

Lodged by ASX Online

27 February 2015

The Manager
Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

APPENDIX 4D: HALF YEARLY REPORT

Yellow Brick Road Holdings Limited ("**Yellow Brick Road**") (ASX:YBR) has announced the company's results for the half year to 31 December 2014.

In the six months to 31 December 2014, the Company completed the acquisition of Vow Financial Holdings Pty Ltd (Vow) and Resi Mortgage Corporation Pty Ltd (Resi). These transactions were completed on 29 August 2014 and the consolidated results include four months trading of Vow and Resi. Highlights are:

- 288% increase in Revenue from \$15.3m to \$59.2m
- 94% improvement in Gross profit from \$6.1m to \$11.9m (i)
- Underlying EBITDA deficit improved 84% from \$3.2m to \$0.5m.
- Underlying EBITDA deficit as a % of revenue improved from 21% to 1%.
- The Company is on track to achieve an underlying EBITDA profit in the 2015 financial year.

Financial and operating highlights are captured in the attached report.

This is a strong result which reflects the benefits of our key strategies, particularly with regard to the diversification of distribution exposure and scale economies.

We look forward to providing further detail on our progress with our next communication to investors and shareholders scheduled for the week beginning 2 March 2015 as part of our six monthly Investor Update.

Yours sincerely,

A handwritten signature in black ink that reads 'Mark Bouris'.

Mark Bouris
Executive Chairman
Yellow Brick Road Group

(i) Gross profit is Revenue and Share of joint venture profits less Commissions and consultancy and less Discount unwind on trail commission payable.

Yellow Brick Road Group

1H 2015 – Progress toward leading non-bank player

Significant progress was made toward our goal of breakeven this financial year. Group strategies were well delivered during the period, through the acquisition of Vow and Resi and strong underlying performance in the Yellow Brick Road business. Highlights by strategy are:

Capture Scale Economies by Aggressively Expanding Distribution Footprint

Acquisition of Vow gave the Group significant additional scale, while Yellow Brick Road's underlying network growth continued. Together, the acquired branches and broker members and the growth in YBR branches took Group distribution points from 206 to 1,030 during 1H15. Accordingly, revenues were up 288% while cost growth was contained at 33%, improving the operating expense to gross profit ratio by a third.

Grow Margin through Measured Participation across Value Chain

YBR branches continued to support the Macquarie Bank white label product. This was expanded into the Vow and Resi networks. On top of this, Resi's product manufacturing capability meant that Group product margin expanded significantly. Overall product income increased by 74%. Sales resources are being added to deliver further penetration by YE15.

Diversify by Participating in All Relevant Markets

The Group closes this half as a major player in the mortgage broker channel as well as the owner of a growing franchise network. This additional exposure to the booming mortgage market delivered normalised growth in settlements of 52% versus market growth of 14%¹. Seizing the opportunity to take share in this growing mortgage market somewhat constrained wealth revenues, albeit wealth grew by 16% over the period.

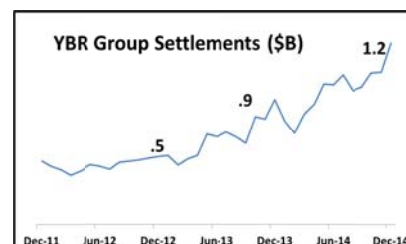
Drive Customer Growth by Developing & Leveraging Challenger Brands

YBR continued to challenge the incumbents with a new advertising campaign leveraging the market power of NEC for affordable creative production and premium media. This generated 93% growth in H1 leads. Integration activities brought the marketing teams together for synergy and scale benefits. Similarly, Vow continues to challenge wholesale incumbents with three commission models, growing at 4.6 times system and delivering >\$1B settlements in December, after 5 short years. Broker support of Vow's stance remains high and unchanged post-acquisition, at 92% Net Promoter Score.

Wealth Progress



¹ ABS Report: Housing Loan Outstandings to Households (Settlements).



Performance	1H15	Change
Distribution points	1,030	+13%
Customers (YBR)	N/D	+32%
Leads (YBR)	N/D	+93%
Settlements	6.2B	+52%
Loan book	27.6B	+21%
Mkt. share -mort ²	4.1	+9pts
Inforce premium	\$6.9	+84%
FUM	\$524	+38%

Financial Metrics	1H15 \$M	Chge %
Revenue	59.2	+288%
Gross profit	11.9	+94%
Operating Expenses	(12.41)	+33%
Underlying EBITDA	(.49)	+84%

Key Contacts

YBR Holdings

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Yellow Brick Road

Matt Lawler, Chief Executive Officer

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VOW Financial

Tim Brown, Chief Executive Officer

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² ABS Report: Housing Loan Outstandings to Households (Outstandings).

Yellow Brick Road Holdings Limited**Appendix 4D****Half-year report****1. Company details**

Name of entity: Yellow Brick Road Holdings Limited
 ABN: 44 119 436 083
 Reporting period: For the half-year ended 31 December 2014
 Previous period: For the half-year ended 31 December 2013

2. Results for announcement to the market**\$'000**

Revenues from ordinary activities	up	288.1% to	59,242
Loss from ordinary activities after tax attributable to the owners of Yellow Brick Road Holdings Limited	up	19.2% to	(4,257)
Loss for the half-year attributable to the owners of Yellow Brick Road Holdings Limited	up	19.2% to	(4,257)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$4,257,000 (31 December 2013: \$3,571,000).

Further information on the review of operations is detailed in the Directors' report attached as part of the interim financial statements.

Underlying earnings before interest expense, taxation, depreciation and amortisation ('EBITDA') and excluding impairment charges and other non-operating expenses for the consolidated entity was a loss of \$494,000 (2013: \$3,175,000). This is calculated as follows:

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
Loss after income tax	(4,257)	(3,571)
Add: Depreciation and amortisation	674	206
Add: Interest expense	336	190
Less: Income tax benefit	(3,017)	-
EBITDA	(6,264)	(3,175)
Add: Other non-operating expenses - cash and non-cash	5,770	-
Underlying EBITDA	<u>(494)</u>	<u>(3,175)</u>

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>16.72</u>	<u>9.87</u>

Yellow Brick Road Holdings Limited
Appendix 4D
Half-year report

4. Control gained over entities

Name of entities (or group of entities)	Resi Mortgage Corporation Pty Limited and Vow Financial Holdings Pty Limited
Date control gained	29 August 2014

\$'000

Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material) 1,548

Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material) -

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Smarter Money Investments Pty Ltd (formerly: YBR Funds Management Pty Limited)	50.00%	50.00%	189,000	195,000
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			189,000	195,000
Income tax on operating activities			-	-

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

Yellow Brick Road Holdings Limited
Appendix 4D
Half-year report

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):


The financial statements were subject to a review by the auditors and the review report is attached as part of the Directors' report and interim financial statements.

11. Attachments

Details of attachments (if any):

The Directors' report and interim financial statements of Yellow Brick Road Holdings Limited for the half-year ended 31 December 2014 is attached.

12. Signed

Signed  _____

Date: 27 February 2015

Mark Bouris
Executive Chairman
Sydney

Yellow Brick Road Holdings Limited

ABN 44 119 436 083

**Directors' report and interim financial statements - 31
December 2014**

Yellow Brick Road Holdings Limited

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31 December 2014

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General information

The financial statements cover Yellow Brick Road Holdings Limited as a consolidated entity consisting of Yellow Brick Road Holdings Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is Yellow Brick Road Holdings Limited's functional and presentation currency.

Yellow Brick Road Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 11
1 Chifley Square
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 February 2015.

Yellow Brick Road Holdings Limited

Directors' report

31 December 2014

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Yellow Brick Road Holdings Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2014.

Directors

The following persons were directors of Yellow Brick Road Holdings Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mark Bouris - Chairman
Adrian Bouris
Owen Williams
Melanie Kansil
Scott Jones (resigned on 18 July 2014)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of:

- Investment and wealth management services;
- General insurance services;
- Accounting services; and
- Mortgage broking, aggregation and management services.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$4,257,000 (31 December 2013: \$3,571,000).

Underlying earnings before interest expense, taxation, depreciation and amortisation ('EBITDA') and excluding impairment charges and other non-operating expenses for the consolidated entity was a loss of \$494,000 (2013: \$3,175,000). This is calculated as follows:

	Consolidated	
	31 Dec 2014	31 Dec 2013
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Loss after income tax	(4,257)	(3,571)
Add: Depreciation and amortisation	674	206
Add: Interest expense	336	190
Less: Income tax benefit	(3,017)	-
EBITDA	(6,264)	(3,175)
Add: Other non-operating expenses - cash and non-cash	5,770	-
Underlying EBITDA	<u>(494)</u>	<u>(3,175)</u>

This result incorporates four months of trading for Resi Mortgage Corporation Pty Ltd ('Resi') and Vow Financial Holdings Pty Ltd ('Vow'), acquired on 29 August 2014.

- Revenue increased by 288.1% to \$59,242,000 (HY2014 \$15,266,000)
- Overheads increased by 33.4% to \$12,411,000 (HY2014 \$9,307,000)
- Other non-operating expenses \$5,770,000 (HY2014 nil); include the costs of acquisition and subsequent integration of Vow and Resi, and the expensing of associated fund raising costs not deductible against equity under the relevant accounting standard.

Yellow Brick Road Holdings Limited

Directors' report

31 December 2014

Significant changes in the state of affairs

On 29 August 2014 the consolidated entity acquired 100% of the ordinary shares of mortgage manager and originator Resi and mortgage aggregator Vow.

In conjunction with the acquisition, the consolidated entity:

- issued 77,195,813 ordinary shares at a price of \$0.70 per share of which 60,071,429 shares were issued under a private placement, raising \$42,050,000 in cash and the balance was issued as part consideration to the shareholders of Resi and Vow;
- issued Golden Wealth Holdings Pty Ltd ('GWH'), a company controlled by Mark Bouris, 6,000,000 shares and 10,000,000 performance rights as consideration of certain lock-in/lock-out and long term incentive arrangements with GWH and Mark Bouris; and
- provided certain financial assistance in relation to the acquisition, insurance, financing and security arrangements regarding the Resi and Vow acquisitions together with the provision of an aggregate \$13,835,000 multi-option debt facility provided by Commonwealth Bank of Australia ('CBA').

Refer to note 18 to the financial statements for further details of the business combinations.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

Rounding of amounts

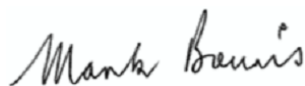
The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Mark Bouris
Executive Chairman

27 February 2015
Sydney

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Auditor's Independence Declaration
To The Directors of Yellow Brick Road Holdings Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Yellow Brick Road Holdings Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner - Audit & Assurance

Sydney, 27 February 2015

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Yellow Brick Road Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2014

		Consolidated	
	Note	31 Dec 2014 \$'000	31 Dec 2013 \$'000
Revenue	3	59,242	15,266
Share of profits of joint ventures accounted for using the equity method		189	195
Expenses			
Commissions and consultancy expenses		(44,227)	(8,867)
Employee benefits expense		(6,687)	(4,789)
Depreciation and amortisation expense	4	(674)	(206)
Operating expenses		(5,199)	(4,125)
Occupancy expenses		(525)	(393)
Other non-operating expenses	4	(5,770)	-
Finance costs	4	(3,623)	(652)
Loss before income tax benefit		(7,274)	(3,571)
Income tax benefit	5	3,017	-
Loss after income tax benefit for the half-year attributable to the owners of Yellow Brick Road Holdings Limited		(4,257)	(3,571)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of available-for-sale financial assets, net of tax		76	111
Other comprehensive income for the half-year, net of tax		76	111
Total comprehensive income for the half-year attributable to the owners of Yellow Brick Road Holdings Limited		(4,181)	(3,460)
		Cents	Cents
Basic earnings per share	21	(1.69)	(1.83)
Diluted earnings per share	21	(1.69)	(1.83)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Yellow Brick Road Holdings Limited
Statement of financial position
As at 31 December 2014

		Consolidated	
	Note	31 Dec 2014	30 Jun 2014
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents		10,632	12,114
Trade and other receivables	6	55,225	7,723
Other financial assets		465	465
Other	7	2,473	3,053
Total current assets		<u>68,795</u>	<u>23,355</u>
Non-current assets			
Trade and other receivables	8	148,477	14,826
Investments accounted for using the equity method		130	135
Available-for-sale financial assets		204	129
Property, plant and equipment	9	852	604
Intangibles	10	31,601	8,985
Other	11	1,930	1,541
Total non-current assets		<u>183,194</u>	<u>26,220</u>
Total assets		<u>251,989</u>	<u>49,575</u>
Liabilities			
Current liabilities			
Trade and other payables	12	47,520	8,403
Borrowings		-	1,352
Provisions		1,927	793
Total current liabilities		<u>49,447</u>	<u>10,548</u>
Non-current liabilities			
Borrowings		4,665	3,760
Provisions		181	51
Other	13	119,576	10,128
Total non-current liabilities		<u>124,422</u>	<u>13,939</u>
Total liabilities		<u>173,869</u>	<u>24,487</u>
Net assets		<u>78,120</u>	<u>25,088</u>
Equity			
Issued capital	14	108,976	52,019
Reserves		1,059	727
Accumulated losses		(31,915)	(27,658)
Total equity		<u>78,120</u>	<u>25,088</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Yellow Brick Road Holdings Limited
Statement of changes in equity
For the half-year ended 31 December 2014

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2013	51,947	604	(18,899)	33,652
Loss after income tax benefit for the half-year	-	-	(3,571)	(3,571)
Other comprehensive income for the half-year, net of tax	-	111	-	111
Total comprehensive income for the half-year	-	111	(3,571)	(3,460)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	72	-	-	72
Share-based payments	-	97	-	97
Balance at 31 December 2013	<u>52,019</u>	<u>812</u>	<u>(22,470)</u>	<u>30,361</u>
Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2014	52,019	727	(27,658)	25,088
Loss after income tax benefit for the half-year	-	-	(4,257)	(4,257)
Other comprehensive income for the half-year, net of tax	-	76	-	76
Total comprehensive income for the half-year	-	76	(4,257)	(4,181)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 14)	56,957	-	-	56,957
Share-based payments	-	256	-	256
Balance at 31 December 2014	<u>108,976</u>	<u>1,059</u>	<u>(31,915)</u>	<u>78,120</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Yellow Brick Road Holdings Limited
Statement of cash flows
For the half-year ended 31 December 2014

		Consolidated	
	Note	31 Dec 2014	31 Dec 2013
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		54,176	12,741
Payments to suppliers and employees (inclusive of GST)		(57,916)	(15,824)
		(3,740)	(3,083)
Interest received		278	274
Other revenue		-	171
Interest and other finance costs paid		(296)	(159)
Net cash used in operating activities		(3,758)	(2,797)
Cash flows from investing activities			
Payments for purchase of businesses, net of cash acquired	19	(35,786)	-
Payments to acquire other investments		(546)	-
Payments for property, plant and equipment	9	(98)	(227)
Payments for intangibles	10	(937)	-
Loans from/(to) related and other parties		-	(102)
Net cash used in investing activities		(37,367)	(329)
Cash flows from financing activities			
Proceeds from issue of shares	14	42,050	-
Share issue transaction costs		(2,205)	(130)
Loan establishment costs		(202)	-
Repayment of lease liabilities		-	(451)
Net cash from/(used in) financing activities		39,643	(581)
Net decrease in cash and cash equivalents		(1,482)	(3,707)
Cash and cash equivalents at the beginning of the financial half-year		12,114	18,260
Cash and cash equivalents at the end of the financial half-year		<u>10,632</u>	<u>14,553</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2014 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Customer relationships

Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7-9 years.

Brands

The Resi and Vow brands acquired in the business combinations are being assessed as having a finite useful life of between 3-8 years and an indefinite useful life respectively.

Income taxes

A deferred tax benefit relating to previously unrecorded tax losses has been recognised to the extent they are expected to be utilised against the deferred tax liability acquired.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity during the financial half-year ended 31 December 2014 and are not expected to have any significant impact for the full financial year ending 30 June 2015. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity has identified that there are four operating segments based on the internal reports that are reviewed and used by the Executive Chairman and the Board (collectively referred to as the Chief Operating Decision Makers ('CODM')) in assessing business performance and in determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

The CODM reviews various revenue metrics for each segment but not operating results which are only reviewed on a consolidated basis.

The information reported to the CODM is on at least a monthly basis.

Types of products and services

The principal products and services provided by these segments are investment and wealth management services, general insurance services, accounting services and mortgage broking services, aggregation and management services.

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 2. Operating segments (continued)

Geographical information

All revenue were derived from customers in Australia and all non-current assets were held in Australia.

Operating segment information

	Branch network \$'000	Professional services \$'000	Intersegment eliminations/ unallocated \$'000	Total \$'000
Consolidated - 31 Dec 2014				
Revenue				
Sales to external customers	52,897	2,318	-	55,215
Other income	3,828	-	199	4,027
Total revenue	56,725	2,318	199	59,242
Loss before income tax benefit				(7,274)
Income tax benefit				3,017
Loss after income tax benefit				(4,257)
Consolidated - 31 Dec 2013				
Revenue				
Sales to external customers	11,458	2,969	(52)	14,375
Other revenue	619	-	272	891
Total revenue	12,077	2,969	220	15,266
Loss before income tax expense				(3,571)
Income tax expense				-
Loss after income tax expense				(3,571)

Note 3. Revenue

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
<i>Sales revenue</i>		
Branch network	52,897	11,458
Non-branch: Professional services	2,318	2,917
	55,215	14,375
<i>Other revenue</i>		
Dividends	4	-
Interest	195	272
Discount unwind on trail commission receipts	3,828	619
	4,027	891
Revenue	59,242	15,266

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 4. Expenses

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	61	51
Office equipment	70	52
Total depreciation	131	103
<i>Amortisation</i>		
Customer relationships	352	-
Software	163	67
Other intangibles	28	36
Total amortisation	543	103
Total depreciation and amortisation	674	206
<i>Other non-operating expenses</i>		
Acquisition and integration expenses	1,570	-
Share-based payments expense (refer notes 14 and 18)	4,200	-
Total non-operating expenses	5,770	-
<i>Finance costs</i>		
Interest and finance charges paid/payable	336	190
Discount unwind on trail commission payments	3,287	462
Finance costs expensed	3,623	652
Marketing expenses	2,284	1,871
Consultancy expenses	1,000	499

Note 5. Income tax benefit

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
Income tax benefit	3,017	-

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 5. Income tax expense (continued)

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
<i>Deferred tax movements</i>		
Opening balance		
Additions through business combinations (note 18)	(3,592)	-
Credited to equity	575	-
Credited to profit or loss	3,017	-
	<u>-</u>	<u>-</u>
Closing balance	-	-

Note 6. Current assets - trade and other receivables

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
Trade receivables	3,933	1,963
Less: Provision for impairment of receivables	(465)	(440)
	<u>3,468</u>	<u>1,523</u>
Other receivables	5,200	1,983
Trail commission receivables	46,557	4,217
	<u>55,225</u>	<u>7,723</u>

Note 7. Current assets - other

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
Prepayments *	2,452	3,013
Other	21	40
	<u>2,473</u>	<u>3,053</u>

* Refer to note 17 for further information on related party prepayments.

Note 8. Non-current assets - trade and other receivables

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
Other receivables	-	782
Trail commission receivables	148,477	14,044
	<u>148,477</u>	<u>14,826</u>

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 9. Non-current assets - property, plant and equipment

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
Leasehold improvements - at cost	1,157	949
Less: Accumulated depreciation	(839)	(672)
	<u>318</u>	<u>277</u>
Office equipment - at cost	2,508	1,378
Less: Accumulated depreciation	(1,974)	(1,051)
	<u>534</u>	<u>327</u>
	<u><u>852</u></u>	<u><u>604</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Leasehold improvements \$'000	Office equipment \$'000	Total \$'000
Balance at 1 July 2014	277	327	604
Additions	51	47	98
Additions through business combinations (note 19)	51	230	281
Depreciation expense	(61)	(70)	(131)
Balance at 31 December 2014	<u><u>318</u></u>	<u><u>534</u></u>	<u><u>852</u></u>

Note 10. Non-current assets - intangibles

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
Goodwill - at cost	22,067	10,128
Less: Impairment	(2,000)	(2,000)
	<u>20,067</u>	<u>8,128</u>
Customer relationships- at cost	8,000	-
Less: Accumulated amortisation	(352)	-
	<u>7,648</u>	<u>-</u>
Brands - at cost	1,900	-
Software - at cost	1,977	1,285
Less: Accumulated amortisation	(823)	(457)
	<u>1,154</u>	<u>828</u>
Other intangible assets - at cost	1,033	202
Less: Accumulated amortisation	(201)	(173)
	<u>832</u>	<u>29</u>
	<u><u>31,601</u></u>	<u><u>8,985</u></u>

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 10. Non-current assets - intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Goodwill \$'000	Customer relationships \$'000	Brands \$'000	Software \$'000	Other \$'000	Total \$'000
Balance at 1 July 2014	8,128	-	-	828	29	8,985
Additions	-	-	-	432	505	937
Additions through business combinations (note 19)	11,939	8,000	1,900	57	326	22,222
Amortisation expense	-	(352)	-	(163)	(28)	(543)
Balance at 31 December 2014	<u>20,067</u>	<u>7,648</u>	<u>1,900</u>	<u>1,154</u>	<u>832</u>	<u>31,601</u>

Note 11. Non-current assets - other

	Consolidated	
	31 Dec 2014 \$'000	30 Jun 2014 \$'000
Prepayments *	1,362	1,541
Other	63	-
Investment available at 3 days notice	<u>505</u>	<u>-</u>
	<u>1,930</u>	<u>1,541</u>

* Refer to note 17 for further information on related party prepayments.

Note 12. Current liabilities - trade and other payables

	Consolidated	
	31 Dec 2014 \$'000	30 Jun 2014 \$'000
Trade payables	1,511	2,090
Trail commission payables	38,442	2,987
Accrued expenses	1,423	891
Income received in advance	1,198	-
Underwriter payables	1,000	1,007
Other payables	<u>3,946</u>	<u>1,428</u>
	<u>47,520</u>	<u>8,403</u>

Note 13. Non-current liabilities - other

	Consolidated	
	31 Dec 2014 \$'000	30 Jun 2014 \$'000
Trail commission payables	<u>119,576</u>	<u>10,128</u>

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 14. Equity - issued capital

	Consolidated			
	31 Dec 2014	30 Jun 2014	31 Dec 2014	30 Jun 2014
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	<u>278,161,332</u>	<u>194,864,828</u>	<u>108,976</u>	<u>52,019</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2014	194,864,828		52,019
Capital raising	29 August 2014	60,071,429	\$0.70	42,050
Shares issued to acquire Resi Mortgage Corporation Pty Limited	29 August 2014	7,857,144	\$0.70	5,500
Shares issued to acquire Vow Financial Holdings Pty Limited	29 August 2014	9,267,240	\$0.70	6,487
Shares issued to Golden Wealth Holdings Pty Ltd.	29 August 2014	6,000,000	\$0.70	4,200
Shares issue to employees	21 October 2014	100,691	\$0.59	60
Shares transaction costs		-	\$0.00	(1,340)
Balance	31 December 2014	<u>278,161,332</u>		<u>108,976</u>

Note 15. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 16. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2014	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<i>Assets</i>				
Available-for-sale financial assets	205	-	-	205
Total assets	<u>205</u>	<u>-</u>	<u>-</u>	<u>205</u>
Consolidated - 30 Jun 2014	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<i>Assets</i>				
Available-for-sale financial assets	129	-	-	129
Total assets	<u>129</u>	<u>-</u>	<u>-</u>	<u>129</u>

There were no transfers between levels during the financial half-year.

There is a potential earn-out for the acquisition of Resi Mortgage Corporation Pty Limited. At the acquisition-date management assessed the fair valued as \$nil, based on performance to date against contracted targets.

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 16. Fair value measurement (continued)

The carrying values of other financial assets and financial liabilities presented in these financial statements represent a reasonable approximation of fair value.

Note 17. Contingent liabilities

The consolidated entity has given bank guarantees as at 31 December 2014 of \$1,084,000 (30 June 2014:\$1,084,000).

Note 18. Related party transactions

Parent entity

Yellow Brick Road Holdings Limited is the parent entity.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$	\$
Sale of goods and services:		
Sales to TZ Limited (director-related entity of Mark Bouris) - Accounting and secretarial services	184,510	219,688
Sales to TZ Limited (director-related entity of Mark Bouris) - Marketing services	60,000	60,000
Sales to TZ Limited (director-related entity of Mark Bouris) - Insurance services	250	275
Sales to TZ Limited (director-related entity of Mark Bouris) - Administration services	84,889	21,686
Sales to State Capital Property Ltd (director-related entity of Mark Bouris) - Insurance services	4,475	11,499
Sales to parties related to Mark Bouris for insurance services	188	-
Sales to parties related to Adrian Bouris for insurance services	1,200	1,323
Sales to Macquarie Bank (shareholders) for commissions - Administration and brokerage services	2,432,116	2,150,210
Payment for goods and services:		
Rent paid to State Capital Property Ltd (director-related entity of Mark Bouris)	-	60,000
Rent paid to Golden Wealth Holdings Pty Ltd (director-related entity of Mark Bouris)	27,273	-
Payment for consultancy services from Golden Wealth Holdings Pty Ltd (director-related entity of Mark Bouris)	504,032	375,000
Purchases of services from Chifley Travel (director-related entity of Adrian Bouris)	18,225	11,023
Purchases of services from BBB Capital Pty Limited (director-related entity of Adrian Bouris) - Corporate finance services	1,100,967	-
Sponsor fee to the Nine Entertainment Group (shareholder-related entity) (refer Note 1)	-	441,667
Prepaid advertising and marketing expenses to the Nine Entertainment Group (shareholder-related entity) (refer Note 1)	1,309,557	592,192
Payment for other expenses:		
Share-based payment expense to the Nine Entertainment Group (shareholder-related party)	97,096	97,044

Other transactions:

On 29 August 2014 the consolidated entity issued Golden Wealth Holdings Pty Ltd ('GWH'), a company controlled by Mark Bouris, 6,000,000 shares and 10,000,000 performance rights, at a fair value of \$4,200,000 and \$1,475,000 respectively as consideration of certain lock-in/lock-out and long term incentive arrangements with GWH and Mark Bouris. The fair value of the options will be recognised as an expense over 5 years.

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 18. Related party transactions (continued)

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$	\$
Current receivables:		
Trade receivables from TZ Limited (director-related entity of Mark Bouris)	233,387	149,691
Trade receivables from State Capital Property Ltd (director-related entity of Mark Bouris)	38,588	18,913
Prepayment from the Nine Entertainment Group (shareholder-related entity) (refer Note 1 below)	1,313,410	2,500,000
Commissions from Macquarie Bank	1,123,519	1,037,876
Trade receivables from Mark Bouris for insurance services	3,335	-
Non-current receivables:		
Prepayment from the Nine Entertainment Group (shareholder-related entity) (refer Note 1 below)	1,365,687	1,540,687
Commissions from Macquarie Bank	5,934,983	5,159,961
Current payables:		
Consultancy services payable to Golden Wealth Holdings Pty Ltd (director-related entity of Mark Bouris)	134,750	62,500
Rental expenses payable to State Capital Property Ltd (director-related entity of Mark Bouris)	-	40,000

Note 1:

Nine Entertainment Group ('Nine') provided the consolidated entity \$6,490,000 in contra advertising in 2012 as part settlement of for shares Nine acquired in the company. Advertising of \$1,309,557 (2013: \$592,192) was used during the half-year ended 31 December 2014, leaving an unused balance (prepayment) of \$2,679,097 (30 June 2014: \$4,040,687).

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	31 Dec 2014	30 Jun 2014
	\$	\$
Non-current receivables:		
Loan to Smarter Money Investments Pty Ltd (formerly: YBR Funds Management Pty Ltd)	131,702	108,347

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 19. Business combinations

On 29 August 2014, the consolidated entity acquired 100% of the ordinary shares of Resi Mortgage Corporation Pty Limited ('Resi') and Vow Financial Holding Pty Limited ('Vow') for the total consideration transferred of \$49,823,000. Both acquisitions were made to expand the business and enhance the consolidated entity's position in the 'non-bank' segment of the financial services market. The goodwill of \$11,939,000 primarily related to growth expectations and expected future profitability. The acquired business contributed revenues of \$38,684,000 and net profit of \$1,548,000 to the consolidated entity for the period from 29 August 2014 to 31 December 2014. If the acquisition occurred on 1 July 2014, the contributions would have been revenues of \$56,695,000 and net profit of \$1,475,000.

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 19. Business combinations (continued)

Acquisition costs expensed to profit or loss during the financial half-year were \$928,000 (2013: \$nil) and the total acquisition costs were \$1,759,000.

The consolidated entity has applied provisional accounting as the fair value of assets and liabilities including the allocation between intangibles and goodwill are yet to be finalised.

Details of the acquisition are as follows:

	Resi Fair value \$'000	Vow Fair value \$'000	Total Fair value \$'000
Cash and cash equivalents	7	1,942	1,949
Trade receivables	77	422	499
Other current assets	6,298	34,872	41,170
Plant and equipment	150	131	281
Intangibles other than goodwill	6,637	3,646	10,283
Goodwill	8,101	3,838	11,939
Other non-current assets	20,561	107,760	128,321
Trade and other payables	(1,869)	(33,375)	(35,244)
Deferred tax liability	(1,590)	(2,002)	(3,592)
Provisions	(273)	(1,142)	(1,415)
Other non-current liabilities	(4,698)	(99,670)	(104,368)
Net assets acquired	33,401	16,422	49,823
Goodwill	-	-	-
Acquisition-date fair value of the total consideration transferred	<u>33,401</u>	<u>16,422</u>	<u>49,823</u>
Representing:			
Cash paid or payable to vendor	27,901	9,834	37,735
Yellow Brick Road Holdings Limited shares issued to vendor	5,500	6,487	11,987
Deferred consideration	-	101	101
	<u>33,401</u>	<u>16,422</u>	<u>49,823</u>
Cash used to acquire business, net of cash acquired:			
Acquisition-date fair value of the total consideration transferred	33,401	16,422	49,823
Less: cash and cash equivalents	(7)	(1,942)	(1,949)
Less: shares issued by company as part of consideration	(5,500)	(6,487)	(11,987)
Less: deferred consideration	-	(101)	(101)
Net cash used	<u>27,894</u>	<u>7,892</u>	<u>35,786</u>

Note 20. Events after the reporting period

No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Yellow Brick Road Holdings Limited
Notes to the financial statements
31 December 2014

Note 21. Earnings per share

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
Loss after income tax attributable to the owners of Yellow Brick Road Holdings Limited	<u>(4,257)</u>	<u>(3,571)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>251,423,124</u>	<u>194,648,924</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>251,423,124</u>	<u>194,648,924</u>
	Cents	Cents
Basic earnings per share	(1.69)	(1.83)
Diluted earnings per share	(1.69)	(1.83)

As at 31 December 2014 there were 10,000,000 (2013: nil) performance rights with zero price options and 8,564,903 (2013: 8,564,903) options over ordinary shares in issue. These rights and options were anti-dilutive.

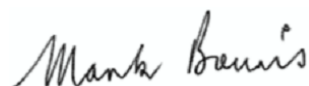
Yellow Brick Road Holdings Limited
Directors' declaration
31 December 2014

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the financial half-year ended on that date; and
- 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 directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mark Bouris
Executive Chairman

27 February 2015
Sydney



Grant Thornton

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Independent Auditor's Review Report To the Members of Yellow Brick Road Holdings Limited

We have reviewed the accompanying half-year financial report of Yellow Brick Road Holdings Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year..

Directors' responsibility for the half-year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Yellow Brick Road Holdings Limited consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Yellow Brick Road Holdings Limited,

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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 complied with the independence requirements of the Corporations Act 2001.

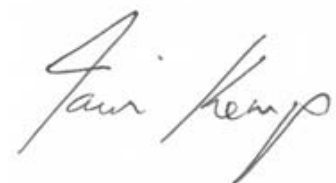
Conclusion

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 Yellow Brick Road Holdings 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 2014 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner - Audit & Assurance

Sydney, 27 February 2015