

18 February 2016

HIGHLIGHTS

- Funds Under Management Advice & Administration up 16%
- Net underlying profit after tax up 15%
- Basic underlying earnings per share up 14%
- Established position as a comprehensive financial services provider of Platform Administration, Funds Management, and Financial Planning

The Directors are pleased to report on the consolidated operating performance of Fiducian Group Limited ("FGL") and wholly owned operating entities ("Fiducian Group") for the half year ended 31 December 2015.

REVIEW OF OPERATIONS

The Fiducian Group result demonstrates positive momentum in operational activity and application of the Board's strategy to grow earnings.

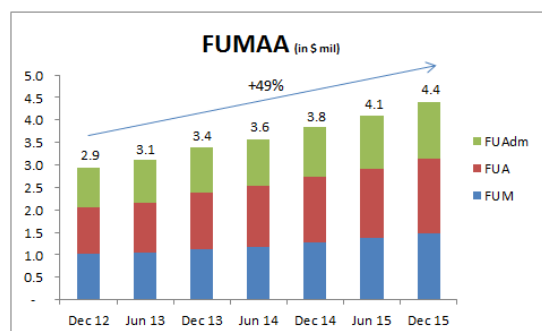
Financial Highlights			
(\$ in thousands)			
Half Year Ending 31 December	2015	2014	% Change
Operating Revenue*	17,269	12,296	↑ 40%
Fees and Charges paid *	-4,726	-2,485	
Net Revenue	12,543	9,811	↑ 28%
Gross Margins	73%	80%	
Underlying EBITDA	4,550	3,942	↑ 15%
Depreciation	-53	-85	
Tax on underlying earnings	-1,231	-1,012	
Underlying NPAT (UNPAT)	3,266	2,845	↑ 15%
Amortisation	-564	-487	
One-off Restructure Expenses (net of tax)	-	-354	
Statutory NPAT	2,702	2,004	↑ 35%
Basic EPS based on UNPAT (in cents)	10.5	9.2	↑ 14%
FUMAA (\$ in millions)	4,437	3,839	↑ 16%

*(The Operating Revenue includes fees received by Fiducian Investment Management Limited, "FIM", as responsible entity of the managed investment schemes which includes underlying fund manager fees from 1 March 2015 previously netted off. This is as a result of an amendment to the product disclosure statement whereby fees due to the underlying fund managers are now paid by the responsible entity and not separately charged to unit holders.)

Consolidated Operating Revenue increased by 40% due to 15% business growth and 25% grossing up of underlying fund manager fees and expense recoveries which were previously netted off. Similarly, the consolidated Net Revenue increased by 28% of which 15% was contributed by business growth. Gross margin was 73% after adjusting for a 7% impact of the changes mentioned above relating to underlying fund manager fees and expense recoveries.

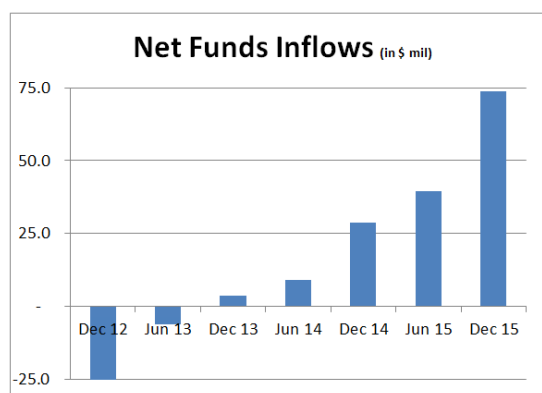
Statutory Net Profit for the consolidated entity after providing for income tax was \$2,702,000 (December 2014: \$2,004,000), an increase of 35% since there were no one-off expenses.

The combined Funds under Management, Administration and Advice (FUMAA) have steadily grown by 49% over the past 3 years to \$4.4 billion as at December 2015.



FUNDS UNDER ADMINISTRATION (FUADMIN)

The corporate entity responsible for administration at 31 December 2015 (after restructure) is Fiducian Services Pty Limited (FSL). At 31 December 2015, funds under administration on the Fiducian platforms were \$1.25 billion (30 June 2015: \$1.17 billion) an increase of around 7% over the last six months. We have experienced strong growth in Net Fund inflows, see graph below, and expect this positive trend to continue.



FUNDS UNDER MANAGEMENT (FUM)

At 31 December 2015 FIM was the Responsible Entity of the Fiducian Funds, which apply our in-house Manage-The-Manager system of investment. They continue to attract the majority of retail funds placed with us and total around \$1.3 billion (30 June 2015: \$1.2 billion), an increase of 8% over the

last 6 months. Fiducian Funds have performed consistently in their respective categories as we diversify their assets through a range of underlying fund managers to reduce risks and volatility. According to the Selecting Super Survey (30 November 2015), published by the Rainmaker Group, a number of the Fiducian Funds prominently featured in the top quartile performers in their respective categories.

FINANCIAL PLANNING (FUA)

The relationship between our salaried and franchised financial planners and their clients remains strong and is founded on quality financial planning advice and strategy. There has been heightened effort to build the distribution base with quality financial planners. Opportunities to add new franchisees are continually being progressed. Further, acquisitions of around \$190 million of funds under advice have brought new planners to the group. These additions have not contributed to the results of the current half year fully but are expected to do so in the second half. The Board is supportive of growth by acquisition in the current environment and we are progressing further opportunities for acquisition of financial planning practices.

Meanwhile we continue to emphasise quality training, professional development and compliance. These have supported our efforts to be compliant with the requirements of the FoFA legislation.

BUSINESS SERVICES

Fiducian business and accountancy resourcing service continues to grow and has proven its potential by increasing the profitability of accounting practices that use its services. This segment may expand further in the future.

INFORMATION TECHNOLOGY

Our Wrap administration software FASTrack is delivering efficiency benefits for our Platform Administration business. The next development objective in progress is to make our financial planning software FORCe link up with the administration and reporting system, a much sought after goal in the industry.

COMMUNITY SUPPORT

Fiducian continues to raise funds for charity. Sponsorship has also been extended to community organisations and sporting teams linked to our planning network. Vision Beyond AUS, a charity supported by the Fiducian Group, has grown to now assist hospitals at eight locations spread out over India, Myanmar, Nepal and Cambodia. Over 12,000 persons who live in abject poverty have now been given their eyesight. We intend to continue our charitable support to the community.



EMPLOYEE DIVERSITY

Fiducian is proud to be an equal opportunity employer. It endorses diversity and currently has a number of employees that bring different skill-sets from their country of origin. We recognise that diversity includes, but is not limited to gender, age, ethnicity and cultural backgrounds.

DIVIDEND (FULLY FRANKED)

After consideration of the economic environment and the strength of the company's debt free balance sheet, the directors have decided to maintain the usual distribution level of around 60-70% of statutory NPAT. Dividend policy is expected to be maintained subject to capital management of acquisitions, share buy-backs and growth strategies. The directors have resolved to pay an interim fully franked dividend in respect of the half year ended 31 December 2015 of 5.50 cents per share, an increase of almost 22% over that of 31 December 2014.

DIVIDENDS SUMMARY	HALF YEAR ENDED	
	31/12/15 \$000	31/12/14 \$000
Dividends paid - Ordinary	1,706	1,536
Weighted average earnings per share		
Basic	8.72 cents	6.51 cents
Diluted	8.69 cents	6.48 cents

DIVIDEND HISTORY		\$000
Paid 24/9/15 - 5.50 cents fully franked		1,706
Paid 26/3/15 - 4.50 cents fully franked		1,390
Paid 19/9/14 - 5.00 cents fully franked		1,538
Paid 26/3/14 - 4.10 cents fully franked		1,268
Paid 20/9/13 - 3.60 cents fully franked		1,131
Paid 22/3/13 - 3.40 cents fully franked		1,076
Paid 21/9/12 - 2.50 cents fully franked		794
Paid 21/3/12 - 2.50 cents fully franked		798
Paid 08/9/11 - 5.00 cents fully franked		1,601
Paid 11/3/11 - 5.00 cents fully franked		1,610
Paid 15/9/10 - 4.75 cents fully franked		1,532

OUTLOOK

Investors and policy makers are coming to grips with currency fluctuations, policy reforms in China, commodity price weakness and consequent financial market volatility. Our expectation is for the world to manage through these changes and as well avoid the geopolitical risks on the horizon. We therefore remain moderately optimistic with the global economy and expect double digit earnings growth to continue to be delivered to shareholders of the Fiducian Group.

This half yearly report should be read in conjunction with the most recent annual report.

CORPORATE INFORMATION

BOARD OF DIRECTORS

R Bucknell	Chairman - Non-executive
I Singh	Managing Director - Executive director
F Khouri	Non-executive director
C Stone	Non-executive director

SECRETARY

I Singh

ISSUED CAPITAL

On 3 March 2015 the parent entity announced to the Australian Securities Exchange its intention to buy back up to a further 500,000 shares on-market, which remains open. During the half year the parent entity did not purchase any shares. 133,552 new shares have been issued towards part consideration of a business acquisition. As at 31 December 2015, the parent entity had 31,016,950 ordinary shares on issue. Since the end of the reporting period 93,905 further shares have been issued towards the payment for an acquisition.

At 31 December 2015 a total of 100,000 options were on issue to the Managing Director at an exercise price of \$1.63 with the latest exercise date being 23 October 2019. During the period no options were exercised.

REGISTERED OFFICE

Level 4, 1 York Street
Sydney NSW 2000
Tel: (02) 8298 4600
Fax: (02) 8298 4611



FIDUCIAN
INTEGRITY • TRUST • EXPERTISE

Appendix 4D – Half year Report Results for announcement to the market

Fiducian Group Limited (FGL)

1. Reporting period

Current reporting period - Half year ended **31 December 2015**

Previous corresponding period - Half year ended 31 December 2014

2. Results for announcement to the market

Consolidated Results for the half year			\$A'000
	Previous Period 31/12/14	This Period 31/12/15	Change
Revenues from ordinary activities	\$12,296	\$17,269	+40%
Profit from ordinary activities after tax attributable to members	\$2,004	\$2,702	+35%
Net profit for the period attributable to members	\$2,004	\$2,702	+35%
Dividends			
	Amount per security	Franked amount per security	
Paid 26/3/15 for half-year ended 31 Dec 2014	4.50 ¢	4.50 ¢	
Paid 24/9/15 for half-year ended 30 June 2015	5.50 ¢	5.50 ¢	
Dividend for half-year ended 31 Dec 2015	5.50 ¢	5.50 ¢	
Record date for determining entitlements to the dividend:	1/03/2016		
Date that dividend is payable:	14/03/2016		

3. Net tangible assets

Net tangible assets per security	Previous period 31/12/2014	This period 31/12/2015
Net tangible assets \$000	\$11,066	\$7,081
Ordinary securities on issue at balance date <i>Net of shares bought back</i>	30,883,397	31,016,950
Net tangible assets per ordinary security	35.8¢	22.8¢
Brief explanation		
<p>The decrease in NTA backing from the previous corresponding period is due to acquisitions of \$5.6m in the reporting period, which have been fully financed through internal resources. Client acquisitions and the related Goodwill on these acquisitions are intangible assets and excluded from the computation of Net tangible assets. Financial Report with independent auditor's review report attached.</p>		

4. Details of entities over which control was gained or lost during the period

Not applicable.

5. Dividends

The Directors have determined to pay a fully franked interim dividend of 5.50 cents per share amounting to \$1,711,097. The dividend is to be paid on 14 March 2016.

There is no foreign sourced dividend or distribution attributable to this dividend.

6. Dividend reinvestment plan

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

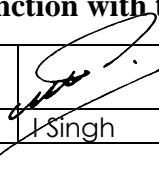
8. Foreign entities

Not applicable.

9. Independent auditor's report subject to a modified opinion, emphasis matter or other matter

Not applicable.

The half-yearly report is to be read in conjunction with the most recent annual report.

Signed by (Director)	
Name and Date	J Singh 18/2/2015

**FIDUCIAN
GROUP LIMITED**
and Controlled Entities

ABN 41 602 423 610

Interim Financial Report

**For the half year ended
31 December 2015**

REGISTERED OFFICE

Level 4, 1 York Street Sydney
NSW 2000

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Fax: (02) 8298 4611

Fiducian Group Limited
Interim Report - 31 December 2015
Contents

	Page
Directors' report	2
Auditor's independence declaration	5
Interim financial report	
Consolidated statement of comprehensive income	6
Consolidated statement of financial position	7
Consolidated statement of changes in equity	8
Consolidated cash flow statement	9
Notes to the financial statements	10
Directors' declaration	13
Independent auditor's review report to the members	14

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Fiducian Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Fiducian Group Limited
Directors' report
31 December 2015

Your directors present their report on the consolidated entity consisting of Fiducian Group Limited ("FGL") and its wholly owned operating entities ("Group") for the half year ended 31 December 2015.

Directors

The following persons were directors of FGL during the whole half year and up to the date of this report:

Chairman (non-executive)	R Bucknell
Executive director	I Singh - Managing Director
Non-executive directors	F Khouri
	C Stone

Review of operations

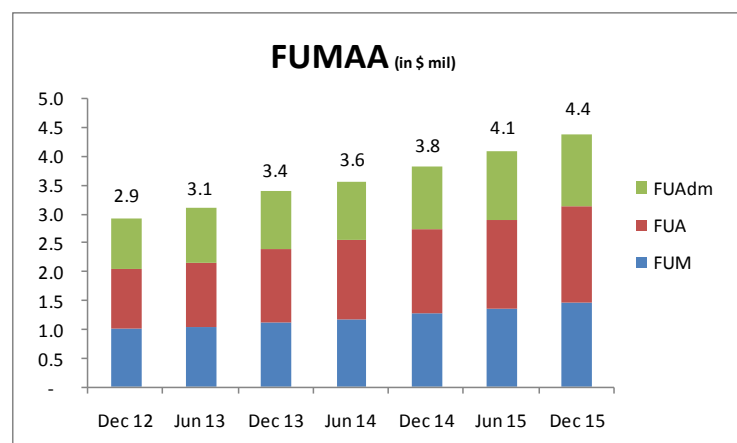
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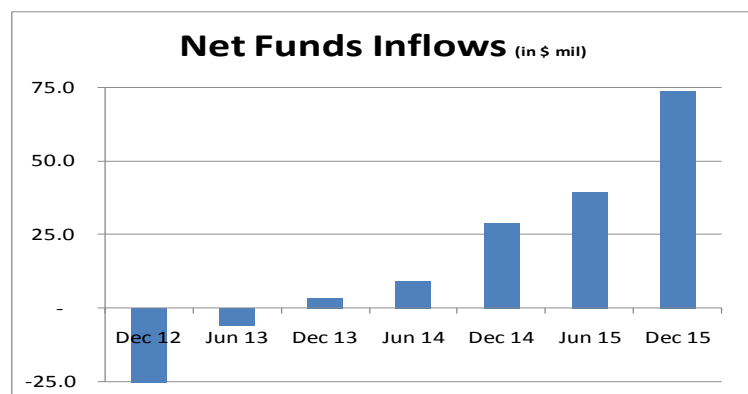
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Fiducian Group Limited Directors' report 31 December 2015

Funds Under Administration

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Funds Under Management

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Financial planning

The relationship between our salaried and franchised financial planners and their clients remains strong and is founded on quality financial planning advice and strategy.

There has been heightened effort to build the distribution base with quality financial planners. Opportunities to add new franchisees are continuously being progressed. Further, acquisitions of around \$190 million of funds under advice have brought new planners to the group. These additions have not contributed to the results of the current half year fully but are expected to do so in the second half. The Board is supportive of growth by acquisition in the current environment and we have progressed further opportunities for acquisition of financial planning practices which we anticipate could be completed before the end of the financial year.

Meanwhile we continue to emphasize quality training, professional development and compliance. These have supported our efforts to be compliant with the requirements of the FoFA legislation.

Business Services

Fiducian Business Services continues to grow, and has proven its potential by increasing the profitability of accounting practices that use its services. This segment may expand further in the future.

Information Technology

Our Wrap administration software FASTrack is delivering efficiency benefits for our Platform Administration business. The next development objective in progress is to make our financial planning software FORCE link up with the administration and reporting system, a much sought after goal in the industry.

Fiducian Group Limited
Directors' report
31 December 2015

Community support

The Group continues to raise funds for charity. Sponsorship has also been extended to community organisations and sporting teams linked to our planning network. Vision Beyond AUS, a charity supported by the Fiducian Group, has grown to now assist hospitals at eight locations spread out over India, Myanmar, Nepal and Cambodia. Over 12,000 persons who live in abject poverty have now been given their eyesight. We intend to continue our charitable support to the community.

Employee Diversity

The Group is proud to be an equal opportunity employer. It endorses diversity and currently has a number of employees that bring different skill-sets from their country of origin. We recognise that diversity includes, but is not limited to gender, age, ethnicity and cultural backgrounds.

Issued capital

On 3 March 2015 FGL announced to the Australian Securities Exchange its intention to buy back up to a further 500,000 shares on-market, which remains open. During the half year FGL did not purchase any shares. 133,552 new shares have been issued as part consideration of a business acquisition. As at 31 December 2015, the parent entity had 31,016,950 ordinary shares on issue. Subsequent to the balance date 93,905 further shares have been issued towards the payment for an acquisition.

At 31 December 2015 a total of 100,000 options were on issue to the Managing Director at an exercise price of \$1.63 with the latest exercise date being 23 October 2019. During the period no options were exercised.

Outlook

Investors and policy makers are coming to grips with currency fluctuations, policy reforms in China, commodity price weakness and consequent financial market volatility. Our expectation is for the world to manage through these changes and as well avoid the geopolitical risks on the horizon. We therefore remain moderately optimistic with the global economy and expect double digit earnings growth to continue to be delivered to shareholders of the Fiducian Group.

Dividend

After consideration of the economic environment and the strength of the company's debt free balance sheet, the directors have decided to maintain the usual distribution level of around 60-70% of statutory net profit after tax. Dividend policy is expected to be maintained subject to capital management of acquisitions, share buy-backs and growth strategies.

The directors resolved on 18 February 2016 in respect of the half year to pay an interim fully franked dividend of 5.50 cents per share (an increase of almost 22%) over the interim dividend of 4.50 cents per share (fully franked) paid for the half year ended 31 December 2014. The dividend is to be paid on 14 March 2016 in respect of ordinary shares held on 1 March 2016.

Auditor's independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Rounding of amounts to nearest thousand dollars

The company is of a kind referred to in Class order 98/0100 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

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



I Singh
Director

Sydney, 18 February 2016



Auditor's Independence Declaration

As lead auditor for the review of Fiducian Group Limited for the half-year ended 31 December 2015, 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.

This declaration is in respect of Fiducian Group Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'C. Stafford', written over a light blue horizontal line.

Craig Stafford
Partner
PricewaterhouseCoopers

Sydney
18 February 2016

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Liability limited by a scheme approved under Professional Standards Legislation.

Fiducian Group Limited
Consolidated statement of comprehensive income
For the half year ended 31 December 2015

	Half year to 31 December	
	2015	2014
	\$'000	\$'000
Revenue from continuing operations	17,269	12,296
Payment to advisers, service providers and related costs	(4,726)	(2,485)
Employee benefits expense	(5,821)	(5,299)
Depreciation and amortisation expense	(617)	(573)
Corporate restructure expenses	-	(505)
Other expenses	(2,172)	(570)
Profit before income tax	3,933	2,864
Income tax expense	(1,231)	(860)
Profit for the half year	2,702	2,004
Other comprehensive income for the half year, net of tax	-	-
Total comprehensive income for the half year attributable to the owners of Fiducian Group Limited	2,702	2,004
Earnings per share		
Earnings per share from profit from continuing operations attributable to the ordinary equity holders of the company:		
Basic earnings per share	8.72 cents	6.51 cents
Diluted earnings per share	8.69 cents	6.48 cents

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Fiducian Group Limited
Consolidated statement of financial position
As at 31 December 2015

	31 Dec 2015 \$'000	30 Jun 2015 \$'000
ASSETS		
Current assets		
Cash and cash equivalents	8,858	12,374
Trade and other receivables	4,124	3,747
Total current assets	<u>12,982</u>	<u>16,121</u>
Non-current assets		
Receivables	3,445	3,491
Property, plant and equipment	340	388
Intangible assets	15,355	8,770
Total non-current assets	<u>19,140</u>	<u>12,649</u>
Total assets	<u>32,122</u>	<u>28,770</u>
LIABILITIES		
Current liabilities		
Trade and other payables	5,836	5,073
Current tax liabilities	944	1,462
Total current liabilities	<u>6,780</u>	<u>6,535</u>
Non-current liabilities		
Payables	367	-
Net Deferred taxes	1,612	123
Provisions	928	921
Total non-current liabilities	<u>2,907</u>	<u>1,044</u>
Total liabilities	<u>9,687</u>	<u>7,579</u>
Net assets	<u>22,435</u>	<u>21,191</u>
EQUITY		
Contributed equity	6,610	6,366
Reserves	42	42
Retained profits	15,783	14,783
Total equity	<u>22,435</u>	<u>21,191</u>

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

Fiducian Group Limited
Consolidated statement of changes in equity
For the half year ended 31 December 2015

	Contributed Equity \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
<u>Half Year to 31 December 2015</u>				
Balance at the beginning of the half year	6,366	42	14,783	21,191
Comprehensive income for the half year	-	-	2,702	2,702
Transactions with equity holders in their capacity as equity holders				
Dividends paid	-	-	(1,706)	(1,706)
Shares issued	244	-	-	244
Total transactions with equity holders	244	-	(1,706)	(1,462)
Balance at the end of the half year	6,610	42	15,783	22,435
<u>Half Year to 31 December 2014</u>				
Balance at the beginning of the half year	6,235	27	13,089	19,351
Comprehensive income for the half year	-	-	2,004	2,004
Transactions with equity holders in their capacity as equity holders				
Buy back of shares, inclusive of transaction costs	(26)	-	-	(26)
Dividends paid	-	-	(1,538)	(1,538)
Shares issued	157	-	-	157
Employee share options benefit	-	15	-	15
Total transactions with equity holders	131	15	(1,538)	(1,392)
Balance at the end of the half year	6,366	42	13,555	19,963

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

Fiducian Group Limited
Consolidated cash flow statement
For the half year ended 31 December 2015

	Half year to 31 December	
	2015	2014
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	16,804	12,656
Payments to suppliers and employees (inclusive of goods and services tax)	(13,525)	(10,686)
	3,279	1,970
Interest received	173	164
Income taxes paid	(1,887)	(799)
Net cash inflow from operating activities	1,565	1,335
Cash flows from investing activities		
Loans to related parties (associates, advisers and staff)	-	(678)
Payment instalments for acquired client portfolios	(3,410)	(283)
Distributions from related trust	-	87
Repayment of loans by associates, advisers and staff	47	111
Other repayments	(12)	35
Net cash outflow from investing activities	(3,375)	(728)
Cash flows from financing activities		
Proceeds on issue of shares	-	157
Payments for shares bought back	-	(26)
Dividends paid	(1,706)	(1,538)
Net cash outflow from financing activities	(1,706)	(1,407)
Net decrease in cash and cash equivalents	(3,516)	(800)
Cash and cash equivalents at the beginning of the half year	12,374	11,194
Cash and cash equivalents at the end of the half year	8,858	10,394

The above consolidated cash flow statements should be read in conjunction with the accompanying notes.

Fiducian Group Limited
Notes to the financial statements
31 December 2015

1 Basis of preparation of half year report

This general purpose financial report for the interim half year reporting period ended 31 December 2015 has been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2015 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Figures presented in this report are subject to rounding.

Restructure and comparatives

On 1 March 2015, the Fiducian Group restructured into a non-operating holding company structure following receipt of the requisite approvals from the shareholders and the Federal Court of Australia. This restructure resulted in Fiducian Group Limited being established as the non-operating parent for the Fiducian Group. As a consequence of the restructure the activities of Fiducian Portfolio Services Limited, with the exception of the Registrable Superannuation Entity licence, were transitioned across to various entities within the Group to align the businesses along legal and operating entity lines. Other than the incorporation of a new parent company for the Group there has been no change to the consolidated group reporting entity and therefore the comparatives presented throughout this report are those of the consolidated group when FPSL was the parent entity of the Group.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Compliance with IFRS

The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2 Segment information

Following the restructure of the Group, the business activities of the Group have been split into business segments based on legal entities and reviewed by management accordingly. The business segments are as follows:-

Superannuation

The Group through its subsidiary Fiducian Portfolio Services Ltd, operates in a segment as the Registrable Superannuation Entity for a public offer superannuation fund - Fiducian Superannuation Service.

Financial Planning

The Group continues its specialist financial planning operations through its subsidiary, Fiducian Financial Services Pty Ltd.

Business Services

The Group continues to provide support to accountants, for book keeping, accounts and tax return preparation and self managed super fund administration, through its subsidiary Fiducian Business Services Pty Ltd. Although this segment does not meet the quantitative thresholds required under AASB 8, management has concluded that this segment should be reported as it is closely monitored for its potential growth opportunities.

Funds Management

The Group through its subsidiary Fiducian Investment Management Services Limited acts as an operator of an Investor Directed Portfolio Service, Fiducian Investment Service, and as Responsible Entity for managed investment schemes. For the comparative half year these activities formed part of a subsidiary Fiducian Portfolio Services Ltd.

Administration

The administration and professional services are provided to the Group by a subsidiary, Fiducian Services Pty Limited. Management views this as an operating segment. For the comparative half year these activities were conducted by Fiducian Portfolio Services Ltd.

Fiducian Group Limited
Notes to the financial statements (continued)
31 December 2015

2 Segment information (continued)

	Funds Management \$'000	Super - annuation \$'000	Financial Planning \$'000	Adminis- tration \$'000	Business Services \$'000	Segment Eliminations \$'000	Consolidated \$'000
Half year 2015							
Revenue from external customers	7,118	7,143	6,811	-	553	(4,528)	17,097
Intersegment sales	(2,135)	(4,176)	(300)	6,686	(75)	-	-
Other revenue	65	5	71	30	1	-	172
Total revenue	<u>5,048</u>	<u>2,972</u>	<u>6,582</u>	<u>6,716</u>	<u>479</u>	<u>(4,528)</u>	<u>17,269</u>
Profit from ordinary activities							
before income tax expense	<u>2,005</u>	<u>4</u>	<u>141</u>	<u>2,007</u>	<u>(224)</u>	<u>-</u>	<u>3,933</u>
Income tax expense							<u>(1,231)</u>
Profit from ordinary activities after income tax expense							<u>2,702</u>

	Platform Administration \$'000	Business Services \$'000	Financial Planning \$'000	Inter Segment Eliminations \$'000	Consolidated \$'000
Half year - 2014					
Revenue from external customers	9,694	633	1,805	-	12,132
Intersegment sales	-	-	3,838	(3,838)	-
Other revenue	149	9	6	-	164
Total segment revenue	<u>9,843</u>	<u>642</u>	<u>5,649</u>	<u>(3,838)</u>	<u>12,296</u>
Profit from ordinary activities					
before income tax expense	<u>1,789</u>	<u>17</u>	<u>1,058</u>	<u>-</u>	<u>2,864</u>
Income tax expense					<u>(860)</u>
Profit from ordinary activities after income tax expense					<u>2,004</u>

3 Dividends

	Half year to 31 Dec.	
	2015 \$'000	2014 \$'000
Ordinary shares		
Dividend paid during the half year	<u>1,706</u>	<u>1,538</u>
Dividend not recognised at the end of the half year		
In addition to the above dividend, since the end of the half year the directors have resolved to pay an interim dividend of 5.50 cents per fully paid ordinary share (2014 - 4.50 cents), fully franked based on tax paid at 30%. The aggregate amount of this dividend is to be paid on 14 March 2016 out of retained profits at 31 December 2015, but not recognised as a liability at the end of the half year, is:	<u>1,711</u>	<u>1,390</u>

Fiducian Group Limited
Notes to the financial statements (continued)
31 December 2015

4 Business Combinations

During the period the Group made the following acquisitions:

Segment	Financial Planning	Financial Planning	Financial Planning	Financial Planning	Total
Fiducian entity	Fiducian Financial Services Pty Ltd	Fiducian Financial Services Pty Ltd	Fiducian Financial Services Pty Ltd	Fiducian Financial Services Pty Ltd	
Date	1/07/2015	1/08/2015	21/10/2015	Various	
Purchased	Client Portfolio	Client Portfolio	Client Portfolio	Client Portfolio	
Vendor staff employed by Group	Yes	Yes	Yes	Yes	
Maximum purchase price	\$ 1,225,458	\$ 2,566,200	\$ 1,432,173	\$ 345,790	\$ 5,569,621
Paid by 31 December 2015	\$ 490,183	\$ 1,967,420	\$ 681,987	\$ 270,810	\$ 3,410,400
Deferred consideration at 31 December 2015	\$ 735,275	\$ 598,780	\$ 750,186	\$ 74,980	\$ 2,159,221
Value attributed on the Statement of Financial Position as at 31 December 2015	100%	100%	100%	100%	
Business combination or asset only	Combination	Combination	Combination	Combination	
Provisional Fair value of assets recognized as a result of acquisition are as follows:-					
Intangible assets	\$ 1,225,458	\$ 2,566,200	\$ 1,432,173	\$ 345,790	\$ 5,569,621
Deferred Tax Liabilities	(\$367,637)	(\$769,860)	(\$429,652)	(\$74,981)	(\$1,642,130)
Net Identifiable assets acquired	<u>\$857,821</u>	<u>\$1,796,340</u>	<u>\$1,002,521</u>	<u>\$270,809</u>	<u>\$3,927,491</u>
Goodwill	<u>\$ 367,637</u>	<u>\$ 769,860</u>	<u>\$ 429,652</u>	<u>\$ 74,981</u>	<u>\$ 1,642,130</u>
Net Assets Acquired	<u>\$ 1,225,458</u>	<u>\$ 2,566,200</u>	<u>\$ 1,432,173</u>	<u>\$ 345,790</u>	<u>\$ 5,569,621</u>

The acquired businesses did not contribute significantly to the group's current year profits. However if the acquisitions had taken place on 1 July 2015, management estimate a maximum revenue impact of \$ 865,232 for the period ended 31 December 2015. It is not practicable to estimate the profit contribution given the significant change in the cost bases to the operation of the business once within the Fiducian Group.

Under the terms of the agreement for the acquisitions the deferred consideration may be reduced in respect of any clients that have not transferred to the Group within the period specified in the agreements or should the recurring income be lower than contracted for.

5 Events occurring after the balance date

Subsequent to the balance date, FGL has issued 93,905 fully paid ordinary shares at \$2.61 on 15 February 2016 towards an installment payment for a portfolio of financial planning clients which was acquired on 1 July 2015.

Other than this there has not arisen in the interval between the balance date and the date of this report any item, transaction or event of a material and unusual nature likely in the opinion of the directors of the Group to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent years.

6 Contingent Liabilities

The Group had contingent liabilities at 31 December 2015 in respect of bank guarantees for property leases of parent and group entities amounting to \$438,000 (30 June 2015: \$438,000).

Fiducian Group Limited
Directors' declaration
31 December 2015

In the directors' opinion:

- (a) The financial statements and notes set out on pages 6 to 12 are in accordance with the *Corporations Regulations 2001*, including:
- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) Giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and
- (b) There are reasonable grounds to believe that Fiducian Group Limited will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.



I Singh
Director

Sydney,
18 February 2016



Independent auditor's review report to the members of Fiducian Group Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Fiducian Group Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for Fiducian Group Limited (the consolidated entity). The consolidated entity comprises both Fiducian Group Limited and the entities it controlled during that half-year.

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 (including the Australian Accounting Interpretations) 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 Australian 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 consolidated entity's financial position as at 31 December 2015 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 Fiducian Group 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 Fiducian Group 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 2015 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers
PricewaterhouseCoopers

Stafford

Craig Stafford
Partner

Sydney
18 February 2016