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29 February 2016

Australian Stock Exchange
Company Announcements Platform
Electronic transmission

Announcement of Results to the Market

The directors of Chalmers Limited provide Appendix 4D – Half Year Information – 31 December 2015 for release to the market which is presented in the following pages. Commentary of the year's performance can be found in Part B page 1 – under Review of Operations.

No interim dividend has been declared.

Yours faithfully,
J P FEDORKO
COMPANY SECRETARY

CHALMERS LIMITED

ABN 34 004 471 032

Appendix 4D - Half year information - 31 December 2015

Lodged with the ASX under Listing Rule 4.2A.

This information should be read in conjunction with the 30 June 2015 Annual Report.

Contents

(All disclosures required by ASX marked by their corresponding ASX item number)

Results for Announcement to the Market (Appendix 4D item 2)	- 1 page	Part A
Half-year report (ASX Listing rule 4.2A1)	- 13 pages	Part B
Directors' Report		1
Auditor's Independence Declaration		3
Statement of Profit or Loss and Other Comprehensive Income		4
Statement of Financial Position		5
Statement of Changes in Equity		6
Statement of Cash Flows		7
Notes to the Financial Statements		8
Directors' Declaration		11
Independent Review Report to the Members		12
Supplementary Appendix 4D Information (Appendix 4D items 3 to 9)	- 2 pages	Part C

Total pages following – 16

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

Part A**CHALMERS LIMITED****For the half year ended 31 December 2015**

(Previous corresponding period: Half year ended 31 December 2014)

Results for Announcement to the Market

\$A'000

2.1 Revenue from ordinary activities	DOWN 5% to \$29,664
2.2 Profit/(loss) from ordinary activities after tax attributable to members	UP 387% to \$416
2.3 Net profit/(loss) for the period attributable to members	UP 387% to \$416

2.4 Dividends/distributions	Amount per security	Franked amount per security
Final dividend (<i>prior year</i>)	Nil cents	Nil cents
Interim dividend	Nil cents	Nil cents

Interim dividend payable: N/A**2.5 Record date** for determining entitlements to the interim dividend: N/A**2.6 Explanations of Revenue**

Refer to "Review of Operations" per Directors' Report

2.7 Explanation of Profit/(loss) from ordinary activities after tax

Refer to "Review of Operations" per Directors' Report

2.8 Explanation of Net Profit/(loss)

Refer to "Review of Operations" per Directors' Report

2.9 Explanation of Dividends

Refer to "Review of Operations" per Directors' Report

Part B

CHALMERS LIMITED

Directors' Report

For the half year ended 31 December 2015

Your directors present their report on the consolidated entity consisting of Chalmers Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2015.

Directors

The following persons were directors of Chalmers Limited during the whole of the half year and up to the date of this report.

AJ Murrowood	(Non-executive Chairman)
JP Carew	(Managing Director)
PT Brannighan	(Non-executive)
GW Chalmers	
LA Daglish	(Non-executive)
GD Mulligan	(Non-executive)

Mr Wilson was a director from the beginning of the financial year until his resignation on 2 July 2015.

Consolidated Results

	2015	Half year	2014
	\$		\$
Profit from continuing operations after income tax expense	415,874		85,378

Review of Operations

Profit before tax for the half-year ended December 2015 of \$632,066 was earned on total revenue of \$30.1M. The result is an improvement over that earned for the December 2014 half-year despite total revenue declining by over \$1.1M.

The revenue contraction resulted from lower revenue in the Transport division – representing a tail-off of southern Australia grain volume and Brisbane warehouse facility utilisation. Some offset was achieved with improved revenue for the Container division through additional volume for the empty container and tanks businesses in Brisbane together with surrender of a property lease option.

Costs reduced in tandem with the reduced revenue– falling by \$1,521K to \$29.5M over the previous corresponding half-year period due mostly as follows:

- Labour and subcontract costs reducing by \$778K and \$211K respectively. Labour costs reduced on the back of lower direct labour, overtime and support staff costs. Subcontract costs reduced in order to maintain company fleet utilisation.
- Vehicle costs reduced by \$413K predominantly as a result of lower net fuel costs. It should be noted that the revenue line for fuel service levies would have also reduced.
- Property costs decreased as a result of the onerous contract provision writeback of \$357K in respect of leased warehouse space in Brisbane.

Earnings per share of 5.46 cents compare with the prior December half-year of 1.12 cents.

CHALMERS LIMITED

Directors' Report (continued)

For the half year ended 31 December 2015


Significant Transaction

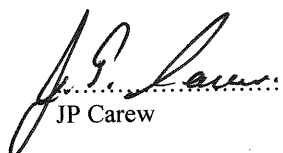
During the half year the company renegotiated certain of its property leases, effective from 1 July 2015. The terms of the renegotiated property leases were verbally agreed and documented with the landlord and as at 31 December 2015 were subject to final documentation. The renegotiated property leases gave rise to consideration of \$450,600 being received in return for the surrender of a lease option which has been brought to accounts as revenue in the half year ended 31 December 2015.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is attached as part of this report.

Signed at Yarraville this 26th day of February 2016,
in accordance with a resolution of the directors.

.....Chairman
AJ Murrowood

.....Director
JP Carew

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF CHALMERS LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Chalmers Limited for the half-year ended 31 December 2015, 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.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Eric W Passaris

Eric Passaris
Partner - Audit & Assurance

Melbourne, 26 February 2016

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CHALMERS LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2015

	Half year	
	2015	2014
	\$	\$
Revenue from continuing operations	29,664,287	31,189,540
Other Income	470,627	-
Employee benefits expense	(12,211,477)	(12,989,096)
Property expense	(4,658,924)	(4,876,914)
Vehicle and equipment expense	(4,027,045)	(4,440,475)
Other expenses	(2,670,098)	(2,616,991)
Subcontractor expense	(2,208,487)	(2,419,377)
Depreciation and amortisation expense	(1,927,297)	(1,935,139)
Material expense	(1,579,124)	(1,422,296)
Finance costs	(220,396)	(321,929)
Net loss on disposal of non-current assets	-	(1,191)
Profit from continuing operations before income tax expense	632,066	166,132
Income tax expense	(216,192)	(80,754)
Profit for the half year	415,874	85,378
Total comprehensive income for the half year attributable to owners of the parent entity	415,874	85,378
Basic earnings per share (cents per share)	5.46	1.12
Diluted earnings per share (cents per share)	5.46	1.12

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CHALMERS LIMITED

Statement of Financial Position

As at 31 December 2015

	Notes	31 December 2015 \$	30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents		1,213,443	1,059,950
Trade and other receivables		10,510,077	9,775,987
Inventories		517,188	602,474
Current tax assets		-	307,999
		<u>12,240,708</u>	<u>11,746,410</u>
NON-CURRENT ASSETS			
Property, plant & equipment		37,337,926	38,913,087
Intangible assets		126,811	184,972
Deferred tax assets		129,643	128,796
		<u>37,594,380</u>	<u>39,226,855</u>
<u>TOTAL ASSETS</u>		<u>49,835,088</u>	<u>50,973,265</u>
CURRENT LIABILITIES			
Trade and other payables		4,094,826	4,065,924
Borrowings		2,181,663	2,529,956
Current tax liabilities		109,990	-
Provisions		2,960,478	3,296,712
		<u>9,346,957</u>	<u>9,892,592</u>
NON-CURRENT LIABILITIES			
Borrowings		6,774,730	7,783,269
Provisions		210,684	210,561
		<u>6,985,414</u>	<u>7,993,830</u>
<u>TOTAL LIABILITIES</u>		<u>16,332,371</u>	<u>17,886,422</u>
<u>NET ASSETS</u>		<u>33,502,717</u>	<u>33,086,843</u>
EQUITY			
Contributed equity		8,225,847	8,225,847
Retained Profits		25,276,870	24,860,996
<u>TOTAL EQUITY</u>		<u>33,502,717</u>	<u>33,086,843</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CHALMERS LIMITED

Statement of Changes in Equity

For the half year ended 31 December 2015

	<u>Attributable to owners of Chalmers Limited</u>			Non-controlling interest	Total equity
	Contributed equity	Retained earnings	Total		
	\$	\$	\$	\$	\$
<u>Half Year ended December 2015</u>					
Balance at 1 July 2015	8,225,847	24,860,996	33,086,843	-	33,086,843
Net profit for the half year	-	415,874	415,874	-	415,874
Total comprehensive income for the half year	-	415,874	415,874	-	415,874
Transactions with owners in their capacity as owners:					
Dividend provided for or paid	-	-	-	-	-
Balance at 31 December 2015	<u>8,225,847</u>	<u>25,276,870</u>	<u>33,502,717</u>	<u>-</u>	<u>33,502,717</u>
<u>Half Year ended December 2014</u>					
Balance at 1 July 2014	8,225,847	25,790,363	34,016,210	-	34,016,210
Net profit for the half year	-	85,378	85,378	-	85,378
Total comprehensive income for the half year	-	85,378	85,378	-	85,378
Transactions with owners in their capacity as owners:					
Dividend provided for or paid	-	(190,350)	(190,350)	-	(190,350)
Balance at 31 December 2014	<u>8,225,847</u>	<u>25,685,391</u>	<u>33,911,238</u>	<u>-</u>	<u>33,991,238</u>

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

CHALMERS LIMITED

Statement of Cash Flows

For the half year ended 31 December 2015

	Half-year	
	2015	2014
	\$	\$
<u>Cash flows from operating activities</u>		
Receipts from customers (inc GST)	32,723,479	34,579,593
Payments to suppliers and employees (inc GST)	(30,940,197)	(31,737,689)
	<u>1,783,282</u>	<u>2,841,904</u>
Interest received	6,499	15,412
Finance costs paid	(213,967)	(324,391)
Income taxes recovered/ (paid)	200,950	(73,833)
	<u>1,776,764</u>	<u>2,459,092</u>
Net cash inflow from operating activities		
<u>Cash flows from investing activities</u>		
Payments for property, plant and equipment	(316,886)	(950,780)
Proceeds from sale of property, plant and equipment	50,446	7,461
	<u>(266,440)</u>	<u>(943,319)</u>
Net cash inflow/(outflow) from investing activities		
<u>Cash flows from financing activities</u>		
Repayment of borrowings	(1,356,831)	(1,658,059)
Dividends paid	-	(190,350)
	<u>(1,356,831)</u>	<u>(1,848,409)</u>
Net cash outflow from financing activities		
Net increase/(decrease) in cash and cash equivalents	153,493	(332,636)
Cash and cash equivalents at the beginning of the half year	<u>1,059,950</u>	<u>1,854,071</u>
Cash and cash equivalents at the end of the half year	<u><u>1,213,443</u></u>	<u><u>1,521,435</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

CHALMERS LIMITED

Notes to the Financial Statements

For the half year ended 31 December 2015

1. BASIS OF PREPARATION OF HALF YEAR REPORT

These general purpose financial statements for the interim half year reporting period ended 31 December 2015 have been prepared in accordance with Accounting Standard AASB 134 *"Interim Financial Reporting"* and the Corporations Act 2001.

These interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, these statements are to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Chalmers Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2. SEGMENT INFORMATION

AASB 8 *"Operating Segments"* requires operating segments to be identified on the basis of internal reports about components of a company that are regularly reviewed by the chief operating decision makers, being the board of Chalmers Limited, in order to allocate resources to, and assess the performance of each segment.

Transport consists of road transport, predominantly import/export FCL containers and the interface with logistics/warehousing/hubbing services.

Containers represent the empty container park operations concerned with handling, storage, repairs, upgrades, pretrips and so on of empty containers on behalf of shipping and leasing company customers and tank services.

Property represents the capital investment Chalmers has in freeholds located in Melbourne. The property segment charges rental on a conservative commercial arms-length basis to each of the divisional occupants.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers, being the board of Chalmers Limited.

No single customer represents more than 10% of revenue.

Some revenue is derived from customers overseas, predominantly shipping companies and container leasing companies.

Segment results include profit on sale of assets.

	Transport \$	Containers \$	Property \$	Total \$
Half-year ended 31 December 2015				
Total segment revenue	19,931,545	10,176,843	781,236	30,889,624
External revenue	19,931,545	10,176,843	-	30,108,388
Segment results	(577,015)	750,748	451,834	625,567

CHALMERS LIMITED
Notes to the Financial Statements
For the half year ended 31 December 2015

2. SEGMENT INFORMATION (continued)

	Transport \$	Containers \$	Property \$	Total \$
Half-year ended 31 December 2014				
Total segment revenue	21,968,308	9,205,820	727,856	31,901,984
External revenue	21,968,308	9,205,820	-	31,174,128
Segment results	165,001	(396,551)	382,270	150,720

No information is disclosed for segment assets as no measure of segment assets is regularly provided to the board.

	Half-year 2015 \$	2014 \$
Reconciliation of adjusted segment revenue to revenue from continuing operations:		
Total segment revenue	30,889,624	31,901,984
Inter-segment eliminations	(781,236)	(727,856)
Other revenue	(450,600)	-
Interest revenue	6,499	15,412
Total revenue from continuing operations	29,664,287	31,189,540

Reconciliation of adjusted segment results to profit from continuing operations before income tax is provided as follows:

Total segment results	625,567	150,720
Interest revenue	6,499	15,412
Profit from continuing operations before income tax expense	632,066	166,132

CHALMERS LIMITED

Notes to the Financial Statements

For the half year ended 31 December 2015

	Half-year	
2015		2014
\$		\$

3. DIVIDENDS

Ordinary shares

Dividends provided for or paid during the half year

-	190,350
<u> </u>	<u> </u>

Dividends not recognised at the end of the half year

Since the end of the half year directors have agreed not to pay an interim dividend out of retained profits at 31 December 2015.

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4. CONTINGENCIES

Contingent Assets and Liabilities

Since the last annual reporting date, there has been no significant change of any contingent assets or contingent liabilities.

5. EVENTS OCCURRING AFTER THE REPORTING DATE

At the date of this report, there is no matter or circumstance which has arisen since 31 December 2015 that has significantly affected the state of affairs of the consolidated entity.

6. SIGNIFICANT EVENTS

During the half year the company renegotiated certain of its property leases, effective from 1 July 2015. The terms of the renegotiated property leases were verbally agreed and documented with the landlord and as at 31 December 2015 were subject to final documentation. The renegotiated property leases gave rise to consideration of \$450,600 being received in return for the surrender of a lease option which has been brought to accounts as revenue in the half year ended 31 December 2015.


CHALMERS LIMITED**Directors' Declaration**

For the half year ended 31 December 2015

In the directors' opinion:

- (a) the financial statements and notes set out on pages 4 to 10 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 consolidated entity's financial position as at 31 December 2015 and of its performance as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Chalmers Limited will be able to pay its debts as and when they become due and payable.

Signed at Yarraville this 26th day of February 2016,
in accordance with a resolution of the Board of Directors.


.....Chairman
AJ Murrowood


.....Director
JP Carew

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CHALMERS LIMITED

We have reviewed the accompanying half-year financial report of Chalmers Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Chalmers Limited 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 controls 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 consolidated half-year financial report based on our review. We conducted our review in accordance with the 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 Chalmers Limited 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 Chalmers Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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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 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 Chalmers 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 Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Eric Passaris
Partner - Audit & Assurance

Melbourne, 26 February 2016

CHALMERS LIMITED

Supplementary Appendix 4D information

Part C

3 NTA Backing

	31 Dec 2015	31 Dec 2014
Net tangible asset backing per ordinary share (Current: 7,614,000 shares – Prior: 7,614,000 shares)	\$4.38	\$4.42

4 Controlled entities acquired or disposed of

Acquired	N/A
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Disposed of	N/A
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5 Additional dividend/distributions information

Details of dividends/distributions declared or paid during or subsequent to the half-year ended 31 December 2015 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend	Franked amount per security	Foreign sourced dividend amount per security
N/A	N/A	Final	Nil cents	\$Nil	Nil cents	-
N/A	N/A	Interim	Nil cents	\$Nil	Nil cents	-

6 Dividend/distribution reinvestment plans

At 31 December 2015 there was no dividend reinvestment plan in operation for Chalmers Limited.

7 Associates and Joint Venture entities

Name	Ownership interest		Aggregate share of profits/(losses), Where material		Contribution to net profit, where material	
	2015 %	2014 %	2015 \$	2014 \$	2015 \$	2014 \$
N/A						

8 Foreign Accounting standards

N/A

9 Audit Alert

N/A

CHALMERS LIMITED
Supplementary Appendix 4D information

Part C

This report is based on ⁺accounts to which one of the following applies.

☐

The ⁺accounts have been audited.



The ⁺accounts have been subject to review.

☐

The ⁺accounts are in the process of being audited or subject to review.

☐

The ⁺accounts have *not* yet been audited or reviewed.

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, details are described below

N/A

If the accounts have been audited or subject to review and are subject to dispute or qualification, details are described below

N/A

By electronic lodgement

.....

Company Secretary - JP Fedorko

29 February 2016