



HUNTER HALL GLOBAL VALUE LIMITED

ACN 107 462 966

Appendix 4D Preliminary Final Report For the half-year ended 31 December 2016

Results announcement to the market
All comparisons to the half-year ended 31 December 2015

	\$'000	movement	% movement
Revenue from ordinary activities (excluding net changes in fair value of investments)	1,697	down	26%
Profit from ordinary activities after tax attributable to members	(18,409.00)	down	477%
Net Profit for the period attributable to members	(18,409.00)	down	477%

HHV's investment objective is to generate positive absolute returns in excess of the investment portfolio's benchmark over an investment horizon of five years. At the 31 December 2016, the 5-year investment performance was 15.7% p.a. The MSCI World returned 18.4% for the corresponding period.

HHV investment performance is after all management fees, corporate expenses and taxes paid. This represents the return to a shareholder for the period and is a conservative perspective of investment performance. Shareholders should note that:

- The benchmark, the MSCI World, by definition, does not include any provision for management fees or corporate or tax expenses and accordingly is not a 'like for like' comparison to the return to shareholders and
- Many Listed Investment Companies (and their investment managers) compare gross investment returns to benchmarks, not net returns as HHV does.

The HHV 5-year gross investment return (before management fees, corporate expenses and taxes paid) was 18.5% p.a.

For the 6 month period to 31 December 2016, after all expenses and taxes paid, the investment portfolio declined by 10%. The MSCI World for the period rose 9.8%. The HHV gross investment return for the same period declined by 7.4%.

The portfolio was negatively impacted in the December quarter of 2016, largely due to its large exposure to cash, gold mining companies and particularly two stock investments. These positions weighed on the performance, particularly after the US presidential candidate Trump's electoral victory. Despite fears of a Brexit-like market slump, the US market rallied strongly as participants focused on tax cuts and infrastructure spending, rather than on the potential for tariffs and trade wars. Telecommunications company Vocus Communications Ltd and cancer treatment pioneer Sirtex Medical Ltd, both major holdings for HHV, revised down earnings guidance leading to share price declines of 54% and 46% respectively.

The Company announced an after tax operating loss of \$18.4 million for the 6 months to 31 December 2016. The portfolio had realised gains of \$28.4 million and an unrealised loss on investments in the portfolio of \$53.8 million. The corporate expenses were down 29.7% on the previous half year. When non-recurring items are excluded, expenses were down 6.5% on the adjusted prior period. Tax paid in the period amounted to \$7.4 million and there is a current tax liability that will be paid in the second half of the year.

Dividend Information

	Cents per share	Franked amount cents per share	Tax rate for franking
2016 Interim dividend	3.0	3.0	30%
2016 Final dividend	3.5	3.5	30%
2017 Interim dividend	3.5	3.5	30%

2017 Interim dividend dates

Ex-dividend date	3 April 2017
Record date	4 April 2017
Last date for DRP	5 April 2017
Payment date	21 April 2017

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (DRP) is in operation and the declared interim fully franked dividend of 3.5 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares which the cash dividend would purchase at the relevant price. The relevant price will be the weighted average sale price of all shares in the Company sold on the Australian Securities Exchange during the five trading days commencing on and including the Record Date, with no discount applied.

Net Tangible Assets per share

	31-Dec-16	31-Dec-15
Net Tangible Assets (after tax) backing per share	\$1.2392	\$1.2775



Paul Jensen
Chairman

Dated this 13 day of February 2017

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