

21st February 2017

Australian Stock Exchange
Company Announcement Officer

Subject – Announcement of Half Year results - December 2016

Dear Sir / Madam

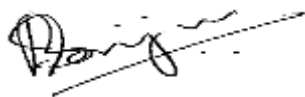
Half year information given to the ASX under Rule 4.2A

Please find attached the following documents with respect to the company's results for the half year period to 31st December 2016;

- Appendix 4D; and
- Interim Financial Report for the half year ended 31st December 2016 including the auditor's unqualified review report.

This information should be read in conjunction with the most recent Annual Report of the Company for the financial year ended 30th June 2016.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Biju', with a horizontal line drawn through it.

Biju Vikraman
Joint Company Secretary

Appendix 4D

Lodged with the ASX under Listing Rule 4.2A.3
Results for Announcement to the Market

Half-Year Ended 31 December 2016

(Previous corresponding period – Half-Year Ended 31 December 2015)

				\$
Revenue from ordinary activities	Up	583%	to	\$8,739,443
Profit/(loss) from ordinary activities before tax attributable to member	Up	1,427%	to	\$7,958,737
Profit/(loss) from ordinary activities after tax attributable to members	Up	855%	to	\$5,967,178

	Amount per security	Franked amount per security
Dividends per share – Fully Paid Ordinary Shares		
Quarterly dividend – April to June 16 (paid)	1.20c	1.20c
Quarterly dividend – July to September 16 (paid)	1.20c	1.20c
Quarterly dividend – October to December 16 (paid post - 31 December 2016)	1.20c	1.20c
Dividends per share – Converting Preference Shares		
Quarterly dividend – April to June 16 (paid)	4.50c	4.50c
Quarterly dividend – July to September 16 (paid)	4.50c	4.50c
Quarterly dividend – October to December 16 (paid post-31 December 2016)	4.50c	4.50c

Record date for determining entitlements to the interim dividend was

4 January 2017

Explanation of Revenue

Investment income for the half-year was \$8,739,443 compared to \$1,280,336 for the period ended 31 December 2015.

The result was derived from:

- Dividend and interest income \$1.55 million;
- Net realised and unrealised gain from the investment portfolio of \$7.16 million.

Explanation of Net Profit

The Company recorded an after tax profit of \$5,967,178 for the half-year to 31 December 2016. The increase in after tax profit for the period was primarily on account of marked to market of company's investments partially offset by realised loss on sale of investments during the current half-year compared to previous corresponding period.

Expenses in the period increased from \$759,203 to \$780,706.

Clime Capital Limited

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Explanation of Dividends

The Directors declared an interim dividend for the half-year ended 31 December 2016 on 5 December 2016 of 1.20 cents per share to ordinary shareholders. The record date for this dividend was 4 January 2017 and the dividend was paid on 25 January 2017.

Net tangible assets per security as at 31 December 2016 (cum-dividend)

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share – pre-tax	\$0.94	\$0.94
Net tangible asset backing per ordinary share – post-tax	\$0.94	\$0.93

Fully diluted net tangible asset backing per share incorporates both the fully paid ordinary shares and converting preference shares on issue. The company's preference shares will accrue the bonus and their conversion rate will be 1.387 for one preference share held at conversion date. The net tangible assets per security disclosed above is after taking into account the fully dilutive effect of preference shares.

The converting preference shares are to be mandatorily converted to ordinary shares on 30th April 2017. Fully franked quarterly converting preference shares dividends of 4.5 cents per preference share will be paid for the March 2017 quarter and 1.5 cents for the month of April so long as the company has retained earnings or current year profits.

Details of entities over which control has been gained during the period

The company did not gain or lose control over any entities during the 6 months ended 31 December 2016.

Dividends

Details of dividends/distributions paid during the six months ended 31 December 2016 are as follows:

Record Date	Payment Date	Type	Amount per security	Total Dividend \$000's	Franked amount per security	Foreign sourced dividend amount per security
Fully Paid Ordinary Shares						
5 July 2016	22 July 2016	Final	1.20c	949	949	-
5 October 2016	21 October 2016	Interim	1.20c	948	948	-
		Total	2.40c	1,897	1,897	-
Converting Preference Shares						
5 July 2016	21 July 2016	Final	4.50c	326	326	-
5 October 2016	20 October 2016	Interim	4.50c	322	322	-
		Total	9.00c	648	648	-

Dividend/Distribution Reinvestment Plans

The Company operates a dividend reinvestment plan, which has been applied to all dividends paid during the period and will continue to apply to any dividends declared for the financial year ending 30 June 2017.

Associates and Joint Venture entities

The Company does not have any interests in associates or joint venture entities.

Review

This report is based on accounts that have been reviewed by the auditors, Pitcher Partners. The unqualified review report is attached on page 16 of the Half-Year Financial Report.



CLIME CAPITAL LIMITED

ABN 99 106 282 777

INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

**CLIME CAPITAL LIMITED
INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

Contents

	Page
Half-Year Financial Report	
Directors' Report	2
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	15
Independent Review Report to the Members	16

CLIME CAPITAL LIMITED
ABN 99 106 282 777
DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

Your Directors present their report on Clime Capital Limited ("the Company") for the half-year ended 31 December 2016.

Directors

The following persons were Directors of Clime Capital Limited during the whole of the half-year and up to the date of this report unless otherwise stated:

Mr. John Abernethy	- Chairman
Mr. Geoffrey Wilson	- Director
Mr. Julian Gosse	- Independent Director
Mr. Brett Spork	- Independent Director

Review of Operations

The Company recorded an after tax profit of \$5,967,178 for the half-year ended 31 December 2016 compared to an after tax profit of \$624,827 for the half-year ended 31 December 2015. The result was primarily due to a significant increase in unrealised gains on account of mark to market of companies investments.

During the half-year, investment revenue from dividends and interest received was \$1.55 million. Net realised and unrealised gains on portfolio movements (marked to market) was \$7.16 million.

The Company has continued payment of quarterly dividends to both its preference share and ordinary shareholders. Dividends declared during the period totalled approximately \$2.54 million.

As at 31 December 2016 the Company has fully diluted Net Tangible Assets (NTA) of \$0.94 per share.

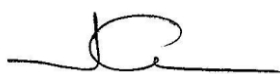
Rounding of amounts to the nearest dollar

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the directors' report and in the financial report have been rounded to the nearest dollar.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 3.

Signed in accordance with a resolution of the Board of Directors and signed for and on behalf of the Directors by:



John Abernethy
Director

Sydney, 20 February 2017

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF CLIME CAPITAL LIMITED
ABN 99 106 282 777**

In relation to the independent auditor's review for the half-year ended 31 December 2016, to the best of my knowledge and belief there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Clime Capital Limited during the period.



S M WHIDDETT
Partner

PITCHER PARTNERS
Sydney

20 February 2017

CLIME CAPITAL LIMITED
ABN 99 106 282 777
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Note	Half-year ended 31 December 2016 \$	31 December 2015 \$
Investment income			
Investment revenue	3	1,552,258	1,545,276
Net realised (loss)/gain on disposal of financial assets at fair value through profit or loss		(2,210,162)	2,025,285
Net unrealised gain/(loss) on financial assets at fair value through profit or loss		9,374,514	(2,725,892)
Net foreign exchange gain		22,833	435,667
Total investment (loss)/income		8,739,443	1,280,336
Expenses			
Management fees		(419,129)	(451,131)
Performance fees		(33,374)	-
Brokerage costs		(128,934)	(105,721)
Administrative expenses		(129,769)	(132,984)
Directors' fees and company secretarial fees		(69,500)	(69,367)
Total expenses		(780,706)	(759,203)
Profit for the half-year before income tax expense		7,958,737	521,133
Income tax (expense)/benefit		(1,991,559)	103,694
Profit for the half-year		5,967,178	624,827
Other comprehensive income for the half-year		-	-
Total comprehensive profit for the half-year		5,967,178	624,827
Basic earnings/(loss) per share	6	6.63cps	(0.1cps)
Diluted earning/(loss) per share	6	6.63cps	(0.1cps)

*The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with
the Notes to the Financial Statements which follow.*

CLIME CAPITAL LIMITED
ABN 99 106 282 777
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		As at	
	Note	31 December 2016 \$	30 June 2016 \$
Assets			
Cash and cash equivalents		22,362,334	13,802,084
Trade and other receivables		194,425	436,276
Financial assets at fair value through profit or loss	2	61,560,397	68,794,890
Current tax benefit		1,240,745	164,471
Deferred tax asset		-	1,719,644
Prepayments		10,770	23,005
Total assets		85,368,671	84,940,370
Liabilities			
Financial liabilities at fair value through profit or loss	2	-	10,670
Trade and other payables		181,867	4,177,986
Deferred tax liability		1,059,746	-
Dividends payable	5	1,272,147	1,275,225
Total liabilities		2,513,760	5,463,881
Net assets		82,854,911	79,476,489
Equity			
Issued capital	4	81,113,140	81,159,617
Accumulated losses		(9,654,851)	(9,822,029)
Profit reserve		11,396,622	8,138,901
Total equity		82,854,911	79,476,489

*The above Statement of Financial Position should be read in conjunction with
the Notes to the Financial Statements which follow.*

CLIME CAPITAL LIMITED
ABN 99 106 282 777
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

Note	Issued Capital \$	Accumulated Losses \$	Profit Reserve \$	Total Equity \$
Balance at 1 July 2015	83,406,253	(6,182,809)	10,343,561	87,567,005
Profit for the half-year	-	624,827	-	624,827
Other comprehensive income/(loss) for the half-year	-	-	-	-
Total comprehensive income for the half-year	-	624,827	-	624,827
Transactions with owners in their capacity as owners				
Issue of Ordinary shares	384,506	-	-	384,506
Shares acquired under buy-back	(800,084)	-	-	(800,084)
Transaction cost on shares buy-back	(2,229)	-	-	(2,229)
Income tax relating to share buy-back costs	669	-	-	669
Options exercised	934	-	-	934
Dividends provided for or paid - Ordinary shares	-	-	(1,942,936)	(1,942,936)
Dividends provided for or paid - Converting Preference Shares	-	-	(689,812)	(689,812)
Transfer to profit reserve	-	(3,000,000)	3,000,000	-
	(416,204)	(3,000,000)	367,252	(3,048,952)
Balance at 31 December 2015	82,990,049	(8,557,982)	10,710,813	85,142,880
Balance at 30 June 2016	81,159,617	(9,822,029)	8,138,901	79,476,489
Profit for the half-year	-	5,967,178	-	5,967,178
Other comprehensive income/(loss) for the half-year	-	-	-	-
Total comprehensive income for the half-year	-	5,967,178	-	5,967,178
Transactions with owners in their capacity as owners				
<i>Ordinary shares:</i>				
Issue of shares	367,650	-	-	367,650
Shares acquired under buy-back	(298,170)	-	-	(298,170)
Transaction costs on shares acquired under buy-back	(794)	-	-	(794)
Income tax on transaction costs	238	-	-	238
Dividends provided for or paid	-	-	(1,898,687)	(1,898,687)
<i>Total ordinary shares</i>	68,924	-	(1,898,687)	(1,829,763)
<i>Preference shares:</i>				
Shares acquired under buy-back	4 (115,297)	-	-	(115,297)
Transaction costs on shares acquired under buy-back	(149)	-	-	(149)
Income tax on transaction costs	45	-	-	45
Dividends provided for or paid	-	-	(643,592)	(643,592)
<i>Total preference shares</i>	(115,401)	-	(643,592)	(758,993)
Transfer to profit reserve	-	(5,800,000)	5,800,000	-
	(46,477)	(5,800,000)	3,257,721	(2,588,756)
Balance at 31 December 2016	81,113,140	(9,654,851)	11,396,622	82,854,911

The above Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements which follow.

CLIME CAPITAL LIMITED
ABN 99 106 282 777
STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Half-year ended	
	31 December 2016	31 December 2015
	\$	\$
Cash flows from operating activities		
Proceeds from sale of investments	64,021,500	55,296,287
Payments for purchase of investments	(53,786,295)	(49,453,708)
	10,235,205	5,842,579
Dividends and trust distributions received	1,608,421	1,522,991
Interest received	163,214	314,074
Payments for administrative and other expenses	(191,439)	(174,341)
Investment manager's fees paid	(412,467)	(450,695)
Brokerage costs paid	(128,934)	(105,721)
Income tax paid	(288,160)	(568,089)
Net cash inflow from operating activities	10,985,840	6,380,798
Cash flows from financing activities		
Dividends paid net of dividend reinvestment	(2,177,707)	(2,254,385)
Net proceeds from exercise of options	-	934
Payment for shares buy-back including transaction costs	(414,410)	(802,313)
Net cash outflow from financing activities	(2,592,117)	(3,055,764)
Net (decrease)/increase in cash held	8,393,723	3,325,034
Effects of exchange rate movements on cash	166,527	(150,549)
Cash and cash equivalents at beginning of the half-year	13,802,084	12,356,444
Cash and cash equivalents at end of the half-year	22,362,334	15,530,929

*The above Statement of Cash Flows should be read in conjunction with
the Notes to the Financial Statements which follow.*

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

1. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of accounting

These condensed half-year financial statements are general purpose financial statements prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The half-year financial statements are prepared in accordance with the historical cost convention with the exception of the valuation of investments described in Note 2 below.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2016 and any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Details of reporting period

The current reporting period is the half-year ended 31 December 2016. For the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows, the previous corresponding period is the half-year ended 31 December 2015. For the Statement of Financial Position, the previous corresponding date is 30 June 2016.

(b) Accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 30 June 2016.

The half-year financial report was authorised for issue on 20 February 2017.

(c) Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the directors' report and in the financial report have been rounded to the nearest dollar.

2. FAIR VALUE MEASUREMENT

The Company measures and recognises financial assets and liabilities held at fair value through profit or loss on a recurring basis.

The Company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

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

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and listed equity securities) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

The Company values its investments in accordance with the accounting policies set out in Note 1 of the financial statements. For the majority of its investments, the Company relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets held by the Company is the current bid price; the quoted market price for financial liabilities is the current asking price. When the Company holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

2. FAIR VALUE MEASUREMENT (CONTINUED)

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

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.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(b) Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets and liabilities that are not 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 reporting period 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 reporting 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. The fair value of an option contract is determined by applying the Black Scholes option valuation model.

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.

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

2. FAIR VALUE MEASUREMENT (CONTINUED)

(c) Recognised fair value measurements

The carrying amounts of trade receivables and trade payables are reasonable approximations of their fair values due to their short-term nature.

The table below presents the Company's financial assets and liabilities measured and recognised at fair value as at 31 December 2016:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
At 31 December 2016				
Financial assets at fair value through profit or loss				
Listed equities - domestic	54,588,861	-	-	54,588,861
Listed equities - international	5,999,425	-	-	5,999,425
Listed convertible notes	972,111	-	-	972,111
Total financial assets at fair value through profit or loss	61,560,397	-	-	61,560,397
At 30 June 2016				
Financial assets at fair value through profit or loss				
Listed equities - domestic	49,892,225	-	-	49,892,225
Listed equities - international	12,548,510	-	-	12,548,510
Listed convertible notes	4,094,794	-	-	4,094,794
Floating rate notes	2,259,361	-	-	2,259,361
Total financial assets at fair value through profit or loss	68,794,890	-	-	68,794,890
Financial liabilities at fair value through profit or loss				
Derivatives - options	10,670	-	-	10,670
Total financial liabilities at fair value through profit or loss	10,670	-	-	10,670

(d) Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

(e) Fair value of financial instruments not carried at fair value

The carrying value of trade receivables and trade payables are assumed to approximate their fair values.

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Half-year ended	
	31 December 2016	31 December 2015
	\$	\$
3. INVESTMENT REVENUE		
Dividends received	1,445,125	1,224,626
Interest	107,133	320,650
TOTAL	1,552,258	1,545,276

4. ISSUED CAPITAL

	As at	
	31 December 2016	30 June 2016
	\$	\$
Issued and paid up capital		
(a) 79,195,942 (30 June 2016: 79,099,297) ordinary fully paid shares	63,496,218	63,427,294
(b) 7,151,018 (30 June 2016: 7,245,177) converting preference fully paid shares	17,616,922	17,732,323
Balance at the end of the period	81,113,140	81,159,617

(a) Movements in ordinary share capital

	31 December 2016	30 June 2016	31 December 2016	30 June 2016
	Number of shares	Number of shares	\$	\$
Balance at beginning of the period	79,099,297	80,802,104	63,427,294	64,748,818
Shares buy-back	(379,668)	(2,174,436)	(298,170)	(1,702,683)
Transaction cost on shares buy-back	-	-	(794)	(2,219)
Income tax relating to share issue costs	-	-	238	899
Dividend reinvestment plan	476,313	471,629	367,650	382,479
Balance at the end of the period	79,195,942	79,099,297	63,496,218	63,427,294

(b) Movements in converting preference share capital

	31 December 2016	30 June 2016	31 December 2016	30 June 2016
	Number of shares	Number of shares	\$	\$
Balance at beginning of the period	7,245,177	7,664,573	17,732,323	18,241,231
Shares buy-back	(94,159)	(419,396)	(115,297)	(508,334)
Transaction cost on shares buy-back	-	-	(149)	(820)
Income tax relating to share issue costs	-	-	45	246
Balance at the end of the period	7,151,018	7,245,177	17,616,922	17,732,323

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Half-year ended 31 December 2016 \$	31 December 2015 \$
5. DIVIDENDS		
(a) Paid in the current period		
Dividends paid in the current period		
A fully franked final dividend on ordinary shares in respect of the 2016 financial year of 1.2 cents per share was paid on 22 July 2016 (2015: A fully franked final dividend on ordinary shares in respect of the 2015 financial year of 1.2 cents per share was paid on 23 July 2015)	949,192	975,767
A fully franked dividend on converting preference shares in respect of the 2016 financial year of 4.5 cents per share was paid on 21 July 2016 (2015: A fully franked dividend on converting preference shares in respect of the 2015 financial year of 4.5 cents per share was paid on 22 July 2015)	326,033	344,906
A fully franked dividend on ordinary shares for the quarter ended 30 September 2016 of 1.2 cents per share was paid on 21 October 2016 (2015: A fully franked dividend on ordinary shares for the quarter ended 30 September 2015 of 1.2 cents per share was paid on 23 October 2015)	948,336	973,311
A fully franked dividend on converting preference shares for the quarter ended 30 September 2016 of 4.5 cents per share was paid on 20 October 2016 (2015: A fully franked dividend on converting preference shares for the quarter ended 30 September 2015 of 4.5 cents per share was paid on 22 October 2015)	321,796	344,906
	2,545,357	2,638,890
(b) Provided for in the current period		
A fully franked dividend on ordinary shares for the quarter ended 31 December 2016 of 1.2 cents per share was paid on 25 January 2017 (2015: A fully franked dividend on ordinary shares for the quarter ended 31 December 2015 of 1.2 cents per share was paid on 22 January 2016)	950,351	969,625
A fully franked dividend on converting preference shares for the quarter ended 31 December 2016 of 4.5 cents per share was paid on 24 January 2017 (2015: A fully franked dividend on converting preference shares for the quarter ended 31 December 2015 of 4.5 cents per share was paid on 21 January 2016)	321,796	344,906
	1,272,147	1,314,531
(c) Dividend franking account		
Franking account balance	1,416,334	2,427,120
Impact on franking account balance of dividends not recognised, paid on 24 and 25 January 2017 (2015: 21 and 22 January 2016)	(545,206)	(563,370)
	871,128	1,863,750

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Half-year ended	
	31 December 2016	31 December 2015
	\$	\$
6. EARNINGS PER SHARE		
Basic earnings/(loss) per share	6.63cps	(0.1cps)
Diluted earnings/(loss) per share (Note a)	6.63cps	(0.1cps)
Reconciliation of earnings used in calculating basic and diluted earnings per share:		
Total comprehensive loss for the half-year	5,967,178	624,827
Less: dividends provided or paid - converting preference shares	(643,592)	(689,812)
Earnings used in calculating basic earnings per share (adjusted for preference dividends paid during the half-year)	5,323,586	(64,985)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	80,279,696	81,202,440

Note a.

Because diluted earnings per share is increased when taking the converting preference shares into account, the converting preference shares are antidilutive and are ignored in the calculation of diluted earnings per share.

Converting preference shareholders will accrue the bonus issue and upon conversion will receive 1.387 ordinary shares for every Converting Preference shares held. There are 9,919,306 unissued ordinary shares of Clime Capital that are likely to be issued on conversion of preference shares as at the date of this report.

The converting preference shares are to be mandatorily converted to ordinary shares on the 30th April 2017. Fully franked quarterly converting preference shares dividends of 4.5 cents per preference share will be paid for the March 2017 quarter and 1.5 cents for the month of April so long as the company has retained earnings or current year profits.

7. CONTINGENT LIABILITIES

As at 31 December 2016, the Company has no contingent liabilities or commitments (2015: \$Nil).

8. EVENTS SUBSEQUENT TO REPORTING DATE

No significant events have occurred since the reporting date which would impact on the financial position of the Company disclosed in the Statement of Financial Position as at 31 December 2016 or on the results and cash flows of the Company for the half-year ended on that date.

CLIME CAPITAL LIMITED
ABN 99 106 282 777
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

9. SEGMENT INFORMATION

The Company is organised into one main segment which operates solely in the business of investing in securities.

The Company operates in Australia and holds all assets within Australia. However, the Company has foreign exposures as it invests in Companies which operate internationally.

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The directors are of the opinion that the current financial position and performance of the Company is equivalent to the operating segments identified above and as such no further disclosure has been provided.

10. COMPANY DETAILS

The registered office and principal place of business of the Company is:

Level 7
1 Market Street
Sydney NSW 2000

CLIME CAPITAL LIMITED
ABN 99 106 282 777
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

The directors of the Company declare that:

- (a) the financial statements and notes set out on pages 4 to 14 are in accordance with the *Corporations Act 2001*; and
 - (i) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) give a true and fair view of the entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date.
- (b) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



John Abernethy
Director

Sydney, 20 February 2017

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF CLIME CAPITAL LIMITED
ABN 99 106 282 777**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Clime Capital Limited ("the Company"), which comprises the statement of financial position as at 31 December 2016, 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, a summary of significant accounting policies, other selected explanatory notes and the directors' declaration of the Company.

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 gives a true and fair view and 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 an Interim 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 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 Clime Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the half-year financial report.

A review of the half-year financial report consists of making enquiries, primarily of persons responsible for the 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 Clime Capital Limited is not in accordance with the *Corporations Act 2001*, including:

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



S M WHIDDETT
Partner

20 February 2017



PITCHER PARTNERS
Sydney