ACN 169 464 706 Level 11, 179 Elizabeth Street SYDNEY NSW 2000



17 February 2016

Company Announcements Office ASX Limited Level 4, Exchange Centre 20 Bridge St SYDNEY NSW 2000

2016 HALF YEAR RESULTS

Ellerston Global Investments Limited (ASX: EGI) hereby lodges:

- 1. Appendix 4D Statement for the half year ended 31 December 2015; and
- 2. Interim Financial Report for the half year ended 31 December 2015 incorporating interim financial statements and Investment Manager's Report.

Yours sincerely

Ian Kelly

Company Secretary

Julelly

ACN 169 464 706



1. Details of the reporting period.

Current Period: 1 July 2015 to 31 December 2015

Previous Corresponding Period: 28 July 2014 (incorporation date) to 31 December 2014

2. Results for announcement to the market

		Current period AUD (\$)	% Change from the corresponding period
2.1	Revenue from ordinary activities	326,205	-92.27%
2.2	Profit/(loss) after tax from ordinary activities	(359,988)	-113.33%
2.3	Net profit/(loss) after tax for the period attributable to ordinary shareholders	(359,988)	-113.33%

As a long only global investment company EGI navigated market volatility well with a half year result after tax of -0.43%.

EGI's pre-tax Net Tangible Assets (NTA) of \$1.0998 per share was 8.85% higher than the end of the previous corresponding period. This represents a 14.04% pre-tax return compared with the benchmark MSCI World (Local) index return of 4.20% since 1 November 2014.

Period	EGI NTA Return pre-tax*	MSCI Return
6 Months	(0.63%)	(1.99%)
1 year	8.85%	2.07%
Since 01/11/2014	14.04%	4.20%

^{*} Calculated based on compounded growth in monthly NTA, net of expenses, before tax and inclusive of dividends over the period.

3. Dividend Information Interim dividend declared

1.0 cent per fully paid ordinary share Fully franked at the tax rate of 30% From the Dividend Profit Reserve account

Interim dividend dates:

Ex-dividend date 14 March 2016
Record date 15 March 2016
DRP election due date 16 March 2016
Payment date 8 April 2016
DRP discount 2.50%

No dividends were declared, paid or payable in the previous corresponding period of 31 December 2014. On 8 October 2015 the Company paid a 30% fully franked final dividend of 1.0 cent per fully paid ordinary share in respect of the year ended 30 June 2015, for a total amount of \$755,290.

Half Year Report

ACN 169 464 706



4. Net tangible assets (NTA) per ordinary share

	Current period AUD (\$)	Previous corresponding period AUD (\$)
NTA – before tax	1.0998	1.0198
NTA – after tax	1.0687	1.0139

5. Control gained or lost over entities during the period

N/A

6. Details of associates and joint venture entities

The Company did not have any interest in any associates or joint venture entities during both the current period and the previous corresponding period.

7. Accounting standards used by foreign entities

N/A – The Company is an Australian Entity.

8. Qualification of audit / review

The interim report for the period ended 31 December 2015 is not subject to audit dispute or qualification.



Ellerston Global Investments Limited

ASX: EGI ABN 75 169 464 706

Interim Report

For the half-year ended 31 December 2015

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The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, the report is to be read in conjunction with the annual report for the period ended 30 June 2015 and any public announcements made by Ellerston Global Investments Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act* 2001.



Directors' Report

Directors' Report For the half-year ended 31 December 2015

The directors of Ellerston Global Investments Limited (the "Company"), present their report together with the financial statements of the Company from 1 July 2015 to 31 December 2015.

Directors

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

NAME	DIRECTORSHIP	APPOINTED
Ashok Jacob	Non Independent Chairman	18 August 2014
Sam Brougham	Independent Non-Executive Director	18 August 2014
Paul Dortkamp	Independent Non-Executive Director	24 July 2014
Stuart Roberston	Independent Non-Executive Director	24 July 2014

Principal activities

The principal activity of the Company is to invest into a concentrated portfolio of between 10 to 25 global securities in accordance with its prospectus.

Directors' Report For the half-year ended 31 December 2015

Review and results of operations

	Half-year ended 31 December 2015 \$	From 28 July 2014 (date of incorporation) to 31 December 2014
Net profit/(loss) before income tax	(546,104)	3,856,257
Net profit/(loss) after income tax	(359,988)	2,700,512
	As of 31 December 2015 \$	As of 31 December 2014 \$
Net tangible asset (NTA) - before tax	1.0998	1.0198
Net tangible asset (NTA) - after tax	1.0687	1.0139

From 1 July 2015 to 31 December 2015 the Company returned -0.63% on a pre-tax basis and -0.43% on a post-tax basis, outperforming the benchmark MSCI World (Local) return of -1.99%.

Since its first full month of trading in November 2014 the Company has achieved a 14.04% pre-tax return and 9.94% post-tax return. The board is pleased with both the overall performances of the Company and the performance of the Company in comparison to its benchmark, MSCI World Index (Local) which had a 4.20% return over the same period.

Strategy and future outlook

The Company is predominantly invested in equities, with a focus upon the equities of non-Australian domiciled companies. The Company will continue to pursue its primary objective of generating superior returns for shareholders over time, with a focus on risk management and capital preservation. The strategy to acquire a portfolio of stocks which the manager believes are in a period of price discovery and offer an attractive risk/reward profile remains unchanged.

Please refer to the Investment Managers' Report on page 7 for more detailed market outlook.

Dividends

A dividend profit reserve was created in 2015. The creation of the reserve enables any or part of current year or prior period profits not distributed as dividends to be set aside for payment of future franked dividends, rather than those profits remaining within retained earnings. This enables the Company to distribute franked dividends in future years.

Subject to Board discretion, the Company intends to pay a dividend of at least 2 cents per annum (1 cent per half) to Shareholders going forward.

On 31 August 2015, the directors declared a fully franked dividend of 1 cent per fully paid ordinary share, which was paid to shareholders on 8 October 2015 for a total amount of \$755,290.

On 16 February 2016, the directors declared an interim dividend of 1 cent per fully paid ordinary share, fully franked at the 30% corporate tax rate and will be payable from the Company's dividend profit reserve account to shareholders on 8 April 2016 (31 December 2014: nil). The amount of the proposed dividend, which is not recognised as a liability as at 31 December 2015, is \$755,845 based on the number of shares on issue at 31 December 2015.

The Dividend Reinvestment Plan (DRP) will operate in conjunction with this interim dividend and a discount of 2.5% will be applied to the DRP.

More details of dividend payments are provided under Note 2 on page 25 of the report.

Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Company that occurred during the period ended 31 December 2015.

Matters subsequent to the end of the interim period

Other than the dividend declared as mentioned in the dividend section above, no other matter or circumstance has arisen since 31 December 2015 that has significantly affected, or may significantly affect:

- (i) the operations of the Company in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Company in future financial years.

Likely developments and expected results of operations

The Company provides regular updates which can be found in the ASX announcements and in the Ellerston funds section of the Ellerston Capital Limited website, https://ellerstoncapital.com/eqi/asx-announcements.

As markets continue to be subject to fluctuations, it is neither possible to accurately forecast the investment returns of the Company nor to provide a detailed outlook on the Company's future operations.

Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on page 11.

Signed in accordance with a resolution of the directors.

Ashok Jacob

Chairman

16 February 2016



2. Investment Managers' Report

Investment Managers' Report

Ellerston Global Investments Limited – Investment Managers' Report for the Half year Financial Report

We are pleased to provide shareholders an Investment Managers' Report for the half year-ended December 2015 for Ellerston Global Investments Limited (ASX: EGI)

EGI has continued to invest in a portfolio of stocks which we believe are in a period of "price discovery" and offer an attractive risk/reward profile. This investment approach has been and is well suited to the current volatile market environment.

We continue to believe the following:

- (i) Markets worldwide are now more than ever more suited to a stock picker's approach to investing rather than a "beta-driven" fully invested approach;
- (ii) Global markets provide a superior risk/reward to Australia for the foreseeable future: and
- (iii) The depth and breadth of global equity markets provide significantly greater scope to find attractive investment opportunities.

Although we are watching currencies closely, especially now that the Federal Reserve "dot plot" of rising rates is in question and the Bank of Japan has adopted a negative interest rate strategy, we are stock pickers not currency traders. Our objective is to manage currency exposure in such volatile times. With that in mind, the US dollar exposure of the portfolio is part hedged and the Euro and Sterling exposures are currently hedged.

Over the six month period to 31 December 2015, the portfolio outperformed its benchmark, EGI declined 0.63% for the period while the MSCI World Index Local was down 1.99%. Since 1 November 2014 the portfolio has increased 14.04%. while the benchmark MSCI World Index Local increased by 4.20%.

The portfolio is well diversified across a number of sectors including, but not limited to Technology, Consumer Discretionary, Financials and Real Estate. As we have said in the past, we remain disciplined ever mindful that public markets afford us the ability to sell an investment when the facts change or when an investment exceeds our target valuation. This discipline has proved invaluable in the current environment and accordingly the cash holding of the portfolio has significantly increased over the last six months.

Market Outlook

2016 has started with an aggressive sell-off in equities, and all major indices down significantly during the month of January. EGI is a long only Investment Company. While down for the month of January it has materially outperformed global indices and has a significant cash holding. This is a very strong position to be in as uncertainty reigns and great opportunities emerge. EGI has a high conviction portfolio that we believe is well positioned to provide solid returns in the year ahead.

Concerns about China and the US economy, a sliding oil price, credit market dislocations and tepid corporate profit growth are among the factors weighing on global markets. The outsized returns associated with the seven year bull market in equities, fuelled by Quantitative Easing, will moderate. This was best highlighted by Former Dallas Federal Reserve President Richard Fisher in a candid interview during the first week of January. He provided a salient reminder for investors that the Federal Reserve had "frontloaded a tremendous market rally starting in 2009 in order to accomplish a wealth effect" and markets have now entered a "great digestive period".

Fisher then stressed that "now we go back to fundamental analysis, the kind of work that used to be done analysing whether or not a company truly on its own is going to grow its bottom line and grow its shareholder value and price accordingly, and not just expect the tide to lift all boats."

At the same time, we have a collapse in the oil price which is still working its way through the system. Although cheap energy will end up having a silver lining, there will be some broken bones along the way. The impact on high yield credit with the looming collapse of highly indebted energy companies will be painful for associated investment and credit markets. That said, the impact on consumers will eventually have the effect of a meaningful tax cut.

With the backdrop of a Federal Reserve rate increase, sluggish earnings growth and concerns over the US economy, markets are experiencing a P/E derating. The last leg of US EPS growth was largely driven by accelerating corporate buybacks.

Europe appears to have gone to sleep with European equities appearing to have lost their mojo since the Greek fiasco unfolded. For Europe to perform, we need a catalyst of the Central Bank variety. The timing of this is unclear as the ECB appears lukewarm in terms of expanding their balance sheet.

Equity markets are going through a period of transition as they recalibrate to reflect the changing environment. This is a healthy development and value is starting to emerge as the market continues to weaken. Market dislocation means more companies are going through a period of price discovery.

Portfolio

We are pleased with performance which has outperformed the MSCI World Index (Local) over the 6 month, 1 year and since 1 November 2014.

Performance %	6 months	1 year	Since 1 Nov 2014
Net EGI returns (pre-tax)	-0.63%	8.85%	14.04%
MSCI World Index (local)	-1.99%	2.07%	4.20%

We held 17 companies/unit trusts as at 31 December 2015 with the top 5 holdings as follows:

TOP 5 Portfolio Holdings

Company	Country
General Electric Co	USA
Equity Commonwealth REIT	USA
Synchrony Financial	USA
Paypal Holdings Inc	USA
Nielsen Holdings Plc	USA

We remain cautious, disciplined and patient but also excited by the prospect of new investment opportunities created by the current environment.

Arik Star

Portfolio Manager

25 January 2016



3. Auditor's Independence Declaration

Auditor's Independence Declaration



Ernst & Young 680 George Street Sydney NSW 2000 Australia GPO Box 2646 Sydney NSW 2001 Tel: +61 2 9248 5555 Fax: +61 2 9248 5959 www.ey.com/au

Auditor's Independence Declaration to the Directors of Ellerston Global Investments Limited

As lead auditor for the review of Ellerston Global Investments Limited for the half-year ended 31 December 2015, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- No contraventions of any applicable code of professional conduct in relation to the review.

Ernst & Young

Ernst & Young

Rohit Khanna Partner Sydney

16 February 2016



Statement of Comprehensive Income

Statement of comprehensive income For the half-year ended 31 December 2015

			From 28 July 2014 (date of
		Half-year ended 31 December 2015	incorporation) to 31 December 2014
	Notes	\$	\$
Investment income			
Interest income		18,344	128,507
Dividend income		412,124	11,636
Net foreign exchange gains		637,897	2,082,234
Change in fair value of financial instruments		(740.160)	1 005 020
held at fair value through profit or loss Total investment income		(742,160) 326,205	1,995,928 4,218,305
Total Investment income		320,203	4,210,303
Expenses			
Directors fees		45,375	41,857
Management and Performance fees	11	506,625	118,455
Audit and tax fees		22,000	16,006
Transaction costs		154,677	144,240
Withholding taxes		31,828	1,629
Other expenses		111,804	39,861
Total operating expenses		872,309	362,048
Net profit/(loss) before income tax		(546,104)	3,856,257
Income tax expense/(benefit)		(186,116)	1,155,745
Net profit/(loss) after income tax		(359,988)	2,700,512
Other comprehensive income		_	_
Total comprehensive income/(loss)		(359,988)	2,700,512
Basic earnings/(losses) per share			
(cents per share)	9	(0.48)	3.60
Diluted earnings/(losses) per share (cents per share)	9	(0.48)	3.49

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



Statement of financial position

Statement of financial position As at 31 December 2015

		As a	t
		31 December 2015	30 June 2015
	Notes	\$	\$
Current assets			
Cash and cash equivalents	5	19,964,944	14,130,237
Receivables		89,989	307,258
Due from brokers		4,196,650	4,087,417
Financial assets held at fair value through			
profit or loss	6	59,605,468	66,316,402
Total Current assets		83,857,051	84,841,314
Total assets		83,857,051	84,841,314
Current liabilities			
Payables		201,904	192,018
Management and Performance fees Payable	11	287,981	123,975
Current tax liability		1,761,656	1,007,422
Financial liabilities held at fair value through profit or loss	7	238,636	181,628
Total Current liabilities	,	2,490,177	1,505,043
Total Garrone habilities		2,400,177	1,000,040
Non-current liabilities			
Deferred tax liability		587,309	1,527,659
Total Non-current liabilities		587,309	1,527,659
Total liabilities		3,077,486	3,032,702
Net assets		80,779,565	81,808,612
Equity			
Issued capital	8	73,924,830	73,838,599
Retained earnings		5,214,525	7,970,013
Dividend profit reserve		1,640,210	_
Total Equity		80,779,565	81,808,612

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



6. Statement of changes in equity

Statement of changes in equity For the half-year ended 31 December 2015

	ISSUED CAPITAL \$	RETAINED EARNINGS \$	DIVIDEND PROFIT RESERVE \$	TOTAL \$
Balance as at 1 July 2015	73,838,599	7,970,013	_	81,808,612
Total comprehensive income/(loss) for the period	_	(359,988)	_	(359,988)
Transfer to dividend profit reserve account	-	(2,395,500)	2,395,500	-
Total dividends paid	_	_	(755,290)	(755,290)
Shares issued under dividend reinvestment plan	57,231	-	-	57,231
Shares issued from exercise of options	29,000	_	_	29,000
Balance as at 31 December 2015	73,924,830	5,214,525	1,640,210	80,779,565
Balance as at 28 July 2014	-	-	-	-
Total Comprehensive income/(loss) for the period	_	2,700,512	_	2,700,512
Shares issued under the Prospectus dated 16 September 2014	75,000,001	_	-	75,000,001
Capital raising costs	(2,373,431)	_	_	(2,373,431)
Capital raising costs – tax effect	712,029	_	_	712,029
Balance as at 31 December 2014	73,338,599	2,700,512	_	76,039,111

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



Statement of cash flows

Statement of cash flows For the half-year ended 31 December 2015

	Half-year ended 31 December 2015 \$	2014 (date of incorporation) to 31 December 2014
Cash flows from operating activities		
Purchase of financial instruments held at fair value through profit or loss	(35,662,685)	(36,816,049)
Proceeds from sale of financial instruments held at fair value through profit or loss	42,330,311	2,738,833
Amounts transferred to brokers as collateral	(109,233)	(1,000,778)
Dividend received	497,488	11,636
Interest received	19,826	127,191
Payments to investment manager	(340,865)	(23,896)
Payment of other expenses	(227,129)	(237,929)
Total Cash flows from operating activities	6,507,713	(35,200,992)
Cash flows from financing activities	29,000	75 000 001
	•	75,000,001
Dividends paid Capital raising costs	(698,059)	(2,373,431)
Total Cash flows from financing activities	(669,059)	72,626,570
Total Cash nows from infancing activities	(009,039)	72,020,370
Cash and cash equivalents		
Net increase in cash and cash equivalents	5,838,654	37,425,578
Cash and cash equivalents at the beginning of the reporting period	14,130,237	_
Effect of foreign currency exchange on cash and cash equivalents	(3,947)	1,381,823
Total Cash and cash equivalents	19,964,944	38,807,401

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

From 28 July



8. Notes to the financial statements

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Notes to the financial statements

For the half-year ended 31 December 2015

1 Summary of significant accounting policies

This interim report is for Ellerston Global Investments Limited (the "Company") for the period from 1 July 2015 to 31 December 2015. The Company was incorporated and registered on 28 July 2014 and commenced trading on the Australian Stock Exchange (ASX) on 20 October 2014.

(a) Basis of preparation

This half-yearly interim report as at 31 December 2015 is a general purpose financial report and has been prepared in accordance with the *Corporations Act 2001* and AASB 134: Interim Financial Reporting and other mandatory professional reporting requirements. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting. The interim financial report has also been prepared on a historical cost basis, except for financial assets and financial liabilities held at fair value through profit or loss, that have been measured at fair value. This interim report is presented in Australian dollars, unless otherwise noted.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim report is to be read in conjunction with the annual report for the period ended 30 June 2015 and any public announcements made in respect of the Company during the period ended 31 December 2015 in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This interim financial report was authorised for issue by the directors on 16 February 2016. The directors have the power to amend and reissue the interim report.

The Company is a for-profit entity limited by shares, incorporated and domiciled in Australia, whose securities are publicly traded on the Australian Securities Exchange (ASX code: EGI).

1 Summary of significant accounting policies (continued)

(b) Changes in accounting standards

The significant accounting policies adopted in the preparation of these interim financial statements are consistent with those followed in the preparation of the Company's financial statements for the year ended 30 June 2015, except for the adoption of new standards and interpretations noted below:

AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materially (effective from July 2015)

The standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.

The adoption of the amendment had no material impact on the financial statements of the Company.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Company. The directors are currently assessing the impact that any standards not yet effective may have on the Company's financial statements.

(c) Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances, but which are inherently uncertain and unpredictable, the result of which forms the basis of the carrying values of assets and liabilities. As such, actual results could differ from those estimates.

(d) Comparative revisions

Comparative revision has been revised where appropriate to enhance comparability. Where necessary, comparative figure have been adjusted to conform with changes in presentation in the current year.

2 Dividends

	Half-year ended 31 December 2015		From 28 July 2014 (date of incorporation) to 31 December 2014	
	CPS	\$	CPS	\$
Paid – 8 October 2015 (Fully franked at 30% tax rate)	1.00	755,290	_	_
Amount of dividends reinvested	1.00	57,231	_	_
-Amount of cash dividends paid	1.00	698,059	_	_

On 31 August 2015, the directors declared a fully franked dividend of 1 cent per fully paid ordinary share, which was paid to shareholders on 8 October 2015 for a total amount of \$755,290.

On 16 February 2016, the directors declared an interim dividend of 1 cent per fully paid ordinary share, fully franked at the 30% corporate tax rate and will be payable from the Company's dividend profit reserve account to shareholders on 8 April 2016 (31 December 2014: nil). The amount of the proposed dividend, which is not recognised as a liability as at 31 December 2015, is \$755,845 based on the number of shares on issue at 31 December 2015.

The Dividend Reinvestment Plan (DRP) will operate in conjunction with this interim dividend and a discount of 2.5% will be applied to the DRP.

3 Segment information

The Company operates in one business segment being equity investment, and in one geographic segment, Australia, however the Company has foreign exposures as it invests in companies which operate internationally.

4 Fair value measurement

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets / liabilities designated at fair value through profit or loss (FVTPL) (see note 6 and 7)
- Financial assets / liabilities held for trading (see note 6 and 7)

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

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- (b) 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)

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. Financial assets and liabilities are priced at last traded prices.

The Company values its investments in accordance with the accounting policies set out in Note 1 to 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

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.

(ii) 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.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

Notes to the financial statements For the half-year ended 31 December 2015

Fair value measurement (continued) 4

(ii) Fair value in an inactive or unquoted market (level 2 and level 3) (continued)

> 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.

Recognised fair value measurement

The table below sets out the Company's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 December 2015.

Level 1	Level 2	Level 3	Total
\$	\$	\$	\$
51,206,650	_	_	51,206,650
7,981,368	_	_	7,981,368
_	417,450	_	417,450
59,188,018	417,450	_	59,605,468
_	238,636	_	238,636
-	238,636	-	238,636
	\$ 51,206,650 7,981,368	\$ \$ 51,206,650 — 7,981,368 — — 417,450 59,188,018 417,450 — 238,636	\$ \$ \$ \$ 51,206,650

Fair value in an inactive or unquoted market (level 2 and (ii) level 3) (continued)

Recognised fair value measurement (continued)

As at	Level 1	Level 2	Level 3	Total
30 June 2015	\$	\$	\$	\$
Financial assets				
Financial assets designated at fair value:				
Equity securities	65,325,667	_	_	65,325,667
Financial assets held for trading:				
Derivatives				
Foreign currency Contracts	_	138,360	_	138,360
Option contracts	852,375	_	_	852,375
Total financial assets	66,178,042	138,360	_	66,316,402
Financial liabilities				
Financial liabilities held for trading:				
Derivatives				
– Foreign currency Contracts	_	181,628	_	181,628
Total financial		101,020		101,020
liabilities	-	181,628	-	181,628

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

(iii) Transfers between levels

There were no transfers between the levels in the fair value hierarchy for the period ended 31 December 2015 and 30 June 2015.

(iv) Movement in level 3 instruments

There were no investments classified as level 3 within the Company as at 31 December 2015 and 30 June 2015.

(v) Fair values of other financial instruments

The Company did not hold any financial instruments which were not measured at fair value in the Statement of financial position. Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

5 Cash and cash equivalents

	As at 31 December 2015 \$	As at 30 June 2015 \$
Cash at bank	19,964,944	14,130,237
Total Cash and cash equivalents	19,964,944	14,130,237

These accounts earned floating interest rates of between 0.01% pa (June 2015: 0.01% pa) and 2.20% pa (June 2015: 3.00% pa) during the reporting period to 31 December 2015.

Notes to the financial statements For the half-year ended 31 December 2015

Financial assets held at fair value through profit or loss 6

	As at 31 December 2015	As at 30 June 2015
	\$	\$
Designated at fair value through profit or loss		
Equity securities	51,206,650	65,325,667
Listed unit trusts	7,981,368	_
Total designated at fair value through profit or loss	59,188,018	65,325,667
Held for trading		
Derivatives		
-Foreign currency Contracts	417,450	138,360
-Option contracts	_	852,375
Total held for trading	417,450	990,735
Total designated at fair value through profit or loss	59,605,468	66,316,402

6 Financial assets held at fair value through profit or loss (continued)

Details of the Company's top 10 equity and listed unit trust investments as at 31 December 2015 and 30 June 2015 are set out on the following tables:

	As at 31 December 2015
COMPANY NAME	\$
General Electric Co	5,705,063
Equity Commonwealth REIT	5,607,268
Synchrony Financial	5,475,220
Paypal Holdings Inc	5,058,164
Nielsen Holdings Plc	4,513,236
Experian Plc	4,279,168
Abercrombie & Fitch Co	4,121,585
Fair Isaac Corp	4,090,569
Hispania Activos Inmobiliari	2,821,106
Barclays Plc	2,793,367
Total – top 10 equity and listed unit trust investments	44,464,746
Other investments in equity and listed unit trust securities	14,723,272
Total investments in equity and listed unit trust securities	59,188,018

Notes to the financial statements For the half-year ended 31 December 2015

6 Financial assets held at fair value through profit or loss (continued)

	As at 30 June 2015
COMPANY NAME	\$
Vivendi	5,022,308
General Electric Co	4,939,526
EBay Inc	4,913,481
Synchrony Financial	4,662,465
Elis Sa	4,330,318
Experian Plc	4,065,898
Lloyds Banking Group Plc	3,756,569
Nielsen Holdings Plc	3,352,447
Fair Isaac Corp	3,033,657
AAC Holdings Inc	2,713,490
Total – top 10 equity and listed unit trust investments	40,790,159
Other investments in equity and listed unit trust securities	24,535,508
Total investments in equity and listed unit trust securities	65,325,667

7 Financial liabilities held at fair value through profit or loss

	As at 31 December 2015 \$	As at 30 June 2015 \$
Held for trading		
Derivatives		
-Foreign currency Contracts	238,636	181,628
Total held for trading	238,636	181,628
Total financial liabilities held at fair value through profit or loss	238,636	181,628

Notes to the financial statements For the half-year ended 31 December 2015

8 **Issued capital**

	As at 31 December 2015 NO. OF	
	SECURITIES	\$
Ordinary shares		
Opening balance – 1 July 2015	75,500,001	73,838,599
Shares issued under dividend reinvestment plan	55,495	57,231
Shares issued from exercise of options	29,000	29,000
Total issued capital – fully paid ordinary shares	75,584,496	73,924,830
Options		
Opening balance – 1 July 2015	33,578,177	-
Loyalty options issued on 16 October 2014 being vested	50,000	_
Options exercised	(29,000)	_
Total Options	33,599,177	-
Total issued capital		73,924,830

8 Issued capital (continued)

	As at 31 December 2014 NO. OF	
	SECURITIES	\$
Ordinary shares		
Opening balance – 28 July 2014	_	_
Share issued – 28 July 2014	1	1
Share issued – 16 October 2014	75,000,000	75,000,000
Capital raising costs	_	(2,373,431)
Capital raising costs – tax effect	_	712,029
Total issued capital – fully paid ordinary shares	75,000,001	73,338,599
Options		
Opening balance - 28 July 2014	_	_
Loyalty options – issued on 16 October 2014	37,499,985	_
Total Options	37,499,985	_
Total issued capital		73,338,599

(a) Terms and conditions

(i) Ordinary shares

Fully paid ordinary shares entitle the holder to receive dividends as declared and the proceeds on winding up the Company in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person, or by proxy, at a meeting of the Company.

Notes to the financial statements

For the half-year ended 31 December 2015

8 Issued capital (continued)

(a) Terms and conditions (continued)

(ii) Options

Each shareholder who made an application for shares and loyalty options under the prospectus, dated 16 September 2014, received one loyalty option for every two shares issued for nil consideration. The loyalty options were vested to eligible shareholders on 10 April 2015 and were first quoted on the ASX on 22 April 2015.

Holders of the vested loyalty option have the right to acquire one ordinary share in the Company at an exercise price of \$1.00 per share and can exercise the right at any time in the period commencing on the day after the vesting date of 10 April 2015 and ending on the third anniversary of the vesting date being 10 April 2018.

The vested loyalty options are not entitled to dividends. Ordinary shares issued on exercise of the options rank equally with all other ordinary shares from the date of exercise and entitle the holder to receive dividend on or prior to the applicable record date.

9 Earnings/(losses) per share

	Half-year ended 31 December 2015	From 28 July 2014 (date of incorporation) to 31 December 2014
Basic earnings / (losses) per share (cents)	(0.48)	3.60
Diluted earnings / (losses) per share (cents)	(0.48)	3.49
Weighted average number of ordinary shares		
Weighted average number of ordinary shares on issue used in calculating basic earnings / (losses) per share	75,544,931	75,000,001
Add: Options for the purpose of calculating diluted earnings / (losses) per share*	-	2,400,925
Weighted average number of ordinary shares on issue used in calculating diluted earnings / (losses) per share	75,544,931	77,400,926
Earnings reconciliation		
Net profit after income tax used in the calculating of basic and diluted earnings per share (\$)	(359,988)	2,700,512
Earnings reconciliation Net profit after income tax used in the calculating of basic and diluted earnings		

^{*} Calculated in accordance with AASB 133 Earnings per Share

10 Net tangible assets per share

	As at	
	31 December 2015 \$	30 June 2015 \$
Net tangible assets per share		
Net tangible asset (NTA) - before tax	1.0998	1.1171
Net tangible asset (NTA) - after tax	1.0687	1.0836

Notes to the financial statements

For the half-year ended 31 December 2015

11 Management and performance fees

Under the Management Agreement, effective 20 September 2014, the Company must pay a Management Fee of 0.75% per annum (plus GST) of the pre tax net asset value of the Investment Portfolio to Ellerston Capital Limited (the Manager), calculated and accrued monthly and paid monthly in arrears. In addition, the Manager is entitled to receive a Performance Fee equal to 15% (plus GST) of the amount by which the Investment Portfolio's pre-tax return exceeds the return of the MSCI World Index (Local), calculated and accrued monthly and paid annually in arrears. In the case the Investment Portfolio's pre tax return is less than the return of the MSCI World Index (Local) for the financial year, no Performance Fee will be payable in respect of that financial year.

	31 December 2015	31 December 2014
	\$	\$
Management fees expense	325,572	118,455
Management fees payable	106,928	94,559
Performance fees expenses	181,053	_
Performance fees payable	181,053	_

12 Dividend Profit Reserve

The dividend profit reserve is made up of amounts allocated from retained earnings that are preserved for future dividends payments.

	31 December 2015	30 June 2015
Movements in Dividend Profit Reserve	\$	\$
Balance at the beginning of the period	-	_
Transferred from retained earnings (a)	2,395,500	_
Payment of dividend	(755,290)	_
Closing balance at the end of the period	1,640,210	_

(a) The amount transferred to the dividend profit reserve is a portion of the profit for the period 28 July 2014 to 30 June 2015 as indicated in the Chairman's Letter in the Company's financial statements for the year ended 30 June 2015.

13 Contingent assets, liabilities and commitments

The Company has no material commitments, contingent assets or liabilities as at 31 December 2015.

14 Events occurring after the reporting period

Other than the interim dividend declared on 16 February 2016 which is detailed under Note 2 on page 25 of the report, no other matter or circumstance occured subsequently to the period end that has significantly affected, or may affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent periods.



9. Directors' declaration

Directors' declaration

Directors' declaration

In the directors' opinion:

- (a) the interim financial statements and notes set out on pages 13 to 41 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the financial 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.

Signed in accordance with a resolution of the directors.

Ashok Jacob

Chairman

16 February 2016



10.
Independent auditor's review report

Independent auditor's review report



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To the members of Ellerston Global Investments Limited

Report on the Interim Financial Report

We have reviewed the accompanying interim financial report of Ellerston Global Investments Limited, which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a description of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, 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 company's financial position as at 31 December 2015 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 Ellerston Global Investments Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the interim 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

Independent auditor's review report



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*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Ellerston Global Investments Limited is not in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the company's financial position as at 31 December 2015 and of 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.

Ernst 1 Young Ernst & Young

Rohit Khanna Partner Sydney

16 February 2016

Corporate directory

Directors

Ashok Jacob
Sam Brougham
Paul Dortkamp
Stuart Robertson

Company Secretary

Ian Kelly

Registered Office

c/- Ellerston Capital Limited Level 11, 179 Elizabeth Street SYDNEY NSW 2000

Auditor

Ernst & Young 680 George Street SYDNEY NSW 2000

Manager

Ellerston Capital Limited ACN 110 397 674 Level 11, 179 Elizabeth Street SYDNEY NSW 2000

Share Registry

Link Market Services Limited Level 12, 680 George Street SYDNEY NSW 2000

Securities Exchange Listing

ASX code (ordinary shares): EGI ASX code (loyalty options): EGIO

