

17 February 2017

HIGHLIGHTS

- Continuing improvements from the corresponding period
- Funds Under Management Advice & Administration up 16%
- Net underlying profit after-tax up 23%
- Basic underlying earnings per share up 22%
- Established position as a comprehensive financial services provider of Platform Administration, Funds Management, and Financial Planning

The Directors are pleased to report on the consolidated operating performance of Fiducian Group Limited (“FGL”) and wholly owned operating entities (“Fiducian Group”) for the half year ended 31 December 2016.

REVIEW OF OPERATIONS

Fiducian Group results demonstrate positive momentum in operational activity and application of the Board’s strategy to grow earnings.

The combined Funds under Management, Administration and Advice (FUMAA) have steadily grown by 51% over the past 3 years to \$5.13 billion as at December 2016.

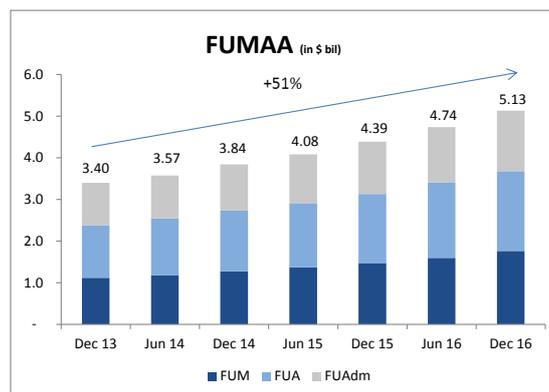
FUNDS UNDER ADMINISTRATION (FUAdm)

At 31 December 2016, funds under administration on the Fiducian platforms were \$ 1.46 billion (30 June 2016: \$1.33 billion) an increase of around 10 % over the last six months.

Financial Highlights			
(\$ in thousands)			
Half Year Ending 31 December	2016	2015	% Change
Operating Revenue	19,903	17,269	↑ 15%
Fees and Charges paid	(5,041)	(4,726)	
Net Revenue	14,862	12,543	↑ 18%
Gross Margin	75%	73%	
Underlying EBITDA	5,610	4,550	↑ 24%
Depreciation	(44)	(53)	
Tax on underlying earnings	(1,550)	(1,231)	
Underlying NPAT (UNPAT)	4,016	3,266	↑ 23%
Amortisation	(617)	(564)	
Income from Client Servicing Rearrangement (net of tax)	35	-	
Statutory NPAT	3,434	2,702	↑ 27%
Basic EPS based on UNPAT (in cents)	12.9	10.5	↑ 22%
Basic EPS based on Statutory NPAT (in cents)	11.0	8.7	
Funds under Management, Advice and Administration			
FUMAA (\$ in millions)	5,130	4,437	↑ 16%

Consolidated Operating Revenue increased by 15% and the consolidated Net Revenue increased by 18%. Gross margin at 75% was 2% higher than the corresponding period of the preceding year due to efficiencies from increasing FUMAA and acquisitions.

During the half year underlying Earnings Before Interest, Tax, Depreciation, Amortisation and one-off Income from client servicing rearrangement (net of tax) in 2016 (Underlying EBITDA) increased by 24% to \$5.61 million. UNPAT is \$4.01 million, an increase of 23% over the corresponding period of the previous year. This represents underlying earnings per share of 12.9 cents for the half year ended 31st December 2016. Underlying NPAT does not include amortisation and one-off Income from client servicing rearrangement (net of tax) and therefore gives a clearer picture of the Group’s cash generating ability.



FUNDS UNDER MANAGEMENT (FUM)

Our in-house Manage-The-Manager system of investment continues to attract the majority of retail funds placed with us. At 31 December 2016 \$1.76 billion (30 June 2016: \$1.59 billion) was invested in Fiducian Funds, an increase of around 10% over the last 6 months. Fiducian Funds have performed consistently in their respective categories as we diversify their assets through a range of underlying fund managers to reduce risk and volatility. According to Morningstar’s survey (31 December 2016), a number of the Fiducian Funds prominently featured in the top quartile performers in their respective categories.

FUNDS UNDER ADVICE (FUA)

The relationship between our salaried and franchised financial planners and their clients remains strong and is founded on quality financial planning advice and strategy which contributes to FUA. Substantial effort is being devoted to build the distribution base with quality financial planners. Seven new franchisees were added during the period and further opportunities to add new franchisees are continually being progressed. The Board is also supportive of growth by

acquisition in the current environment and we are progressing opportunities for acquisition of financial planning practices.

Meanwhile we continue to emphasise quality training, professional development and compliance. These have supported our efforts to comply with the requirements of the FoFA legislation.

BUSINESS SERVICES

Fiducian business and accountancy resourcing service continues to provide support to accountants for book keeping, accounts preparation and self-managed superannuation fund administration. During the period the accounting practice in Queensland was sold. Management's focus has been directed to building Self-Managed Super Fund administration services and the New South Wales practice continues to provide strong cross referral opportunities to our financial planning business and as well, services financial planning clients needing accounting help.

INFORMATION TECHNOLOGY

Our Wrap administration software FASTrack is continuing to deliver efficiency benefits for our Platform Administration business. The next development, which is progressing well, is to make our financial planning software, FORCEe, link with the administration and reporting system, a much sought after goal in the industry.

COMMUNITY SUPPORT

Fiducian continues to raise funds for charity. Sponsorship has also been extended to community organisations and sporting teams linked to our planning network. Vision Beyond AUS, a charity supported by the Fiducian Group, has funded free eye surgeries in seven locations spread out over India, Myanmar, Nepal and Cambodia. Over 21,000 persons who live in abject poverty have now been given their eyesight. We intend to continue our charitable support to the community.



EMPLOYEE DIVERSITY

Fiducian is proud to be an equal opportunity employer. It endorses diversity and currently has a number of employees that bring different skill-sets from their country of origin. We recognise that diversity includes, but is not limited to gender, age, ethnicity and cultural backgrounds.

DIVIDEND (FULLY FRANKED)

After consideration of the economic environment and the strength of the company's debt-free balance sheet, the directors have decided to maintain the usual distribution level of around 60-70% of statutory NPAT. Dividend policy is expected to be maintained subject to capital management of acquisitions, share buy-backs and growth strategies. The

directors have resolved to pay an interim fully franked dividend in respect of the half year ended 31 December 2016 of 7.1 cents per share, an increase of 29% over that of 31 December 2015.

DIVIDENDS SUMMARY	HALF YEAR ENDED	
	31/12/16 \$000	31/12/15 \$000
Dividends paid - Ordinary	2,220	1,706
Weighted average earnings per share		
Basic	11.00 cents	8.72 cents
Diluted	10.96 cents	8.69 cents

DIVIDEND HISTORY		\$000
Paid 12/9/16	- 7.00 cents fully franked	2,180
Paid 14/3/16	- 5.50 cents fully franked	1,711
Paid 24/9/15	- 5.50 cents fully franked	1,706
Paid 26/3/15	- 4.50 cents fully franked	1,390
Paid 19/9/14	- 5.00 cents fully franked	1,538
Paid 26/3/14	- 4.10 cents fully franked	1,268
Paid 20/9/13	- 3.60 cents fully franked	1,131
Paid 22/3/13	- 3.40 cents fully franked	1,076
Paid 21/9/12	- 2.50 cents fully franked	794
Paid 21/3/12	- 2.50 cents fully franked	798
Paid 08/9/11	- 5.00 cents fully franked	1,601

OUTLOOK

Investors and policy makers across the globe are coming to grips with the views of new regime in the United States of America which suggest a focus on US jobs and high infrastructure spending. Interest rates could therefore rise from their current low base. Our expectation is for the world to manage through these changes and as well avoid the geopolitical risks on the horizon. We therefore remain moderately optimistic with the global economy and expect double-digit earnings growth to continue to be delivered to shareholders of the Fiducian Group.

This half-yearly report should be read in conjunction with the most recent annual report.

CORPORATE INFORMATION

BOARD OF DIRECTORS

R Bucknell	Chairman - Non-executive
I Singh	Managing Director - Executive director
F Khouri	Non-executive director
S Hallab	Non-executive director

SECRETARY

I Singh



fiducian.com.au

Fiducian Group Limited ABN 41 602 423 610

HALF YEAR RESULTS 1 July - 31 December 2016

ISSUED CAPITAL

On 3 March 2015 the parent entity announced to the Australian Securities Exchange its intention to buy back up to a further 500,000 shares on-market, which remains open. During the half-year the parent entity did not purchase any shares, however, 53,513 new shares have been issued towards part-consideration of a business acquisition and a further 100,000 shares were issued to the Managing Director on conversion of vested options. As at 31 December 2016, the parent entity had 31,264,368 ordinary shares on issue.

At 31 December 2016 a total of 100,000 options remain on issue to the Managing Director at an exercise price of \$2.18 with the latest exercise date being 20 October 2021.

REGISTERED OFFICE

Level 4, 1 York Street
Sydney NSW 2000
Tel: (02) 8298 4600
Fax: (02) 8298 4611



FIDUCIAN
INTEGRITY • TRUST • EXPERTISE

Appendix 4D – Half year Report Results for announcement to the market

Fiducian Group Limited (FGL)

1. Reporting period

Current reporting period - Half year ended 31 December 2016

Previous corresponding period - Half year ended 31 December 2015

2. Results for announcement to the market

Consolidated Results for the half year			\$A'000
	Previous Period 31/12/15	This Period 31/12/16	Change
Revenues from ordinary activities	\$17,269	\$19,903	+15%
Profit from ordinary activities after tax attributable to members	\$2,702	\$3,434	+27%
Net profit for the period attributable to members	\$2,702	\$3,434	+27%
Dividends			
	Amount per security	Franked amount per security	
Paid 14/3/16 for half-year ended 31 Dec 2015	5.50 ¢	5.50 ¢	
Paid 12/9/16 for half-year ended 30 June 2016	7.00 ¢	7.00 ¢	
Dividend declared for half-year ended 31 Dec 2016	7.10 ¢	7.10 ¢	
Record date for determining entitlements to the dividend:	24/02/2017		
Date that dividend is payable:	13/03/2017		

3. Net tangible assets

Net tangible assets per security	Previous period 31/12/2015	This period 31/12/2016
Net tangible assets \$000	\$7,081	\$10,151
Ordinary securities on issue at balance date <i>Net of shares bought back</i>	31,016,950	31,264,368
Net tangible assets per ordinary security	22.8¢	32.5¢
Brief explanation		
The Increase in NTA is due to increase in Retained Earnings (after payment of Dividend) \$2,701k, Issue of new equity \$531k less client acquisition (net of amortisation) \$162k. The Net Assets per security without adjusting for intangibles are \$0.82 (December 2015 \$0.72)		

4. Details of entities over which control was gained or lost during the period

Not applicable.

5. Dividends

The Directors have determined to pay a fully franked interim dividend of 7.10 cents per share amounting to \$2,219,770. The dividend is to be paid on 13 March 2017.

There is no foreign sourced dividend or distribution attributable to this dividend.

6. Dividend reinvestment plan

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

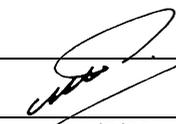
8. Foreign entities

Not applicable.

9. Independent auditor's report subject to a modified opinion, emphasis matter or other matter

Not applicable.

The half-yearly report is to be read in conjunction with the most recent annual report.

Signed by (Director)	
Name and Date	I Singh 17/2/2017

INTERIM FINANCIAL REPORT

FIDUCIAN GROUP LIMITED

1 JULY – 31 DECEMBER 2016



FIDUCIAN
INTEGRITY • TRUST • EXPERTISE

ABN 41 602 423 610

CONTENTS

DIRECTORS' REPORT	3
AUDITOR'S INDEPENDENCE DECLARATION	6
INTERIM FINANCIAL STATEMENTS	7
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	8
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	9
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	10
CONSOLIDATED STATEMENT OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12
DIRECTORS' DECLARATION	15
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	16

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements made by Fiducian Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.



DIRECTORS' REPORT ON FINANCIALS

FINANCIAL INFORMATION

The directors are pleased to present their report on the consolidated entity consisting of Fiducian Group Limited ("FGL") and its wholly owned operating entities ("Group") for the half-year ended 31 December 2016.

DIRECTORS

The following persons were directors of FGL during the half-year and up to the date of this report:

Chairman (non-executive)	R Bucknell
Executive director	I Singh – Managing Director
Non-executive directors	F Khouri
	C Stone (Resigned 20 October 2016)
	S Hallab (Appointed 12 August 2016)

REVIEW OF OPERATIONS

The Fiducian Group result demonstrates positive momentum in operational activity and application of the Board's strategy to grow earnings.

Consolidated Operating Revenue increased by 15% and the consolidated Net Revenue increased by 18%. Gross margin at 75% was 2% higher than the corresponding period of the preceding year due to efficiencies from increasing FUMAA and acquisitions.

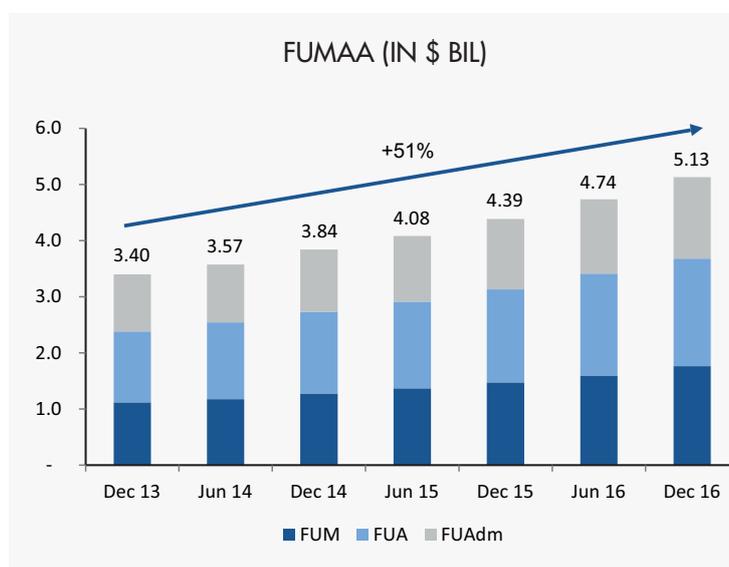
During the half-year underlying Earnings Before Interest, Tax, Depreciation, Amortisation and one-off income from client servicing rearrangement (net of tax) in 2016 (Underlying EBITDA) increased by 24% to \$5.61 million. UNPAT is \$4.01 million, an increase of 23% over the

corresponding period of the previous year. This represents underlying earnings per share of 12.9 cents for the half-year ended 31 December 2016. Underlying NPAT does not include amortisation and one-off income from client servicing rearrangement (net of tax) in 2016 and therefore gives a clearer picture of the Group's cash generating ability.

The combined Funds under Management, Administration and Advice (FUMAA) have steadily grown by 51% over the past 3 years to \$5.13 billion as at December 2016.

FUNDS UNDER ADMINISTRATION (FUAdm)

At 31 December 2016, funds under administration on the Fiducian platforms were \$1.46 billion (30 June 2016: \$1.33 billion), an increase of around 10% over the last six months.



FINANCIAL HIGHLIGHTS

Half-Year Ending 31 December (\$ in thousands)	2016	2015	% CHANGE
Operating Revenue	19,903	17,269	↑ 15%
Fees and Charges paid	(5,041)	(4,726)	
Net Revenue	14,862	12,543	↑ 18%
Gross Margin	75%	73%	
Underlying EBITDA	5,610	4,550	↑ 24%
Depreciation	(44)	(53)	
Tax on underlying earnings	(1,550)	(1,231)	
Underlying NPAT (UNPAT)	4,016	3,266	↑ 23%
Amortisation	(617)	(564)	
Income from client servicing rearrangement (net of tax)	35	-	
Statutory NPAT	3,434	2,702	↑ 27%
Basic EPS based on UNPAT (in cents)	12.9	10.5	↑ 22%
Basic EPS based on statutory NPAT (in cents)	11.0	8.7	
Funds Under Management, Advice and Administration or FUMAA	5,130 Mil	4,437 Mil	↑ 16%

FUNDS UNDER MANAGEMENT (FUM)

Our in-house Manage-The-Manager system of investment continues to attract the majority of retail funds placed with us. At 31 December 2016 \$1.76 billion (30 June 2016: \$1.59 billion) was invested in Fiducian Funds, an increase of around 10% over the last 6 months. Fiducian Funds have performed consistently in their respective categories as we diversify their assets through a range of underlying fund managers to reduce risk and volatility. According to Morningstar's survey (31 December 2016), a number of the Fiducian Funds prominently featured in the top quartile performers in their respective categories.

FUNDS UNDER ADVICE (FUA)

The relationship between our salaried and franchised financial planners and their clients remains strong and is founded on quality financial planning advice and strategy which contributes to FUA. Substantial effort is being devoted to build the distribution base with quality financial planners. Seven new franchisees were added during the period and further opportunities to add new franchisees are continually being progressed. The Board is also supportive of growth by acquisition in the current environment and we are progressing opportunities for acquisition of financial planning practices.

Meanwhile we continue to emphasise quality training, professional development and compliance. These have supported our efforts to comply with the requirements of the FoFA legislation.

BUSINESS SERVICES

Fiducian business and accountancy resourcing service continues to provide support to accountants for book keeping, accounts preparation and self-managed superannuation fund administration. During the period the accounting practice in Queensland was sold. Management's focus has been directed to building Self-Managed Super Fund administration services and the New South

Wales practice continues to provide strong cross referral opportunities to our financial planning business and as well, services financial planning clients needing accounting help.

INFORMATION TECHNOLOGY

Our Wrap administration software FASTrack is continuing to deliver efficiency benefits for our Platform Administration business. The next development, which is progressing well, is to make our financial planning software, FORCe, link with the administration and reporting system, a much sought-after goal in the industry.

COMMUNITY SUPPORT

Fiducian continues to raise funds for charity. Sponsorship has also been extended to community organisations and sporting teams linked to our planning network. Vision Beyond AUS, a charity supported by the Fiducian Group, has funded free eye surgeries in seven locations spread out over India, Myanmar, Nepal and Cambodia. Over 21,000 persons who live in abject poverty have now been given their eyesight. We intend to continue our charitable support to the community.

EMPLOYEE DIVERSITY

Fiducian is proud to be an equal opportunity employer. It endorses diversity and has employees that bring different skill-sets from their country of origin. We recognise that diversity includes, but is not limited to gender, age, ethnicity and cultural backgrounds.

ISSUED CAPITAL

On 3 March 2015 the parent entity announced to the Australian Securities Exchange its intention to buy back up to a further 500,000 shares on-market, which remains open. During the half-year the parent entity did not purchase any shares, however, 53,513 new shares have been issued towards part-consideration of a business acquisition and a further 100,000 shares were issued to the Managing Director on conversion of vested options. As at 31 December 2016, the parent entity had 31,264,368 ordinary shares on issue.

At 31 December 2016 a total of 100,000 options remain on issue to the Managing Director at an exercise price of \$2.18 with the latest exercise date being 20 October 2021.

OUTLOOK

Investors and policy makers across the globe are coming to grips with the views of the new regime in the United States of America which suggest a focus on US jobs and high infrastructure spending. Interest rates could therefore rise from their current low base. Our expectation is for the world to manage through these changes and as well avoid the geopolitical risks on the horizon. We therefore remain moderately optimistic with the global economy and expect double-digit earnings growth to continue to be delivered to shareholders of the Fiducian Group.



Vision Beyond AUS - Children's Eye Care Program, Nepal

DIVIDEND

After consideration of the economic environment and the strength of the company's debt-free balance sheet, the directors have decided to maintain the usual distribution level of around 60-70% of statutory NPAT. Dividend policy is expected to be maintained subject to capital management of acquisitions, share buy-backs and growth strategies. The directors have resolved to pay an interim fully franked dividend in respect of the half-year ended 31 December 2016 of 7.1 cents per share, an increase of 29% over that of 31 December 2015.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

ROUNDING OF AMOUNTS IN THE DIRECTORS' REPORT AND FINANCIAL REPORT

The company is of a kind referred to in Class order 2016/191 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of directors.



Inderjit (Indy) Singh
Director

Sydney, 17 February 2017

AUDITOR'S INDEPENDENCE DECLARATION



Auditor's Independence Declaration

As lead auditor for the review of Fiducian Group Limited for the half-year ended 31 December 2016, 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.

This declaration is in respect of Fiducian Group Limited and the entities it controlled during the period.

A handwritten signature in black ink that reads 'Craig Stafford'.

Craig Stafford
Partner
PricewaterhouseCoopers

Sydney
17 February 2017



FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	HALF-YEAR TO 31 DECEMBER	
	2016	2015
	\$'000	\$'000
Revenue from ordinary activities	19,903	17,269
Payments to advisers and service providers	(5,041)	(4,726)
Employee benefits expense	(6,245)	(5,821)
Depreciation and amortisation expense	(661)	(617)
Other expenses	(2,972)	(2,172)
Profit before income tax expense	4,984	3,933
Income tax expense	(1,550)	(1,231)
Profit after income tax	3,434	2,702
Other comprehensive income for the half-year, net of tax	-	-
Total comprehensive income for the half-year attributable to the owners of Fiducian Group Limited	3,434	2,702
Earnings per share		
Earnings per share from profit from continuing operations attributable to the ordinary equity holders of the Company:		
Basic earnings per share	11.00 cents	8.72 cents
Diluted earnings per share	10.96 cents	8.69 cents

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	CONSOLIDATED	
	31 DEC 2016	30 JUN 2016
	\$'000	\$'000
ASSETS		
Current assets		
Cash and cash equivalents	8,445	9,691
Trade and other receivables	5,587	3,951
Total Current Assets	14,032	13,642
Non-current assets		
Receivables	5,069	3,479
Property, plant and equipment	254	298
Intangible assets	15,516	16,271
Total Non-Current Assets	20,839	20,048
Total assets	34,871	33,690
LIABILITIES		
Current liabilities		
Trade and other payables	6,431	6,624
Current tax liabilities	864	835
Total Current Liabilities	7,295	7,459
Non-current liabilities		
Net deferred taxes	1,560	1,766
Provisions	349	338
Total Non-Current Liabilities	1,909	2,104
Total liabilities	9,204	9,563
Net assets	25,667	24,127
EQUITY		
Contributed equity	7,141	6,855
Reserves	25	67
Retained profits	18,501	17,205
Total equity	25,667	24,127

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	CONTRIBUTED EQUITY	RESERVES \$'000	RETAINED EARNINGS	TOTAL
	\$'000	\$'000	\$'000	\$'000
HALF-YEAR TO 31 DECEMBER 2016				
Balance at the beginning of the half-year	6,855	67	17,205	24,127
Comprehensive income for the half-year	-	-	3,434	3,434
Transactions with equity holders in their capacity as equity holders				
Dividends paid	-	-	(2,180)	(2,180)
Transfer on exercise of options	-	(42)	42	-
Shares issued	286	-	-	286
Total transactions with equity holders	286	(42)	(2,138)	(1,894)
Balance at the end of the half-year	7,141	25	18,501	25,667
HALF-YEAR TO 31 DECEMBER 2015				
Balance at the beginning of the half-year	6,366	42	14,783	21,191
Comprehensive income for the half-year	-	-	2,702	2,702
Transactions with equity holders in their capacity as equity holders				
Dividends paid	-	-	(1,706)	(1,706)
Shares issued	244	-	-	244
Total transactions with equity holders	244	-	(1,706)	(1,462)
Balance at the end of the half-year	6,610	42	15,779	22,431

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	CONSOLIDATED	
	2016	2015
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	20,992	16,804
Payments to suppliers and employees (inclusive of goods and services tax)	(15,831)	(13,525)
	5,161	3,279
Interest received	148	173
Income taxes paid	(1,668)	(1,887)
Net cash inflow from operating activities	3,641	1,565
Cash flows from investing activities		
Payments instalments for acquired client portfolios	(1,052)	(3,410)
Net payments to and on behalf of advisers for business development	(1,868)	47
Proceeds from client servicing rearrangement	50	-
Other repayments	-	(12)
Net cash outflow from investing activities	(2,870)	(3,375)
Cash flows from financing activities		
Proceeds on issue of shares	163	-
Dividends paid	(2,180)	(1,706)
Net cash outflow from financing activities	(2,017)	(1,706)
Net decrease in cash and cash equivalents	(1,246)	(3,516)
Cash and cash equivalents at the beginning of the half-year	9,691	12,374
Cash and cash equivalents at the end of the half-year	8,445	8,858

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION OF HALF-YEAR REPORT

This general purpose financial report for the interim half-year reporting period ended 31 December 2016 has been prepared in accordance with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2016 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX listing rules.

Figures presented in this report are subject to rounding.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. Previous year comparatives have been restated where necessary to make them comparable with the current year.

COMPLIANCE WITH IFRS

The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2. SEGMENT INFORMATION

The business activities of the Group have been split into business segments based on legal entities and reviewed by management accordingly. The business segments are as follows:

FUNDS MANAGEMENT

The Group through its subsidiary Fiducian Investment Management Services Limited acts as an operator of an Investor Directed Portfolio Service, Fiducian Investment Service, and as Responsible Entity for managed investment schemes.

SUPERANNUATION

The Group through its subsidiary Fiducian Portfolio Services Ltd, operates in a segment as the Registrable Superannuation Entity for a public offer superannuation fund – Fiducian Superannuation Service.

FINANCIAL PLANNING

The Group continues its specialist financial planning operations through its subsidiary, Fiducian Financial Services Pty Ltd.

ADMINISTRATION

The administration and professional services are provided to the Group by a subsidiary, Fiducian Services Pty Limited. Management views this as an operating segment.

BUSINESS SERVICES

The Group continues to provide support to accountants, for book keeping, accounts and tax return preparation and self-managed super fund administration, through its subsidiary Fiducian Business Services Pty Ltd. Although this segment does not meet the quantitative thresholds required under AASB 8, management has concluded that this segment should be reported as it is closely monitored for its potential growth opportunities.

2. SEGMENT INFORMATION (CONTINUED)

	FUNDS MANAGE- MENT	SUPERAN- NUATION	FINANCIAL PLANNING	ADMINIS- TRATION	BUSINESS SERVICES	SEGMENT ELIMINA- TIONS	CONSOLI- DATED
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HALF-YEAR 2016							
Revenue from external customers*	6,166	-	7,592	5,552	395	-	19,705
Inter-segment sales*	(1,320)	-	(330)	1,725	(75)	-	-
Other Revenue**	52	2	129	14	1	-	198
Total revenue	4,898	2	7,391	7,291	321	-	19,903
Profit from ordinary activities before income tax expense	2,732	1	27	2,392	(168)	-	4,984
Income tax expense							(1,550)
Profit from ordinary activities after income tax expense							3,434

*With effect from 1 July 2016 fees from the platform relating to the Fiducian Investment Service in the Funds management segment and Fiducian Superannuation Service in the Superannuation segment have been paid directly to the Service provider in the Administration segment. This has resulted in a corresponding reduction in revenue and inter-segment sales in the funds management and superannuation segment offset by an increase in the administration segment.

Revenue in Business Services has reduced during the period as a result of the sale of the Queensland operations of the Accounting practice.

** Other revenue in the Financial Planning segment includes revenue of \$ 50,000 from client servicing rearrangement.

	FUNDS MANAGE- MENT	SUPERAN- NUATION	FINANCIAL PLANNING	ADMINIS- TRATION	BUSINESS SERVICES	SEGMENT ELIMINA- TIONS	CONSOLI- DATED
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HALF-YEAR 2015							
Revenue from external customers	7,118	7,143	6,811	-	553	(4,528)	17,097
Inter-segment sales	(2,135)	(4,176)	(300)	6,686	(75)	-	-
Other revenue	65	5	71	30	1	-	172
Total revenue	5,048	2,972	6,582	6,716	479	(4,528)	17,269
Profit from ordinary activities before income tax expense	2,005	4	141	2,007	(224)	-	3,933
Income tax expense							(1,231)
Profit from ordinary activities after income tax expense							2,702

3. DIVIDENDS

	HALF-YEAR TO 31 DEC.	
	2016	2015
	\$'000	\$'000
Ordinary shares		
Dividend paid during the half-year	2,180	1,706
Dividend not recognised at the end of the half-year		
In addition to the above dividend, since the end of the half-year the directors have resolved to pay an interim dividend of 7.10 cents per fully paid ordinary share (2015 - 5.50 cents), fully franked based on tax paid at 30%. The aggregate amount of this dividend is to be paid on 13 March 2017 out of retained profits at 31 December 2016, but not recognised as a liability at the end of the half year, is:	2,220	1,711

4. EVENTS OCCURRING AFTER THE BALANCE DATE

There has not arisen in the interval between the balance date and the date of this report any item, transaction or event of a material and unusual nature likely in the opinion of the directors of the Group to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent years.

5. CONTINGENT LIABILITIES

The Group had contingent liabilities at 31 December 2016 in respect of bank guarantees for property leases of parent and group entities amounting to \$ 444,000 (30 June 2016: \$444,000).

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 8 to 14 are in accordance with the Corporations Regulations 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 consolidated entity's financial position as at 31 December 2016 and of its performance for the half year ended on that date; and

(b) there are reasonable grounds to believe that Fiducian Group Limited will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.



Inderjit (Indy) Singh
Managing Director

Sydney,
17 February 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS



Independent auditor's review report to the members of Fiducian Group Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Fiducian Group Limited (the Company), which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for the consolidated entity. The consolidated entity comprises the Company and the entities it controlled during the half-year.

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 Australian 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, we have become aware of any matter that makes us 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 consolidated entity's financial position as at 31 December 2016 and its 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 Fiducian Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a 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*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Fiducian Group Limited is not in accordance with the *Corporations Act 2001* including:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS



1. giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers
PricewaterhouseCoopers

Stafford
Craig Stafford
Partner

Sydney
17 February 2017



Fiducian Group Limited

Level 4, 1 York Street, Sydney NSW 2000 Australia
GPO Box 4175, Sydney NSW 2001 Australia

Telephone: +61 (2) 8298 4600 Fax: + 61 (2) 8298 4611