



Ethical  
Managed Funds

# **Hunter Hall International**

## **Results for the half year to 31 December 2015**

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Chairman

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Chief Financial Officer



- Key Financial and Operational Metrics
- Operating Highlights
- Balance Sheet and Dividends
- Strategy
- Outlook



# Hunter Hall International Limited

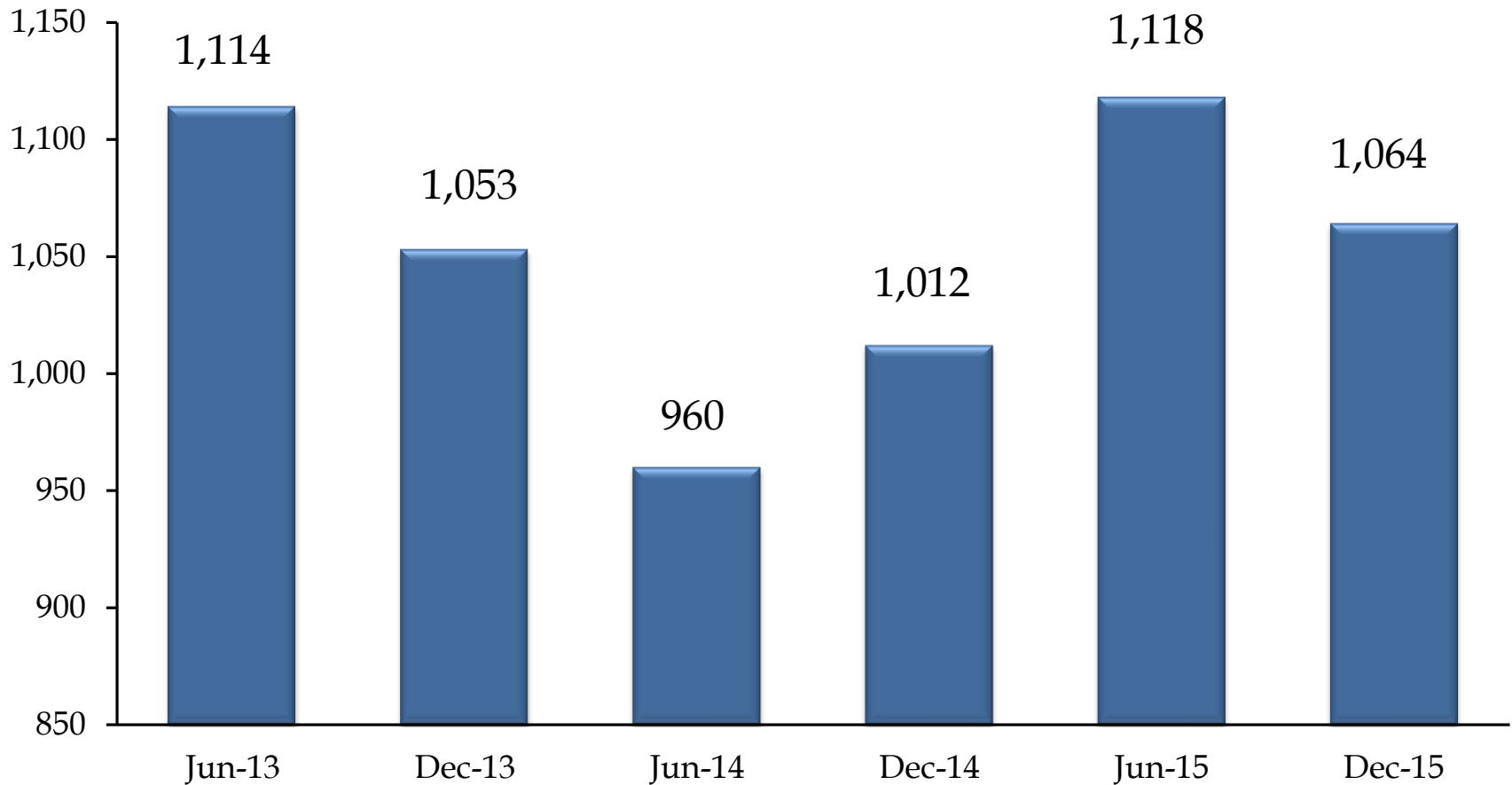
## Key Financial Metrics

6 Months ending	31 Dec 2015	31 Dec 2014	Change
Funds Under Management (\$m)	1,064	1,012	5.1%
Operating Revenue (\$'000)	8,374	7,604	10.1%
Investment Income and Net Performance Fees	2,481	181	-
Expenses	(5,389)	(5,396)	(0.1)%
Net Profit before Tax	5,466	2,389	128.8%
Net Profit after Tax	3,841	1,629	135.8%
<b>Dividend (cents per share)</b>	<b>14.1</b>	<b>6.0</b>	<b>135.0%</b>
Movement in Value of Seeded Funds	559	71	-
Statutory Profit after Tax	4,400	1,700	158.8%
<b>Net Cash and Investments</b>	<b>27,108</b>	<b>19,314</b>	<b>40.4%</b>



# Funds Under Management

**FUM(\$m)**





# Operating Highlights

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- Operating profit before tax from investment management of \$3.3m
- Net performance fees of \$713k from the HCT and AVT
- Realised gains of \$1.5m on reduction of HCT holding
- Investment income of \$0.3m: interest, distributions, and dividends
- Good investment performance for most funds
- Continued reduction in net outflows



# Net outflows continue to reduce

## Net Monthly Outflows: 12 month rolling





# 6 Month, 1 Year and 5 Year Performance Returns

31 December 2015

(%)	VGT	AVT	GET	HHV	GDG	HCT	AEF
<b>6 Months to 31 Dec 2015</b>	<b>+2.8%</b>	<b>+20.8%</b>	<b>-8.3%</b>	<b>+2.4%</b>	<b>+2.1%</b>	<b>+36.3%</b>	<b>+14.1%</b>
Benchmark ^	+2.0%	+7.0%	+2.0%	+2.0%	+2.0%	+2.5%	-0.4%
<b>Relative Returns</b>	<b>+0.7%</b>	<b>+13.8%</b>	<b>-10.3%</b>	<b>+0.4%</b>	<b>+0.1%</b>	<b>+33.8%</b>	<b>+14.5%</b>
<b>Year to 31 Dec 2015</b>	<b>+16.1%</b>	<b>+27.2%</b>	<b>+0.2%</b>	<b>+12.1%</b>	<b>+7.5%</b>	<b>+113.5%</b>	<b>+22.6%</b>
Benchmark ^	+11.5%	+10.2%	+11.5%	+11.5%	+11.5%	+5.2%	+2.8%
<b>Relative Returns</b>	<b>+4.6%</b>	<b>+17.0%</b>	<b>-11.3%</b>	<b>+0.6%</b>	<b>-4.0%</b>	<b>+108.3%</b>	<b>+19.8%</b>
<b>5 Years to 31 Dec 2015</b>	<b>+10.5%</b>	<b>+3.2%</b>	<b>+7.4%</b>	<b>+11.9%</b>	<b>+6.1%</b>	-	-
Benchmark^	+15.2%	-2.5%	+15.2%	+15.2%	+15.2%	-	-
<b>Relative Returns</b>	<b>-4.8%</b>	<b>+5.7%</b>	<b>-7.8%</b>	<b>-3.3%</b>	<b>-9.1%</b>	-	-

^Benchmarks: VGT, GET, HHV, GDG - MSCI World Total Return Index, Net Dividends Reinvested in A\$

AVT - S&P/ASX Small Ordinaries Accumulation Index

HCT - RBA's Cash Rate target + 3%

AEF - S&P/ASX 300 Accumulation Index

\*Inception date: VGT is 02.05.1994, HHV is 19.03.2004, GET and AVT is 29.11.2001, GDG is 31.10.2007, AEF is 16.07.13 and HCT is 11.12.2014



# Balance Sheet & Dividends

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- Cash and investments of \$27.1m or \$1.00 per share; \$12.3m cash and \$14.8m of investments in our funds (HCT, AEF, and HHV)
- No debt
- Typically HHL pays 100% of after tax profits as dividends
- Interim dividend of 14.1 cents per share
- Franking level for interim dividend 100%



- Global bear market under way
- Opportunities starting to emerge for value investors
- Hunter Hall funds defensively positioned with average net cash of 21% and gold holdings of 17% (in the VGT, GVL and HCT only)
- Strategy review commencing with the objective of increasing long term profitability
- Operating profit before tax from investment management for 6 months to 30 June 2016 likely to be down by 25% compared to the 6 months to 31 December 2015



# Disclaimer

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