



# **AMCIL LIMITED**

ABN 57 073 990 735

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## **APPENDIX 4D STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

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### **CONTENTS**

- Results for announcement to the market
- Media Release
- Appendix 4D Accounts
- Independent Auditors' Review Report

*This half-year report is presented under listing rule 4.2A and should be read in conjunction with the Company's 2014 Annual Report.*

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## RESULTS FOR ANNOUNCEMENT TO THE MARKET

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The reporting period is the half-year ended 31 December 2014 with the previous corresponding period being the half-year ended 31 December 2013. The results have been reviewed by the Company's auditors.

### Results for announcement to the market

- Profit for the half-year was \$2.8 million, down 23.8% from \$3.7 million the previous corresponding period.
- Revenue from investments was \$3.6 million, down 16.2% from \$4.3 million in the previous corresponding period. This excludes capital gains on investments. Both the revenue and the profit figures for the corresponding period included \$0.6 million of demerger dividends from the Brambles/Recall and Amcor/Orora demergers.
- Net tangible asset backing per share before any provision for tax on unrealised gains at 31 December 2014 was 87 cents per share, down from 91 cents at the end of the previous corresponding period.
- A final dividend of 2.5 cents per share (fully franked) plus a special dividend of 4 cents per share (also fully franked) in respect of the financial year ended 30 June 2014 was paid on 26 August 2014.
- In line with the Company's practice, no interim dividend has been declared in respect of the half-year ended 31 December 2014.



## **MEDIA RELEASE – HALF YEAR RESULT TO 31 DECEMBER 2014**

AMCIL Limited is a listed investment company with a focused investment portfolio of \$210 million currently comprising 43 stocks and cash. The investment approach has been to choose companies based on our view of what are the best opportunities for attractive value over the medium to long term in large and small cap companies.

The Australian share market over the past six months has thrown up very divergent outcomes for different sectors of the market. There have been very strong returns in the healthcare, telecommunication and industrial sectors while the outcomes in resources and energy stocks have been very weak.

### **Portfolio Returns**

Over the six month period the portfolio declined 2.1% whereas the S&P/ASX 200 Accumulation Index increased 2.5%. The 1 year return of the portfolio to 31 December 2014 was 1.9% whereas the S&P/ASX 200 Accumulation Index return was 5.6%. AMCIL's return is after expenses and tax paid on realised gains.

AMCIL's portfolio over the half year was affected by the fall in the oil price and iron ore price and the impact on holdings in Santos, Oil Search, Senex Energy and BHP Billiton. The slowdown in activity in these sectors has also seen declines in ALS and Tox Free Solutions.

In contrast there were strong performances by CSL, Transurban, Telstra, Brambles, Commonwealth Bank and ResMed.

Importantly given our investment horizon, AMCIL's 5 year portfolio return is 8.7% per annum versus the Index at 6.8% per annum. For those investors who can take full advantage of the franking credits generated from the Company's investment activities, including realised gains, the returns are 11.1% per annum for AMCIL and 8.4% for the Index (refer to the attached performance table).

### **Portfolio Changes**

A number of new companies were added through the six month period. These included Sonic Healthcare, Energy Developments, Cover-More Group, Asciano, Capitol Health and Ashley Services via an IPO. Major additions to existing holdings were in CSL and ResMed, given the attractiveness of the healthcare sector as a long term investment proposition.

To facilitate the addition of new companies some rebalancing of the portfolio occurred, with the complete sale of Equity Trustees, Tox Free Solutions, SAI Global, AWE and Recall Holdings. The holding in Transurban was also reduced.

### **Profit and Dividend**

Profit for the half year was \$2.8 million. The corresponding period profit figure last year of \$3.7 million included demerger dividends of \$0.6 million received from Amcor and Brambles.

In line with previous years the Board has not declared an interim dividend.

## Outlook

The recent market volatility in resource and energy stocks has prompted investors to prize industrial companies with stable and or growing earnings and also those with exposure to US dollar earnings. We expect this trend to continue given the subdued outlook for domestic growth in Australia keeping downward pressure on interest rates and as the US dollar appreciates on the back of improving economic growth there. In the sectors of the market that have experienced very strong growth it is difficult to find attractive value. In the resources and energy market there is still a fair level of uncertainty about the future of energy and commodity prices in the medium to long term.

Following the Company's recent Share Purchase Plan AMCIL has \$19 million in cash (9% of the portfolio). Our investment approach means that we can afford to wait to invest this cash until we do see attractive opportunities. Such opportunities may well arise during periods of market volatility when other investors offload stocks. There may also be some interesting investments among the Initial Public Offerings coming to the market.

Please direct any enquiries to:

Ross Barker  
Managing Director  
(03) 9225 2101

Geoff Driver  
General Manager  
(03) 9225 2102

20 January 2015

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## MAJOR TRANSACTIONS IN THE INVESTMENT PORTFOLIO

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<b>Acquisitions (above \$1.5 million)</b>	<b>Cost \$'000</b>
Sonic Healthcare	3,594
CSL	2,121
Energy Developments	2,088
Cover-More Group	2,008
Asciano	1,707
Capitol Health	1,630
Ashley Services Group	1,600

<b>Disposals (above \$1.5 million)</b>	<b>Proceeds \$'000</b>
Equity Trustees	6,481
Tox Free Solutions	3,382
Transurban Group	3,182
SAI Global	2,820
AWE	2,074
Recall Holdings	1,602

## TOP INVESTMENTS AS AT 31 DECEMBER 2014

*Includes investments held in both the Investment and Trading Portfolios*

Valued at closing prices at 31 December 2014

		Total Value \$ '000	% of portfolio
1	Commonwealth Bank of Australia	15,845	8.3%
2	* Oil Search	14,434	7.5%
3	BHP Billiton	11,968	6.2%
4	Westpac Banking Corporation	9,948	5.2%
5	* Telstra Corporation	9,932	5.2%
6	Brambles	9,248	4.8%
7	National Australia Bank	7,728	4.0%
8	* Transurban Group	7,475	3.9%
9	* CSL	7,098	3.7%
10	Qube Holdings	6,141	3.2%
11	AMP	5,933	3.1%
12	Santos	5,687	3.0%
13	Incitec Pivot	5,449	2.8%
14	QBE Insurance Group	5,417	2.8%
15	ResMed	5,170	2.7%
16	Lifestyle Communities	4,600	2.4%
17	TPG Telecom	4,253	2.2%
18	* Sonic Healthcare	3,844	2.0%
19	Computershare	3,581	1.9%
20	iProperty Group	3,528	1.8%
		147,278	

As % of Total Portfolio  
(excludes Cash)

76.9%

\* Indicates that options were outstanding against part of the holding.

Cash position at 31 December 2014 - \$19.1 million



## PORTFOLIO PERFORMANCE TO 31 DECEMBER 2014

PERFORMANCE MEASURES	6 MONTH	ANNUALISED RETURNS			
		1 YEAR	3 YEARS	5 YEARS	10 YEARS
<b>PORTFOLIO RETURN</b>	<b>-2.1%</b>	<b>1.9%</b>	<b>12.0%</b>	<b>8.7%</b>	<b>12.4%</b>
<b>S&amp;P/ASX 200 ACCUMULATION INDEX</b>	<b>2.5%</b>	<b>5.6%</b>	<b>15.1%</b>	<b>6.8%</b>	<b>7.6%</b>

<b>PORTFOLIO GROSS RETURN INCLUDING DIVIDENDS REINVESTED*</b>	<b>0.7%</b>	<b>4.8%</b>	<b>14.9%</b>	<b>11.1%</b>	<b>14.6%</b>
<b>S&amp;P/ASX 200 GROSS ACCUMULATION INDEX*</b>	<b>3.3%</b>	<b>7.2%</b>	<b>17.0%</b>	<b>8.4%</b>	<b>9.0%</b>

Note: Portfolio performance is measured by the change in net asset backing plus reinvested dividends and adjusting for the additional cash received from the exercise of options since recapitalisation of the Company. AMCIL's portfolio return is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should also be noted that Index returns for the market do not include the impact of management expenses or tax.

\*Incorporates the benefit of franking credits for those who can fully utilise them.



# **AMCIL LIMITED**

ABN 57 073 990 735

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## **HALF-YEAR REPORT 31 DECEMBER 2014**

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## COMPANY PARTICULARS

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### AMCIL Limited (“AMH”)

ABN 57 073 990 735

AMCIL is a Listed Investment Company. It is an investor in equities and similar securities on the stock market primarily in Australia.

**Directors:** Bruce Teele, Chairman  
Ross Barker, Managing Director  
Peter Barnett  
Roger Brown  
Rupert Myer AM  
Richard (Bob) Santamaria

**Company Secretaries:** Simon Pordage  
Andrew Porter

**Auditor:** PricewaterhouseCoopers, Chartered Accountants

**Country of incorporation:** Australia

**Registered office:** Level 21  
101 Collins Street  
Melbourne, Victoria 3000

**Contact Details:** Mail Address: Mail Box 146, 101 Collins St., Melbourne, Victoria 3000  
Telephone: (03) 9650 9911  
Facsimile: (03) 9650 9100  
Email: [invest@amcil.com.au](mailto:invest@amcil.com.au)  
Internet address: [www.amcil.com.au](http://www.amcil.com.au)

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone: 1800 780 784 (toll free)

**Share Registrar:** Computershare Investor Services Pty Limited

Mail Address: GPO Box 2975, Melbourne, Victoria 3001  
Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067

AMH Shareholder  
enquiry line: 1300 653 916  
+613 9415 4224 (from overseas)

Facsimile: (03) 9473 2500  
Internet: [www.investorcentre.com/contact](http://www.investorcentre.com/contact)

For all enquiries relating to shareholdings, dividends and related matters, please contact the share registrar as above.

### Securities Exchange

**Code:** AMH Ordinary shares

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## DIRECTORS' REPORT

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This report in relation to the half-year to 31 December 2014 is presented by the Directors of AMCIL Limited ('the Company') in accordance with a resolution of Directors.

### Directors

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

B.B. Teele (appointed December 2003)  
R.E. Barker (appointed May 1996)  
P.C. Barnett (appointed August 1996)  
R.G. Brown (appointed February 2014)  
R.H. Myer AM (appointed January 2000)  
R.B. Santamaria (appointed August 1996)

### Company operations and results

#### Overview

AMCIL is a Listed Investment Company which invests primarily in securities listed on the Australian Securities Exchange.

#### Performance Indicators and Outcomes

Profit for the half-year, which was \$2.8 million, was down 23.8% from the previous corresponding period. The previous corresponding period included demerger dividends from the Brambles/Recall and Amcor/Orora demergers, which contributed \$0.6 million to profit for the six months ended 31 December 2013.

The net profit for the six months was equivalent to 1.21 cents per share (2013 : 1.69 cents per share).

Dividends and distributions from investments amounted to \$3.4 million for the half-year, of which \$2.6 million was from fully franked dividends.

During the half-year, an additional 13.8 million shares were issued via a Dividend Reinvestment Plan and a Share Purchase Plan, resulting in an additional \$12.3 million of capital.

The portfolio return for the six months to December 2014 delivered a negative return of 2.1% compared to the broader S&P/ASX200 positive return of 2.5%, largely due to AMCIL's strong overweight position in energy stocks such as Santos and Oil Search – the S&P/ASX 200 Resources Index was down 15.1% for the 6 months. AMCIL's portfolio return is after costs and tax paid (including tax on realised capital gains which can be returned to shareholders via franking credits).

As with previous years, the Board has decided not to declare an interim dividend.

#### Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

### **Rounding of amounts**

The Company is of the kind referred to in Class Order 98/100 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report and financial report. Unless specifically stated otherwise, 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 the directors.

A handwritten signature in black ink, appearing to read 'P.C. Barnett', written in a cursive style.

P.C. Barnett  
Director  
Melbourne  
20 January 2015



## Auditor's Independence Declaration

As lead auditor for the review of AMCIL Limited for the half-year ended 31 December 2014, 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.

A handwritten signature in dark ink, appearing to read 'Charles Christie'.

Charles Christie  
Partner  
PricewaterhouseCoopers

Melbourne  
20 January 2015

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**PricewaterhouseCoopers, ABN 52 780 433 757**

Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001  
T: 61 3 8603 1000, F: 61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au)

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## INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	Half-year 2014 \$'000	Half-year 2013 \$'000
Dividends and distributions		3,385	3,906
Revenue from deposits and bank bills		215	390
<b>Total revenue</b>		<b>3,600</b>	<b>4,296</b>
Net gains on trading and options portfolios		41	90
Other income		11	10
<b>Income from operating activities</b>		<b>3,652</b>	<b>4,396</b>
Finance costs		(33)	(36)
Administration expenses		(774)	(685)
<b>Profit before income tax expense</b>		<b>2,845</b>	<b>3,675</b>
Income tax (expense)/credit		(18)	37
<b>Profit for the half-year</b>		<b>2,827</b>	<b>3,712</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	7	1.21	1.69

This Income Statement should be read in conjunction with the accompanying notes.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Half-Year to 31 December 2014			Half-Year to 31 December 2013		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
<b>Net Profit</b>	<b>2,827</b>	<b>-</b>	<b>2,827</b>	<b>3,712</b>	<b>-</b>	<b>3,712</b>
<b>Other Comprehensive Income</b>						
Gains/(losses) for the period on equity securities in the investment portfolio	-	(6,123)	<b>(6,123)</b>	-	17,563	<b>17,563</b>
Deferred tax (expense)/credit on above	-	1,813	<b>1,813</b>	-	(5,281)	<b>(5,281)</b>
<b>Total Other Comprehensive Income<sup>1</sup></b>	<b>-</b>	<b>(4,310)</b>	<b>(4,310)</b>	<b>-</b>	<b>12,282</b>	<b>12,282</b>
<b>Total comprehensive income<sup>2</sup></b>	<b>2,827</b>	<b>(4,310)</b>	<b>(1,483)</b>	<b>3,712</b>	<b>12,282</b>	<b>15,994</b>

<sup>1</sup> These are the net capital gains/(losses) not accounted for through the Income Statement.

<sup>2</sup> This is the company's Net Return for the half-year, which includes the Net Profit plus the net realised and unrealised gains or losses on the Company's investment portfolio and net gains/(losses) on open options positions.

Note that none of the items included in Other Comprehensive Income will be recycled through the Income Statement.

**This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.**

## BALANCE SHEET AS AT 31 DECEMBER 2014

	Note	31 Dec 2014 \$'000	30 June 2014 \$'000
<b>Current assets</b>			
Cash		19,095	20,014
Receivables		338	1,055
<b>Total current assets</b>		<b>19,433</b>	<b>21,069</b>
<b>Non-current assets</b>			
Investment portfolio		191,745	200,159
Deferred tax assets		106	57
<b>Total non-current assets</b>		<b>191,851</b>	<b>200,216</b>
<b>Total assets</b>		<b>211,284</b>	<b>221,285</b>
<b>Current liabilities</b>			
Payables		346	359
Options written portfolio	3	204	-
Tax payable		815	4,424
<b>Total current liabilities</b>		<b>1,365</b>	<b>4,783</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities - investment portfolio	4	12,213	14,770
<b>Total non-current liabilities</b>		<b>12,213</b>	<b>14,770</b>
<b>Total liabilities</b>		<b>13,578</b>	<b>19,553</b>
<b>Net Assets</b>		<b>197,706</b>	<b>201,732</b>
<b>Shareholders' equity</b>			
Share Capital	5	157,880	145,598
Revaluation Reserve		21,304	28,296
Realised Capital Gains Reserve		5,424	12,810
Retained Profits		13,098	15,028
<b>Total shareholders' equity</b>		<b>197,706</b>	<b>201,732</b>

This Balance Sheet should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Half-Year to 31 December 2014	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
<b>Total equity at the beginning of the half-year</b>		145,598	28,296	12,810	15,028	201,732
Dividends paid	6	-	-	(9,123)	(5,702)	(14,825)
Shares issued – Dividend Reinvestment Plan		5,531	-	-	-	5,531
- Share Purchase Plan		6,805	-	-	-	6,805
Share Issue Transaction Costs		(54)	-	-	-	(54)
<b>Total transactions with shareholders</b>		12,282	-	(9,123)	(5,702)	(2,543)
<b>Profit for the half-year</b>		-	-	-	2,827	2,827
<b><i>Other Comprehensive Income for the half-year</i></b>						
Net losses for the period on equity securities in the investment portfolio		-	(4,310)	-	-	(4,310)
<b>Other Comprehensive Income for the half-year</b>		-	(4,310)	-	-	(4,310)
Transfer to Retained Profits of net cumulative non-taxable gains		-	(945)	-	945	-
Transfer to Realised Capital Gains Reserve of net cumulative taxable gains		-	(1,737)	1,737	-	-
<b>Total equity at the end of the half-year</b>		157,880	21,304	5,424	13,098	197,706

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.



## STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONT.)

Half-Year to 31 December 2013	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
<b>Total equity at the beginning of the half-year</b>		129,377	21,446	13,430	13,412	177,665
Dividends paid	6	-	-	(10,454)	(6,273)	(16,727)
Shares issued – Dividend Reinvestment Plan		6,162	-	-	-	6,162
- Share Purchase Plan		10,119	-	-	-	10,119
Share Issue Transaction Costs		(61)	-	-	-	(61)
<b>Total transactions with shareholders</b>		16,220	-	(10,454)	(6,273)	(507)
<b>Profit for the half-year</b>		-	-	-	3,712	3,712
<b><i>Other Comprehensive Income for the half-year</i></b>						
Net gains for the period for equity securities in the investment portfolio		-	12,282	-	-	12,282
<b>Other Comprehensive Income for the half-year</b>		-	12,282	-	-	12,282
Transfer to Retained Profits of net cumulative non-taxable gains		-	(496)	-	496	-
Transfer to Realised Capital Gains Reserve of net cumulative taxable gains		-	(3,737)	3,737	-	-
<b>Total equity at the end of the half-year</b>		145,597	29,495	6,713	11,347	193,152

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Half-year 2014 \$'000 INFLOWS/ (OUTFLOWS)	Half-year 2013 \$'000 INFLOWS/ (OUTFLOWS)
<b>Cash flows from operating activities</b>		
Sales from trading portfolio	342	820
Purchases for trading portfolio	(228)	(398)
Interest received	272	351
Proceeds from entering into options in options written portfolio	239	-
Dividends and distributions received	3,707	4,248
	<u>4,332</u>	<u>5,021</u>
Administration expenses	(786)	(868)
Finance costs paid	(33)	(33)
Taxes paid	-	(3)
Other receipts	11	10
<b>Net cash inflow/(outflow) from operating activities</b>	<u><b>3,524</b></u>	<u><b>4,127</b></u>
<b>Cash flows from investing activities</b>		
Sales from investment portfolio	30,026	20,199
Purchases for investment portfolio	(27,505)	(17,492)
Taxes paid on capital gains	(4,421)	-
<b>Net cash inflow/(outflow) from investing activities</b>	<u><b>(1,900)</b></u>	<u><b>2,707</b></u>
<b>Cash flows from financing activities</b>		
Share issues	12,336	16,282
Share issues transaction costs	(54)	(61)
Dividends paid	(14,825)	(16,727)
<b>Net cash inflow/(outflow) from financing activities</b>	<u><b>(2,543)</b></u>	<u><b>(506)</b></u>
Net increase/(decrease) in cash held	(919)	6,328
Cash at the beginning of the half-year	20,014	19,419
<b>Cash at the end of the half-year</b>	<u><b>19,095</b></u>	<u><b>25,747</b></u>

This Cash Flow Statement should be read in conjunction with the accompanying notes.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

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### 1. Basis of preparation of half-year financial report

This general purpose half-year financial report 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. This report should be read in conjunction with the 2014 Annual Report and public announcements made by the Company during the half-year, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Company has attempted to improve the transparency of its reporting by adopting 'plain English' where possible. Key 'plain English' phrases and their equivalent AASB terminology are as follows:

Phrase	AASB Terminology
Market Value	Fair Value for Actively Traded Securities

### 2. Financial reporting by segments

The Company operates as a Listed Investment Company in Australia. It has no reportable business or geographic segments.

#### (a) Segment information provided to the Board

The internal reporting provided to the Board for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in the Company's Net Tangible Asset announcements to the ASX).

The relevant amounts as at 31 December 2014 and 31 December 2013 were as follows:

Net tangible asset backing per share	2014	2013
	cents	cents
Before Tax	87	91
After Tax	82	85

#### (b) Other segment information

##### (i) Segment Revenue

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, and income arising on the trading portfolio and realised income from the options portfolio.

The Company is domiciled in Australia and the Company's income is derived predominantly from Australian entities or entities that have a listing on the Australian Securities Exchange. The Company has a diversified portfolio of investments, with only one investment comprising more than 10% of the Company's income, including contribution from the trading portfolio and realised income from the options written portfolio – Commonwealth Bank : 11.0% (2013 : Brambles (including demerger dividend) : 11.9%).

### 3. Current liabilities – options written portfolio

As at balance date there were call options outstanding which potentially required the Company, if they were all exercised, to deliver securities to the value of \$9.4 million (30 June 2014: \$Nil). As at balance date there were put options outstanding which potentially required the Company if they were all exercised to purchase \$0.4 million of securities (30 June 2014: \$Nil).

### 4. Deferred tax liabilities – investment portfolio

In accordance with AASB 112 *Income Taxes*, deferred tax liabilities have been recognised for Capital Gains Tax on the unrealised gains in the investment portfolio at current tax rates (30%) totalling \$12.2 million (30 June 2014 : \$14.8 million). As the Directors do not intend to dispose of the portfolio, this tax liability may not be crystallised at this amount.

### 5. Shareholders' equity – share capital

Movements in Share Capital of the Company during the half-year were as follows:

Date	Details	Notes	Number of shares '000	Issue price \$	Paid-up Capital \$'000
01/07/2014	Opening Balance		228,077		145,598
26/08/2014	Dividend Reinvestment Plan	(i)	5,884	0.94	5,531
18/11/2014	Share Purchase Plan	(ii)	7,912	0.86	6,805
Various	Share Issue Costs		-		(54)
31/12/2014	Balance		<u>241,873</u>		<u>157,880</u>

- (i) The Company's Dividend Reinvestment Plan was in place for the 2014 final and special dividends. Shares were issued at a 2.5% discount to the 5-day VWAP calculated from when the shares traded ex-dividend.
- (ii) The Company had a Share Purchase Plan ("SPP") during the period. Shareholders could apply for up to \$15,000 worth of new securities. Shares were issued at a 2.5% discount to the 5-day VWAP calculated up to and including the date the SPP closed.

6. Dividends	Half-year 2014 \$'000	Half-year 2013 \$'000
Dividends (fully franked) paid during the period	14,825 (2.5 cents per share plus a special dividend of 4 cents per share)	16,727 (3 cents per share plus a special dividend of 5 cents per share)

<b>7. Earnings per Share</b>	<b>Half-year 2014</b>	<b>Half-year 2013</b>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used as the denominator	233,987,506	219,373,861
<b>Basic earnings per share</b>		
	<b>\$'000</b>	<b>\$'000</b>
Profit for the half-year	2,827	3,712
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	1.21	1.69

### **Dilution**

As there are no options, convertible notes or other dilutive instruments on issue, diluted net profit per share is the same as basic net profit per share. This similarly applies to diluted net operating result before net gains on investments per share.

### **8. Events subsequent to balance date**

Since 31 December 2014 to the date of this report there has been no event of which the Directors are aware which has had a material effect on the Company or its financial position.

### **9. Contingencies**

At balance date Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the financial report.

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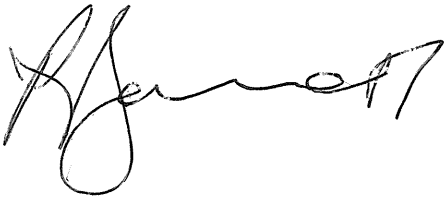
## DIRECTORS' DECLARATION

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In the Directors' opinion:

- (a) the financial statements and notes set out on pages 13 to 21 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 2014 and of its performance, as represented by the results of the operations, changes in equity and cash flows, for the half-year ended on that date; and
- (b) 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 Directors.

A handwritten signature in black ink, appearing to read 'P.C. Barnett', with a stylized flourish at the end.

P.C. Barnett  
Director  
Melbourne  
20 January 2015



## **Independent auditor's review report to the members of AMCIL Limited**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of AMCIL Limited (the Company), which comprises the balance sheet as at 31 December 2014, the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration.

### ***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 (including the Australian Accounting Interpretations) 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 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 2014 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 AMCIL 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 AMCIL Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date;

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

A handwritten signature in dark ink, appearing to read "PricewaterhouseCoopers", written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in dark ink, appearing to read "Charles Christie", written in a cursive style.

Charles Christie  
Partner

Melbourne  
20 January 2015