AMALGAMATED HOLDINGS LIMITED

A.B.N. 51 000 005 103

Financial Results
For the half year ended 31 December 2014

This half year report is presented under listing rule 4.2A and should be read in conjunction with the Company's 2014 Annual Report.

ASX code:	AHD
Released:	19 February 2015
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	David Stone (AHL Company Secretary)

APPENDIX 4D
HALF YEARLY REPORT
RESULTS FOR ANNOUNCEMENT TO THE MARKET

for the half year ended 31 December 2014
(previous corresponding period: half year ended 31 December 2013)

Key Information

				2014 A$'000	2013 A$'000
Revenue and other income from continuing operations	Up	0.4%	to	570,534	568,528
Revenue and other income from discontinued operations				–	–
Total revenues and other income	Up	0.4%	to	570,534	568,528
Profit from continuing operations before individually significant items, net finance costs and income tax expense	Up	21.3%	to	76,096	62,727
Net finance costs				(3,716)	(3,784)
Profit from continuing operations before individually significant items and income tax expense	Up	22.8%	to	72,380	58,943
Individually significant items from continuing operations				–	3,899
Profit from continuing operations before income tax expense	Up	15.2%	to	72,380	62,842
Discontinued operations profit before income tax				–	–
Profit before income tax	Up	15.2%	to	72,380	62,842
Income tax expense from continuing operations				(21,190)	(16,602)
Income tax expense from discontinued operations				–	–
Profit for the period attributable to members of the parent entity	Up	10.7%	to	51,190	46,240

Dividends (distributions)			Amount per security	Franked amount per security
Final dividend	-	2014 (paid 18 September 2014)	27 ¢	27 ¢
Interim dividend	-	Current year	16 ¢	16 ¢
	-	Previous corresponding period	15 ¢	15 ¢

Record date for determining entitlements to the dividend	5th March 2015
Date of interim dividend payment	19th March 2015

Explanation of Revenue
See attached annexure and the Directors' Report.

Explanation of Profit from Ordinary Activities after Tax
See attached interim consolidated financial report.

Explanation of Net Profit
See attached interim consolidated financial report.

Explanation of Dividends
See attached interim consolidated financial report.

Net Tangible Asset Backing

	December 2014	December 2013
Net tangible asset backing per share	$5.23	$5.17

Controlled Entities Acquired or Disposed of
See attached interim consolidated financial report.

Additional Dividend Information
See attached interim consolidated financial report.

Dividend Re-Investment Plans
The Dividend Re-Investment Plan ("DRP") was suspended in August 2010 and will not operate for the 2015 interim dividend.

Associates and Joint Venture Entities
See attached interim consolidated financial report.

Compliance Statement
The information provided in this report has been prepared in accordance with Australian Accounting Standards, the Corporations Act 2001 and other standards acceptable to ASX.

The attached interim consolidated financial report for Amalgamated Holdings Limited has been subject to review by its auditors, KPMG. A copy of the independent auditor's review report to the members of Amalgamated Holdings Limited is attached.

REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2014

CONSOLIDATED GROUP RESULT	31 December 2014		31 December 2013	
	Normalised result*	Reconciliation to reported net profit	Normalised result*	Reconciliation to reported net profit
	$'000	$'000	$'000	$'000
Entertainment				
Australia	24,810	24,810	27,379	27,379
New Zealand	3,030	3,030	1,962	1,962
Germany	10,574	10,574	10,326	10,326
Hospitality and Leisure				
Hotels and Resorts	23,214	23,214	18,687	18,687
Thredbo Alpine Resort	16,917	16,917	9,126	9,126
Leisure and Attractions	1,196	1,196	285	285
Entertainment Technology				
Technology	122	122	923	923
Property and Other Investments				
Available-for-sale investments	400	400	368	368
Property	3,478	3,478	3,333	3,333
Unallocated revenues and expenses	(7,645)	(7,645)	(9,662)	(9,662)
	76,096	76,096	62,727	62,727
Finance revenue	642	642	433	433
Finance costs	(4,358)	(4,358)	(4,217)	(4,217)
Net profit before income tax and individually significant items	72,380	72,380	58,943	58,943
Income tax expense	(21,190)	(21,190)	(16,904)	(16,904)
Net profit before individually significant items	51,190	51,190	42,039	42,039
Individually significant items – net of tax		–		4,201
Reported net profit		51,190		46,240

* Normalised result is profit for the period before individually significant items (as outlined in Note 4 to the interim consolidated financial report and in the table below). As outlined in Note 2 to the financial statements, this measure is used by the Group's Managing Director to allocate resources and in assessing the relative performance of the Group's continuing operations. The normalised result is an unaudited non-IFRS measure.

OVERVIEW

Net profit before individually significant items was $51,190,000, an increase of $9,151,000 or 21.8% above the prior comparable half year period. The individually significant items were:

	31 Dec 2014 $'000	31 Dec 2013 $'000
Fair value gain on acquisition of an additional interest in a joint operation	–	4,905
Redundancy and other non-recurring costs	–	(1,006)
Total individually significant items before income tax benefit	–	3,899
Income tax benefit relating to individually significant items	–	302
Total individually significant items after income tax benefit	–	4,201

Reported net profit was $51,190,000, an increase of $4,950,000 or 10.7% above the prior comparable half year period.

REVIEW OF OPERATIONS

Entertainment

Cinema Exhibition Australia

The normalised profit before interest and income tax expense was $24,810,000 or 9.4% below the prior comparable half year. The result was predominately impacted by a 2.5% fall in box office, reflecting a reduction in admissions and 3D content, and less screen advertising revenue.

A soft film line up in the first quarter of 2014/15 was followed by stronger performing titles being released in the second quarter. During the half year there were four titles that grossed in excess of $20 million at the Australian Box Office, these included *The Hunger Games: Mockingjay Part 1* ($32.6 million), *Gone Girl* ($26.9 million), *Guardians of the Galaxy* ($26.6 million) and *Interstellar* ($20 million). During the half year there were 13 films that grossed more than $10 million at the Australian Box Office compared to 17 films in the prior comparable half year.

Merchandising revenue spend per admission experienced positive growth over the prior comparable half year across both Gold Class and Scoop Alley Candy Bars. The increased mechandising revenue, together with an increased cost focus and implementation of tight cost controls over the cost of goods sold, assisted in marginally offsetting the box office and screen advertising impact.

The Group continues to pursue increased market share and visitation loyalty through the Cinebuzz loyalty program. The total number of active members at 31 December 2014 totalled 909,000 up 15.6% from the previous comparable period.

The Group has an extensive cinema development schedule with approximately 80 screens being added progressively to the Australian circuit over the next two years. During the half year period the Group opened a new traditional five-screen cinema complex at Townsville in North Queensland and closed its 12 screen cinema at Pacific Fair on the Gold Coast, which is being fully refurbished as part of the redevelopment of the shopping centre and is anticipated to re-open later in the 2015 calendar year. A new Event Cinema offering will open in the redeveloped Westfield Miranda in April 2015 and will include two Gold Class, two Vmax and six traditional screens.

Cinema Exhibition New Zealand

The normalised profit before interest and income tax expense was $3,030,000, an increase of 54.4% on the prior comparable half year. The result was predominately achieved through an increase in merchandising revenue, significant cost saving initiatives particularly relating to payroll and cost of goods sold, and favourable film hire rates. The result was marginally impacted by a 1.5% fall in box office and reduced screen advertising revenue.

During the half year there were four titles that grossed in excess of NZ$4 million at the New Zealand Box Office, these titles included *The Hobbit: The Battle of the Five Armies* (NZ$6.0 million), *The Hunger Games: Mockingjay Part 1* (NZ$5.8 million), *Guardians of the Galaxy* (NZ$4.5 million) and *How to Train Your Dragon 2* (NZ$4.0 million). The four films achieved a combined total of NZ$20.3 million compared to the top four films in the prior comparable half year which collectively grossed $22.3 million.

Merchandising revenue spend per admission increased by 8.7% over the prior comparable half year. This growth was driven by a continued focussed sales approach along with a number of successful Candy Bar Combo promotions. The continued strengthening of the New Zealand dollar also had a positive impact on the half year result.

The Group continues to pursue market share, particularly through the Cinebuzz loyalty program. The total number of active members as at 31 December 2014 totalled 126,000 up 40.6% from the prior comparable half year.

The Group has expanded its footprint in New Zealand by acquiring two cinemas in the Bay of Plenty region. The cinemas included a leasehold eight screen complex at Tauranga and a freehold four screen complex at Mount Maunganui. The acquisition was completed in December 2014.

The result includes the Fiji Cinema Joint Venture, which includes a 66.7% share in three cinemas located in Fiji.

Cinema Exhibition Germany

The normalised profit before interest and income tax expense was $10,574,000, an increase of 2.4% on the prior comparable half year. Improved merchandising revenues and margins assisted in offsetting the 1.8% fall in box office. The Euro also weakened slightly against the Australian dollar which had an unfavourable impact on the half year result.

The half year started slowly when cinema visitation in July 2014 was severely impacted by Germany's success at the Football World Cup, however an improved release schedule from late July 2014 assisted in a box office recovery. The films which achieved in excess of 2 million admissions at the German Box Office during the half year included: *The Hobbit: The Battle of Five Armies* (4.6 million admissions); *The Hunger Games: Mockingjay Part 1* (3.6 million admissions); *Transformers: Age of Extinction* (2.4 million admissions)*; How to Train Your Dragon 2* (2.6 million admissions); and the French hit, *Monsieur Claude and his Daughters* (3.6 million admissions). These five films achieved a combined total of 16.8 million admissions compared to six films in the prior comparable half year which collectively achieved 22.6 million admissions.

Despite the slow July 2014 start, German produced films managed to attain a reputable 16.1% share of the total German Box Office compared to 20.4% in the prior comparable half year. In addition, the German film *Honig im Kopf*, released late in December 2014, opened well and has continued to perform strongly into January and February 2015.

Similar to the Australian and New Zealand cinema businesses, the Group has recently commenced a loyalty program for the German cinema operations. The new CineStarCARD loyalty program currently has in excess of 152,000 members and will be heavily promoted to further grow the membership base.

Hospitality and Leisure

Hotels and Resorts

The normalised profit before interest and income tax expense was $23,214,000, an increase of 24.2% on the prior comparable half year. Each of the Group's brands (Rydges, QT and Atura) performed well and contributed to the increased profit for the half year.

QT Sydney has continued to maintain its recent strong growth with profit increasing by $1,446,000. In addition, the contribution from Atura Blacktown (which opened in October 2013) improved by $1,223,000 over the prior comparable half year result. Collectively, the improved results from these two hotels account for 59.0% of the total uplift in the overall Hotels' result. QT Gold Coast, Rydges Melbourne and Rydges Queenstown all strongly outperformed the prior comparable half year period.

Occupancy levels of the owned hotels portfolio increased by 2.4 percentage points to 76.0% with average room rate increasing by 2.3% to $160. Revenue per available room (revpar) increased by 5.5% to $122. Demand was generally stronger across the owned hotels. The impact of continued competition and price pressure in the domestic leisure market was offset by improved market share in the corporate and government segments. The conference segment was patchy in demand throughout the half year however several hotels did achieve a pleasing uplift. The change in segment mix, together with tighter cost controls, generated better margins across most hotels.

Despite the pressure in the domestic leisure segment, high levels of promotional activity and increased inbound arrivals provided growth in regional centres and tourist destinations such as Cairns and Rotorua. The continuing stagnation of activity within the mining sector, particularly relating to new developments, impacted the results from the Group's hotels located in Townsville and Gladstone.

During the half year the Group undertook a major relaunch of the hotel loyalty program, *Priority Guest Rewards*. The benefits of the program have been expanded and enhanced and are designed to increase direct bookings and gain market share over increasing competition from Online Travel Agents (OTA's).

Atura Blacktown, which opened in October 2013, has gained considerable traction and performed well within its market. The expansion of the Atura brand has commenced with the acquisition, in October 2014, of a 128 room hotel in Doveton (Victoria) which has been rebranded as Atura Dandenong and the refurbished Rydges Albury being recently relaunched as Atura Albury.

The development of QT Melbourne (188 rooms) has commenced with an expected opening around mid-2016. The development includes 24 residential apartments of which 20 apartments have been pre-sold. The new QT Residence (69 rooms) at Bondi Beach is expected to open in September 2015.

The Group added another 180 rooms to the managed hotel portfolio with two new Art Series hotels opening, including The Watson (84 rooms) and The Larwill (96 rooms). Additional changes have also been announced relating to the managed hotel portfolio, with the management agreement for Bell City in Melbourne (828 rooms) terminating in January 2015, Rydges Perth (245 rooms) is expected to exit in September 2015 and Rydges St Kilda (80 rooms) was added to the portfolio in January 2015.

Thredbo Alpine Resort

The normalised profit before interest and income tax expense was $16,917,000, an increase of 85.4% over prior comparable half year. The result reflects the outstanding 2014 ski season.

Revenues increased by 24.1% over the prior comparable half year. Skier numbers for the half year improved by 15.1% to 406,000 and improved yields from lift ticket sales, ski hire and retail revenues, together with growth of 22.0% in the ski school participation all contributed to the improved result. Reductions in electricity rates together with improvements in snow making procedures and electricity demand management delivered a 32.9% reduction in energy costs compared to the prior comparable half year.

The outstanding success of the 2014 ski season was primarily due to two early major snowfalls followed by a series of very cold nights which allowed excellent snow making production. This contrasts markedly to the 2013 ski season which was one of the worst on record where any material snowfall was followed by warm wind and rain. The 2014 ski result highlights the significance and importance of the Group's snow making ability and capacity.

Leisure/Attractions

The normalised profit before interest and income tax expense was $1,196,000, an increase of 319% on the prior comparable half year period. The result represents the earnings from the State Theatre in Sydney. There were 66 performances held at the theatre during the half year compared to 31 held in the prior comparable half year period, however the theatre was closed for renovations and other work for three months during that half year period.

Entertainment Technology

The normalised profit before interest and income tax expense was $122,000, a decrease of 86.8% on the prior comparable half year period. The reduction in the result is due to a wind-down and completion of the digitisation of the Australian cinema market, which predominately occurred in the 2013/14 year.

Property

The normalised profit before interest and income tax expense was $3,478,000, an increase of 4.3% on the prior comparable half year period. The result included a fair value increment to the investment properties of $578,000, compared to a fair value increment in the prior year of $834,000.

The Group expects to complete its retail and serviced office development in Double Bay (Sydney) in June 2015. In addition, the Group's development of 478 George Street is progressing well and is expected to be completed in September 2015. The property will incorporate a ground and first floor retail space (fronting George Street and opposite the Queen Victoria Building), a serviced office component and the head offices of the AHL Group.

AMALGAMATED HOLDINGS LIMITED
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INTERIM CONSOLIDATED FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2014

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AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT

The directors present their report together with the interim consolidated financial report for the half year ended 31 December 2014 and the independent auditors' review report thereon.

Directors

The directors of the Company at any time during or since the end of the half year period are:

Name	Period of directorship
Mr AG Rydge (Chairman)	Director since 1978
Mr DC Seargeant (Managing Director)	Director since 2001
Mr RG Newton	Director since 2008
Mr PR Coates *AO*	Director since 2009
Mr KG Chapman	Director since 2010
Ms VA Davies	Director since 2011
Mr DC Grant	Director since 2013
Mrs PM Mann	Director since 2013

Review of operations

The review and results of operations are set out in the Annexure to the Appendix 4D.

Dividend

On 19 February 2015 the directors declared an interim dividend of $25,689,588 (16 cents per share).

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001*

The lead auditor's independence declaration is set out on page 11 and forms part of the directors' report for the half year ended 31 December 2014.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the class order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:

AG Rydge
Director

DC Seargeant
Director

Dated at Sydney this 19th day of February 2015.

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Amalgamated Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2014 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Kenneth Reid
Partner

Sydney

19 February 2015

AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	31 Dec 2014 $'000	30 June 2014 $'000
ASSETS			
Current assets			
Cash and cash equivalents		131,037	91,069
Trade and other receivables		56,949	48,130
Inventories		17,094	15,247
Prepayments and other current assets		8,353	10,657
Total current assets		213,433	165,103
Non-current assets			
Trade and other receivables		1,069	1,106
Other financial assets		1,398	1,398
Available-for-sale financial assets		17,880	17,281
Investments accounted for using the equity method	8	12,220	10,780
Property, plant and equipment	9	888,734	861,659
Investment properties		70,300	72,300
Goodwill and other intangible assets	10	92,714	91,785
Deferred tax assets		8,293	8,343
Other non-current assets		6,113	8,663
Total non-current assets		1,098,721	1,073,315
Total assets		1,312,154	1,238,418
LIABILITIES			
Current liabilities			
Trade and other payables		91,786	81,143
Loans and borrowings	11	907	766
Current tax liabilities		7,844	2,582
Provisions		16,939	17,067
Deferred revenue		92,332	70,508
Other current liabilities		2,357	1,946
Total current liabilities		212,165	174,012
Non-current liabilities			
Loans and borrowings	11	130,470	109,629
Deferred tax liabilities		13,959	11,722
Provisions		10,799	10,546
Deferred revenue		7,860	7,615
Other non-current liabilities		4,443	4,539
Total non-current liabilities		167,531	144,051
Total liabilities		379,696	318,063
Net assets		932,458	920,355
EQUITY			
Share capital	12	219,126	219,126
Reserves	13	36,774	32,510
Retained earnings		676,558	668,719
Total equity		932,458	920,355

The Statement of Financial Position is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 17 to 31.

AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Note	31 Dec 2014 $'000	31 Dec 2013 $'000
Continuing operations			
Revenue and other income			
Revenue from sale of goods and rendering of services	3	546,010	540,929
Other revenue and income	3	24,524	27,599
		570,534	568,528
Expenses			
Employee expenses		(132,757)	(129,776)
Occupancy expenses		(119,575)	(121,856)
Film hire and other film expenses		(109,044)	(112,752)
Purchases and other direct expenses		(50,060)	(60,413)
Amortisation and depreciation		(33,422)	(30,069)
Other operating expenses		(32,687)	(31,929)
Advertising, commissions and marketing expenses		(17,861)	(16,212)
Finance costs		(4,358)	(4,217)
		(499,764)	(507,224)
Equity profit			
Share of net profit of equity accounted investees:			
Associates	14	3	4
Joint ventures	14	1,607	1,534
		1,610	1,538
Profit before tax from continuing operations	4	72,380	62,842
Income tax expense	7	(21,190)	(16,602)
Profit after tax from continuing operations		51,190	46,240
Discontinued operations			
Profit after tax from discontinued operations	5	–	–
Profit for the period		51,190	46,240

	31 Dec 2014 Cents	31 Dec 2013 Cents
Earnings per share:		
Basic earnings per share		
Continuing operations	32.4	29.3
Discontinued operations	–	–
Total	32.4	29.3
Diluted earnings per share		
Continuing operations	32.0	29.0
Discontinued operations	–	–
Total	32.0	29.0

The Income Statement is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 17 to 31.

AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	31 Dec 2014 $'000	31 Dec 2013 $'000
Profit for the period	51,190	46,240
Other comprehensive income from continuing operations		
Items that may be reclassified to profit or loss		
Foreign currency translation differences for foreign operations – net of tax	4,030	12,664
Net change in fair value of available-for-sale financial assets – net of tax	419	1,725
Net change in fair value of cash flow hedges – net of tax	39	(13)
Other comprehensive income for the period – net of income tax	4,488	14,376
Total comprehensive income for the period	55,678	60,616

The Statement of Comprehensive Income is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 17 to 31.

AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Share capital $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2014	219,126	32,510	668,719	920,355
Profit for the period	–	–	51,190	51,190
Other comprehensive income				
Foreign currency translation differences for foreign operations – net of tax	–	4,030	–	4,030
Net change in fair value of available-for-sale financial assets – net of tax	–	419	–	419
Net change in fair value of cash flow hedges – net of tax	–	39	–	39
Total other comprehensive income recognised directly in equity	–	4,488	–	4,488
Total comprehensive income for the period	–	4,488	51,190	55,678
Employee share-based payments expense – net of tax	–	(224)	–	(224)
Dividends paid	–	–	(43,351)	(43,351)
Balance at 31 December 2014	219,126	36,774	676,558	932,458
Balance at 1 July 2013	219,126	22,987	657,419	899,532
Profit for the period	–	–	46,240	46,240
Other comprehensive income				
Foreign currency translation differences for foreign operations – net of tax	–	12,664	–	12,664
Transfer	–	(139)	139	–
Net change in fair value of available-for-sale financial assets – net of tax	–	1,725	–	1,725
Net change in fair value of cash flow hedges – net of tax	–	(13)	–	(13)
Total other comprehensive income recognised directly in equity	–	14,237	139	14,376
Total comprehensive income for the period	–	14,237	46,379	60,616
Employee share-based payments expense – net of tax	–	64	–	64
Dividends paid	–	–	(43,351)	(43,351)
Balance at 31 December 2013	219,126	37,288	660,447	916,861

The Statement of Changes in Equity is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 17 to 31.

AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	31 Dec 2014 $'000	31 Dec 2013 $'000
Cash flows from operating activities		
Cash receipts in the course of operations	605,463	604,258
Cash payments in the course of operations	(495,567)	(528,850)
Cash provided by operations	109,896	75,408
Distributions from associates and joint ventures	252	751
Other revenue	22,889	21,001
Dividends received	405	373
Interest received	642	518
Finance costs paid	(4,278)	(4,127)
Income tax refunds	4,546	–
Income tax paid	(16,489)	(21,976)
Net cash provided by operating activities	117,863	71,948
Cash flows from investing activities		
Payments for property, plant and equipment and redevelopment of properties	(45,698)	(39,765)
Payment for acquisition of a joint venture	–	(8,583)
Payment for business acquired including intangible assets	(8,007)	(5,969)
Payments for management rights, software and other intangible assets	(361)	(965)
Increase in loans to associates and joint operations	(2,231)	(3,534)
Proceeds from disposal of other non-current assets	–	81
Increase in loans from other entities	1,679	1,460
Net cash used by investing activities	(54,618)	(57,275)
Cash flows from financing activities		
Proceeds from borrowings	56,000	60,759
Repayment of borrowings	(38,000)	(28,000)
Dividends paid	(43,351)	(43,351)
Net cash used by financing activities	(25,351)	(10,592)
Net increase in cash and cash equivalents	37,894	4,081
Cash and cash equivalents at the beginning of the period	91,069	105,592
Effect of exchange rate fluctuations on cash held	2,074	5,319
Cash and cash equivalents at the end of the period	131,037	114,992

The Statement of Cash Flows is to be read in conjunction with the condensed notes to the interim consolidated financial report on pages 17 to 31.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND COMPLIANCE

Amalgamated Holdings Limited ("Company") is a company domiciled in Australia. The condensed interim consolidated financial report of the Company as at and for the six months ended 31 December 2014 comprises the Company and its subsidiaries (collectively referred to as "Group" or "Consolidated Entity") and the Group's interest in associates and jointly controlled entities.

The interim consolidated financial report was authorised by the Board of the Company for issue on 19 February 2015.

(a) Statement of Compliance

The interim consolidated financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reports* and the *Corporations Act 2001*.

The interim consolidated financial report does not include all of the information required for a full annual financial report.

It is recommended that this interim consolidated financial report be read in conjunction with the most recent annual financial report for the year ended 30 June 2014. This report should also be read in conjunction with any public announcements made by the Company during the half year in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

(b) Significant Accounting Policies

The accounting policies applied by the Group in this interim consolidated financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2014.

(c) Estimates

The preparation of the interim consolidated financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim consolidated financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2014.

(d) Financial Risk Management

The Group's financial risk management systems are consistent with that disclosed in the consolidated financial report as at and for the year ended 30 June 2014.

NOTE 2 – SEGMENT REPORTING

Operating segments	Cinema Exhibition										
	Australia $'000	New Zealand $'000	Germany $'000	Entertainment Technology $'000	Hotels $'000	Thredbo Alpine Resort $'000	Leisure/ Attractions $'000	Property and Other Investments $'000	Continuing operations $'000	Discontinued operations $'000	Consolidated $'000
31 December 2014											
Revenue and other income											
External segment revenue	181,186	39,301	153,538	7,905	130,028	45,906	3,147	7,749	568,760	–	568,760
Inter-segment revenue	–	–	–	2,682	–	–	–	–	2,682	–	2,682
Other income – external	–	–	–	–	134	–	–	978	1,112	–	1,112
Finance revenue									642	–	642
Other unallocated revenue									20	–	20
Elimination of inter-segment revenue									(2,682)	–	(2,682)
Revenue and other income									570,534	–	570,534
Result											
Segment result before individually significant items	24,796	3,030	8,981	119	23,214	16,917	1,196	3,878	82.131	–	82,131
Share of net profit of equity accounted investees	14	–	1,593	3	–	–	–	–	1,610	–	1,610
Total segment result before individually significant items	24,810	3,030	10,574	122	23,214	16,917	1,196	3,878	83,741	–	83,741
Unallocated revenue and expenses									(7,645)	–	(7,645)
Net finance costs									(3,716)	–	(3,716)
Profit before related income tax expense									72,380	–	72,380
Income tax expense									(21,190)	–	(21,190)
Profit after income tax expense									51,190	–	51,190
Reportable segment assets	255,537	78,674	175,874	5,923	513,983	38,785	7,554	191,802	1,268,132	–	1,268,132
Equity accounted investments	9,956	–	2,122	142	–	–	–	–	12,220	–	12,220
Deferred tax assets									8,293	–	8,293
Unallocated corporate assets									23,509	–	23,509
Total assets									1,312,154	–	1,312,154

NOTE 2 – SEGMENT REPORTING

Operating segments	Cinema Exhibition Australia $'000	Cinema Exhibition New Zealand $'000	Cinema Exhibition Germany $'000	Entertainment Technology $'000	Hotels $'000	Thredbo Alpine Resort $'000	Leisure/ Attractions $'000	Property and Other Investments $'000	Continuing operations $'000	Discontinued operations $'000	Consolidated $'000
31 December 2013											
Revenue and other income											
External segment revenue	185,909	37,556	154,602	21,704	115,526	36,739	1,691	8,185	561,912	–	561,912
Inter-segment revenue	–	–	–	1,285	–	–	–	–	1,285	–	1,285
Other income – external	–	–	–	–	4	54	–	1,202	1,260	–	1,260
Finance revenue									433	–	433
Other unallocated revenue									18	–	18
Elimination of inter-segment revenue									(1,285)	–	(1,285)
Revenue and other income before individually significant items									563,623	–	563,623
Individually significant items									4,905	–	4,905
Revenue and other income									568,528	–	568,528
Result											
Segment result before individually significant items	27,394	1,962	8,777	919	18,687	9,126	285	3,701	70,851	–	70,851
Share of net profit/(loss) of equity accounted investees	(15)	–	1,549	4	–	–	–	–	1,538	–	1,538
Total segment result before individually significant items	27,379	1,962	10,326	923	18,687	9,126	285	3,701	72,389	–	72,389
Unallocated revenue and expenses									(9,662)	–	(9,662)
Net finance costs									(3,784)	–	(3,784)
Individually significant items									3,899	–	3,899
Profit before related income tax expense									62,842	–	62,842
Income tax expense									(16,602)	–	(16,602)
Profit after income tax expense									46,240	–	46,240
Reportable segment assets	264,814	72,222	173,389	10,296	485,891	40,066	7,665	175,361	1,229,704	–	1,229,704
Equity accounted investments	8,568	–	3,563	143	–	–	–	–	12,274	–	12,274
Deferred tax assets									9,751	–	9,751
Unallocated corporate assets									20,157	–	20,157
Total assets									1,271,886	–	1,271,886

NOTE 2 – SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses from transactions with other Group segments. All segments' operating results are regularly reviewed by the Group's Managing Director to make decisions about resources to be allocated to a segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Managing Director include items directly attributable to a segment, before individually significant items, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate head office assets, head office expenses, and income tax assets and liabilities.

Additions to non-current segment assets are the total cost incurred during the period to acquire assets that include amounts expected to be recovered over more than 12 months after the year end date. Amounts include property, plant and equipment, but exclude financial instruments and deferred tax assets.

Segment information is presented in respect of the Group's reporting segments. These are the Group's main strategic business segments and have differing risks and rewards associated with the business due to their different product or service and geographic markets. For each of these operating segments, the Group's Managing Director regularly reviews internal management reports.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax as included in the internal management reports. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of segments relative to those of other businesses. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest bearing loans and borrowings and borrowing costs, interest income and corporate head office assets and expenses.

Operating segments

The Group comprises the following main operating segments:

- Cinema Exhibition Australia
  Includes the cinema exhibition operations in Australia.
- Cinema Exhibition New Zealand
  Includes cinema exhibition operations in New Zealand and Fiji.
- Cinema Exhibition Germany
  Includes the cinema exhibition operations in Germany.
- Entertainment Technology
  Includes theatre equipment supply and servicing.
- Hotels
  Includes the ownership, operation and management of hotels in Australia and overseas.
- Thredbo Alpine Resort
  Includes all the operations of the resort including property development activities.
- Leisure and Attractions
  Includes ancillary leisure and other activities including The State Theatre.
- Property and Other Investments
  Includes property rental, investment properties and available-for-sale financial assets.

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NOTE 3 – REVENUE AND OTHER INCOME	31 Dec 2014 $'000	31 Dec 2013 $'000
Revenue		
Rendering of services	376,200	369,017
Sale of goods	169,810	171,912
	546,010	540,929
Other Revenue		
Rental revenue	11,514	11,175
Management and consulting fees	10,785	9,419
Finance revenue	642	433
Dividends	405	373
Sundry	471	407
	23,817	21,807
Other income		
Fair value gain on acquisition of an additional interest in a joint operation	–	4,905
Insurance proceeds	129	–
Profit on sale of plant and equipment	–	53
Increase in fair value of investment property	578	834
	707	5,792
	570,534	568,528

NOTE 4 – PROFIT BEFORE INCOME TAX	31 Dec 2014 $'000	31 Dec 2013 $'000
Profit before income tax expense includes the following items where disclosure is relevant in explaining the financial performance of the Group:		
(a) **Individually significant items**		
Fair value gain on acquisition of an additional interest in a joint operation	–	4,905
Redundancy and other non-recurring costs	–	(1,006)
	–	3,899

(b) **Seasonality of operations**

The consolidated result includes the operations of the Thredbo Alpine Resort. Due to the timing of the Australian ski season, profits from this business for the financial year to 30 June 2015 have largely been earned in the half year to 31 December 2014.

NOTE 5 – DISCONTINUED OPERATIONS

Half year to 31 December 2014
There were no discontinued operations during the half year period to 31 December 2014.

Prior comparable half year period
There were no discontinued operations during the prior comparable half year period.

NOTE 6 – DIVIDENDS

	Per share Cents	Total amount $'000	Date of payment	Tax rate for franking credit	Percentage franked
Dividends on ordinary shares paid or provided for in the current and comparative periods are:					
2014					
Final 2014 dividend paid	27	43,351	18 September 2014	30%	100%
2013					
Final 2013 dividend paid	27	43,351	19 September 2013	30%	100%
Subsequent events					
Since the end of the period, the directors declared the following dividend:					
Interim 2015 dividend	16	25,690	19 March 2015	30%	100%

The financial effect of this interim dividend has not been brought to account in the interim consolidated financial report for the half year ended 31 December 2014 and will be recognised in subsequent consolidated financial reports.

NOTE 7 – TAXATION	31 Dec 2014 $'000	31 Dec 2013 $'000
Income tax expense		
The major components of income tax expense are:		
Income tax recognised in profit or loss		
Income tax expense attributable to continuing operations	21,190	16,602
Income tax expense attributable to discontinued operations	–	–
	21,190	16,602
Current income tax		
Current income tax expense	19,351	13,359
Adjustments in respect of current income tax of prior period	204	325
Deferred income tax		
Relating to origination and reversal of temporary differences	1,635	2,918
Income tax expense reported in the Income Statement	21,190	16,602
Income tax charged/(credited) directly in equity		
Deferred income tax related to items charged/(credited) directly in equity		
Net gain/(loss) on revaluation of cash flow hedges	2	(5)
Unrealised gain on available-for-sale financial assets	180	739
Adjustments to share-based payments reserve	(16)	29
Currency translation movements of deferred tax balances of foreign operations	(107)	(397)
Income tax expense reported in equity	59	366
Reconciliation between tax expense and pre-tax net profit		
A reconciliation between tax expense and accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:		
Profit before tax from continuing operations	72,380	62,842
Profit before tax from discontinued operations	–	–
Accounting profit before income tax expense	72,380	62,842
Prima facie income tax expense calculated at the Group's statutory income tax rate of 30% (2013: 30%) on accounting profit	21,714	18,852
Increase in income tax expense due to:		
Depreciation and amortisation of buildings	201	215
Non-refundable franking credits grossed up	51	47
Non-deductible items and losses in non-resident controlled entities	429	927
Non-deductible acquisition and legal costs	39	75
Amortisation of management rights and other intangible assets	486	330
	1,206	1,594
Decrease in income tax expense due to:		
Tax losses from prior years now recognised or utilised	1,067	1,539
Fair value adjustment on acquisition of a joint venture	–	1,471
Franking credits on dividends received	171	158
Share of incorporated joint venture net profit	551	465
Fair value adjustment on investment properties recognised	15	150
Share of associates' net gain/(loss)	2	(5)
Sundry items	128	391
	1,934	4,169
Income tax under/(over) provided in prior period	204	325
	21,190	16,602

NOTE 8 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	31 Dec 2014 $'000	30 June 2014 $'000
Associates (refer to Note 14)	142	139
Joint ventures (refer to Note 14)	12,078	10,641
	12,220	10,780

NOTE 9 – PROPERTY, PLANT AND EQUIPMENT

Acquisitions

During the six months ended 31 December 2014 the Group acquired property, plant and equipment with a cost value of $50,970,000 (2013: $39,765,000)

NOTE 10 – GOODWILL AND OTHER INTANGIBLE ASSETS	31 Dec 2014 $'000
Goodwill and other intangible assets comprise of goodwill, construction rights, management and leasehold rights, liquor licences and software. Movements in goodwill and other intangible assets during the half year period were as follows:	
Balance at the beginning of the period – 1 July 2014	91,785
Additions	3,252
Net foreign currency differences on translation of foreign operations	572
Amortisation	(2,895)
Balance at the end of the period – 31 December 2014	92,714

NOTE 11 – LOANS AND BORROWINGS	31 Dec 2014 $'000	30 June 2014 $'000
Current		
Non-interest bearing loans		
Loans from other companies – unsecured	907	766
Non-current		
Interest bearing liabilities and borrowings		
Bank loans – secured	127,718	108,027
Deferred financing costs	(1,155)	(767)
	126,563	107,260
Non-interest bearing loans		
Loans from other companies – unsecured	3,907	2,369
	130,470	109,629

Bank debt – secured

The Group's secured bank debt facilities comprise the following:

- A$350,000,000 revolving multi-currency loan facility;
- A$30,000,000 credit support facility (for the issue of letters of credit and bank guarantees); and
- a A$50,000 overdraft limit to support its transactional banking facilities.

The above facilities were extended during the half year and mature on 12 September 2017 and are supported by interlocking guarantees from most Group entities and are secured by specific property mortgages. Debt drawn under these facilities bears interest at the relevant inter-bank benchmark reference rate plus a margin of between 1.10% and 2.00% per annum. At 31 December 2014, the Group had drawn $125,350,000 (30 June 2014: $105,757,000) under the debt facilities, of which $nil (30 June 2014: $nil) was subject to interest rate swaps used for hedging, and had drawn $7,365,000 under the credit support facility (30 June 2014: $7,559,000).

Other loans – secured

During the year ended 30 June 2014, certain wholly owned German subsidiaries arranged secured debt facilities comprising of the following:

- €5,000,000 (A$7,412,000) revolving three year loan facility; and
- €17,000,000 (A$25,200,000) five year guarantee facility (for the issue of letters of credit and bank guarantees).

These facilities are supported by interlocking guarantees from certain (non-Australian based) Group entities and are secured against a specific property in Germany. Debt drawn under these facilities bears interest at the relevant inter-bank benchmark rate plus a margin of between 0.75% and 2.75% per annum. At 31 December 2014, the Group had drawn €nil (A$nil) (30 June 2014: €nil (A$nil)) under the revolving three year loan facility and €10,275,000 (A$15,231,000) (30 June 2014: €11,496,000 (A$16,646,000)) under the five year guarantee facility.

In addition, a Group entity based in Fiji and its joint operation partner have secured debt bank facilities, including a FJ$6,000,000 (A$3,696,000) five year advance facility. At 31 December 2014, the Group's share of debt drawn under this facility was FJ$3,844,000 (A$2,368,000) (30 June 2014: FJ$3,928,000 (A$2,270,000)). These facilities are secured against a specific property in Fiji.

NOTE 12 – SHARE CAPITAL	31 Dec 2014 Shares	30 June 2014 Shares	31 Dec 2014 $'000	30 June 2014 $'000
Share capital				
Fully paid ordinary shares	158,034,456	157,985,750	219,126	219,126
Share capital consists of:				
Ordinary shares	157,863,896	157,809,455		
Tax Exempt Share Plan	53,240	55,075		
Employee Share Plan	117,320	121,220		
	158,034,456	157,985,750		
Treasury shares				
Performance shares	2,525,467	2,574,173		
	160,559,923	160,559,923		

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

NOTE 13 – RESERVES	31 Dec 2014 $'000	30 June 2014 $'000
Available-for-sale financial assets revaluation	12,560	12,141
Investment property revaluation	5,121	5,121
Hedging	35	(4)
Share-based payments	14,623	14,847
Foreign currency translation	4,435	405
	36,774	32,510

NOTE 14 – INTERESTS IN OTHER ENTITIES

Subsidiaries
A list of subsidiaries of the Group is set out in Note 5.2 of the 2014 Annual Report. Since 1 July 2014 there have been no significant changes to the Group's subsidiaries.

Joint Ventures
Details of the Group's investments in joint ventures, which are accounted for using the equity method, are as follows:

		Ownership interest		Investment carrying amount		Contribution to operating profit/(loss)		
Name	Principal activities	31 Dec 2014 %	30 Jun 2014 %	31 Dec 2014 $'000	30 Jun 2014 $'000	31 Dec 2014 $'000	31 Dec 2013 $'000	30 Jun 2014 $'000
Filmpalast am ZKM Karlsruhe GmbH & Co. KG	Operator of a multiscreen cinema complex	(a) 50	(a) 50	2,685	1,537	1,116	1,173	1,679
Filmpalast Konstanz GmbH & Co. KG	Operator of a multiscreen cinema complex	(a) 50	(a) 50	860	585	477	376	619
Loganholme Cinemas Pty Limited	Operator of a multiscreen cinema complex	(b) 50	(b) 50	8,533	8,519	14	(15)	(114)
				12,078	10,641	1,607	1,534	2,184

Note:
(a) Filmpalast am ZKM Karlsruhe GmbH & Co. KG and Filmpalast Konstanz GmbH & Co. KG were incorporated in Germany.
(b) Loganholme Cinemas Pty Limited was incorporated on 23 August 2013 and on 11 December 2013 acquired the Loganholme cinema complex. Refer to Note 15 for further details on this acquisition.

Associates
Details of the Group's investments in associates, which are accounted for using the equity method, are as follows:

		Ownership interest		Investment carrying amount		Contribution to operating profit/(loss)		
Name	Principal Activities	31 Dec 2014 %	30 Jun 2014 %	31 Dec 2014 $'000	30 Jun 2014 $'000	31 Dec 2014 $'000	31 Dec 2013 $'000	30 Jun 2014 $'000
Cinesound Movietone Productions Pty Limited	Newsreel and film archive	50	50	142	139	3	4	–
Digital Cinema Integration Partners Pty Limited	Administration	48	48	–	–	–	–	–
Digital Cinema Integration Partners NZ Pty Limited	Administration	(a) 60	(a) 60	–	–	–	–	–
Movietimes Australia and New Zealand Pty Limited	Operator of Movietimes website	(a) 53	(a) 53	–	–	–	–	–
				142	139	3	4	–

Note:
(a) Digital Cinema Integration Partners NZ Pty Limited and Movietimes Australia and New Zealand Pty Limited are not consolidated as the Group does not have control.

NOTE 14 – INTERESTS IN OTHER ENTITIES (CONTINUED)

Joint operations

Details of the Group's investments in joint operations, which are accounted for on a line-by-line basis, are as follows:

Name	Principal activities	Country of operation	Ownership interest 31 Dec 2014 %	Ownership interest 30 Jun 2014 %
Australian Theatres Joint Venture	Operator of multiscreen cinema complexes	Australia	50	50
Browns Plains Multiplex Joint Venture	Operator of a multiscreen cinema complex	Australia	33	33
Castle Hill Multiplex Cinema Joint Venture	Operator of a multiscreen cinema complex	Australia	33	33
Casuarina Cinema Centre Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50
Fiji Cinema Joint Venture	Operator of multiscreen cinema complexes	Fiji	(a) 66.7	(a) 66.7
Garden City Cinema Joint Venture	Operator of a multiscreen cinema complex	Australia	33	33
Geelong Cinema Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50
Jam Factory Cinema Operations Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50
Rialto Joint Venture	Operator of multiscreen cinema complexes	New Zealand	50	50
Toowoomba Cinema Centre Joint Venture	Operator of a multiscreen cinema complex	Australia	50	50

Note:
(a) The Fiji Cinema Joint Venture is not consolidated as the Group does not have control.

Operating lease commitments of joint operations

The Group's share of future minimum operating lease rentals in respect of the above joint operations are not provided for and payable:

	31 Dec 2014 $'000	30 June 2014 $'000
Within one year	28,340	28,347
Later than one year but not later than five years	96,750	99,750
Later than five years	66,630	75,971
	191,720	204,068

NOTE 15 – BUSINESS COMBINATIONS

Business combinations in the half year ended 31 December 2014

The Group acquired the following business during the period:

Bay City Cinemas

Effective 4 December 2014, Event Cinemas Limited a wholly owned subsidiary in New Zealand acquired two cinemas in the Bay of Plenty region. The consideration paid was $8,007,000 (NZ$8,400,000).

The Group has provisionally recognised the fair value of the following identifiable assets and liabilities relating to this acquisition as follows:

	Fair value at acquisition date $'000
Plant and equipment	5,296
Other assets	118
Employee benefits	(29)
Deferred revenue	(64)
Sub-total	5,321
Goodwill, leasehold and management rights	2,686
Total net value of identifiable assets	8,007

Goodwill, leasehold and management rights

Goodwill, leasehold and management rights were recognised as a result of the acquisition as follows:

	$'000
Total cash consideration paid	8,007
Less: net value of other identifiable assets and liabilities	(5,321)
Goodwill, leasehold and management rights	2,686

Leasehold and management rights will be amortised over the remaining term of the lease for the site. Amortisation of the leasehold and management rights is not expected to be deductible for tax purposes.

The Group incurred direct costs relating to this acquisition of $87,000 which have been expensed in the Group's Income Statement for the period.

The Income Statement includes revenue and net profit for the half year ended 31 December 2014 of $418,000 and $104,000 respectively as a result of this acquisition. Had the acquisition occurred at the beginning of the half year period, it is estimated that the Income Statement would have included additional revenue and net profit of approximately $1,813,000 and $325,000 respectively.

NOTE 15 – BUSINESS COMBINATIONS (CONTINUED)

Business combinations in the half year ended 31 December 2013

The Group acquired the following businesses during the prior comparable half year period:

Southport cinema complex

Effective 13 November 2013, Birch, Carroll & Coyle Limited, a wholly owned subsidiary, acquired Pacific Cinemas (Southport) Pty Limited, which owned the 49% interest in the Southport 6 Cinemas Joint Venture cinema complex not already owned by the Group taking the ownership interest in this leasehold site to 100%. Southport is located in the Gold Coast, Queensland. The consideration paid for this 49% interest was $5,969,000.

In accordance with AASB 3 *Business Combinations*, the Group's existing 51% interest in the Southport 6 Cinemas Joint Venture was remeasured to its fair value, resulting in a gain of $4,905,000 in the half year ended 31 December 2013.

The Group recognised the fair value of the following identifiable assets and liabilities relating to this acquisition as follows:

	Fair value at acquisition date $'000
Plant and equipment	2,378
Other assets	281
Deferred tax assets	15
Employee benefits	(51)
Deferred revenue	(59)
Sub-total	2,564
Leasehold and management rights	9,614
Total net value of identifiable assets	12,178

Leasehold and management rights

Leasehold and management rights were recognised as a result of the acquisition as follows:

	$'000
Total cash consideration paid	5,969
Fair value of 51% interest in Southport 6 Cinemas Joint Venture already owned	6,209
Sub-total	12,178
Less: net value of other identifiable assets and liabilities	(2,564)
Leasehold and management rights	9,614

Leasehold and management rights are being amortised over the remaining term of the lease for the site. Amortisation of leasehold and management rights is not expected to be deductible for income tax purposes.

The Group incurred direct costs relating to this acquisition of $59,000 which have been expensed in the Group's Income Statement for the prior comparable half year period.

The Income Statement for the prior comparable half year period included revenue and net profit of $2,140,000 and $319,000 respectively as a result of this acquisition. Had the acquisition occurred at the beginning of the prior comparable half year period, it is estimated that the Income Statement would have included additional revenue and net profit of approximately $1,130,000 and $121,000 respectively.

Loganholme Cinemas Pty Limited – acquisition of interest in joint venture

Loganholme Cinemas Pty Limited was incorporated on 23 August 2013 with Birch, Carroll & Coyle Limited holding 50% of the issued share capital. This was recognised as an interest in a joint venture and equity accounted in the half year ended 31 December 2013. On 11 December 2013, Loganholme Cinemas Pty Limited acquired the Loganholme cinema complex. The consideration for the acquisition was $17,166,000, of which the Group's share was $8,583,000. The impact of this acquisition on the Income Statement for the prior comparable half year period was not material.

NOTE 16 – COMMITMENTS AND LEASES

Other than the following, there have been no material changes in commitments and leases since 30 June 2014.

	31 Dec 2014 $'000	30 June 2014 $'000
Operating lease commitments – as lessee		
Future minimum operating lease rentals not provided for and payable:		
Within one year	94,109	93,219
Later than one year but not later than five years	270,552	281,148
Later than five years	212,256	224,673
	576,917	599,040

Amounts disclosed in the table above exclude the Group's share of operating lease rentals in respect of the joint operations disclosed in Note 14.

NOTE 17 – CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There have been no material changes in contingent liabilities or contingent assets since 30 June 2014.

NOTE 18 – EVENTS SUBSEQUENT TO REPORTING DATE

Dividends

For details of the interim 2015 dividend declared after 31 December 2014 refer to Note 6.

NOTE 19 – NON-CASH INVESTING ACTIVITIES

31 December 2014

There were no significant non-cash investing activities during the half year period to 31 December 2014.

31 December 2013

There were no significant non-cash investing activities during the half year period to 31 December 2013.

AMALGAMATED HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' DECLARATION

In the opinion of the directors of the Company:

1. The interim consolidated financial statements and notes set out on pages 12 to 31 are in accordance with the *Corporations Act 2001*, including:

   (a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

AG Rydge
Director

DC Seargeant
Director

Dated at Sydney this 19th day of February 2015

KPMG

Independent auditor's review report to the members of Amalgamated Holdings Limited

We have reviewed the accompanying half-year financial report of Amalgamated Holdings Limited, which comprises the statement of financial position as at 31 December 2014, income statement and statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year period ended on that date, notes 1 to 19 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year period.

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 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 Group's financial position as at 31 December 2014 and its performance for the half-year period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.* As auditor of Amalgamated Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have 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 Amalgamated Holdings Limited is not in accordance with the *Corporations Act 2001,* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year period ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

KPMG

KPMG

Kenneth Reid
Partner

Sydney

19 February 2015