total	-	1	-	1

30 June 2017				
Financial assets				
Financial assets designated at fair value through profit or loss:				
Equity securities	249,440	-	-	249,440
Unit trusts	27,357	-	-	27,357
Interest bearing securities	-	10,667	-	10,667
Financial assets held for trading:				
Derivatives	-	3	-	3
Total	276,797	10,670	-	287,467

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the financial year.

(i) **Transfers between levels**
There were no transfers between the levels of the fair value hierarchy for the half-year ended 31 December 2017.

(ii) **Fair value measurements using significant unobservable inputs (Level 3)**
The Company did not hold any financial instruments with fair value measurements using significant unobservable inputs during the half-year ended 31 December 2017.

(iii) **Fair values of other financial instruments**
Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value. The Company did not hold any financial instruments which were not measured at fair value in the Statement of Financial Position.

9. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have occurred subsequent to the reporting date that has significantly affected, or may affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent periods.

10. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS

The Company has no material commitments, contingent assets or liabilities as at 31 December 2017.

Directors' Declaration

In the opinion of the Directors of Argo Global Listed Infrastructure Limited (Company):

(a) The half-year financial statements and notes set out on pages 5 to 16 are in accordance with the *Corporations Act 2001*, including:

i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

ii. giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and

(b) There are reasonable grounds to believe that Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

G.I. Martin AM
Chairman
Sydney
19 February 2018

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Review report to the members of Argo Global Listed Infrastructure Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Argo Global Listed Infrastructure Limited (the "Company"), which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a description of significant accounting policies, and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Company is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Company's financial position as at 31 December 2017 and of its financial performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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,

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2017 and its financial 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 the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Rohit Khanna
Partner
Sydney
19 February 2018