

APPENDIX 4D
Interim Financial Report
for the half year ended 31 December 2014

Name of Entity:

The Charter Hall Group (CHC) - comprising the stapling of ordinary shares in Charter Hall Limited (CHL) (ACN 113 531 150) and units in Charter Hall Property Trust (CHPT) (ARSN: 113 339 147)

The Appendix 4D should be read in conjunction with the interim financial report of the Charter Hall Group for the half year ended 31 December 2014.

Results for announcement to the market

	6 months to 31 December 2014 \$m	6 months to 31 December 2013 \$m	Variance (%)
Revenue ¹	66.9	59.8	11.9
Profit after tax attributable to stapled securityholders of Charter Hall Group	39.9	28.6	39.5
Operating earnings attributable to stapled securityholders ²	48.4	38.1	27.0

¹ Gross revenue does not include share of net profits of associates and joint ventures of \$26.6 million (2013: \$21.3 million).

² Operating earnings is a financial measure which represents statutory profit adjusted for proportionally consolidated fair value adjustments, gains or losses on sale of investments and non-cash items such as amortisation. The inclusion of operating earnings as a measure of the Group's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

A reconciliation of the Group's operating earnings to statutory profit is provided in Note 3 of the interim financial report.

	6 months to 31 December 2014 cps	6 months to 31 December 2013 cps	Variance (%)
Basic statutory earnings per stapled security attributable to stapled securityholders	11.33	9.32	21.6
Diluted statutory earnings per stapled security attributable to stapled securityholders	11.15	9.05	23.2
Operating earnings per security attributable to stapled securityholders	13.74	12.42	10.6

Distributions	31 December 2014	31 December 2013
Interim distribution in respect of a:		
CHPT unit	12.10¢	11.00¢
CHL share	-	-
Record date for determining entitlements to the distribution	31 December 2014	
Payment date	27 February 2015	

The Group has a Distribution Reinvestment Plan (DRP) under which securityholders may elect to have all or part of their distribution entitlements satisfied by the issue of new securities rather than being paid in cash. The DRP was in operation for the half year to 31 December 2014.

Results for announcement to the market (continued)

The DRP issue price is determined at a discount of 1% to the volume weighted average market prices of stapled securities traded on the ASX over the 15 business days following each balance date. The Group expects to raise \$19.2 million from the DRP for the 31 December 2014 distribution (\$4.5829 issue price).

The Group recorded a statutory profit after tax attributable to stapled securityholders for the half year of \$39.9 million compared to \$28.6 million for the half year ended 31 December 2013.

Operating earnings amounted to \$48.4 million for the half year compared to \$38.1 million in 2013, an increase of 27.1% over the prior period.

Net Tangible Assets

	As at 31 December 2014	As at 30 June 2014
Net tangible assets (NTA) per unit ¹	2.38	2.38

¹ Under the listing rules NTA must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (ie: all liabilities, preference shares, outside equity interest etc).

The number of securities on issue is 355.1 million (June 2014: 348.0 million).

Control gained or lost over entities during the period

The following changes in control occurred within the Group during the period:

- BP Fund 2 (Sold 49.9% interest on 6 August 2014);
- Special Situations Office Fund (SSOF) (De-registered 22 September 2014);
- Frolish Pty Ltd (De-registered 29 October 2014);
- Stelridge Pty Ltd (De-registered 29 October 2014);
- Bowvillia Pty Ltd (De-registered 29 October 2014); and
- CHC CDC Holding Trust (Sold 50% interest to Charter Hall Direct Industrial Fund No 3 on 26 November 2014).

Details of Associates and Joint Venture entities

Refer attached interim financial report (Note 6: Investments in associates and joint ventures).

Other significant information

For additional information regarding the results of Charter Hall Group for the half year ended 31 December 2014 please refer to the Half Year Results – ASX Media Announcement and the 2014 Half Year Results Presentation lodged with the ASX. Attached with this Appendix 4D is a copy of the interim financial report for the half year ended 31 December 2014.

Accounting standards used by foreign entities

International Financial Reporting Standards.

Segment results

Refer attached interim financial report (Note 3: Segment information).

Other Factors

Refer to other significant information (above).

Audit

This report is based on accounts to which one of the following applies: (tick one)

<input type="checkbox"/>	The accounts have been audited. (refer attached financial statements)	<input checked="" type="checkbox"/>	The accounts have been subject to review. (refer attached financial statements)
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have not yet been audited or reviewed.