

## Appendix 4D – Half Year Report

Name of entity

EQT Holdings Limited

ABN or equivalent company reference

22 607 797 615

Half Year Ended

31 December 2015

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31 Dec 15 \$ '000		31 Dec 14 \$ '000
Revenue from ordinary activities	42,618	Up 3.6%	From 41,132
Operating profit after tax excluding non-operating items and amortisation of intangibles	10,125	Up 4.2%	From 9,718
Non-operating items net of tax	(2,495)		(1,255)
Amortisation of intangibles	(659)		(833)
Profit from ordinary activities after tax attributable to members	6,971	Down 8.6%	From 7,630
Net profit for the period attributable to members	6,971	Down 8.6%	From 7,630

Dividends	Amount per Security	Franked amount per Security
Interim Dividend	34 cents per share	100%
The directors have declared a fully franked interim dividend of 34 cents per share. The directors have also declared that the dividend reinvestment plan (DRP) will operate for this dividend. The share price to be used for the DRP will be calculated based on the volume weighted average price of EQT traded shares on 5 days after record date. A nil discount will be applied.		
Record date for determining entitlements to the dividend.	17 March 2016	
Last date for the receipt of an election notice for participation in the DRP.	18 March 2016	
Payment date for dividend	15 April 2016	

## **ASX ADDITIONAL INFORMATION**

Additional information required by the ASX, and not shown elsewhere in this report, follows. The information is current as at 31 December 2015.

### **Net tangible asset backing per share**

The net tangible asset backing per share at 31 December 2015 was \$2.46 (2014: \$2.04), which is based on shares on issue of 19,855,347 (2014: 19,269,445).

### **Control gained or lost over entities during the period**

The following structural changes were made and entities were acquired during the period:

#### **Half year ended 31 December 2015**

##### **EQT Holdings Limited (EQTH)**

Equity Trustees Limited undertook a corporate restructure by implementation of a scheme of arrangement between Equity Trustees Limited and its shareholders.

Effective 14 December 2015, EQT Holdings Limited became the parent company of Equity Trustees Limited and Scheme Shareholders received one fully paid ordinary share in the EQT Holdings Limited for each fully paid ordinary share in Equity Trustees Limited.

#### **Half year ended 31 December 2014**

##### **Equity Trustees Wealth Services Limited (ETWSL) (formerly ANZ Trustees Limited)**

The Company acquired ETWSL on 4 July 2014.

The amount included in the profit after tax from ordinary activities for the half-year attributable to ETWSL was \$3,775,848.

## **Audit**

A review of the financial statements has been completed with an unqualified conclusion expressed by the Auditor. A copy of the review opinion is attached.

## **Commentary**

For additional commentary, refer to the Directors' Report and separate ASX release covering the Announcement of Results and Shareholder Presentation.



**EQT Holdings Limited**  
ABN 22 607 797 615

**Consolidated Half Year Financial Report**  
**for the half year ended**  
**31 December 2015**

# EQT Holdings Limited

ABN 22 607 797 615

## Directors' Report

The directors of EQT Holdings Limited (Equity Trustees) submit herewith the financial report for EQT Holdings Limited and its subsidiaries (the Group) for the half year ended 31 December 2015. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the Company during or since the end of the half year are:

J A (Tony) Killen OAM, Chairman  
Robin B O Burns, Managing Director  
David F Groves, Deputy Chairman (Retired 14 December 2015)  
Alice J M Williams  
The Hon Jeffrey G Kennett AC  
Anne M O'Donnell  
Kevin J Eley  
Michael J O'Brien

### Corporate reorganisation

Effective 14 December 2015, Equity Trustees Limited (the former parent entity of the Group) undertook a corporate reorganisation by implementing a Scheme of Arrangement with its shareholders. From this date, EQT Holdings Limited became the new parent entity of Equity Trustees Limited and the Group, and its shares are publicly traded on the Australian Securities Exchange (ASX).

### Review of Operations

For the six months to 31 December 2015 the directors of Equity Trustees are pleased to report a group operating profit before one-off project costs, amortisation of intangibles and tax of \$14.1m, an increase of 4.2% over the prior corresponding period. After allowing for these items, statutory net profit after tax for the half year was \$7.0m, a decrease of 8.6% on the net profit after tax for the prior corresponding period of \$7.6m. The increase in operating profit resulted from organic growth in business units.

The result for the period includes the following non-operating items totalling an after tax cost of \$3,154,428 (2014: after tax cost of \$2,088,063).

Non-operating expenses after tax	Half year ended 31 December 2015 \$	Half year ended 31 December 2014 \$
One-off project costs	2,494,841	-
Cost in relation to the acquisition of ETWSL Equity Trustees Wealth Services Limited (formerly ANZ Trustees Limited)	-	1,254,737
Amortisation of intangibles	659,587	833,326
<b>Total</b>	<b>3,154,428</b>	<b>2,088,063</b>

During the half year, revenue growth of 4% was achieved compared with the prior corresponding period. This was a positive result given the decline in equity markets over this time which adversely impacted those revenues linked to asset values, which form a significant proportion of the Group's activity base. The operating margin for the period was 33.1%, up slightly from 32.8% in the prior corresponding period.

Group operating expenses (excluding one-off project costs, amortisation of intangible assets and tax) increased by 3.3% over the prior corresponding period, although it should be noted that certain one-off restructuring costs incurred in the current half year are included in operating expenses.

As outlined at the AGM in November 2015 there are three significant projects underway in the Group. Each of these contributes to strengthening the company for the future and/or responding to strategic factors:

1. The Scheme of Arrangement approved by shareholders in November 2015 and associated restructuring enables a more efficient funding and capital structure;

2. Repositioning our superannuation master trust business, along with outsourcing its administration, will create a more focused and sustainable business for the future; and,
3. Upgrading and enhancing our risk management, regulatory and compliance frameworks and associated systems will help ensure that the operating platform provides a strong foundation for future growth and meets our obligations to all stakeholders.

The post-tax cost of these three one-off projects during the half year was \$2.5m. It is anticipated these projects will be substantially complete by 30 June 2016 and fully complete by 31 December 2016.

The reported earnings per share for the half year period was 35.25 cps (2014: 39.77 cps), representing an 11.4% decrease compared to the prior corresponding period. This is based on the weighted average shares on issue during the period of 19,777,396 (2014: 19,185,305), a 3.1% increase over the prior year. This increase arises from shares issued in relation to:

- participation under the dividend reinvestment plan (DRP) in relation to the 2015 interim and final dividends; and
- participation in employee share acquisition plans, share based remuneration and salary sacrifice share schemes.

If the non-operating items are excluded, then underlying earnings per share was 51.19 cps reflecting a slight increase on the prior corresponding period of 50.65 cps.

## Business Unit Performance

In terms of business unit performance, both Trustee and Wealth Services (TWS) and Corporate Trustee Services (CTS) made solid contributions to the half year result.

The TWS business unit continues its focus on revenue growth initiatives. For the half year, revenue was up on the prior year comparative period by 0.3%, from \$29.6m to \$29.7m. As a result of the acquisition of Equity Trustees Wealth Services Limited (formerly ANZ Trustees Limited), TWS now has a larger percentage of revenues exposed to financial markets and the relative decline in value of these markets over the period has masked what has been stronger underlying revenue growth. During the half year TWS continued to use referral partnerships to grow Equity Trustees' estate planning and will writing services and growth also took place in Trustee for Partner services. TWS funds under management, advice or administration increased by 1.0% from \$7.46b at 31 December 2014 to \$7.54b at 31 December 2015.

The CTS business unit achieved particularly pleasing organic growth. Revenue has grown 12.2% from \$11.5m for the half year ended 31 December 2014 to \$12.9m for half year ended 31 December 2015. There was a net increase of 13 (19 new and 6 closed) funds for which we provide responsible entity or other fiduciary services, increasing the total at 31 December 2015 to 212 from 199 at 30 June 2015. As previously announced, the Group has decided to exit the retail funds distribution business following the transition of this activity to our client partners. Equity Trustees continues to act as Responsible Entity, and for certain key fund manager clients, as Unit Registrar (for whom we previously provided distribution services). This change will affect revenue in the second half year and in subsequent periods, although the corresponding costs will also fall away. The core CTS activity of acting as an independent fiduciary continues to grow and expand in range. CTS Funds under management or administration increased by 22.7%, from \$40.27b at 31 December 2014 to \$49.40b at 31 December 2015.

## Dividends

During the half year period the company paid a fully franked final dividend of 48 cents per share in respect of the financial year ended 30 June 2015.

Subsequent to 31 December 2015, the directors have declared a fully franked interim dividend of 34 cents per share in respect of the first half of the financial year ending 30 June 2016. This reflects a prudent approach to balance sheet management in the current volatile market conditions and in light of the significant one-off project expenses being incurred in this financial period.

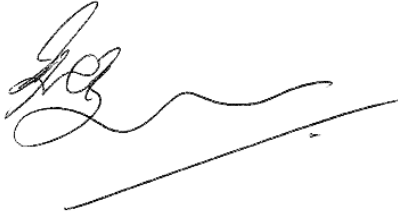
At 31 December 2015, net assets were \$240,366,596, a slight decrease on the position at 30 June 2015 of \$241,027,540. The company is in a strong financial position.

### Auditor's Independence Declaration

The Auditor's Independence Declaration is included on page 4 of the half year report.

Signed in accordance with a resolution of the directors made pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Rob Burns', followed by a long, horizontal, slightly wavy line that extends to the right.

Mr Robin B O Burns  
Managing Director  
Melbourne,

25 February 2016

The Board of Directors  
EQT Holdings Limited  
Level 2, 575 Bourke Street  
MELBOURNE VIC 3000

25 February 2016

Dear Board Members

**EQT Holdings Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of EQT Holdings Limited.

As lead audit partner for the review of the financial statements of EQT Holdings Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Neil Brown  
Partner  
Chartered Accountants

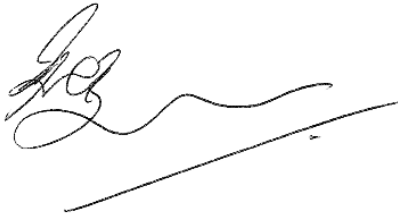
## Directors' Declaration

The directors declare that:

- a) 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; and
- b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Rob Burns', followed by a long horizontal line extending to the right.

Mr Robin B O Burns  
Managing Director  
Melbourne

25 February 2016



**EQT Holdings Limited**  
**Condensed Consolidated Statement of Profit or Loss**  
**for the half year ended 31 December 2015**

	<b>Consolidated</b>	
	<b>Half year ended</b>	<b>Half year ended</b>
	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
	<b>\$</b>	<b>\$</b>
<b>Continuing operations</b>		
Revenue	42,077,057	40,632,792
Other revenue	540,729	499,267
<b>Total revenue</b>	<b>42,617,786</b>	<b>41,132,059</b>
Employee benefits expenses	19,442,843	19,553,409
Other employment related expenses	2,219,279	1,736,995
Audit and tax advice expenses	476,589	597,725
Depreciation and amortisation expenses	1,100,615	869,066
Management rights amortisation	659,587	833,326
Insurance expenses	298,857	554,536
Legal, consulting and regulatory expenses	2,708,107	1,052,159
Marketing and sales expenses	793,542	932,068
Information technology expenses	2,101,804	1,782,201
Occupancy expenses	1,163,459	1,154,257
Other expenses	1,771,193	1,149,886
<b>Total expenses</b>	<b>32,735,875</b>	<b>30,215,628</b>
<b>Net profit before income tax expense</b>	<b>9,881,911</b>	<b>10,916,431</b>
Income tax expense	(2,911,367)	(3,286,404)
<b>Net profit after income tax expense from continuing operations</b>	<b>6,970,544</b>	<b>7,630,027</b>
<b>Attributable to:</b>		
Owners of the parent entity	6,970,544	7,630,027
<b>Earnings per share</b>		
- Basic (cents per share)	35.25	39.77
- Diluted (cents per share)	35.10	39.53

The above statement should be read in conjunction with the accompanying notes to the financial statements.

EQT Holdings Limited

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
for the half year ended 31 December 2015

	Consolidated	
	Half year ended 31 Dec 2015 \$	Half year ended 31 Dec 2014 \$
Net profit after income tax expense from continuing operations	6,970,544	7,630,027
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Increase/(decrease) from revaluation of available for sale investments	(42,161)	44,743
Income tax relating to components of other comprehensive income	12,648	(13,423)
<b>Total comprehensive income for the period</b>	<b>6,941,031</b>	<b>7,661,347</b>
Total comprehensive income attributable to owners of the parent entity	6,941,031	7,661,347

The above statement should be read in conjunction with the accompanying notes to the financial statements.

**EQT Holdings Limited**  
**Condensed Consolidated Statement of Financial Position**  
**as at 31 December 2015**

	Note	Consolidated	
		31 Dec 2015	30 Jun 2015
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents		26,436,009	24,954,173
Trade and other receivables		12,415,678	9,650,987
Accrued income and other current assets		6,863,283	6,638,168
Other current financial assets - term deposits		150,000	5,150,000
<b>Total current assets</b>		<b>45,864,970</b>	<b>46,393,328</b>
<b>Non-current assets</b>			
Trade and other receivables		1,592,177	1,209,919
Other financial assets		10,393,478	10,493,785
Furniture, equipment and leasehold		1,359,155	1,191,672
Intangible assets		85,858,901	86,752,879
Deferred tax assets		3,423,090	4,015,559
Goodwill	4	102,176,744	102,176,744
<b>Total non-current assets</b>		<b>204,803,545</b>	<b>205,840,558</b>
<b>Total assets</b>		<b>250,668,515</b>	<b>252,233,886</b>
<b>Current liabilities</b>			
Trade and other payables		797,783	1,175,274
Provisions		4,886,916	5,479,604
Other current liabilities		1,690,294	113,276
Current tax payable		888,285	2,332,676
<b>Total current liabilities</b>		<b>8,263,278</b>	<b>9,100,830</b>
<b>Non-current liabilities</b>			
Provisions		1,954,591	1,941,163
Other non-current liabilities		84,050	164,353
<b>Total non-current liabilities</b>		<b>2,038,641</b>	<b>2,105,516</b>
<b>Total liabilities</b>		<b>10,301,919</b>	<b>11,206,346</b>
<b>Net assets</b>		<b>240,366,596</b>	<b>241,027,540</b>
<b>Equity</b>			
Issued capital		230,338,953	227,651,922
Investment revaluation reserve		204,685	234,198
Equity settled benefits reserve		1,097,310	1,892,277
Retained earnings		8,725,648	11,249,143
<b>Equity attributable to owners of the Company</b>		<b>240,366,596</b>	<b>241,027,540</b>

The above statement should be read in conjunction with the accompanying notes to the financial statements.

**EQT Holdings Limited**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the half year ended 31 December 2015**

	Reserves				Total Equity
	Fully paid ordinary shares	Investment revaluation	Equity settled benefits	Retained earnings	
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2014</b>	216,116,476	285,263	1,348,909	12,348,041	230,098,689
Profit for the period	-	-	-	7,630,027	7,630,027
Increase from revaluation of available for sale investments	-	44,743	-	-	44,743
Related income tax	-	(13,423)	-	-	(13,423)
<b>Total comprehensive income for the period</b>	-	31,320	-	7,630,027	7,661,347
Shares issued under employee salary sacrifice share plan	36,171	-	-	-	36,171
Shares issued under dividend reinvestment plan	2,197,047	-	-	-	2,197,047
Shares issued under employee share acquisition plan	220,196	-	(220,196)	-	-
Shares issued under executive share scheme	347,936	-	(347,936)	-	-
Share issue costs	(14,460)	-	-	-	(14,460)
Related income tax	4,822	-	-	-	4,822
Provision for executive share entitlements	-	-	434,301	-	434,301
Provision for employee share acquisition plan	-	-	186,196	-	186,196
Payment of dividends	-	-	-	(9,193,004)	(9,193,004)
<b>Balance at 31 December 2014</b>	218,908,188	316,583	1,401,274	10,785,064	231,411,109
<b>Balance at 1 July 2015</b>	227,651,922	234,198	1,892,277	11,249,143	241,027,540
Profit for the period	-	-	-	6,970,544	6,970,544
Decrease from revaluation of available for sale investments	-	(42,161)	-	-	(42,161)
Related income tax	-	12,648	-	-	12,648
<b>Total comprehensive income for the period</b>	-	(29,513)	-	6,970,544	6,941,031
Shares issued under employee salary sacrifice share plan	22,271	-	-	-	22,271
Shares issued under dividend reinvestment plan	1,641,862	-	-	-	1,641,862
Shares issued under employee share acquisition plan	225,542	-	(225,542)	-	-
Shares issued under executive share scheme	808,617	-	(808,617)	-	-
Share issue costs	(9,297)	-	-	-	(9,297)
Related income tax	(1,964)	-	-	-	(1,964)
Provision for executive share entitlements	-	-	239,192	-	239,192
Provision for employee share acquisition plan	-	-	-	-	-
Payment of dividends	-	-	-	(9,494,039)	(9,494,039)
<b>Balance at 31 December 2015</b>	230,338,953	204,685	1,097,310	8,725,648	240,366,596

The above statement should be read in conjunction with the accompanying notes to the financial statements.

**EQT Holdings Limited**  
**Condensed Consolidated Statement of Cash Flows**  
**for the half year ended 31 December 2015**

	Note	Consolidated	
		Half-year ended 31 Dec 2015	Half-year ended 31 Dec 2014
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers		47,172,983	45,333,357
Payments to suppliers and employees		(41,551,035)	(42,552,161)
Income tax paid		(3,752,605)	(2,794,829)
<b>Net cash provided by operating activities</b>		<b>1,869,343</b>	<b>(13,633)</b>
<b>Cash flows from investing activities</b>			
Payment for financial assets		-	(4,800,000)
Proceeds on sale of financial assets		5,058,146	3,000,000
Interest received		697,298	448,088
Dividends received		-	1,491
Payment for property, plant and equipment		(516,959)	(368,426)
Payment for intangible assets		(516,746)	(521,414)
Net payment for businesses		-	(145,370,794)
<b>Net cash (used in) / provided by investing activities</b>		<b>4,721,739</b>	<b>(147,611,055)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issues of equity securities and borrowings	10	2,751,851	748,195
Payment for share issue costs		(9,297)	(14,460)
Dividend paid to members of the parent entity (net of shares issued under the dividend reinvestment plan)		(7,851,800)	(6,996,272)
<b>Net cash (used in) / provided by financing activities</b>		<b>(5,109,246)</b>	<b>(6,262,537)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>1,481,836</b>	<b>(153,887,225)</b>
<b>Cash and cash equivalents at the beginning of the half-year</b>		<b>24,954,173</b>	<b>170,268,960</b>
<b>Cash and cash equivalents at the end of the half-year</b>		<b>26,436,009</b>	<b>16,381,735</b>
<b>Reconciliation of cash</b>			
Cash and Cash Equivalents		26,436,009	16,381,735
		<b>26,436,009</b>	<b>16,381,735</b>

The above statement should be read in conjunction with the accompanying notes to the financial statements.

# **EQT Holdings Limited**

## **Notes to the Condensed Consolidated Financial Statements**

### **for the half year ended 31 December 2015**

#### **1. Summary of accounting policies**

##### **Statement of compliance**

The half year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

##### **Corporate reorganisation and comparatives**

Effective 14 December 2015, Equity Trustees Limited (the former parent entity of the Group) undertook a corporate reorganisation by implementing a Scheme of Arrangement with its shareholders. From this date, EQT Holdings Limited became the new parent entity of Equity Trustee Limited and the Group, and its shares are publicly traded on the Australian Securities Exchange (ASX).

Under the principles of corporate reorganisation, in accordance with the Australian Accounting Standards, the financial statements of EQT Holdings Limited includes the historical financial information of the Equity Trustees Limited for the period before the acquisition. This is because the corporate reorganisation did not represent a business combination in accordance with AASB 3 'Business Combination' since the corporate reorganisation did not involve any change of economic substance and, therefore, represents a continuation of the Group. Accordingly, the comparative information presented in the financial statements for the half year ended 31 December 2015 represents the consolidated financial position of Equity Trustees Limited and the Group as at 30 June 2015, and the financial performance of Equity Trustees Limited and the Group for the half-year ended 31 December 2014

##### **Basis of preparation**

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2015, except for the impact of the Australian Accounting Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

##### **New, revised or amending Accounting Standards or Interpretations adopted**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standard Board (the AASB) that are relevant to its operations and effective for the current reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

The application of these new and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group have not had any material impact on the amounts recognised in the consolidated financial statements. Some of these new and revised Standards and amendments thereof and Interpretations may result in additional disclosures in the Group's consolidated financial statements.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**EQT Holdings Limited**  
**Notes to the Condensed Consolidated Financial Statements**  
**for the half year ended 31 December 2015**

	Half year ended 31 Dec 2015		Half year ended 31 Dec 2014	
	Cents per share	\$	Cents per share	\$
<b>2. Dividends</b>				
<u>Recognised amounts</u>				
Fully paid ordinary shares				
Final dividend	48.00	9,494,039	48.00	9,193,004
<u>Unrecognised amounts</u>				
Fully paid ordinary shares				
Interim dividend	34.00	6,751,018	46.00	8,864,254

- 3. Acquisition of business**  
**Half year ended 31 December 2015**  
There were no acquisitions.

**Half year ended 31 December 2014**

On 4 July 2014, the Group acquired 100% of the shares of Equity Trustees Wealth Services Limited (ETWSL) (formerly ANZ Trustees Limited).

	Half year ended	
	31 Dec 2015 \$	31 Dec 2014 \$
<b>Consideration</b>		
Cash	-	156,008,756
<b>Assets acquired and liabilities assumed at the date of acquisition</b>		
<b>Current assets</b>		
Cash and cash equivalents	-	10,637,962
Other current assets	-	1,975,532
<b>Non-current assets</b>		
Other financial assets	-	58,146
<b>Liabilities</b>		
Employee Provisions	-	(942,373)
Provisions	-	(141,402)
	-	11,587,865

2015: nil (2014: Trade receivables acquired with a fair value of \$31,941 had gross contractual amounts of \$31,941. The best estimate at acquisition date of the contractual cash flows not expected to be collected is nil.)

	Half year ended	
	31 Dec 2015 \$	31 Dec 2014 \$
<b>Goodwill arising on acquisition</b>		
Consideration	-	156,008,756
less fair value of identifiable net assets	-	63,339,865
Goodwill arising on consolidation	-	92,668,891

2015: nil (2014: The initial accounting for the acquisition of ETWSL had only been provisionally determined at 31 December 2015 and was subsequently finalised for the year ended 30 June 2015. The figures above reflect the final determination.)

**EQT Holdings Limited**  
**Notes to the Condensed Consolidated Financial Statements**  
**for the half year ended 31 December 2015**

	Half year ended	
	31 Dec 2015	31 Dec 2014
	\$	\$
Net cash outflow arising on acquisition		
Consideration paid in cash	-	156,008,756
less cash and cash equivalent balances acquired	-	10,637,962
	-	145,370,794

**Impact of acquisition on the results of the Group**

2015: nil (2014: The amount included in the profit after tax for the half-year attributable to ETWSL was \$3,775,848. The revenue for the half-year includes \$11,898,644 in respect of ETWSL.)

	Half year ended	
	31 Dec 2015	31 Dec 2014
	\$	\$
4. <b>Goodwill</b>		
Gross carrying amount		
Balance at beginning of the interim period	102,176,744	9,507,853
Additional amounts recognised from business combinations occurring during the period.*	-	-
Balance at end of the interim period	102,176,744	9,507,853

\*At the date of finalisation of December 2014 consolidated financial statements the necessary valuations and other calculations had not been finalised. The valuation exercise was completed prior to 30 June 2015 and details of Goodwill arising on acquisition of ETWSL are shown in note 3 above.

**Accumulated impairment losses**

Balance at beginning of the interim period	-	-
Balance at end of the interim period	-	-

**Net book value**

At the beginning of the interim period	102,176,744	9,507,853
At the end of the interim period	102,176,744	9,507,853

5. **Subsequent events**

There have been no material subsequent events.



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**6. Contingent liabilities and contingent assets**

Contingent liabilities exist in respect of certain trust and estate accounts that are overdrawn, however, these contingent liabilities are mitigated by the assets held by these trust and estate accounts which are considered ample to cover any contingent liability. There has been no material change to contingent liabilities since the previous corresponding half-year period. There are no contingent assets (2014: nil).

**7. Issuances of equity securities**

	Half year ended 31 Dec 2015		Half year ended 31 Dec 2014	
Fully paid ordinary shares	No. of shares	\$	No. of shares	\$
Opening balance 1 July	19,693,727	227,651,922	19,104,667	216,116,476
Shares issued under employee salary sacrifice share plan	1,028	22,271	1,796	36,171
Shares issued under executive share scheme	75,347	808,617	36,138	347,936
Shares issued under employee share acquisition plan	9,618	225,542	10,166	220,196
Shares issued under dividend reinvestment plan (DRP)	75,627	1,641,862	116,678	2,197,047
Share issue costs net of tax	-	(11,261)	-	(9,638)
Closing balance 31 December	19,855,347	230,338,953	19,269,445	218,908,188

**8. Segment information**

Information reported to the Group's Managing Director (chief operating decision maker) for the purpose of resource allocation and assessment of performance is focused on the categories of services provided to customers. The principal categories of services are Trustee and Wealth Services, and Corporate Trustee Services. No operating segments have been aggregated in arriving at the reportable segments of the Group. The Group's reportable segments under AASB 8 are as follows:

**Trustee and Wealth Services**

The provision of personal financial and superannuation services, including in relation to personal estates and trusts, wealth management, asset management, aged care services, and portfolio services.

**Corporate Trustee Services**

The provision of Responsible Entity trustee services for managed funds on behalf of local and international managers and sponsors and the management and coordination of distribution and marketing for Equity Trustees co-branded retail and wholesale funds.

Information regarding the Group's reportable segments is presented below. The accounting policies of the reportable segments under AASB 8 are the same as the Group's accounting policies.

**EQT Holdings Limited**  
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The following is an analysis of the Group's revenue and results from continuing operations by reportable segment. There were no discontinued operations (2014: nil).

	Half year ended	
	31 Dec 2015	31 Dec 2014
	\$	\$
<b>Segment revenue</b>		
Trustee and Wealth Services	29,736,267	29,651,735
Corporate Trustee Services	12,881,519	11,480,324
<b>Total revenue per income statement</b>	<b>42,617,786</b>	<b>41,132,059</b>

The revenue reported above represents revenue generated from external customers. There were no inter-segment revenues (2014: nil).

<b>Segment net profit before tax</b>		
Trustee and Wealth Services	5,071,804	8,520,074
Corporate Trustee Services	4,810,107	4,938,839
	9,881,911	13,458,913
Other unallocated expenditure	-	(2,542,482)
<b>Total net profit before tax per statement of income</b>	<b>9,881,911</b>	<b>10,916,431</b>

**9. Financial Instruments**

This note provides information about how the Group determines fair values of various financial assets. The Group has no financial liabilities measured at fair value.

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis.**

The Group's available for sale financial assets are measured at fair value at the end of each reporting period. The following outline gives information about how the fair values of these financial assets are determined.

Type of financial asset	Valuation technique and key inputs	Fair value hierarchy	Fair value at	
			31 Dec 2015	31 Dec 2014
			\$	\$
<b>Available for sale investments</b>				
Managed investment schemes	Unit price published by the managed investment scheme	Level 2	5,393,478	5,553,332

There are no significant unobservable inputs and therefore no relationship of unobservable inputs to fair value.

There were no other transfers between levels in the fair value hierarchy at the end of the reporting period (2014: No change) .

**Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).**

The directors consider that the carrying amounts of financial assets and financial liabilities that are not measured at fair value on a recurring basis recognised in the consolidated financial statements approximate their fair values.

**10. Borrowings**

On 23 December 2015, EQT Holdings Limited obtained a new unsecured bank loan facility of \$20,000,000 with Australia and New Zealand Banking Group Limited. The loan facility bears interest at variable market rates and is repayable within one year. As at 31 December 2015 the amount drawn down from this facility was \$1,000,000 (2014: nil).

## Independent Auditor's Review Report to the Members of EQT Holdings Limited

We have reviewed the accompanying half-year financial report of EQT Holdings Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, and the condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and the director's declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 15.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the consolidated entity 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 a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 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 EQT Holdings 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.

### *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of EQT Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review 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 half-year financial report of EQT Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



Neil Brown  
Partner  
Chartered Accountants

Melbourne, 25 February 2016