Argo Global Listed Infrastructure Limited

ABN 23 604 986 914

Appendix 4D

Half-year Report
for the period ended 31 December 2018
(previous corresponding period being
the half-year ended 31 December 2017)

ARGO GLOBAL LISTED INFRASTRUCTURE LIMITED ABN 23 604 986 914

RESULTS FOR ANNOUNCEMENT TO THE MARKET
HALF-YEAR ENDED 31 DECEMBER 2018

(Comparative figures being the half-year ended 31 December 2017)

				2018 $A'000	2017 $A'000
Revenue from operating activities	down	20.5%	to	10,380	13,062
Profit for the half-year	down	20.6%	to	5,729	7,213

Dividend

Interim fully franked dividend payable 22 March 2019 (previous corresponding period 1.25 cents unfranked)	2.5 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	4 March 2019
The election date for determining participation in the Dividend Reinvestment Plan	5 March 2019
Final fully franked dividend for year ended 30 June 2018 paid 28 September 2018	2.5 cents

Net Tangible Asset (NTA) Backing

	31 December 2018	31 December 2017
NTA per share [1]	$2.18	$2.10
NTA after unrealised tax provision [2]	$2.14	$2.07

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

ABN 23 604 986 914

Half-year Report

31 December 2018

ARGO GLOBAL LISTED INFRASTRUCTURE LIMITED
ACN 604 986 914

ASX/Media Release

18 February 2019

AGLI doubles interim dividend and outperforms broader equity markets

The Board of Argo Global Listed Infrastructure Limited (AGLI) is pleased to declare a record fully franked interim dividend of 2.5 cents per share for the half-year ended 31 December 2018, up from 1.25 cents per share unfranked in the previous year's first half.

AGLI's portfolio outperformed its infrastructure sector benchmark to return +2.9% over the half-year, exceeding the MSCI World Index (A$) and the S&P/ASX 200 Accumulation Index by +7.5% and +9.7% respectively.

Summary of half-year financial results

	31 December 2018	*31 December 2017*
Profit*	**$5.7 million**	$7.2 million
Interim dividend per share (fully franked)	**2.5 cents**	1.25 cents**
Net tangible asset backing (NTA) per share, after costs and tax	**$2.18**	$2.10

* *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.*

** *unfranked interim dividend last year*

The Company's second fully franked dividend continues the steady progress made toward AGLI's objective of generating sustainably growing total returns for shareholders which consist of dividends and long-term capital growth, a combination which is well-served by the nature of the infrastructure assets that AGLI invests in.

Infrastructure displays resilience in weak December quarter

Following a prolonged period of steady gains, global equity markets fell sharply towards the end of 2018 as fears of slowing global economic growth, tightening credit conditions and ongoing US/China trade tensions weighed on sentiment. In contrast, global listed infrastructure companies displayed considerable resilience, outperforming broader equity markets as investors repositioned their portfolios away from riskier investments and towards more defensive assets.

The relative performance of global listed infrastructure is consistent with the asset class' historically low correlation to broader equity markets which provides investors with downside protection. This means that in falling markets, global listed infrastructure stocks typically outperform broader equities.

Strong portfolio outperformance continues into January

The latest performance figures to 31 January 2019, shown in the table below, highlight that in addition to significantly outperforming broader equity markets, AGLI's portfolio is producing superior returns to the infrastructure sector benchmark. These strong performance numbers reflect the expertise of our specialist New York-based portfolio manager, Cohen & Steers. As AGLI is unhedged for currency, the portfolio has also benefited from the weaker Australian dollar.

Accumulated performance	*12 months to 31 Jan 2019*
Infrastructure:	
Share price return	+11.4%
NTA return	+14.1%
Portfolio return	+16.8%
Infrastructure sector - benchmark index (A$)*	+14.8%
Broader equities:	
World - MSCI World equity index (A$)	+3.8%
Australia - S&P/ASX 200 Accum. Index	+1.4%

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

Outlook

The 2019 calendar year has started very well for AGLI, building on the defensive outperformance of late 2018. The month of January saw AGLI's NTA rise by 5.1% to $2.29 per share, benefiting from a rebound in global equity markets.

Due to broad macroeconomic and political uncertainties and an expected continuing deceleration in the global economy, the portfolio is now positioned more defensively. Cohen & Steers believes that valuations should continue to see support from the substantial cache of private capital seeking infrastructure investments, as with relatively few assets available for sale, private transactions have generally occurred at significant premiums to the current cash flow multiples of listed infrastructure companies.

AGLI remains focused on ensuring the Company's share price reflects the underlying value of the shares and we continue to implement a range of initiatives aimed at achieving this objective, including operating an on-market buy-back and promoting awareness and understanding of the benefits of investing in AGLI through increased marketing and communications.

Media contact:
Jason Beddow
Managing Director
02 8274 4702

Table of Contents

for the half-year ended 31 December 2018

Page

Directors' Report **2**
Auditor's Independence Declaration **4**
Statement of Profit or Loss and Other Comprehensive Income **5**
Statement of Financial Position **6**
Statement of Changes in Equity **7**
Statement of Cash Flows **8**
Notes to the Financial Statements **10**
Directors' Declaration **17**
Independent Auditor's Review Report **18**

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 2018.

DIRECTORS

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

Russell Allan Higgins AO, Chairman	Non-independent Director (appointed 1 July 2018)
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 AND STATE OF AFFAIRS

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.

The Company's registered office and principal place of business from 3 December 2018 is level 25, 91 King William Street, Adelaide SA 5000.

REVIEW OF OPERATIONS

The Company recorded a profit after tax of $5.7 million for the period to 31 December 2018, compared with $7.2 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 2018 pre-tax was $2.18, compared with $2.16 as at 30 June 2018 and $2.10 as at 31 December 2017. The NTA backing per ordinary share at 31 December 2018 post-tax was $2.14, compared with $2.13 as at 30 June 2018 and $2.07 as at 31 December 2017. 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

A fully franked final dividend of 2.5 cents per share for the year ended 30 June 2018 was paid on 28 September 2018.

On 18 February 2019, the Directors declared an increased fully franked interim dividend of 2.5 cents per share (2017: 1.25 cents per share unfranked) to be paid on 22 March 2019.

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

R.A. Higgins AO
Chairman
Sydney
18 February 2019

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 2018, 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
18 February 2019

Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2018

	Note	2018 $'000	2017 $'000
Investment income			
Dividends and distributions		4,473	3,786
Interest		3	21
Net foreign exchange losses		(135)	(91)
Change in fair value of financial assets and liabilities at fair value through profit or loss (realised and unrealised)		6,039	9,346
Total investment income		10,380	13,062
Expenses			
Management fees		(1,901)	(1,787)
Custody and administration fees		(126)	(129)
Directors' fees		(85)	(83)
Registry fees		(74)	(76)
Transaction costs		(148)	(150)
Other expenses		(185)	(150)
Total expenses		(2,519)	(2,375)
Net profit before income tax		7,861	10,687
Income tax expense		(2,132)	(3,474)
Net profit after income tax		5,729	7,213
Other comprehensive income		-	-
Total comprehensive income for the half-year		5,729	7,213
		cents	cents
Earnings per share			
Basic and diluted earnings per share	2	4.0	5.0

(to be read in conjunction with the accompanying notes)

Statement of Financial Position

as at 31 December 2018

	Note	31 December 2018 $'000	30 June 2018 $'000
Current Assets			
Cash and cash equivalents		7,760	5,964
Receivables		994	1,170
Receivables – trade settlements		1,201	921
Financial assets at fair value through profit or loss	3	301,450	302,389
Total Current Assets		311,405	310,444
Current Liabilities			
Payables		380	472
Payables – trade settlements		1,014	-
Current tax liability		2,307	3,138
Financial liabilities at fair value through profit or loss	4	1	-
Total Current Liabilities		3,702	3,610
Non-Current Liabilities			
Deferred tax liability		4,600	5,270
Total Non-Current Liabilities		4,600	5,270
Total Liabilities		8,302	8,880
Net Assets		303,103	301,564
Equity			
Contributed equity	5	278,431	279,074
Profit reserve		36,906	30,260
Retained earnings		(12,234)	(7,770)
Total Equity		303,103	301,564

(to be read in conjunction with the accompanying notes)

Statement of Changes in Equity

for the half-year ended 31 December 2018

	Note	Contributed equity $'000	Profit reserve $'000	Retained earnings $'000	Total $'000
Balance as at 1 July 2018		279,074	30,260	(7,770)	301,564
Total comprehensive income for the half-year		-	-	5,729	5,729
Transfer of profits during the half-year		-	10,193	(10,193)	-
Dividend paid	6	-	(3,547)	-	(3,547)
Buy-back of shares	5	(643)	-	-	(643)
Balance as at 31 December 2018		278,431	36,906	(12,234)	303,103

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

(to be read in conjunction with the accompanying notes)

Statement of Cash Flows

for the half-year ended 31 December 2018

	2018 $'000	2017 $'000
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss	93,418	95,494
Purchase of financial instruments at fair value through profit or loss	(85,705)	(92,877)
Net foreign exchange loss	(162)	(84)
Interest received	4	83
Dividends and distributions received	4,546	3,579
GST recovered	200	197
Management fees paid	(1,901)	(1,789)
Custody fees paid	(147)	(129)
Other expenses paid	(1,210)	(814)
Income tax paid	(3,084)	(18)
Net cash inflow from operating activities	5,959	3,642
Cash flows from financing activities		
Dividend paid	(3,547)	(3,589)
Buy-back of shares	(643)	-
Net cash outflow from financing activities	(4,190)	(3,589)
Net increase in cash and cash equivalents	1,769	53
Cash and cash equivalents at the beginning of the half-year	5,964	5,528
Effect of foreign currency exchange rate changes on cash and cash equivalents	27	(7)
Cash and cash equivalents at the end of the half-year	7,760	5,574

Contents of the Notes to the Financial Statements

for the half-year ended 31 December 2018

		Page
1	Basis of preparation of half-year report	**10**
2	Earnings per share	**10**
3	Financial assets at fair value through profit or loss	**11**
4	Financial liabilities at fair value through profit or loss	**11**
5	Contributed equity	**12**
6	Dividends	**12**
7	Segment information	**13**
8	Fair value measurement	**13**
9	Events subsequent to balance date	**16**
10	Contingent Assets, Liabilities and Commitments	**16**

Notes to the Financial Statements
for the half-year ended 31 December 2018

1. BASIS OF PREPARATION OF HALF-YEAR REPORT

The general purpose financial report for the half-year ended 31 December 2018 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 2018 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.*

Accounting Standards AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers* were applied from 1 July 2018 and did not have a material impact on the Company's financial statements.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the adoption of new standards and interpretations effective as at 1 July 2018.

Where appropriate, comparative disclosures have been reclassified/amended to be consistent with the current year's presentation.

The Company has applied a tax rate of 27.5% for the half-year ended 31 December 2018 due to gross assessable income being below the aggregated turnover tax threshold making the Company eligible for the reduced tax rate (31 December 2017: 30%).

The half-year financial report was authorised for issue by the Directors on 18 February 2019.

2. EARNINGS PER SHARE

	2018 number '000	**2017** number '000
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	141,685	143,583
	$'000	$'000
Earnings used in the calculation of basic and diluted earnings per share	5,729	7,213
	cents	cents
Basic and diluted earnings per share	4.0	5.0

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2018 $'000	30 June 2018 $'000
Financial assets at fair value through profit or loss:		
Equity securities	269,905	268,656
Unit trusts	31,545	33,733
Total	301,450	302,389

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 AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2018 $'000	30 June 2018 $'000
Financial liabilities at fair value through profit or loss:		
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.

	2018 number	2017 number	2018 $'000	2017 $'000
Opening balance	141,882,628	143,583,305	279,074	282,062
Buy-back of shares[1]	(342,989)	-	(642)	-
Buy-back transaction costs	-	-	(1)	-
Dividend reinvestment plan[2]	-	-	-	-
Closing balance	141,539,639	143,583,305	278,431	282,062

(1) During the half-year the Company purchased and cancelled shares on-market. The shares were acquired at an average price of $1.87 per share with prices ranging from $1.85 to $1.90.

(2) On 28 September 2018, shares were purchased on-market at $1.91 per share pursuant to the Dividend Reinvestment Plan in operation for the final dividend paid for the year ended 30 June 2018.

6. DIVIDENDS

Dividends are recognised during the half-year when declared.

	2018 $'000	2017 $'000
Dividend paid during the half-year:		
Final dividend for the period ended 30 June 2018 of 2.5 cents fully franked at 27.5% tax rate, paid 28 September 2018 (2017: 2.5 cents unfranked)	3,547	3,589
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 2019 of 2.5 cents fully franked, payable 22 March 2019 (2018: 1.25 cents unfranked).	3,538	1,795

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 2018 A$'000	31 December 2018 %	30 June 2018 A$'000	30 June 2018 %
United States of America	164,566	54.6	172,652	57.1
Canada	26,998	9.0	28,608	9.5
Japan	19,740	6.6	21,138	7.0
Australia	15,666	5.2	9,906	3.3
Spain	10,750	3.6	6,208	2.1
Other countries	63,730	21.0	63,877	21.0
Total	301,450	100.0	302,389	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 2018	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets at fair value through profit or loss				
Equity securities	269,905	-	-	269,905
Unit trusts	31,545	-	-	31,545
Total	301,450	-	-	301,450
Financial liabilities at fair value through profit or loss				
Derivatives	-	1	-	1
Total	-	1	-	1

30 June 2018	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets at fair value through profit or loss				
Equity securities	268,656	-	-	268,656
Unit trusts	33,733	-	-	33,733
Total	302,389	-	-	302,389

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 2018.

(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 2018.

(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 2018.

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 2018 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.

R.A. Higgins AO
Chairman
Sydney
18 February 2019

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 2018, 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 2018 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 2018 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
18 February 2019