



**HOMELOANS LIMITED**

**ASX Appendix 4D and Financial report**

**for the half-year ended  
31 December 2016**

**ABN: 55 095 034 003**

**ASX CODE: HOM**

**Final report for the half-year ended 31 December 2016 as required by ASX Listing Rule 4.2A**

**1. IMPACT OF MERGER ON FINANCIAL REPORT**

On 13 October 2016, Homeloans Limited (Homeloans), a listed company completed a merger with RESIMAC Limited (RESIMAC), an unlisted company. In accordance with accounting standards, this merger has been accounted for as a reverse acquisition with RESIMAC being deemed the parent entity for accounting purposes. The impact of this is:

- the results for the half-year ended 31 December 2016 reflect RESIMAC only for the period 1 July 2016 to 12 October 2016 and the newly formed combined Homeloans Group results of RESIMAC, as well as Homeloans for the period 13 October 2016 to 31 December 2016; and
- the comparative results for the half-year ended 31 December 2015 reflect RESIMAC only for that period.

**2. RESULTS FOR ANNOUNCEMENT TO THE MARKET**

(All comparisons to half-year ended 31 December 2015)

	\$'000	Increase/ decrease	Movement %
Revenue from ordinary activities	145,002	increase	21%
Profit from ordinary activities after tax attributable to members	5,644	decrease	22%
Total comprehensive income for the period attributable to members	5,267	decrease	36%

Dividend information	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit %
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Final dividend per share (paid 28 October 2016)	2.0	2.0	30%
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The Company's Dividend Reinvestment Plan (DRP) did not apply to the final dividend.

**Interim dividend**

The Board of Homeloans Limited declared a fully franked interim dividend of 0.75 cents per share with a Record Date of 8 March 2017. The payment date will be 12 April 2017. The dividend has not been provided for in the financial report.

**Explanation of results**

This information should be read in conjunction with the Homeloans Limited 2016 Annual Report and with any public announcements made in the period by the Group in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The information provided in this report contains all the information required by ASX Listing Rule 4.2A.

### 3. OTHER INFORMATION

	31 Dec 2016	31 Dec 2015
Net tangible assets per security	<b>\$0.29</b>	\$0.28

#### Details of entities over which control has been gained or lost during the year

On 13 October 2016, Homeloans acquired 100% of the shares in RESIMAC.

#### Details of associates and joint venture entities

The company has an investment in each of the following joint ventures:

Name of joint venture	Principal activity	Ownership interest (%)
Finsure Holding Pty Limited	Mortgage brokerage	50
Finsure Wealth Pty Limited	Mortgage brokerage	50
1300 Home Loan Holdings Pty Limited	Mortgage lending	50
Finsure Domain Names Pty Limited	Mortgage brokerage	50

#### Foreign entities which set of accounting standards is used in compiling this report

For the foreign entities of the company, International Financial Reporting Standards (IFRS) are used.

#### Any other significant information

Not applicable.

This report is based on the consolidated half-year financial report which has been subject to a review by our auditors, Deloitte Touche Tohmatsu.



**R.N. Scott**  
Chairman

28 February 2017

## Directors' report

The Directors of Homeloans Limited (Homeloans) submit herewith the financial report of Homeloans and its subsidiaries (the Group) for the half-year ended 31 December 2016. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

### Directors

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

- Mr R. N. Scott (Chairman)
- Mr R. P. Salmon
- Ms S. M. W. Hansen – appointed 25 October 2016
- Mr M. L. Jefferies – appointed 25 October 2016
- Mr W. J. McLeland – appointed 25 October 2016
- Mr D. Saville (alternate director to Mr. McLeland) – appointed 2 February 2017.

The above named directors held office during and since the end of the half-year except for:

- Mr M. Starkey – resigned 25 October 2016

### Key management personnel

The key management personnel are all of the above directors and:

- Mr S. McWilliam (Joint Chief Executive Officer)
- Ms M. Ploughman (Joint Chief Executive Officer)
- Mr I. Parkes (Chief Financial Officer)

### Merger of Homeloans Limited and RESIMAC Limited

On 13 October 2016, Homeloans acquired 100% of the share capital of RESIMAC Limited (RESIMAC) in exchange for shares in Homeloans. The acquisition of RESIMAC is considered a reverse acquisition, with RESIMAC being considered the parent for accounting purposes and the business combination being accounted for under AASB 3 *Business Combinations*.

The consolidated financial statements therefore reflect a continuation of the financial statements of RESIMAC.

The consolidated financial statements for the half-year ended 31 December 2016 under reverse acquisition accounting principles, include the results of RESIMAC for the six months and Homeloans for the period from 13 October 2016 as summarised in the table below:

	6 months to 31 Dec 2016	6 months to 31 Dec 2015
Statement of profit or loss and other comprehensive income	RESIMAC + Homeloans 13 Oct – 31 Dec	RESIMAC only
Statement of changes in equity	RESIMAC + Homeloans 13 Oct – 31 Dec	RESIMAC only
Statement of cash flows	RESIMAC + Homeloans 13 Oct – 31 Dec	RESIMAC only
	As at 31 Dec 2016	As at 30 Jun 2016
Statement of financial position	RESIMAC + Homeloans	RESIMAC only

### Review of operations

The Group generated a net profit after tax (NPAT) of \$5,643,688 for the half-year ended 31 December 2016. To reflect the Group's underlying earnings the NPAT has been adjusted to separate the transaction and restructure costs of the merger which are included in the result for the six months to 31 December 2016.

	6 months to 31 Dec 2016 \$
NPAT	5,643,688
Add back:	
Merger and restructure costs	3,593,804
Tax effect (30%)	(1,078,141)
<b>NPAT (excluding merger costs)</b>	<b>8,159,351</b>

Total revenues and other income of \$145,002,306 were 21% up on prior year. The current half-year included the combined results from 13 October 2016 following the merger of Homeloans and RESIMAC operations.

Net interest income increased by 26% to \$40,263,765.

Operating expenses increased 39% but include \$3,593,804 of merger transaction and restructure costs. After allowing for these, operating expenses increased by 23%, representing a combination of the impact of the merger and growth in the cost base in line with settlements.

Impairment expense reduced by 17% to \$880,445.

Total mortgage settlement flows across the Groups combined distribution channels (i.e. principally funded, white label managed and other third party settlements) was \$2.1 billion up 10% on the previous corresponding period (PCP).

- Settlements of principally funded lending of \$1.1 billion were up 12% on the PCP;
- Settlements of white label managed business was \$0.5 billion after allowing for the RESIMAC loans that previously formed part of this flow but which are now shown as principally funded settlements; and
- Other third party settlements of \$0.4 billion were up 22%.

The highlights of the Group's financial position and the funds under management (white label mortgage trail books) at 31 December 2016 include:

- Loans and advances to customer increased 11% to \$5.8 billion on the PCP;
- Total funds under management (white label managed business) was \$3.6 billion down 1%.

Combined these make up the total Assets under Management portfolio of \$9.4 billion; and

- Homeloans Third Party Broker book was \$4.1 billion.

The Group's net assets increased by 66% from the 30 June 2016, which is largely attributable to the addition of Homeloans assets effective from 13 October 2016.

### **Merger integration update**

The Merger integration is progressing to plan. Synergies, as outlined in the Notice of Extraordinary General Meeting and the Scheme Booklet are tracking ahead of expectations.

A number of operational milestones were achieved in the period including rationalisation of key premises and

finalisation of the merged group organisation structure and key management appointments.

Work is continuing on brand positioning and development of revenue synergy opportunities across the Group's distribution platforms.

### **Funding programmes**

The Premier 2016-2 transaction was settled on 8 December 2016 and is a domestic prime issue with a total issuance size of \$A500 million. This was the second transaction in the Residential Mortgage Backed Securities for the period.

### **Significant changes in state of affairs**

During the period Homeloans became the legal parent of RESIMAC and its subsidiaries, through a reverse acquisition on 13 October 2016 by RESIMAC.

### **Auditor's independence declaration**

The auditor's independence declaration is included on page 6 of the half-year financial report.

### **Rounding off of amounts**

The company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with the Corporations Instrument amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

On behalf of the Directors



**R. N. Scott**  
Chairman

Sydney, 28 February 2017



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The Board of Directors  
Homeloans Limited  
Level 9,  
45 Clarence street  
Sydney, NSW 2000

28 February 2017

Dear Board Members

**Homeloans 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 Homeloans Limited.

As lead audit partner for the review of the financial statements of Homeloans Limited for the financial half-year ended 31 December 2016, 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  
DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to read "Delarey Nell".

Delarey Nell  
Partner  
Chartered Accountants  
Sydney, 28 February 2017

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Member of Deloitte Touche Tohmatsu Limited



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## Independent Auditor's Review Report to the members of Homeloans Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Homeloans Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2016, and 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' 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 9 to 33.

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

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

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of 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 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Homeloans 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 Homeloans 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 Homeloans 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 2016 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  
DELOITTE TOUCHE TOHMATSU



Delarey Nell  
Partner  
Chartered Accountants  
Sydney, 28 February 2017



## 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 s.303 (5) of the *Corporations Act 2001*.

On behalf of the Directors



**R.N. Scott**  
Chairman

Sydney  
28 February 2017

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**Condensed consolidated statement of profit or loss  
and other comprehensive income**

for the half-year ended 31 December 2016

		<b>CONSOLIDATED</b>	
		<b>Half-year ended</b>	
		<b>31 Dec 2016 \$'000</b>	<b>31 Dec 2015 \$'000</b>
	Note		
Interest income	1	<b>134,004</b>	115,212
Interest expense	2	<b>(93,740)</b>	(83,269)
<b>Net interest income</b>		<b>40,264</b>	31,943
Fee and commission income	1	<b>10,370</b>	3,896
Fee and commission expense	2	<b>(10,384)</b>	(5,069)
Other operating income	1	<b>628</b>	618
Employee benefits expense	2	<b>(17,510)</b>	(13,959)
Other expenses	2	<b>(14,164)</b>	(8,903)
Share of profit from joint ventures	1	<b>-</b>	761
Loan impairment expense	2	<b>(880)</b>	(1,056)
<b>Profit before tax</b>		<b>8,324</b>	8,231
Income tax expense		<b>(2,680)</b>	(972)
<b>Profit for the period</b>		<b>5,644</b>	7,259
<b>Profit attributable to:</b>			
Owners of the parent		<b>5,644</b>	7,256
Non-controlling interest		<b>-</b>	3
		<b>5,644</b>	7,259

**Condensed consolidated statement of profit or loss and other comprehensive income**

for the half-year ended 31 December 2016

	Note	<b>CONSOLIDATED</b>	
		<b>Half-year ended</b>	
		<b>31 Dec 2016 \$'000</b>	<b>31 Dec 2015 \$'000</b>
<b>Other comprehensive income, net of income tax</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Reversal of prior year reserve on trust wind up		(26)	(40)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Changes in fair values of cash flow hedges		(364)	425
Exchange translation of foreign operations		13	529
<b>Other comprehensive income for the period, net of tax</b>		<b>(377)</b>	<b>914</b>
<b>Total comprehensive income for the period</b>		<b>5,267</b>	<b>8,173</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		5,267	8,170
Non-controlling interest		-	3
		<b>5,267</b>	<b>8,173</b>
<b>Earnings per share</b>			
• Basic (cents per share)	10	1.62	2.86
• Diluted (cents per share)	10	1.62	2.86

As set out in note 15 to the consolidated financial statements, as a result of the reverse acquisition of Homeloans by RESIMAC, the comparative information for 31 December 2015 represents the financial performance of RESIMAC only. The statement of profit or loss and other comprehensive income for the six months to 31 December 2016 represents results of RESIMAC only for the period 1 July 2016 to 12 October 2016 and the consolidated results for the period from 13 October 2016 to 31 December 2016.

Notes to the condensed consolidated financial statements are included on pages 17 to 33.

**Condensed consolidated statement of financial position**

as at 31 December 2016

		<b>CONSOLIDATED</b>	
		<b>31 Dec</b>	<b>30 Jun</b>
		<b>2016</b>	<b>2016</b>
		<b>\$'000</b>	<b>\$'000</b>
	Note		
<b>Assets</b>			
Cash and cash equivalents	3	203,148	161,494
Trade and other receivables		7,540	3,082
Loans and advances to customers	4	5,835,902	5,245,317
Other financial assets	5	64,316	443
Derivative financial asset	12,13	51,550	45,998
Property, plant and equipment		1,544	930
Other assets		3,983	5,080
Deferred tax assets		-	4,828
Investments in joint ventures		1,173	1,173
Intangible assets	6	22,069	1,331
<b>Total assets</b>		<b>6,191,225</b>	<b>5,469,676</b>
<b>Liabilities</b>			
Trade and other payables		26,552	23,062
Current tax payables		2,469	2,022
Interest-bearing liabilities	7	5,978,757	5,349,193
Other financial liabilities	8	28,688	-
Derivative financial liabilities	12,14	4,934	5,214
Other liabilities		3,242	4,321
Deferred tax liabilities		4,623	-
Lease incentives		100	-
Provisions		5,004	3,528
<b>Total liabilities</b>		<b>6,054,369</b>	<b>5,387,340</b>
<b>Net assets</b>		<b>136,856</b>	<b>82,336</b>
<b>Equity</b>			
Share capital		174,762	134,157
Reverse acquisition reserve		(61,541)	(70,189)
<b>Total issued capital</b>		<b>113,221</b>	<b>63,968</b>
General reserves		(327)	42
Retained earnings		23,965	18,329
<b>Equity attributable to owners of the parent</b>		<b>136,859</b>	<b>82,339</b>
Non-controlling interest		(3)	(3)
<b>Total equity</b>		<b>136,856</b>	<b>82,336</b>

As set out in note 15 to the consolidated financial statements, as a result of the reverse acquisition of Homeloans by RESIMAC, the comparative information for 30 June 2016 represents the financial position of RESIMAC only. The statement of financial position as at 31 December 2016 represents the consolidated financial positions of RESIMAC and Homeloans at 31 December 2016.

Notes to the condensed consolidated financial statements are included on pages 17 to 33.

## Condensed consolidated statement of changes in equity

for the half-year ended 31 December 2016

	Share capital	Reverse acquisition reserve <sup>1</sup>	General reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CONSOLIDATED</b>							
<b>Balance as at 1 July 2015</b>	134,157	(70,189)	(410)	6,255	69,813	(10)	69,803
Profit for the period	-	-	-	7,256	7,256	3	7,259
Other comprehensive income, net of income tax	-	-	1,153	(239)	914	-	914
<b>Total comprehensive income for the period</b>	-	-	1,153	7,017	8,170	(7)	8,173
<b>Balance at 31 December 2015</b>	134,157	(70,189)	743	13,272	77,983	(7)	77,976
Balance as at 1 July 2016	<b>134,157</b>	<b>(70,189)</b>	<b>42</b>	<b>18,329</b>	<b>82,339</b>	<b>(3)</b>	<b>82,336</b>
Profit for the period	-	-	-	<b>5,644</b>	<b>5,644</b>	-	<b>5,644</b>
Other comprehensive income, net of income tax	-	-	<b>(369)</b>	<b>(8)</b>	<b>(377)</b>	-	<b>(377)</b>
<b>Total comprehensive income for the period</b>	-	-	<b>(369)</b>	<b>5,636</b>	<b>5,267</b>	<b>(3)</b>	<b>5,267</b>
Fair value of consideration on acquisition of Homeloans Limited	<b>40,605</b>	<b>8,648</b>	-	-	<b>49,253</b>	-	<b>49,253</b>
<b>Balance at 31 December 2016</b>	<b>174,762</b>	<b>(61,541)</b>	<b>(327)</b>	<b>23,965</b>	<b>136,859</b>	<b>(3)</b>	<b>136,856</b>

<sup>1</sup> As a result of reverse acquisition accounting, a new equity account is created as a component of equity. This account called "Reverse acquisition reserve" is similar in nature to share capital. The Reverse acquisition reserve is not available for distribution. This equity account represents a net adjustment for the replacement of the legal parent's (Homeloans) equity with that of the deemed acquirer (RESIMAC). See note 15 for further information.

As set out in note 15 to the consolidated financial statements, as a result of the reverse acquisition of Homeloans by RESIMAC, the comparative information for 31 December 2015 represents the financial performance of RESIMAC only. The income statement for the six months to 31 December 2016 represents results of RESIMAC only for the period from 1 July 2016 to 12 October 2016 and the consolidated results for RESIMAC and Homeloans for the period from 13 October 2016 to 31 December 2016.

Notes to the condensed consolidated financial statements are included on pages 17 to 33.

**Condensed consolidated statement of cash flows**

for the half-year ended 31 December 2016

		<b>CONSOLIDATED</b>	
		<b>Half-year ended</b>	
		<b>31 Dec</b>	<b>31 Dec</b>
		<b>2016</b>	<b>2015</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
Interest received		139,165	126,015
Interest paid		(90,035)	(80,583)
Receipts from loan fees and other income		20,763	11,563
Payments to suppliers and employees		(56,171)	(31,786)
Payments of net loans to borrowers		(418,712)	(277,831)
Income tax paid		(2,381)	(2,893)
<b>Net cash used in operating activities</b>		<b>(407,371)</b>	<b>(255,515)</b>
<b>Cash flows from investing activities</b>			
Proceeds on sale of investment securities		-	2,047
Payment for property, plant and equipment		(192)	(487)
Loans to related parties		(956)	(3,090)
Cash acquired on acquisition of business	15	10,345	-
<b>Net cash provided by/(used in) investing activities</b>		<b>9,197</b>	<b>(1,530)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		9,504,633	4,404,911
Repayment of borrowings		(9,062,260)	(4,163,561)
Swap payments		(520)	(659)
Payment of dividends	9	(2,165)	-
<b>Net cash provided by financing activities</b>		<b>439,688</b>	<b>240,691</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>41,514</b>	<b>(16,354)</b>
Cash and cash equivalents at the beginning of the period (1 July)		161,494	181,844
Effects of exchange rate changes on cash balances held in foreign currencies		140	701
<b>Cash and cash equivalents at the end of the period</b>	<b>3</b>	<b>203,148</b>	<b>166,191</b>

As set out in note 15 to the consolidated financial statements, as a result of the reverse acquisition of Homeloans by RESIMAC, the comparative information for 31 December 2015 represents the financial performance of RESIMAC only. The consolidated statement of cash flows for the six months to 31 December 2016 represents results of RESIMAC only for the period from 1 July 2016 to 12 October 2016 and the consolidated results for RESIMAC and Homeloans for the period from 13 October 2016 to 31 December 2016.

Notes to the condensed consolidated financial statements are included on pages 17 to 33.



### Condensed consolidated statement of cash flows (continued)

To align the policies of the consolidated group, the classification of a number of items in the statement of cash flows as presented comparative period RESIMAC group accounts has been amended.

These changes include:

- **Net cash flows from loan settlements and repayments**

These have been moved to cash flows from operating activities and recorded on gross level.

The impact of this is a net movement of \$430m (2015: \$278m) from investing activities into operating activities.

- **Servicer fees received and other income received**

This was previously disclosed as a separate operating cash inflow, have now been included within receipts from loan fees and other income.

This change has not impacted total cash flows from operating activities.

- **Cash flows from loans and advances made to related parties**

This has now been included within cash flows from investing activities.

This impact is a movement of \$1m (2015: \$3m) from financing activities to investing activities.

- **Swap payments**

This is now separately disclosed within cash flows from financing activities.

## Statement of compliance

The half-year financial report is a general purpose condensed financial report which:

- has been prepared in accordance with the requirements of 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*; and
- does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

## Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. All amounts are presented in Australian dollars unless otherwise noted.

The company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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 company's 2016 annual financial report for the financial year ended 30 June 2016. These accounting policies are consistent with Australian Accounting Standards (AAS) and with International Financial Reporting Standards.

## Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

There are no new standards that have become effective which have a material impact on the group.

## Basis of consolidation – Reverse acquisition accounting

The merger of Homeloans and RESIMAC has been accounted for as a reverse acquisition business combination. In applying the requirements of AASB 3 *Business Combinations* to the Group:

- Homeloans is the legal parent entity to the Group; and
- RESIMAC, which is neither the legal parent nor legal acquirer, is deemed to be the accounting parent of the Group.

The consolidated financial information incorporates the assets and liabilities of all entities deemed to be acquired by RESIMAC including Homeloans and the results of these entities for the period from which those entities are accounted for as being acquired by RESIMAC.

The assets and liabilities of Homeloans acquired by RESIMAC were recorded at fair value while the assets and liabilities of RESIMAC were maintained at their book value.

The impact of all transactions between entities in the Group are eliminated in full.

The impact on equity of treating the formation of the Group as a reverse acquisition is discussed in more detail in note 15.

## The condensed notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business – for example, acquisitions and impairment write-downs; or
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

**Key numbers:** provides a breakdown of individual line items in the financial statements that the Directors consider most relevant and where required, summarises the accounting policies, judgements and estimates relevant to understanding these line items;

**Capital:** provides information about the shareholder returns for the year;

**Risk:** discusses how the Group determines fair values of various financial assets and liabilities;

**Group structure:** explains aspects of the Group structure and how changes have affected the financial position and performance of the Group; and

**Unrecognised items:** provides information about items that are not recognised in the financial statements but could potentially have an impact on the Group's financial position and performance.

## Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements. Actual results may differ from these estimates.

### a) Critical judgements in applying the entity's accounting policies

The following are the critical judgements that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Business combination accounting;
- Net present value (NPV) of expected future trail commission receivable and payable; and
- Loan impairment provision.

### b) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

## Business combination accounting

The accounting acquisition on 13 October 2016 of RESIMAC and its controlled subsidiaries by Homeloans has been treated as a business combination with reverse acquisition accounting being applied. The accounting treatment required a detailed fair valuation of Homeloans which includes a number of judgements and estimates to arrive at the fair value. These estimates and judgements will specifically impact the amount of goodwill recognised. These include the:

- transaction price used to determine the consideration transferred; and
- total fair value of existing and new identifiable assets.

Refer to note 15 for more detail.

## NPV of future trail commission

The recognition of the future trailing commission receivable in the Statement of financial position is an area of judgment due to the different recognition criteria existing within the accounting standards.

The estimation of present value of future cash flows. The key assumptions underlying this estimate includes:

- Prepayment and discharge rates; and
- Discount rate.

This position will continue to be monitored in future accounting periods having regard to developments in the relevant accounting standards. In this respect, the Directors believe the accounting treatment adopted by the Group in recognising a financial asset is in accordance with the accounting standards and is consistent with the treatment adopted by similar industry participants.

## Loan impairment provision

The calculation of the impairment provision on mortgage assets is based on:

- objective evidence of impairment for a portfolio of receivables using the Group's past experience of collecting payments;
- an increase in the number of delayed payments in the portfolio past the average credit period; and
- observable changes in national or local economic conditions that correlate with default on receivables.

## Segment information

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board and executive management team (the chief operating decision makers (CODM)) in order to allocate resources to the segment and to assess its performance.

The information reported to the CODM's is more specifically focused on the category of customer for each type of product and services. The principal categories of customer for these products and services are the:

- Homeloans business; and
- RESIMAC business.

The Group's reportable segments under AASB 8 are therefore as follows:

### (1) Homeloans

This segment consists of the origination and management business which originates residential mortgages through:

- external mortgage brokers;
- affiliated branded brokers; and
- internal consultants.

The funding for these mortgages is supplied by a pool of funders, with the business continuing the ongoing management of the loans after they are processed and settled. All loans originated through Homeloans existing distribution brands and agreements are reported against this segment.

The assets of this segment comprise:

- a principally funded loan portfolio; and
- trail commission receivable, accounted for on a net present value basis on mortgages originated and managed by the business under a mortgage manager white label funding model.

### (2) RESIMAC

This segment primarily covers securitisation of mortgages and mortgage origination through its various distribution channels.

The securitisation of mortgages is the business own funding source. Using a series of mortgage trusts, this segment packages groups of mortgages and sells the income stream via a securitised mortgage trust.

The business supports its originations through a fully integrated proprietary end-to-end loan servicing platform providing underwriting, loan management and arrears management capabilities.

Given the merger integration processes have commenced, the required structures are currently in the process of being further refined to support the merger outcomes. Therefore, the segment structure may change for the full year 30 June 2017 financial report as management updates the internal reporting structure of the business.

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

The following is an analysis of the Group's revenue and results by reportable operating segment for the half-years under review:

	<b>Homeloans</b>		<b>RESIMAC</b>		<b>CONSOLIDATED</b>	
	<b>Half-year ended</b>		<b>Half-year ended</b>		<b>Half-year ended</b>	
	<b>31 Dec 2016</b>	31 Dec 2015	<b>31 Dec 2016</b>	31 Dec 2015	<b>31 Dec 2016</b>	31 Dec 2015
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Revenue from external customers	<b>9,668</b>	-	<b>134,755</b>	119,726	<b>144,423</b>	120,487
Inter-segment revenue	<b>1,397</b>	-	<b>579</b>	811	<b>1,976</b>	811
<b>Total segment revenue</b>	<b>11,065</b>	-	<b>135,334</b>	120,537	<b>146,399</b>	121,298
Inter-segment elimination					<b>(1,397)</b>	(811)
<b>Total consolidated revenue</b>					<b>145,002</b>	120,487
Segment results before tax, depreciation, amortisation, finance costs and impairment	<b>(267)</b>	-	<b>9,264</b>	8,968	<b>8,997</b>	8,968
Depreciation and amortisation	<b>(28)</b>	-	<b>(511)</b>	(590)	<b>(539)</b>	(590)
Impairment gain	<b>125</b>	-	-	-	<b>125</b>	-
Gain on re-measurement of loans and advances recognised at amortised cost	-	-	-	-	-	-
Finance costs	<b>(3)</b>	-	<b>(256)</b>	(147)	<b>(259)</b>	(147)
<b>Segment results before income tax</b>	<b>(173)</b>	-	<b>8,497</b>	8,231	<b>8,324</b>	8,231
Income tax (expense)/benefit	<b>50</b>	-	<b>(2,730)</b>	(972)	<b>(2,680)</b>	(972)
<b>Net profit/(loss) after income tax</b>	<b>(123)</b>	-	<b>5,767</b>	7,259	<b>5,644</b>	7,259

### Segment information (continued)

The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	Homeloans		RESIMAC		CONSOLIDATED	
	31 Dec 2016	30 Jun 2016	31 Dec 2016	30 Jun 2016	31 Dec 2016	30 Jun 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Other segment information</b>						
Segment assets	262,824	-	5,928,401	5,469,676	6,191,225	5,469,676
<b>Total assets</b>	262,824	-	5,928,401	5,469,676	6,191,225	5,469,676
Segment liabilities	(203,348)	-	(5,844,135)	(5,383,318)	(6,047,483)	(5,385,318)
Tax liabilities	(9,283)	-	2,397	(2,022)	(6,886)	(2,022)
<b>Total liabilities</b>	(212,631)	-	(5,841,738)	(5,387,340)	(6,054,369)	(5,387,340)
<b>Net assets</b>	50,193	-	86,663	82,336	136,856	82,336

## 1. Income

	CONSOLIDATED	
	Half-year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000
<b>(a) Interest income</b>		
Bank deposits	1,141	1,711
Loans and advances	129,807	113,501
Interest received – other persons/corporations	1,764	-
Discount unwind on net present value of trail income	1,292	-
<b>Total interest income</b>	<b>134,004</b>	<b>115,212</b>
<b>(b) Fee and commission income</b>		
Mortgage origination income	7,319	3,896
Loan management income	3,051	-
<b>Total fee and commission income</b>	<b>10,370</b>	<b>3,896</b>
<b>(c) Other</b>	<b>628</b>	<b>618</b>
<b>(d) Share of profit from joint ventures</b>	<b>-</b>	<b>761</b>
<b>Total income</b>	<b>145,002</b>	<b>120,487</b>



## 2. Expenses

	CONSOLIDATED	
	Half-year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000
<b>(a) Interest expense</b>		
Securities on issue	87,975	80,202
Payable to warehouse provider	1,026	-
Discount on unwind on net present value of trail expense	1,005	-
Swaps	1,142	698
Amortisation – bond issue costs	2,013	1,960
Payable to bondholders	48	-
Other	531	409
<b>Total interest expense</b>	<b>93,740</b>	<b>83,269</b>
<b>(b) Fee and commission expense</b>		
Mortgage origination expense	8,335	3,803
Loan management expense	2,049	1,266
<b>Total fee and commission expense</b>	<b>10,384</b>	<b>5,069</b>
<b>(c) Employee benefits expense</b>		
Remuneration, bonuses and on-costs	16,281	12,983
Superannuation expense	1,229	976
<b>Total employee benefits expense</b>	<b>17,510</b>	<b>13,959</b>
<b>(d) Other expenses</b>		
Occupancy-related expenses	1,796	1,039
Depreciation	539	590
Marketing, consultancy and IT	8,686	5,120
Other	3,143	2,154
<b>Total other expenses</b>	<b>14,164</b>	<b>8,903</b>
<b>(e) Loan impairment expense</b>		
Loans and advances	880	1,056
<b>Total loan impairment expense</b>	<b>880</b>	<b>1,056</b>
<b>Total expenses</b>	<b>136,678</b>	<b>112,256</b>

### 3. Cash and cash equivalents

	Note	CONSOLIDATED	
		31 Dec	30 Jun
		2016	2016
		\$'000	\$'000
Cash at bank and on hand		15,079	12,311
Cash collections account <sup>1</sup>		185,436	149,183
Restricted cash <sup>2</sup>		2,633	-
<b>Total cash and cash equivalents</b>		<b>203,148</b>	<b>161,494</b>

<sup>1</sup> Cash collections account includes monies in the RMT Special Purpose Vehicles, RESIMAC securitisation trusts and Paywise on behalf of members in those Trusts.

These funds are not available to Homeloans Limited for operational use.

<sup>2</sup> Cash held in trust as collateral for the borrowing facilities with Westpac Institutional Bank for the Homeloans business. RESIMAC does not hold cash in trust.

### 4. Loans and advances to customers

Gross loans and advances to customers		5,844,959	5,253,426
Less: allowance for impairment		(9,057)	(8,109)
<b>Total loans and advances to customers</b>		<b>5,835,902</b>	<b>5,245,317</b>
Collective allowance		2,384	2,016
Specific allowance		6,673	6,093
<b>Total allowance for impairment</b>		<b>9,057</b>	<b>8,109</b>

### 5. Other financial assets

Future trail commission receivable		63,873	-
Unlisted shares	12	443	443
<b>Total other financial assets</b>		<b>64,316</b>	<b>443</b>

## 6. Intangible assets

	Note	CONSOLIDATED	
		31 Dec	30 Jun
		2016 \$'000	2016 \$'000
<b>Goodwill</b>			
Balance at beginning of the period		434	434
Additional amounts recognised from business combinations occurring in the current period	15	20,982	-
<b>Balance at end of the period</b>		<b>21,416</b>	434
<b>Other intangible assets</b>			
Balance at beginning of the period		897	1,065
Additions		31	582
Amortisation expense		(275)	(750)
<b>Balance at end of the period</b>		<b>653</b>	897
<b>Total intangible assets</b>		<b>22,069</b>	1,331

## 7. Interest-bearing liabilities

Securitisation trusts and bonds	5,911,716	5,274,093
Loan facilities	54,892	63,085
Loans from related parties	10,800	11,950
Loans from funders	450	-
Lease liability	899	65
<b>Total interest-bearing liabilities</b>	<b>5,978,757</b>	5,349,193

## 8. Other financial liabilities

Future trail commission payable	28,688	-
<b>Total other financial liabilities</b>	<b>28,688</b>	-

## 9. Dividends

During the half-year, Homeloans Limited made the following dividend payments to existing Homeloans shareholders at the date of the merger. This was contingent on the merger completing and the outstanding share rights vesting.

RESIMAC shareholders who were issued Homeloans shares as a result of the merger were not eligible to receive the final dividend as they were not registered as Homeloans shareholders as at the record date for the dividend.

	31 Dec 2016		31 Dec 2015	
	Cents per share	\$'000	Cents per share	\$'000
<b>Fully paid ordinary shares</b>				
Final fully franked dividend (paid on 28 October 2016)	2.0	2,165	-	-

## 10. Earnings per share

	CONSOLIDATED	
	31 Dec 2016	31 Dec 2015
Profit attributable to ordinary equity holders of the parent (\$'000)	5,267	8,173
WANOS used in the calculation of basic EPS (shares, thousands)	325,444	285,439
WANOS used in the calculation of diluted EPS (shares, thousands)	325,444	285,439
<b>Earnings per share</b>		
Basic (cents per share)	1.62	2.86
Diluted (cents per share)	1.62	2.86

In accordance with specific guidance provided in AASB 3 *Business Combinations*, the weighted number of shares (WANOS) outstanding has been calculated as follows:

### Six months to 31 December 2016

The number of ordinary shares issued by:

- **Homeloans to RESIMAC from 1 July 2016 to 24 October 2016 (179,950,976)**

The number of RESIMAC shares on issue of 22,230,489 multiplied by the exchange ratio established in the acquisition agreement of 12.84 multiplied by ratio of days outstanding (116/184); plus

- **RESIMAC from 25 October 2016 to 31 December 2016 (145,493,052)**

The number of Homeloans shares on issue (393,687,080) multiplied by the by ratio of days outstanding (68/184).

### Six months to 31 December 2015

The number of RESIMAC ordinary shares on issue by RESIMAC of 22,230,489 multiplied by the exchange ratio of 12.84.

## **11. Issues of equity securities**

Issued capital as at 31 December 2016 was amended to \$174,762,205 (393,687,080 ordinary shares).

During the period, the Company issued 2,520,383 shares for \$1,214,650 in respect of the vesting of the Homeloans long-term incentive and short-term incentive plans.

In addition, 285,439,478 shares were issued on 25 October 2016 in exchange for 100% of the share capital of RESIMAC.

In accordance with AASB 3, the equity structure of RESIMAC is restated using the exchange ratio established in the scheme agreement to reflect the 285,439,479 shares issued by Homeloans on 25 October 2016 to acquire RESIMAC at a legal consideration price of \$0.47 per share representing a value of \$134,156,555.

## 12. Fair value of financial instruments

This note provides information about how the Group determines fair values of various financial assets and liabilities.

### 12.1 Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of those financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Note	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
		31 Dec 2016	30 Jun 2016		
		\$'000	\$'000		
<b>Financial assets</b>					
Unlisted shares	5	443	443	Level 2	Based on the most recent traded price and other available market information.
Cross currency swaps	13	51,550	45,998	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period and contract forward rates).
<b>Financial liabilities</b>					
Interest rate swaps	14	(737)	(1,375)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period and contract forward rates). Not discounted at a rate that reflects the credit risk of various counterparties as it is deemed immaterial.
Cross currency swaps	14	(4,197)	(3,839)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period and contract forward rates). Not discounted at a rate that reflects the credit risk of various counterparties as it is deemed immaterial.

### 12.2 Fair value of financial assets and liabilities that are not measured at fair value (but fair values disclosures are required)

With the exception of the future trail commission receivable and payable that are initially recognised at fair value and subsequently carried at amortised cost, the directors consider that the carrying amounts of financial assets and liabilities recognised in the consolidated financial statements approximate their fair values.

As the future trail commission receivable and payable were remeasured at fair value as part of acquisition accounting at 31 December 2016, the fair value approximates the amortised cost.

**13. Derivative financial asset**

		<b>CONSOLIDATED</b>	
		<b>31 Dec</b>	<b>30 Jun</b>
		<b>2016</b>	<b>2016</b>
		<b>\$'000</b>	<b>\$'000</b>
	Note		
Cross currency swaps	12	<b>51,550</b>	45,998
<b>Total derivative financial asset</b>		<b>51,550</b>	45,998

**14. Derivative financial liabilities**

Cross currency swaps	12	<b>4,197</b>	3,839
Interest rate swaps	12	<b>737</b>	1,375
<b>Total derivative financial liabilities</b>		<b>4,934</b>	5,214



## 15. Acquisition of subsidiary

### Merger of Homeloans Limited and RESIMAC Limited

On 11 October 2016, the merger of Homeloans and RESIMAC was approved by shareholders of both Companies at an Extraordinary General Meeting. The transaction was announced to the Australian Stock Exchange on the 13 October 2016. This is the effective date of the acquisition. Control was deemed to have been obtained on the 13 October as:

- The Scheme was approved by all relevant parties;
- All conditions precedent detailed in the Scheme were either satisfied or waived;
- Even though the merged group Board was not appointed until 25 October 2016, RESIMAC had the right to appoint three of the six board members as of the 13 October 2016; and
- During the period of time between the Scheme effective date and the implementation date (25 October 2016), Homeloans was substantially restricted in that management no longer had the power to make material decisions to effect the operations of the business and therefore this period of time more so reflected the administrative time required to implement the Scheme as opposed to continued control over the business of the pre-acquisition Homeloans management.

On 25 October 2016, Homeloans completed the legal acquisition of RESIMAC and its controlled subsidiaries by acquiring 100% of the share capital of RESIMAC in exchange for shares in Homeloans. Following the issue of new shares to RESIMAC, Homeloans now has 393,687,081 shares on issue and RESIMAC pre-acquisition shareholders have voting power of 72.5%. The acquisition is expected to deliver significant benefits including revenue and cost synergies.

Accordingly, under the terms of the merger:

- Homeloans became the legal parent of RESIMAC; and
- RESIMAC became the legal subsidiary of Homeloans.

### Accounting and disclosure implications of the merger

Under the accounting standards the merger of Homeloans and RESIMAC has been accounted for as a business combination.

Accounting standards require that where two or more entities combine through an exchange of equity for the purposes of business combination, one of the entities must be deemed to be the acquirer. Given relative shareholdings post-merger, Board composition and RESIMAC size relative to Homeloans, RESIMAC is deemed to be the acquirer for accounting purposes. The implication of this reverse acquisition of Homeloans by RESIMAC are:

- Although the financial statements are issued under the name of Homeloans (the legal parent company), RESIMAC is deemed to be the parent company for accounting purposes;
- The 31 December 2016 half-year information reflects the newly combined group of RESIMAC and Homeloans;
- The 31 December 2015 half-year comparative financial information reflects the financial performance and financial position of RESIMAC only. RESIMAC comparative information is disclosed as RESIMAC is deemed to be the parent company for the purposes of accounting for the transaction; and
- Under accounting guidance, the consideration that RESIMAC is deemed to have paid for Homeloans is the market value of Homeloans equity at the date of the merger, which was \$49,252,659. This consideration has been allocated to the fair values of Homeloans intangible and tangible assets, liabilities and contingent liabilities.

As a result of reverse acquisition accounting, a new equity account is created as a component of equity. This account called "Reverse acquisition reserve" is similar in nature to share capital and is not available for distribution. This equity account represents a net adjustment for the replacement of the legal parent's equity with that of the deemed acquirer.

Certain acquisition-related costs incurred by Homeloans prior to the acquisition was \$2,150,691 have been included in the pre-acquisition results (pre-tax). There were costs of \$85,316 in relation to the creation and listing of the new issued equity which has been offset against consolidated equity in the statement of financial position.

**15. Acquisition of subsidiary (continued)****(a) Summary of acquisition**

A summary of the acquisition is as follows:

	Note	\$'000
Equity consideration		49,253
Fair value of identifiable net assets acquired		28,271
<b>Goodwill arising on acquisition</b>		<b>20,982</b>

**(b) Assets acquired and liabilities assumed at the date of acquisition**

	Fair value \$'000
<b>Assets</b>	
Cash and cash equivalents	10,345
Receivables <sup>1</sup>	3,685
Loans and advances to customers <sup>1</sup>	171,604
Other financial assets	66,957
Plant and equipment	711
<b>Total assets</b>	<b>253,302</b>
<b>Liabilities</b>	
Trade and other payables	5,672
Current tax payables	564
Interest-bearing liabilities	177,715
Other financial liabilities	29,170
Derivative financial liability	33
Lease incentives	100
Deferred tax liabilities	9,416
Provisions	2,361
<b>Total liabilities</b>	<b>225,031</b>
<b>Fair value of identifiable net assets acquired (of Homeloans at 13 October 2016)</b>	<b>28,271</b>
Goodwill arising on acquisition <sup>2</sup>	20,982
<b>Consideration transferred, satisfied in equity <sup>3</sup></b>	<b>49,253</b>

<sup>1</sup> Carrying value of receivables approximates fair value and is reflective of the gross contractual amount receivable which is expected to be collected in full.

<sup>2</sup> Existing goodwill: \$13,242,557 plus new Homeloans goodwill \$7,739,526.

<sup>3</sup> No contingent consideration arrangements or indemnification assets have been recognised as a result of the transaction.

From the date of acquisition, Homeloans has contributed to \$11,065,252 of revenue and \$861,269 to the net profit before tax of the Group. If the acquisition had taken place at the beginning of the year, consolidated revenue would have been \$24,378,428 and the consolidated net loss before tax for the period would have been \$472,515 (\$854,536 profit when exclude the acquisition costs of \$1,327,051).

The goodwill is not expected to be deductible for tax purposes.

## 15. Acquisition of subsidiary (continued)

Subsequent to the acquisition accounting, goodwill becomes subject to impairment tests which are undertaken at least annually, or if and when there are indicators that goodwill may be impaired.

The accounting standards provide a restatement window for the acquisition accounting of up to 12 months following the acquisition date. This acknowledges the time required to gain access to and consolidate information for both entities and to make certain valuations as at the acquisition date. We expect to report final values in the full year 30 June 2017 financial report.

## **16. Subsequent events**

The Board of Homeloans Limited declared a fully-franked interim dividend of 0.75 cents per share. The Record Date is 8 March 2017. The payment date will be 12 April 2017. The dividend has not been provided for in this financial report.

There were no other significant events that arose between 31 December 2016 and the signing of this financial report.

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Robert Scott, Chairman  
Robert Salmon  
Susan Hansen  
Michael Jefferies  
Warren McLeland  
Duncan Saville (alternate director to W. McLeland)

**Company secretary**

Peter Fitzpatrick

**Share registry**

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**Website:** [www.investorcentre.com](http://www.investorcentre.com)

**Website**

To view the 2016 annual report, shareholder and company information, news announcements, background information on Homeloans businesses and historical information, visit the Homeloans website at [www.homeloans.com.au](http://www.homeloans.com.au)