

APPENDIX 4D

HALF YEAR REPORT

FOR THE HALF YEAR ENDING 31 DECEMBER 2017

SRG LIMITED

ABN 57 006 413 574



ISSUED 27 FEBRUARY 2018

**MAKING
THE
COMPLEX
SIMPLE**

APPENDIX 4D HALF YEAR REPORT

(Rule 4.2A.3)

Name of entity	ABN or equivalent company reference
SRG Limited	57 006 413 574

1.0 Details of the reporting period and the previous corresponding period

Financial period ended ('current period')	Financial period ended ('previous period')
31 December 2017	31 December 2016

2.0 Results for announcement to the market

		2017 \$A'000	2016 \$A'000
2.1 Revenues from ordinary activities	Down 11.4% to	104,942	118,406
2.2 Profit from ordinary activities after tax attributable to members	Down 48.5% to	2,404	4,670
2.3 Net profit for the period attributable to members	Down 48.5% to	2,404	4,670

2.4 Dividends	Amount per security	Franked amount per security
Interim dividend	2.0 cents	2.0 cents

2.5 Record date for determining entitlements to the dividend:	14 th March 2018
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2.6 For a commentary on the financial results noted above, please refer to Directors' Report on page 1 of the company's interim financial report for half year ended 31st December 2017.

3 Net Tangible Asset Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary share	97.6 cents	95.2 cents

4 Dividends

4.1 Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Final dividend: 2016/17 Year	13 th October 2017	4.0c	4.0c	Nil
Interim dividend: Current Period	20 th April 2018	2.0c	2.0c	Nil

4.2 Total dividend per security (interim plus final)

Ordinary Securities	Current Period \$'000	Previous Period \$'000
Final dividend	2,615	2,565
Interim dividend	1,312	1,924

5 Dividend Reinvestment Plans

DRP remains suspended

Any other disclosures in relation to dividends (distributions)

N/A

6 Foreign Entities

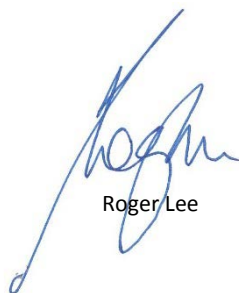
Accounting Standards used in compiling financial reports:

Australian Accounting Standards

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The Interim Financial Report for the half year ended 31st December 2017, which was subject to review, was not subject to dispute or qualifications.

Company Secretary:



Roger Lee

Date: 26 February 2018

SRG LIMITED
ABN: 57 006 413 574
AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31ST DECEMBER 2017

This interim financial report is to be read in conjunction with the financial report for the year ended 30 June 2017.

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CORPORATE

Registered Office

The registered office of the Company is:
Level 1, 338 Barker Road, Subiaco Western Australia 6008

Stock Exchange Listing

SRG Limited shares are listed on the Australian Securities Exchange. Home exchange is Perth. (ASX: SRG)

Share Register

Computershare Registry Services Pty Ltd

Incorporation

SRG Limited is incorporated in the State of Victoria

Auditor

William Buck
Level 20, 181 William Street, Melbourne Victoria 3000

Bankers

National Australia Bank

DIRECTORS' REPORT

The directors of SRG Limited present their report on the consolidated group comprising SRG Limited and the entities it controlled as at and during the half-year ended 31 December 2017.

Directors

The names of the directors in office at any time during the whole of the half-year and up to the date of this report:

Peter J McMorrow Chairman

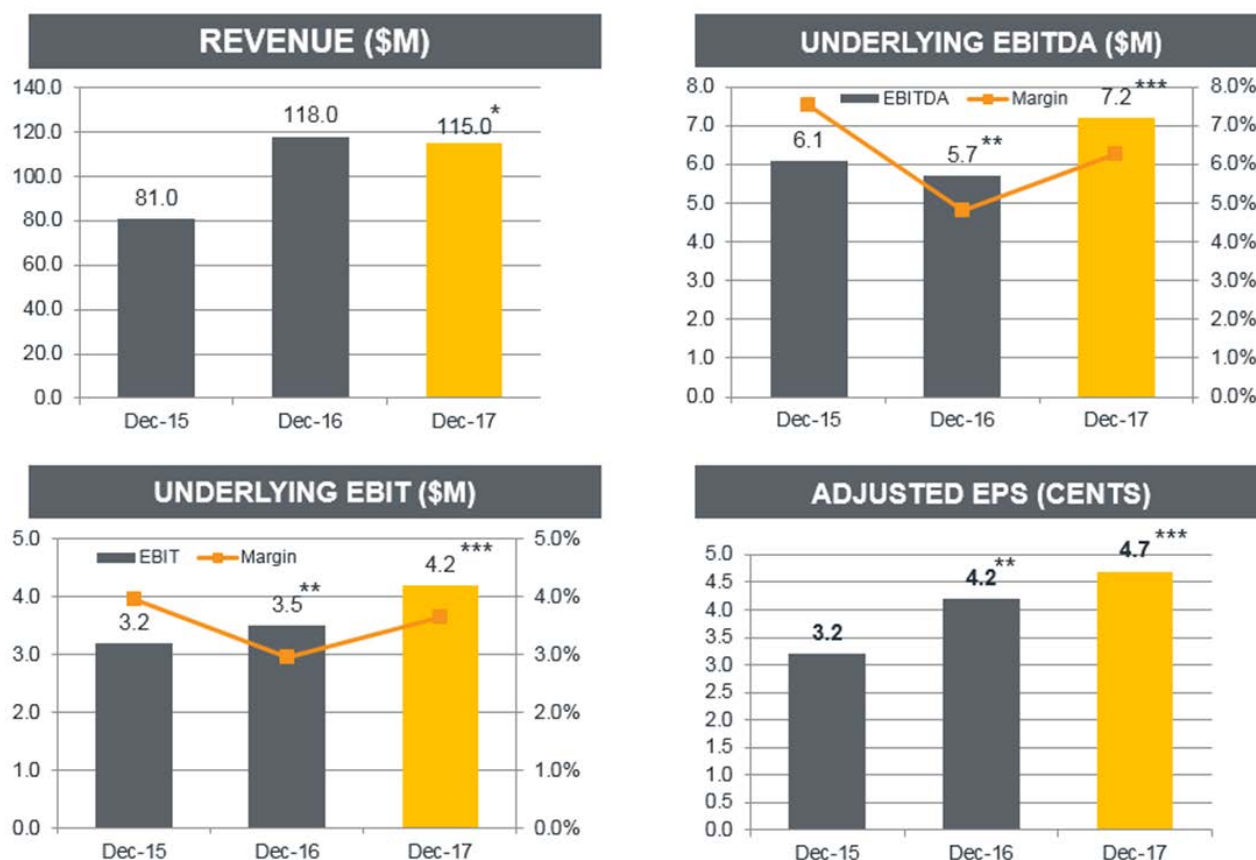
David W Macgeorge Managing Director

Peter J Brecht Non-executive Director

Michael W Atkins Non-executive Director

Robert W Freedman Non-executive Director

Key performance indicators for the 6-month periods



Dear Shareholder,

I am pleased to report on SRG Limited's ("the Company" or "SRG") progress for the half year to 31 December 2017. In this report, we cover the highlights from the period. Investors are also invited to view the Company's half yearly results presentation via our website at www.srglimited.com.au.

Zero Harm

As at 31 December 2017, Lost Time Injury Frequency Rate (LTIFR) was 1.1 and Total Reportable Injury Frequency Rate (TRIFR) was 10.5. This shows SRG's continuous improvement in our Zero Harm journey. SRG continues to make good progress on all our critical risks and it is pleasing that Zero Harm team are now fully in place and making good inroads in Zero Harm.

Financial

Financial Results

SRG Limited recorded a net profit after tax of \$2.4m for half year ended 31 December 2017.

As at 31 December 2017, the underlying Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$7.2m which is an increase of 26% compared to previous half year period (Dec 2016: \$5.7m). In the first half year, SRG spent \$0.9m AUD in restructuring costs.

Reported Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$6.3m compared to \$9.7m for the prior corresponding period which included a one-off gain on property sale of \$3.9m.

The Company's basic Earnings Per Share (EPS) was 3.7 cents for the half year (Dec 2016: 7.3 cents). The adjusted EPS for the first half was 4.7 cents, after adjusting for \$0.9m of restructuring costs, compared to the adjusted EPS of first half FY17 of 4.2 cents (after deducting the one-off gain from property sale).

The Board has resolved to pay a fully franked interim dividend of 2.0 cents per share, which will be paid to shareholders on 20th April 2018.

Capital Management

The Company had no net debt at 31 December 2017. The cash position at the half was \$15.1m (Jun 2017: \$24.4m) with a cash outflow from operating activities of \$2.3m (Dec 2016: \$3.5m cash inflow) resulting from a change in the mix of revenue to projects with higher working capital requirements and greater levels procured through joint ventures.

Work in Hand (WIH)

Work in hand at 31 December 2017 for the Company was \$307.0m compared to \$249.4m at the same time last year. The work in hand turnover grosses up the turnover for any projects where SRG are jointly participants (ie. joint ventures and joint operations). The Company continues to focus on converting an increasing work pipeline of \$2.0b and to target profitable growth across business streams.

Review of Operations

Mining

The mining services business revenue for the period ended 31 December 2017 was \$37.6m (Dec 2016: \$32.8m). The mining business continues to deliver strong results in the first half of the year, underpinned by an outstanding safety performance and operational excellence.

Construction

Building

Revenue for the Building Post-tensioning business for the first half was \$31.7m (Dec 2016: \$31.2m). Work in hand of \$35.1m is in line with expectations with 70 projects secured in the past 6 months valued at \$26.1m. Building will continue to deliver consistent profitability for the remainder of the year with the key focus on productivity.

Civil

Revenue from civil works has decreased to \$27.6m (including circa \$10m from joint ventures) compared to Dec 2016 revenue of \$41m. This is due to several large projects completing since the corresponding period in the previous year. Civil has continued to target larger opportunities whilst aligning ourselves with key strategic partners. This focus has led to a joint venture between SRG and WBHO winning the Margaret River Perimeter Road project. SRG are awaiting to hear back on several significant Civil opportunities and continuing to tender on dam, bridge and tank opportunities supporting our view of a stronger second half in FY18. There are also exciting opportunities for SRG in the renewables sector.

SRG has also successfully entered the Civil Geotech space and has procured some significant projects that will be executed in the second half. The Civil Geotech business is a good complement to the rest of the SRG Civil business as projects are generally won and completed in short time frames to supplement the larger scale projects in Civil that SRG are targeting. Growth in this area is expected to continue moving forward.

Products

Revenue reported by the Products business was \$7.6m (Dec 2016: \$5.8m). SRG continues to invest in research and development and explore different ways to utilise our products. Expansive business development efforts will drive stronger sales in the second half.

Services

SRG Services recorded revenues of \$10.2m for the first half of the year up from \$9.5m in the previous corresponding period. The Services division continues its focus on recurring revenue from its key clients and work in hand has increased due to some larger opportunities being secured at better margins that will be executed in the second half.

International

The International Division reported revenues of \$14.2m in the first half compared to \$8.9m in first half FY17. During the first half FY18 SRG secured a \$26.5m post-tensioning contract to work on an LNG project in Kuwait for Hyundai Engineering and Construction.

The North America joint venture with Traylor Bros has been well received by the local market with a strong level of interest from engineers and owners in our dam strengthening technology and capability. We will continue to take a disciplined and targeted approach to this exciting opportunity.

The pipeline of opportunities in International has grown significantly and SRG will continue to focus on converting targeted scale opportunities in the second half.

Outlook

We are pleased that the first half of FY18 resulted in an increase of Underlying EBITDA of 26% and Earnings Per Share of 12%.

We are making good progress in the Development Phase of our strategy with a particular focus on step change growth in our Civil and Services businesses, operational efficiency in our Mining and Building businesses and portfolio extension in our Products business.

Our International expansion program is building momentum and this investment will position us well for the future.

We are well positioned to deliver on-going improvement and a positive outcome for our shareholders for the full year of FY18 and into the future as we enter the Market Leadership phase in 2020 and beyond.

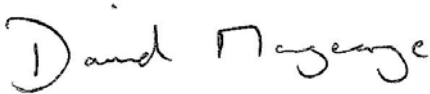
Auditor's Independence Declaration

The Auditor's Independence Declaration on page 9 forms part of the Director's Report for the half year ended 31 December 2017.

Rounding of Amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.

A handwritten signature in black ink that reads "David Macgeorge". The signature is written in a cursive, flowing style.

David Macgeorge
Managing Director



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SRG LIMITED

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2017 there have been:

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in black ink, appearing to read "N. S. Benbow".

N. S. Benbow

Director

Dated this 26th day of February, 2018

CHARTERED ACCOUNTANTS
& ADVISORS

Level 20, 181 William Street
Melbourne VIC 3000

Telephone: +61 3 9824 8555
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Note	CONSOLIDATED GROUP	
		31 Dec 17 \$'000	31 Dec 16 \$'000
Revenue	2a)	104,942	118,406
Other income	2b)	355	4,208
Construction and servicing costs		(41,105)	(59,196)
Employee benefits expense	2d)	(51,254)	(47,246)
Depreciation and amortisation expense	2c)	(3,071)	(2,242)
Finance costs		(212)	(117)
Other expenses		(7,004)	(6,520)
Share of net profits of joint ventures accounted for the using equity method		394	-
Profit before income tax expense		3,045	7,293
Income tax expense		(641)	(2,623)
Profit for the year attributable to members of the parent entity		2,404	4,670
Basic earnings per share (cents per share)		3.7 cents	7.3 cents
Diluted earnings per share (cents per share)		3.4 cents	6.7 cents

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	CONSOLIDATED GROUP	
	31 Dec 17 \$'000	31 Dec 16 \$'000
Profit for the period	2,404	4,670
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences arising on translation of foreign operations	(169)	66
Other comprehensive income for the period (net of tax)	(169)	66
Total comprehensive income for the period attributable to members of the parent entity	2,235	4,736

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	CONSOLIDATED GROUP	
	31 Dec 2017 \$'000	30 Jun 2017 \$'000
Current assets		
Cash and cash equivalents	15,139	24,449
Trade and other receivables	46,748	49,691
Inventories	9,966	9,710
Current tax assets	1,582	-
Other current assets	2,891	1,588
Investments accounted for using the equity method	394	-
Total current assets	76,720	85,438
Non-current assets		
Property, plant and equipment	31,117	28,964
Intangible assets	22,966	22,966
Deferred tax assets	1,895	3,256
Total non-current assets	55,978	55,186
Total assets	132,698	140,624
Current liabilities		
Trade and other payables	26,722	34,954
Financial liabilities	4,993	2,986
Current tax liabilities	-	1,464
Short term provisions	6,036	8,292
Total current liabilities	37,751	47,696
Non-current liabilities		
Financial liabilities	7,191	5,843
Long term provisions	769	737
Total non-current liabilities	7,960	6,580
Total liabilities	45,711	54,276
Net assets	86,987	86,348
Equity		
Issued capital	42,424	41,311
Reserves	1,745	2,114
Retained earnings	42,818	42,923
Total equity	86,987	86,348

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Note	Share Capital Ordinary \$'000	Retained Earnings \$'000	Share Based Payments Reserve \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Total \$'000
Balance at 1 July 2016		40,477	37,671	759	2,509	(509)	80,907
<i>Comprehensive income</i>							
Profit for the period		-	4,670	-	-	-	4,670
Other comprehensive income for the period		-	-	-	-	66	66
Total comprehensive income for the period		-	4,670	-	-	66	4,736
<i>Transactions with owners as owners</i>							
Shares issued during the period	5	833	88	(429)	-	-	492
- Dividends paid	3	-	(2,565)	-	-	-	(2,565)
- Vesting of performance rights and share options		-	-	465	-	-	465
- Transfer of prior year revaluation increment to retained earnings		-	1,827	-	(1,827)	-	-
Balance at 31 December 2016		41,310	41,691	795	682	(443)	84,035
Balance at 1 July 2017		41,311	42,923	2,119	682	(687)	86,348
<i>Comprehensive income</i>							
Profit for the period		-	2,404	-	-	-	2,404
Other comprehensive income for the period		-	-	-	-	(169)	(169)
Total comprehensive income for the period		-	2,404	-	-	(169)	2,235
<i>Transactions with owners as owners</i>							
- Shares issued during the period	5	1,113	106	(613)	-	-	606
- Dividends paid	3	-	(2,615)	-	-	-	(2,615)
- Vesting of performance rights and share options		-	-	413	-	-	413
Balance at 31 December 2017		42,424	42,818	1,919	682	(856)	86,987

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	CONSOLIDATED GROUP	
	31 Dec 17 \$'000	31 Dec 16 \$'000
Cash flows from operating activities		
Cash receipts in the course of operations	117,175	137,036
Cash payments in the course of operations	(117,306)	(133,386)
Interest received	67	85
Finance costs	(212)	(117)
Income tax (paid) / receipted	(1,996)	(132)
Net cash (outflow) / inflow in operating activities	(2,272)	3,486
Cash flows from investing activities		
Payments for purchases of plant and equipment	(1,645)	(2,461)
Proceeds from sale of property, plant and equipment	110	8,172
Net cash (outflow) / inflow in investing activities	(1,535)	5,711
Cash flows from financing activities		
Proceeds from issue of shares	606	492
Finance lease payments	(1,553)	(1,651)
Proceeds from finance lease non-current assets buy-back	-	360
Dividends paid by parent entity	(2,615)	(2,565)
Repayment of borrowings – premium funding	(1,964)	(1,944)
Net cash (outflow) in financing activities	(5,526)	(5,308)
Net (decrease) / increase in cash and cash equivalents held	(9,333)	3,889
Effect of exchange rates on cash and cash equivalents in foreign currencies	23	121
Cash and cash equivalents at beginning of period	24,449	21,860
Cash and cash equivalents at end of period	15,139	25,870

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

These interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134: *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

This financial report does not include all of the information required for full annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2017 and any public announcements made by SRG Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under ASX Listing Rule 3.1 and *Corporations Act 2001*.

These interim financial statements were authorised for issue by the Board of Directors on the date of signing the accompanying Directors' Declaration.

(b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to some of the accounting policies discussed below in 1(c) which became effective for the annual reporting period commencing 1 July 2017. Amounts in the financial statements have been rounded off to the nearest \$1,000 in accordance with the relief under ASIC Legislative Instrument 2016/191.

(c) New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period

Certain new accounting standards and interpretations became applicable to the current half year reporting period. The group's assessment of the impact of these new standards and interpretations is that they will not significantly impact upon the classification, recognition, disclosure and measurement of amounts recorded in the financial statements.

(d) New Accounting Standards and Interpretations not yet mandatory or early adopted

The Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the half year period ended 31 December 2017.

The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The consolidated entity does not expect any material impact from the requirements of the amended standard as there are currently no hedges in place, and the changes are not expected to impact other financial assets and liabilities of the consolidated entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. This standard will replace AASB 118 which covers contracts for good and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of goods or services transfers to a customer. The notion of control replaces the existing notion of risks and rewards. Management is currently assessing its impact and based on their preliminary assessment SRG's construction segment is expected to require the greatest degree of judgement. However, the application of AASB 15 is expected to be broadly similar to the current percentage of completion method and have not materially impact the consolidated group. At this stage, management believe that a modified retrospective approach will be used. New and existing contracts will continue to be reviewed to ensure that enforceable contractual rights and obligations satisfy the requirements of AASB 15.

AASB 16 Leases

The standard is mandatory for annual reporting periods beginning on or after 1 January 2019. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. The standard will affect primarily the accounting for the group's operating leases. However, management has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the group's profit and classification of cash flows. Some commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

2. Profit for the Period

		CONSOLIDATED GROUP	
		31 Dec 2017 \$'000	31 Dec 2016 \$'000
(a) Revenue			
Operating activities			
Rendering of services		102,043	114,753
Sale of goods		2,639	3,387
Interest received		67	85
Other revenue		193	181
Total Revenue (i)		104,942	118,406
(b) Other Income			
Non-operating activities			
Gain on disposal of held for sale assets (ii)		-	3,932
Gain on disposal of property, plant and equipment		63	-
Gain on deferred consideration		292	276
Total Other Income		355	4,208
Expenses			
(c) Depreciation of:			
- Plant and equipment		3,071	2,176
- Building		-	10
- Leasehold improvements		-	56
Rental - operating leases		1,218	1,107
(d) Restructuring cost (iii)		919	-
		5,208	3,349

- i. Revenue is net of intercompany sales and Joint Venture revenue.
- ii. During the half year ended 31 December 2016, the company recognised \$3.9m gain on the disposal of the property, 112 Munro Street, South Melbourne.
- iii. During the half year ended 31 December 2017, SRG Limited incurred in \$919,000 restructuring cost as a result of a realignment of SRG's organisational structure. Restructuring costs are included in Employee benefits expense of \$51,254k in the Consolidated Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

3. Dividends Paid or Proposed

	CONSOLIDATED GROUP	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Distributions paid		
Final fully franked dividend of 4.0 cents (2016: 4.0 cents) per share franked at the corporate tax rate of 30% (2016: 30%) in respect of profits for the year ended 30 June 2017 based on 65,379,065 ordinary shares at 13 th September 2017.	2,615	2,565
Distribution declared		
On 23 February 2018, the Directors declared an interim fully franked dividend of 2.0 cents (December 2016: 3.0 cents) per share franked at the corporate tax rate of 30% for the half year ended 31 December 2017. Record date is 14 th March 2018 and payment date is 20 th April 2018.	1,312	1,924

4. Fair Value Measurement

Due to the nature of the Group's operating profile, the Directors and management do not consider the fair values of the Group's financial assets and liabilities to be materially different from their carrying amounts at 31 December 2017.

5. Equity

	31 Dec 2017	31 Dec 2016
	Shares ('000)	Shares ('000)
(a) Share Capital		
Issues of ordinary shares during the half-year		
Exercise of options issued under the SRG Employee Option Incentive Scheme	730	590
Issued for no consideration:		
Performance Rights under SRG Employee Performance Rights Incentive Scheme	730	600

(b) Reserves

Share-Based Payment Reserve

The share-based payment reserve is used to recognise the value of the vesting of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

During the 6-month period ended 31 December 2017, SRG issued 800,000 Performance Rights pursuant to the SRG Incentive Performance Rights Plan.

Asset Revaluation Surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets in accordance with Australian Accounting Standards.

Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on the translation of foreign operations with functional currencies other than those of the presentation currency of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

6. Events Subsequent to Reporting Date

There were no material events subsequent to the end of the interim period that have not been recognised or disclosed in this interim financial report.

7. Contingent Liabilities

As at 31 December 2017, the group continued its bank guarantee arrangements with the bank, from 30 June 2017. There were no other material changes to contingent liabilities from those disclosed in the 30 June 2017 financial statements.

8. Segment Information

Primary reporting – Business segments

Operating segment	Construction		Mining		Corporate		Consolidated Group	
	31/12/17 \$'000	31/12/16 \$'000	31/12/17 \$'000	31/12/16 \$'000	31/12/17 \$'000	31/12/16 \$'000	31/12/17 \$'000	31/12/16 \$'000
Revenue								
External sales	67,129	85,303	37,553	32,837	-	-	104,682	118,140
Other revenue	198	181	-	-	62	85	260	266
Total revenue	67,327	85,484	37,553	32,837	62	85	104,942	118,406
Other Income	293	4	31	-	31	4,204	355	4,208
Results								
Segment result	3,333	2,625	3,918	3,672	(4,206)	996	3,045	7,293
Income tax expense	-	-	-	-	(641)	(2,623)	(641)	(2,623)
Profit after income tax	3,333	2,625	3,918	3,672	(4,847)	(1,627)	2,404	4,670
Assets								
Segment assets	76,735	74,838	37,321	36,309	18,642	29,477	132,698	140,624
Liabilities								
Segment liabilities	22,874	29,620	20,908	19,166	1,929	5,490	45,711	54,276
Non-Current Asset movements								
Acquisition of non-current assets	1,058	1,161	3,878	2,278	288	277	5,224	3,716
Depreciation of segment assets	983	764	1,947	1,326	141	152	3,071	2,242

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2017

8. Segment Information (continued)

Revenue and assets by geographical region

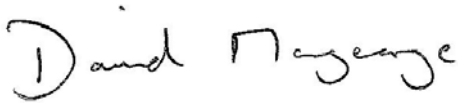
	Australia		International		Consolidated Group	
	31/12/17	31/12/16	31/12/17	31/12/16	31/12/17	31/12/16
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and assets by geographical region						
Segment revenue from external customers	90,508	109,183	14,174	8,957	104,682	118,140
Acquisition of non-current segment assets	5,203	3,681	21	35	5,224	3,716
	31/12/17	30/06/17	31/12/17	30/06/17	31/12/17	30/06/17
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount of segment assets	124,868	128,574	7,830	12,050	132,698	140,624

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 10 to 19 are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001, and
 - b. giving a true and fair view of the consolidated group's financial position as at 31 December 2017 and of its performance for the half-year ended on that date.
2. 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.

This report is made in accordance with a resolution of directors.

A handwritten signature in black ink that reads "David Macgeorge". The signature is written in a cursive, flowing style.

David Macgeorge
Managing Director

Dated 26 February 2018



SRG Limited

Independent auditor's review report to members

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of SRG Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 SRG 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 2017 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

Responsibilities of the Directors 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 Responsibilities for the Review of the Half-Year Financial Report

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 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 2017 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.

CHARTERED ACCOUNTANTS & ADVISORS

Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 0824 8656
williambuck.com



As the auditor of SRG Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN: 59 116 151 136

A handwritten signature in black ink, appearing to read "N. S. Benbow".

N. S. Benbow

Director

Dated this 26th day of February, 2018