

TRINITY GROUP
(Comprising Trinity Limited and Trinity Stapled Trust
and their controlled entities)

APPENDIX 4D
HALF YEAR REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013
TO THE AUSTRALIAN SECURITIES EXCHANGE

1. COMPANY DETAILS

This report is for Trinity Group comprising Trinity Limited (ABN 11 110 831 288), Trinity Stapled Trust (ARSN 111 389 596) and their controlled entities.

The responsible entity of Trinity Stapled Trust is Trinity Investment Management Limited (ABN 47 137 565 149, AFS Licence number 338688), a subsidiary of Trinity Limited.

2. REPORTING PERIOD

Reporting Period: 6 months ended 31 December 2013

Previous Corresponding Period: 6 months ended 31 December 2012

This report should be read in conjunction with Trinity Group's annual financial report for the year ended 30 June 2013 and any public announcements made by Trinity Group during the reporting period which are available from Trinity Group's website at www.trinity.com.au or the ASX website at www.asx.com.au (ASX Code: TCQ).

3. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31 DEC 2013 \$'000	31 DEC 2012 \$'000	% change from prior period
Revenue and other income ¹	4,412	5,318	Down 17%
Net profit/(loss) for the period attributable to members ¹	20	(3,668)	N/A
Basic/diluted earnings/(loss) per security	0.01 cents	(1.93) cents	N/A
Distribution per security	0 cents	0 cents	-

¹ All items of revenue and expense are from ordinary activities.

4. NET TANGIBLE ASSETS (NTA) PER SECURITY

	31 DEC 2013	31 DEC 2012
NTA per security	\$0.356	\$0.383

The reduction in Trinity Group's NTA per security since 31 December 2012 is primarily attributable to the net effect of the capital distribution of 3 cents per security that was paid on 7 June 2013 and the on-market buyback that was conducted during the reporting period. Refer to pages 2 and 3 of the 31 December 2013 Trinity Group Half Year Financial Report for further details.

5. COMMENTARY ON THE RESULTS FOR THE REPORTING PERIOD

Refer to the Directors' Report on pages 1 to 4 of the 31 December 2013 Trinity Group Half Year Financial Report and the accompanying ASX announcement.

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6. DIVIDENDS / DISTRIBUTIONS

No dividends/distributions were paid or proposed to be paid in respect of the reporting period or the previous corresponding period.

Refer to page 12 of the 31 December 2013 Trinity Group Half Year Financial Report.

7. DIVIDEND & DISTRIBUTION REINVESTMENT PLAN

A dividend and distribution reinvestment plan was launched in February 2007 for the securityholders of Trinity Group. The plan is not available in respect of the current distribution period.

8. ENTITIES OVER WHICH CONTROL HAS BEEN GAINED DURING THE PERIOD

Trinity Group did not gain control over any entities during the period.

Trinity ESOP Pty Ltd, a subsidiary of Trinity Limited, was deregistered on 10 July 2013.

9. ASSOCIATES AND JOINT VENTURE ENTITIES

Trinity Funds Management Services Group, a 50% owned stapled group comprising TFMS Unit Trust and Trinity Funds Management Services Pty Ltd, is in the process of being wound up. TFMS Unit Trust was terminated during the reporting period. An application for deregistration of Trinity Funds Management Services Pty Ltd was lodged during the reporting period.

Trinity Group's share of net profit/(loss) from the Trinity Funds Management Services Group for the reporting period is nil (previous corresponding period: loss of \$2,747).

10. OTHER SIGNIFICANT INFORMATION

Refer to the 31 December 2013 Trinity Group Half Year Financial Report.

11. AUDIT REVIEW REPORT

The attached 31 December 2013 Half Year Financial Report for Trinity Group has been reviewed by the auditors of Trinity Group. The Independent Auditor's Review Report is included in the Half Year Financial Report. No disputes or qualifications are noted.



Richard Friend
Non-executive Director
28 February 2014



property•investment•knowledge

TRINITY GROUP
HALF YEAR FINANCIAL REPORT
31 DECEMBER 2013

COMPRISING THE CONSOLIDATED FINANCIAL REPORTS OF

TRINITY LIMITED
ABN 11 110 831 288
AND ITS CONTROLLED ENTITIES

AND

TRINITY STAPLED TRUST
ARSN 111 389 596
AND ITS CONTROLLED ENTITIES

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CORPORATE DIRECTORY

COMPANY NAME

TRINITY LIMITED

Level 1, 88 Creek Street
Brisbane QLD 4000
T: +61 7 3370 4800
F: +61 7 3041 6125
E: info@trinitylimited.com.au
www.trinity.com.au

REGISTRAR

LINK MARKET SERVICES LIMITED

Level 15, 324 Queen Street
Brisbane QLD 4000
T: 1300 554 474
F: +61 2 9287 0303

AUDITOR

BDO AUDIT PTY LTD

Level 10, 12 Creek Street
Brisbane QLD 4000
T: +61 7 3237 5999
F: +61 7 3221 9227

This half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with Trinity Group's annual financial report for the year ended 30 June 2013 and any public announcements made by Trinity Group and Trinity Stapled Trust during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Releases, financial reports and other information are available on our website: www.trinity.com.au

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2013

The Directors of Trinity Limited and Trinity Investment Management Limited, the Responsible Entity of Trinity Stapled Trust ("Responsible Entity"), present their report together with the consolidated financial statements and the auditor's report thereon for the half year ended 31 December 2013 of both:

- Trinity Limited and Trinity Stapled Trust and their controlled entities ("Trinity Group"); and
- Trinity Stapled Trust and its controlled entities ("the Trust").

Trinity Limited has been deemed the parent entity of Trinity Stapled Trust under Accounting Standards and this financial report is prepared on this basis.

DIRECTORS

The names of the Directors of Trinity Limited and the Responsible Entity in office during the half year and until the date of this report are:

Brett Heading	Independent Chairman
Richard Friend	Independent Non-Executive Director
Christopher Morton	Deputy Chairman/Chief Executive Officer

COMPANY SECRETARY

The Company Secretary of Trinity Limited and the Responsible Entity as at 31 December 2013 was Janita Robba. At the date of this report, Laura Fanning, who returned from maternity leave in January 2014, and Janita Robba are Joint Company Secretaries.

TRINITY GROUP

The stapled securities of Trinity Group are quoted on the Australian Securities Exchange ("ASX") under the code TCQ and comprise of one unit in Trinity Stapled Trust and one share in Trinity Limited. The unit and the share are stapled together and cannot be traded separately. Each entity forming part of Trinity Group continues as a separate legal entity in its own right under the *Corporations Act 2001*.

PRINCIPAL ACTIVITIES

Trinity Group's principal activities are:

- direct investment in, and management of, income producing properties (property investment);
- direct investment in properties acquired for re-sale or development (property held as inventory); and
- funds management.

Property investment relates to the following investment properties: Trinity Place (located at 308 Queen Street/88 Creek Street, Brisbane), Rivergate Centre Murrarie and 13 Compark Circuit Mulgrave. Property held as inventory relates to Trinity Group's apartments at Cumberland Lorne Resort and rural land in San Remo, Victoria.

The Trust's principal activities are investment in, and management of, income producing properties (property investment).

The Responsible Entity holds an Australian Financial Services Licence (No 338688) issued pursuant to Section 913B of the *Corporations Act 2001* and the Trust was registered as a Managed Investment Scheme on 28 October 2004 with ARSN 111 389 596.

REVIEW OF OPERATIONS AND RESULTS

FINANCIAL PERFORMANCE

Trinity Group's result for the half year ended 31 December 2013 ("half year") was a profit of \$20,148 compared with a loss of \$3.7 million for the half year ended 31 December 2012 ("previous half year").

Trinity Group's loss for the previous half year was primarily driven by property asset write downs including \$3.1 million relating to Trinity Group's investment in Cumberland Lorne Resort assets.

DIRECTORS' REPORT (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

Rental income and recoverable outgoings reduced during the half year by \$0.5 million or 16% compared to the previous half year as a result of the sale of 15 Compark Circuit, Mulgrave in April 2013.

There were no resort management fees in the half year due to the sale of the Cumberland Lorne Resort management rights in April 2013. Two apartments at Cumberland Lorne Resort were sold during the half year, resulting in a profit of \$0.2 million.

The fair value of Trinity Group's investment properties decreased by \$0.08 million during the half year. However, capital expenditure incurred in relation to the properties resulted in a total write down of \$0.3 million. Inventory was also written down by \$0.1 million due to costs incurred during the half year in pursuing the potential rezoning of the land at San Remo, Victoria.

Financing costs reduced by \$0.2 million or 16% on the previous half year due to debt reduction of \$8.9 million or 19% since 31 December 2012 and reductions in interest rates applying to Trinity Group's debt facilities during 2013. Trinity Group's debt facility was extended by 12 months during the half year and now expires on 31 October 2015.

Administration and overhead costs (excluding a one off repayment of performance fees referred to in note 5) reduced by \$0.1 million or 28% during the half year compared to the previous half year, due to savings achieved across a number of areas, including Trinity Group's insurances. A 10% reduction in employment costs was also achieved in the half year compared to the previous half year. Costs related to Trinity Group's growth strategy, such as employment costs, travel and consultants' fees, were incurred towards the end of the half year, and will continue to be incurred while Trinity Group pursues various opportunities for growth.

The Trust's result for the half year was a profit of \$3.3 million compared with a loss of \$2.7 million for the previous half year. The Trust owns the investment properties. The result for the Trust in each reporting period is largely driven by movements in the provision for doubtful debts, which relate to loans between entities within Trinity Group. As they are intra-group transactions, these loans eliminate upon presentation of Trinity Group's consolidated result.

Trinity Group completed its capital management program during the half year with its third initiative, an on-market buyback. The buyback was approved by securityholders in June 2013 and completed by November 2013, with Trinity Group buying back 6,381,569 securities at a cost of \$1.6 million.

Following the on-market buyback and cancellation of securities, Trinity Group has 143,216,966 securities on issue.

PROFIT FROM OPERATIONS

The profit/(loss) for the half year and the previous half year include a number of items which, in the opinion of the Directors, do not form part of Trinity Group's underlying profit from operations. In order to allow securityholders to gain a better understanding of Trinity Group's underlying profit from operations, certain items which are non-cash in nature, are non-recurring or occur infrequently and/or relate to realised or unrealised changes in the values of assets and liabilities can be excluded. Profit from operations is a measure which is not calculated in accordance with International Financial Reporting Standards and has not been audited or reviewed by the auditor of Trinity Group.

A reconciliation of Trinity Group's profit from operations, as assessed by the Directors, to the reported profit/(loss) for the half year is set out below. Further details of the profit from operations and the reconciling items can be found in note 12 Segment Reporting.

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	31 DEC 2013	31 DEC 2012 ¹	31 DEC 2013	31 DEC 2012 ¹
	\$'000	\$'000	\$'000	\$'000
Profit from operations	781	443	1,129	1,076
<i>Reconciliation to profit/(loss) for the half year</i>				
Fair value adjustments / write downs	(406)	(4,239)	(310)	(620)
Non-cash property investment income/(expense)	(123)	219	(123)	219
Other non-cash income/(expenses)	(232)	(91)	2,570	(3,406)
Profit/(loss) for the half year	20	(3,668)	3,266	(2,731)

¹ Profit from operations for the previous half year have been presented as comparative figures, although these have not been reported in this format by Trinity Group previously.

DIRECTORS' REPORT (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

EARNINGS AND DISTRIBUTIONS

No distributions were paid or payable to stapled securityholders for the half year (December 2012: nil).

FINANCIAL POSITION

The following summarises key information regarding Trinity Group and the Trust's financial positions:

		TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
		31 DEC 2013	30 JUNE 2013	31 DEC 2013	30 JUNE 2013
Total assets	\$'000	88,846	91,349	88,557	83,099
Net assets	\$'000	50,962	52,388	50,814	48,994
Debt (Bank loans and bank bills)	\$'000	37,218	37,606	37,218	32,946
Net debt ¹	\$'000	23,769	22,496	28,589	25,072
Balance sheet gearing ratio ²	%	31.4	29.4	35.7	33.2
Property loan-to-value ratio ³	%	50.8	50.3	n/a	n/a
Securities on issue	'000	143,217	149,599	143,217	149,599
Net tangible assets (NTA) per security ⁴	cents	35.6	35.0	n/a	n/a
Distributions per security ⁵	cents	-	3.0	-	3.0

¹ Debt less cash and cash equivalents

² Net debt (less unamortised borrowing costs) divided by total assets less cash and cash equivalents

³ Debt divided by bank accepted property valuations as per facility covenants

⁴ NTA per security increased due to the impact of the on-market buyback conducted during the half year

⁵ A one-off capital distribution of 3 cents per security was paid on 7 June 2013 from Trinity Stapled Trust

STATE OF AFFAIRS

DIRECT PROPERTY

At 31 December 2013, Trinity Group owned five property assets, made up of two commercial properties, one industrial property, its remaining apartments in Cumberland Lorne Resort and a parcel of rural zoned land in Victoria.

Trinity Group's largest commercial property is Trinity Place, comprising a heritage listed property located at 308 Queen Street, Brisbane, which is interconnected with the modern commercial tower at 88 Creek Street. This property had a vacancy rate by net lettable area of 8.2% at 31 December 2013 (June 2013: 8.8%). Development works on the ground floor and in the retail precinct have been completed with only one small vacant retail tenancy remaining. The focus for this building over the coming year will continue to be the leasing of the vacant tenancies and strategies to manage pending office lease expiries particularly in 2015 and 2016.

13 Compark Circuit in Mulgrave, Victoria is the second commercial property held by Trinity Group. The property is one of two similar buildings that were originally held by Trinity Group on a single title. The property was subdivided in late 2012 with the other building, 15 Compark Circuit, Mulgrave, being sold by Trinity Group in April 2013. The remaining office building is currently vacant and has been actively marketed for both leasing and sale. Subsequent to balance date, Trinity Group has executed an unconditional contract of sale for the property for a sale price of \$6.825 million with settlement to occur by 31 March 2014. Further details are provided on page 4.

The industrial property is located at Rivergate in Murrarie, Brisbane. It generates solid returns with a single whole-of-building tenant and remaining lease duration of approximately 9.5 years.

As at 31 December 2013, Trinity Group owns 13 apartments at Cumberland Lorne Resort. As at the date of this report, five of these apartments are under contract, three of which are unconditional. Each of these apartments is contracted to be sold at a profit to carrying value and all are expected to settle on or before 30 June 2014. Assuming that the two conditional contracts become unconditional and all the contracts complete, there will be 8 apartments remaining to be sold. All apartments at Lorne held by Trinity Group are currently recorded at cost in the Statement of Financial Position.

Rezoning continues to be pursued for the rural land located at San Remo, Victoria.

FUNDS MANAGEMENT

Trinity Investment Management Limited, a wholly owned subsidiary of Trinity Limited, acts as the Responsible Entity of the Trust.

Funds management revenue and fees are intra-group transactions and eliminate on presentation of Trinity Group's consolidated result.

STRATEGY PROGRESS

On 26 September 2013, Trinity Group announced its intention to pursue a growth strategy for the business. Trinity Group has commenced implementation of the strategy by actively pursuing growth opportunities in the property funds management sector in accordance with the above announcement.

EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to balance date Trinity Group executed an unconditional contract of sale for 13 Compark Circuit in Mulgrave, Victoria for a sale price of \$6.825 million. Settlement will occur by 31 March 2014. The sale will result in a full year loss on disposal of the property of approximately \$0.4 million after transaction costs. This loss includes the fair value decrease of \$0.08 million recorded in the half year.

Contracts of sale for four apartments at Cumberland Lorne Resort have been entered into subsequent to balance date, each at a profit to carrying value. As at the date of this report, five apartments are under contract. Three of the contracts are unconditional as at the date of this report and two are conditional. Settlements are expected to occur on or before 30 June 2014.

Other than the matters discussed above, there have been no other significant events since balance date which may affect Trinity Group or the Trust's operations, the results of those operations or the state of affairs, which have not been disclosed already in this report.

AUDITOR'S INDEPENDENCE DECLARATION

We confirm that we have obtained a declaration of independence from our auditors, in accordance with section 307C of the *Corporations Act 2001*, as set out on page 5.

ROUNDING OF AMOUNTS

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

Signed in accordance with a resolution of the Board of Directors of Trinity Limited and Trinity Investment Management Limited.



Brett Heading

Director

Dated in Brisbane this 28th day of February 2014

AUDITOR'S INDEPENDENCE DECLARATION



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY KIM COLYER TO THE DIRECTORS OF TRINITY LIMITED AND THE DIRECTORS OF TRINITY INVESTMENT MANAGEMENT LIMITED AS RESPONSIBLE ENTITY FOR TRINITY STAPLED TRUST

As lead auditor for the review of the Trinity Group for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Trinity Group which comprises both Trinity Limited and the entities it controlled during the half-year and Trinity Stapled Trust and the entities it controlled during the half-year.

A handwritten signature in black ink, appearing to read 'K. L. Colyer', written in a cursive style.

K L Colyer
Director

BDO Audit Pty Ltd

Brisbane, 28 February 2014

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

	NOTES	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
		31 DEC 2013	31 DEC 2012	31 DEC 2013	31 DEC 2012
		\$'000	\$'000	\$'000	\$'000
Revenue and other income					
Rental income and recoverable outgoings – investment properties		2,718	3,244	2,724	3,251
Revenue from Cumberland Lorne Resort assets					
- Rental income	3	249	747	-	-
- Management fees from resort operation	3	-	796	-	-
- Sales of apartments	3	1,227	-	-	-
Interest		218	530	133	236
Other revenue		-	1	-	-
Total revenue and other income		4,412	5,318	2,857	3,487
Expenses					
Property expenses and outgoings – investment properties		586	604	586	604
Expenses relating to Cumberland Lorne Resort assets					
- Property expenses and outgoings	3	216	341	-	-
- Resort operation costs	3	-	1,239	-	-
- Costs of sale of apartments	3	1,008	55	-	-
Employee related expenses		732	810	-	-
Administration and overhead costs	5	453	456	50	158
Doubtful debts – trade and other receivables	4	(20)	-	(2,616)	3,345
Responsible entity fees		-	-	260	290
Depreciation and amortisation		5	27	-	-
Finance costs		1,006	1,212	1,001	1,201
Share of net loss of equity accounted associates		-	3	-	-
Fair value net loss from investment properties	8	333	678	333	678
Write down of inventory to net realisable value		96	3,619	-	-
Net change in fair value of derivative financial instruments		(23)	(58)	(23)	(58)
Total expenses		4,392	8,986	(409)	6,218
Profit/(loss) before tax		20	(3,668)	3,266	(2,731)
Income tax (expense)/benefit		-	-	-	-
Net profit/(loss) for the half year		20	(3,668)	3,266	(2,731)
Other comprehensive income for the half year, net of tax		-	-	-	-
Total comprehensive income for the half year		20	(3,668)	3,266	(2,731)
Profit/(loss) or the half year attributable to:					
Members of the parent		(883)	(4,566)	-	-
Unitholders of the Trust		903	898	3,266	(2,731)
Profit/(loss) or the half year		20	(3,668)	3,266	(2,731)
Total comprehensive income for the half year attributable to:					
Members of the parent		(883)	(4,566)	-	-
Unitholders of the Trust		903	898	3,266	(2,731)
Total comprehensive income for the half year		20	(3,668)	3,266	(2,731)
Earnings per stapled security					
Basic/diluted earnings/(loss) per stapled security		0.01 cents	(1.93) cents	n/a	n/a
Basic/diluted earnings/(loss) per unit		n/a	n/a	2.26 cents	(1.44) cents

The above Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	NOTES	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
		31 DEC 2013	30 JUNE 2013	31 DEC 2013	30 JUNE 2013
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents		13,449	15,110	8,629	7,874
Trade and other receivables		148	115	58	46
Non-current assets held for sale	6	6,825	8,305	6,825	8,305
Inventory	7	2,641	2,808	-	-
Other current assets		718	540	546	441
Total current assets		23,781	26,878	16,058	16,666
Non-current assets					
Trade and other receivables		602	645	14,413	9,813
Investment properties	8	57,235	55,575	57,235	55,575
Inventory	7	6,339	7,171	-	-
Property, plant and equipment		38	35	-	-
Other non-current assets		851	1,045	851	1,045
Total non-current assets		65,065	64,471	72,499	66,433
Total assets		88,846	91,349	88,557	83,099
Current liabilities					
Trade and other payables		618	1,270	508	1,095
Derivative financial instruments	9	71	-	71	-
Provisions		31	42	-	-
Total current liabilities		720	1,312	579	1,095
Non-current liabilities					
Trade and other payables		26	38	26	38
Interest bearing loans and borrowings	9	37,138	37,517	37,138	32,878
Derivative financial instruments	9	-	94	-	94
Total non-current liabilities		37,164	37,649	37,164	33,010
Total liabilities		37,884	38,961	37,743	34,105
Net assets		50,962	52,388	50,814	48,994
Equity					
Equity attributable to members of the Company					
Contributed equity	11	43,965	43,965	-	-
Accumulated losses		(66,153)	(65,270)	-	-
		(22,188)	(21,305)	-	-
Equity attributable to unitholders of the Trust					
Contributed equity	11	237,054	238,701	237,054	238,701
Reserves		201	-	201	-
Deficiency		(164,105)	(165,008)	(186,441)	(189,707)
		73,150	73,693	50,814	48,994
Total equity		50,962	52,388	50,814	48,994

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

STATEMENTS OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	31 DEC 2013	31 DEC 2012	31 DEC 2013	31 DEC 2012
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Cash receipts in the course of operations	3,314	4,974	3,032	3,113
Cash payments in the course of operations	(2,367)	(4,258)	(1,288)	(1,524)
Interest received	211	572	128	289
Interest and finance costs paid	(977)	(1,188)	(973)	(1,176)
Net cash from/(used in) operating activities	181	100	899	702
Cash flows from investing activities				
Payments for investment properties and assets held for sale	(880)	(242)	(880)	(242)
Proceeds from sale of inventory	1,218	-	-	-
Payments for capitalised development costs	(92)	(980)	-	-
Loans to related entities	-	-	-	(310)
Payments for property, plant and equipment	(9)	(24)	-	-
Repayment of loan from related entity	-	-	2,815	4,790
Net cash from/(used in) investing activities	237	(1,246)	1,935	4,238
Cash flows from financing activities				
Payment for security buyback	(1,640)	(15,000)	(1,640)	(15,000)
Transaction costs on security buyback	(14)	(139)	(14)	(117)
Proceeds from sale of employee share scheme securities	-	26	-	20
Repayment of borrowings	(388)	-	(388)	-
Payments for loan establishment costs	(37)	(8)	(37)	(8)
Net cash from/(used in) financing activities	(2,079)	(15,121)	(2,079)	(15,105)
Net (decrease)/increase in cash and cash equivalents	(1,661)	(16,267)	755	(10,165)
Cash and cash equivalents at beginning of the half year	15,110	27,506	7,874	12,580
Cash and cash equivalents at end of the half year	13,449	11,239	8,629	2,415

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

**TRINITY GROUP
CONSOLIDATED**

	ATTRIBUTABLE TO MEMBERS OF THE COMPANY				ATTRIBUTABLE TO UNITHOLDERS OF THE TRUST				
	CONTRIBUTED EQUITY	RESERVES	ACCUMULATED LOSSES	TOTAL	CONTRIBUTED EQUITY	RESERVES	ACCUMULATED LOSSES	TOTAL	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2013	43,965	-	(65,270)	(21,305)	238,701	-	(165,008)	73,693	52,388
Losses for the half year attributable to members of the Company	-	-	(883)	(883)	-	-	-	-	(883)
Profit for the half year attributable to unitholders of the Trust	-	-	-	-	-	-	903	903	903
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the half year	-	-	(883)	(883)	-	-	903	903	20
Transactions with members recorded directly in equity:									
Employee share options – value of employee services	-	-	-	-	-	201	-	201	201
Security buyback	-	-	-	-	(1,640)	-	-	(1,640)	(1,640)
Transaction costs on security buyback	-	-	-	-	(7)	-	-	(7)	(7)
Total changes in equity as a result of transactions with members	-	-	-	-	(1,647)	201	-	(1,446)	(1,446)
At 31 December 2013	43,965	-	(66,153)	(22,188)	237,054	201	(164,105)	73,150	50,962
At 1 July 2012	43,999	(41)	(59,227)	(15,269)	258,422	(237)	(166,619)	91,566	76,297
Losses for the half year attributable to members of the Company	-	-	(4,566)	(4,566)	-	-	-	-	(4,566)
Profit for the half year attributable to unitholders of the Trust	-	-	-	-	-	-	898	898	898
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the half year	-	-	(4,566)	(4,566)	-	-	898	898	(3,668)
Transactions with members recorded directly in equity:									
Disposal of employee share scheme securities	(46)	52	-	6	(241)	261	-	20	26
Security buyback	-	-	-	-	(15,000)	-	-	(15,000)	(15,000)
Transaction costs on security buyback	(22)	-	-	(22)	(117)	-	-	(117)	(139)
Total changes in equity as a result of transactions with members	(68)	52	-	(16)	(15,358)	261	-	(15,097)	(15,113)
At 31 December 2012	43,931	11	(63,793)	(19,851)	243,064	24	(165,721)	77,367	57,516

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

TRINITY STAPLED TRUST CONSOLIDATED	CONTRIBUTED EQUITY \$'000	ACCUMULATED LOSSES \$'000	RESERVES \$'000	TOTAL \$'000
At 1 July 2013	<u>238,701</u>	<u>(189,707)</u>	-	<u>48,994</u>
Profit for the half year attributable to unitholders	-	3,266	-	3,266
Other comprehensive income	-	-	-	-
Total comprehensive income for the half year	-	3,266	-	3,266
Transactions with members recorded directly in equity:				
Employee share options – value of employee services	-	-	201	201
Security buyback	(1,640)	-	-	(1,640)
Transaction costs on security buyback	(7)	-	-	(7)
Total changes in equity as a result of transactions with members	(1,647)	-	201	(1,446)
At 31 December 2013	<u>237,054</u>	<u>(186,441)</u>	201	<u>50,814</u>
At 1 July 2012	<u>258,422</u>	<u>(179,956)</u>	(237)	<u>78,229</u>
Loss for the half year attributable to unitholders	-	(2,731)	-	(2,731)
Other comprehensive income	-	-	-	-
Total comprehensive income for the half year	-	(2,731)	-	(2,731)
Transactions with members recorded directly in equity:				
Disposal of employee share scheme securities	(241)	-	261	20
Security buyback	(15,000)	-	-	(15,000)
Transaction costs on security buyback	(117)	-	-	(117)
Total changes in equity as a result of transactions with members	(15,358)	-	261	(15,097)
At 31 December 2012	<u>243,064</u>	<u>(182,687)</u>	24	<u>60,401</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report for the half year reporting period ended 31 December 2013 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half year 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 Trinity Group's annual financial report for the year ended 30 June 2013 and any public announcements made by Trinity Group and Trinity Stapled Trust during the half year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies and computations are consistent with those of the previous financial year and previous half year reporting period. These policies have been consistently applied to all the periods presented except as noted in 1(d) below.

The financial statements were approved by the Board of Directors of Trinity Limited and Trinity Investment Management Limited on 28 February 2014.

a. CONSOLIDATED FINANCIAL STATEMENTS

This half year financial report includes separate financial statements for Trinity Group, consisting of Trinity Limited and Trinity Stapled Trust and their controlled entities, and for Trinity Stapled Trust and its controlled entities. Trinity Limited has been deemed the parent entity of the Trust. As noted in 1(d) below, Trinity Group has presented consolidated financial statements in accordance with Class Order 13/1050.

b. CHANGES TO PRESENTATION – CLASSIFICATION OF REVENUE AND EXPENSES

This half year financial report includes in the Statements of Profit or Loss and Other Comprehensive Income a detailed breakdown of Trinity Group's revenue and expenses. Trinity Group believes that this will provide securityholders with more relevant information than previously presented in relation to its operations and is in line with common practice in the sector in which Trinity Group operates. Comparative information has been reclassified accordingly. No changes have been made to the classifications shown in the Statements of Financial Position, Statements of Cashflows, or Statements of Changes in Equity.

c. COMPARATIVES

Where necessary, including as outlined in 1(b) above, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

d. NEW STANDARDS ADOPTED

Trinity Group has adopted all new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2013. When the adoption of the Standard or Interpretation is deemed to have an impact on the financial statements or performance of the entity, its impact is described below:

(i) AASB 10 Consolidated Financial Statements

AASB 10 was issued in August 2011 and replaces the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements and in Interpretation 112 Consolidation – Special Purpose Entities. Under the new principles, an entity must control one or more other entities to present consolidated financial statements. An entity will control another when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. To provide clarity on the revised definition of control in AASB 10, specifically whether a stapled entity is able to control another, ASIC has revised Class Order 13/1050, which will continue to allow stapled entities to prepare consolidated financial statements for the half year. As such, Trinity Group has relied on that Class Order to prepare consolidated financial statements for the half year. The amounts attributable to non-controlling interests, being those in the Trust, are set out in the Statement of Financial Position on page 7.

The Group has reviewed its investments in other entities to assess whether the consolidation conclusion in relation to these entities is different under AASB 10 than under AASB 127. No differences were found and therefore no adjustments to any of the carrying amounts in the financial statements are required as a result of the adoption of AASB 10.

(ii) AASB 11 Joint Arrangements

Under AASB 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement. Trinity Group does not have any joint arrangements and therefore no adjustments to any of the carrying amounts in the financial statements are required as a result of the adoption of AASB 11.

(iii) AASB 119 Employee benefits

The adoption of the revised AASB 119 Employee Benefits resulted in a change to the entity's accounting policy for the Trinity Group's annual leave obligations. However, the impact of this change was immaterial.

Other new standards that are applicable for the first time for the 31 December 2013 half-year financial report are AASB 13 Fair Value Measurement, AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities and AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle. These standards have introduced new disclosures for the interim report but did not affect Trinity Group's accounting policies or any of the amounts recognised in the financial statements.

2. DISTRIBUTIONS PAID AND PAYABLE TO SECURITYHOLDERS

No distributions/dividends were paid or payable to stapled securityholders for the half year (December 2012: nil).

3. CUMBERLAND LORNE RESORT REVENUE AND EXPENSES

In April 2013, Trinity Group sold part of its investment at the Cumberland Lorne Resort in Lorne, Victoria. The sale included 23 apartments, the resort conference centre, the resort manager's apartment and the company which owned the resort management rights.

As a result of this transaction, there were no resort management fees or resort operation costs in the half year. The transaction also caused Trinity Group's apartment rental income and associated property expenses and outgoings to be lower in the half year than the previous half year.

Two apartments at Cumberland Lorne Resort were sold during the half year, resulting in a profit of \$0.219 million.

4. DOUBTFUL DEBTS – TRADE AND OTHER RECEIVABLES

The Trust's provision for doubtful debts primarily relates to loans provided to entities within Trinity Group. As they are intra-group transactions, these loans eliminate upon presentation of Trinity Group's consolidated result. During the half year, the Trust reduced the amount of an intra-group loan provision that had been raised previously, resulting in a net gain of \$2.616 million (December 2012: an expense of \$3.345 million).

5. ADMINISTRATION AND OVERHEAD COSTS

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	31 DEC 2013	31 DEC 2012	31 DEC 2013	31 DEC 2012
	\$'000	\$'000	\$'000	\$'000
Classified by nature				
Management and administration expenses	186	238	10	36
Consultancy and legal fees	105	186	23	106
Accounting and audit fees	37	32	17	16
Repayment of performance fees ¹	125	-	-	-
Total administration and overhead costs	453	456	50	158

¹ During the half year, and in accordance with indemnities provided for in the contract of sale for the Trinity Funds Management Limited business in April 2012, Trinity Group repaid performance fees received from Trinity Opportunistic Property Fund No 1 in 2007 and 2008 to LaSalle Investment Management. Trinity Group does not expect to repay any other fees previously received.

6. NON-CURRENT ASSETS HELD FOR SALE

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	31 DEC 2013	30 JUNE 2013	31 DEC 2013	30 JUNE 2013
	\$'000	\$'000	\$'000	\$'000
Investment properties held for sale ¹	6,825	8,305	6,825	8,305
Total non-current assets held for sale	6,825	8,305	6,825	8,305

¹ At 30 June 2013, the balance included 13 Compark Circuit, Mulgrave and 937 transferable site areas (known as TSAs) which are attached to Trinity Place. The TSAs were under option for \$1.405 million. The option relating to these TSAs expired during the half year and, as at 31 December 2013, the value of the TSAs has been re-classified to investment property as shown in note 8.

At 31 December 2013, 13 Compark Circuit, Mulgrave is the only investment property held for sale which is expected to be sold within the next 12 months.

7. INVENTORY

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	31 DEC 2013	30 JUNE 2013	31 DEC 2013	30 JUNE 2013
	\$'000	\$'000	\$'000	\$'000
Current				
Property held for sale - Cumberland Lorne Resort ¹	2,641	2,808	-	-
Total current	2,641	2,808	-	-
Non-current				
Property held for sale - Cumberland Lorne Resort ¹	1,539	2,371	-	-
Property under development - San Remo ²	4,800	4,800	-	-
Total non-current	6,339	7,171	-	-

¹ At 31 December 2013, Trinity Group owned 13 apartments at the Cumberland Lorne Resort. Trinity Group's intention is to sell the apartments individually, with some of those apartments expected to be sold within the next 12 months, and the remaining apartments within 1-2 years. The value of apartments expected to be sold within the next 12 months is reassessed at each balance date.

² Rezoning is being pursued for the rural land located at San Remo, Victoria.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

8. INVESTMENT PROPERTIES

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	HALF YEAR ENDED	YEAR ENDED	HALF YEAR ENDED	YEAR ENDED
	31 DEC 2013	30 JUNE 2013	31 DEC 2013	30 JUNE 2013
	\$'000	\$'000	\$'000	\$'000
Investment properties at fair value	57,235	55,575	57,235	55,575
Movements in investment properties				
Balance at beginning of reporting period	55,575	69,914	55,575	69,914
Additions ¹	588	839	588	839
Disposals ²	-	(7,524)	-	(7,524)
Classified as held for sale – transfers in/(out)	1,405	(6,900)	1,405	(6,900)
Net loss from fair value movements	(333)	(754)	(333)	(754)
Balance at end of reporting period	57,235	55,575	57,235	55,575

¹ Additions relate to capital expenditure incurred during the reporting period.

² 15 Compark Circuit, Mulgrave was sold in April 2013.

Fair value is determined by either a registered independent valuer or an appropriately experienced internal appraiser.

Details of investments properties are as follows:

PROPERTY	ACQUISITION DATE	BOOK VALUE 31 DEC 2013 ¹ \$'000	BOOK VALUE 30 JUNE 2013 \$'000	LATEST INDEPENDENT VALUATION DATE	INDEPENDENT VALUATION AMOUNT \$'000	CAPITAL- ISATION RATE ³ %	AVERAGE LEASE DURATION ³
Commercial							
Trinity Place, QLD	21/12/2006	32,800	32,800	30 June 2013	32,800	9.0%	2.7 years
Trinity Place, QLD - TSAs	21/12/2006	1,800 ²	394 ²	30 June 2013	394 ²	n/a	n/a
13 Compark Circuit, VIC	31/01/2005	6,825	6,900	30 June 2013	6,900	9.25%	-
Industrial							
Rivergate Centre, QLD	28/02/2007	24,500	24,500	30 June 2013	24,500	7.75%	9.9 years
Total investment properties (including amounts classified in other assets and receivables)		65,925	64,594				
Less amounts classified as:							
Investment properties held for sale		(6,825)	(6,900)				
Other assets – lease incentives		(1,262)	(1,474)				
Trade and other receivables – straight lining of operating lease rental income		(603)	(645)				
Total investment properties		57,235	55,575				

¹ Book values as at 31 December 2013 are based on internal valuations which have been adopted by the Directors and do not exceed independent valuations undertaken in June 2013.

² The 30 June 2013 balance, and independent valuation, related only to TSAs not under option. The 31 December 2013 balance relates to all TSAs. Refer to note 6 for further details.

³ As at the latest independent valuation date.

9. INTEREST BEARING LOANS AND BORROWINGS

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	31 DEC 2013 \$'000	30 JUNE 2013 \$'000	31 DEC 2013 \$'000	30 JUNE 2013 \$'000
Non-current				
Bank loans – secured	-	4,660	-	-
Bank bills – secured	37,218	32,946	37,218	32,946
Unamortised borrowing costs	(80)	(89)	(80)	(68)
Total non-current	37,138	37,517	37,138	32,878

As at 31 December 2013 Trinity Group has access to an aggregated facility with National Australia Bank with a fully drawn limit of \$37.218 million (June 2013: fully drawn limit of \$37.606 million).

A re-allocation of debt within Trinity Group occurred in August 2013. The re-allocation was a non-cash transaction and whilst borrowings in the Trust increased, overall Trinity Group borrowings remained the same. The facility was extended in December 2013 for 12 months. The facility now expires on 31 October 2015 and is secured by:

- a first registered mortgage over all of the investment properties of Trinity Stapled Trust and Trinity Prime Industrial Trust;
- a first registered mortgage over the real property held by San Remo Project Pty Ltd and Trinity Lorne Resort Pty Ltd; and
- a general security agreement over the whole of the assets of Trinity Limited, Trinity Stapled Trust, Trinity Prime Industrial Trust, Trinity Lorne Resort Pty Ltd and San Remo Project Pty Ltd.

As at 31 December 2013, Trinity Group complied with the financial covenants relevant for the current aggregated facility. There has been no change in the covenants since 30 June 2013.

At 31 December 2013, a fixed term loan facility agreement was in place between Trinity Stapled Trust and other Trinity Group entities with an interest rate of 0% (June 2013: 0%). Loan transactions arise due to Trinity Group Treasury policies and the effect of stapling.

DERIVATIVE FINANCIAL INSTRUMENTS

Trinity Group manages its cash flow interest rate risk by using floating-to-fixed interest rate derivatives. In August 2012, Trinity Group entered into an interest rate swap with a face value of \$16.0 million and expiry date of 31 October 2014. The fair value of the interest rate swap was \$71,356 at 31 December 2013 (June 2013: \$94,062). Refer to note 10 for further details on the fair value of the swap.

10. FINANCIAL INSTRUMENTS

The carrying values of Trinity Group's financial assets and financial liabilities approximate their fair values as at 31 December 2013.

The following table analyses financial instruments carried at fair value, by valuation method, using the fair value hierarchy. The different levels have been defined as:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2013:				
Financial liabilities				
Derivative financial instruments	-	71	-	71
	-	71	-	71
30 June 2013:				
Financial liabilities				
Derivative financial instruments	-	94	-	94
	-	94	-	94

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

11. CONTRIBUTED EQUITY

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	HALF YEAR ENDED	YEAR ENDED	HALF YEAR ENDED	YEAR ENDED
	31 DEC 2013	30 JUNE 2013	31 DEC 2013	30 JUNE 2013
	\$'000	\$'000	\$'000	\$'000
Ordinary stapled securities – fully paid	281,019	282,666	237,054	238,701

Half year ended 31 December 2013

During the half year the following movements in ordinary issued securities occurred:

Contributed equity attributable to members of the Company

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	NUMBER OF SECURITIES	\$'000	NUMBER OF SECURITIES	\$'000
On issue at 1 July 2013	149,598,535	43,965	-	-
Transfer from share based payments reserve	-	-	-	-
Security buyback ¹	(6,381,569)	-	-	-
On issue at 31 December 2013	143,216,966	43,965	-	-

Contributed equity attributable to members of the Trust

On issue at 1 July 2013	149,598,535	238,701	149,598,535	238,701
Security buyback ¹	(6,381,569)	(1,640)	(6,381,569)	(1,640)
Transaction costs on security buyback	-	(7)	-	(7)
On issue at 31 December 2013	143,216,966	237,054	143,216,966	237,054
Total contributed equity attributable to securityholders		281,019		237,054

¹ During the half year, 6,381,569 securities were bought back through an on-market buyback program at a cost of \$1.640 million. The securities were acquired at an average price of \$0.257 per security. The buyback was funded from the Trust.

The basis of allocation of any issue prices, withdrawal prices or associated costs between the stapled entities is determined in accordance with Trinity Stapled Trust's constitution and the Stapling Deed.

11. CONTRIBUTED EQUITY (CONTINUED)

Year ended 30 June 2013

During the financial year the following movements in ordinary issued securities occurred:

Contributed equity attributable to members of the Company

	TRINITY GROUP CONSOLIDATED		TRINITY STAPLED TRUST CONSOLIDATED	
	NUMBER OF SECURITIES	\$'000	NUMBER OF SECURITIES	\$'000
On issue at 1 July 2012	197,235,631	43,999	-	-
Security buyback ¹	(48,387,096)	-	-	-
Issue of securities on the exercise of options	750,000	35	-	-
Transfer from share based payments reserve	-	(47)	-	-
Transaction costs on security buyback, capital distribution and exercise of options	-	(22)	-	-
On issue at 30 June 2013	149,598,535	43,965	-	-

Contributed equity attributable to members of the Trust

On issue at 1 July 2012	197,235,631	258,422	197,235,631	258,422
Security buyback ¹	(48,387,096)	(15,000)	(48,387,096)	(15,000)
Capital distribution ²	-	(4,488)	-	(4,488)
Issue of securities on the exercise of options	750,000	135	750,000	135
Transfer from share based payments reserve	-	(241)	-	(241)
Transaction costs on security buyback, capital distribution and exercise of options	-	(127)	-	(127)
On issue at 30 June 2013	149,598,535	238,701	149,598,535	238,701

Total contributed equity attributable to securityholders		282,666		238,701
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¹ An off-market buyback was completed in December 2012 with 48,387,096 securities being bought back at a total cost of \$15.0 million. The buyback was funded from the Trust.

² On 7 June 2013, a capital distribution of \$0.03 per security was paid to all securityholders from the capital of the Trust.

The basis of allocation of any issue prices, withdrawal prices or associated costs between the stapled entities is determined in accordance with Trinity Stapled Trust's constitution and the Stapling Deed.

12. SEGMENT REPORTING

TRINITY GROUP CONSOLIDATED

Trinity Group comprises the following reporting segments, as reviewed by executive management (the chief operating decision makers). The following summary describes the operations in each of Trinity Group's operating segments:

Operating segments	Products/Services
Funds management	Establishment and management of property investment vehicles
Property investment	Investment and management of income producing properties (Trinity Place, 13 Compark Circuit, Mulgrave and Rivergate Centre)
Property held as inventory	Properties acquired for re-sale or development activities (Cumberland Lorne Resort apartments and San Remo)

Property held as inventory is a separate reporting segment for the half year due to the nature of the assets included in the segment and Trinity Group's current strategy in relation to those assets. In prior periods, this formed part of the property investment segment.

Investment in managed funds and Investment in TFML/TFMS Group, which were separate reporting segments in previous reporting periods, are no longer considered to be so due to cessation of operations or operations no longer being material.

TRINITY STAPLED TRUST CONSOLIDATED

The Trust operates in predominantly one operating segment being property investment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

12. SEGMENT REPORTING (CONTINUED)

TRINITY GROUP HALF YEAR ENDED 31 DECEMBER 2013	FUNDS MANAGEMENT \$'000	PROPERTY INVESTMENT \$'000	PROPERTY HELD AS INVENTORY \$'000	OTHER \$'000	TOTAL \$'000
Segment revenue and other income					
External revenue	-	2,841	1,476	-	4,317
Inter-segment revenue	260	6	-	(266)	-
Interest revenue	84	133	1	-	218
Total segment revenue and other income	344	2,980	1,477	(266)	4,535
Segment expenses					
Property expenses and outgoings	-	(586)	(216)	-	(802)
Employee related expenses	(532)	-	-	-	(532)
Administration and overhead costs	(276)	(49)	(1)	-	(326)
Inter-segment expenses	(6)	(260)	-	266	-
Doubtful debts – trade and other receivables	-	20	-	-	20
Finance costs	(1)	(976)	(4)	-	(981)
Other costs, including Lorne	(125)	-	(1,008)	-	(1,133)
Total segment expenses	(940)	(1,851)	(1,229)	266	(3,754)
Segment net profit/(loss) before tax	(596)	1,129	248	-	781
Reconciliation to reported profit/(loss)					
Fair value adjustments / (write downs)					
- Investment properties	-	(333)	-	-	(333)
- Inventory	-	-	(96)	-	(96)
- Derivative financial instruments	-	23	-	-	23
Total fair value adjustments / (write downs)	-	(310)	(96)	-	(406)
Non-cash income/(expenses) - property investment					
- Straight-line lease income	-	(42)	-	-	(42)
- Lease incentive and lease cost amortisation	-	(81)	-	-	(81)
Total non-cash income/(expenses) - property investment	-	(123)	-	-	(123)
Non-cash income/(expenses) - other					
- Amortisation of finance costs	-	(26)	-	-	(26)
- Depreciation and amortisation	(5)	-	-	-	(5)
- Employee options expense	(201)	-	-	-	(201)
- Doubtful Debts – intra-group loans	-	2,596	-	(2,596)	-
Total non-cash income/(expenses) - other	(206)	2,570	-	(2,596)	(232)
Income tax benefit/(expense)	46	-	(46)	-	-
Total adjustments	(160)	2,137	(142)	(2,596)	(761)
Profit/(loss) for the half year	(756)	3,266	106	(2,596)	20

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

12. SEGMENT REPORTING (CONTINUED)

TRINITY GROUP HALF YEAR ENDED 31 DECEMBER 2012	FUNDS MANAGEMENT	PROPERTY INVESTMENT	PROPERTY HELD AS INVENTORY	OTHER	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Segment revenue and other income					
External revenue	(2)	3,026	1,543	-	4,567
Inter-segment revenue	290	5	329	(624)	-
Interest revenue	288	236	6	-	530
Other income	1	-	-	-	1
Total segment revenue and other income	577	3,267	1,878	(624)	5,098
Segment expenses					
Property expenses and outgoings	-	(604)	(341)	-	(945)
Employee related expenses	(810)	-	-	-	(810)
Administration and overhead costs	(295)	(159)	(2)	-	(456)
Inter-segment expenses	(5)	(290)	(329)	624	-
Finance costs	(1)	(1,138)	(11)	-	(1,150)
Other costs, including Lorne	-	-	(1,294)	-	(1,294)
Total segment expenses	(1,111)	(2,191)	(1,977)	624	(4,655)
Segment net profit/(loss) before tax	(534)	1,076	(99)	-	443
<i>Reconciliation to reported profit/(loss)</i>					
Fair value adjustments / (write downs)					
- Investment properties	-	(678)	-	-	(678)
- Inventory	-	-	(3,619)	-	(3,619)
- Derivative financial instruments	-	58	-	-	58
Total fair value adjustments / (write downs)	-	(620)	(3,619)	-	(4,239)
Non-cash income/(expenses) - property investment					
- Straight-line lease income	-	158	-	-	158
- Lease incentive and lease cost amortisation	-	61	-	-	61
Total non-cash income/(expenses) - property investment	-	219	-	-	219
Non-cash income/(expenses) - other					
- Amortisation of finance costs	-	(62)	-	-	(62)
- Depreciation and amortisation	(7)	-	(20)	-	(27)
- Share of net loss of equity accounted associates	(2)	-	-	-	(2)
- Doubtful Debts – intra-group loans	-	(3,344)	-	3,344	-
Total non-cash income/(expenses) - other	(9)	(3,406)	(20)	3,344	(91)
Income tax benefit/(expense)	(182)	-	182	-	-
Total adjustments	(191)	(3,807)	(3,457)	3,344	(4,111)
Profit/(loss) for the half year	(725)	(2,731)	(3,556)	3,344	(3,668)

13. CONTINGENT ASSETS AND LIABILITIES

Trinity Group and the Trust are unaware of any contingent assets or contingent liabilities as at 31 December 2013.

14. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to balance date Trinity Group has executed an unconditional contract of sale for 13 Compark Circuit in Mulgrave, Victoria for a sale price of \$6.825 million. Settlement will occur by 31 March 2014. The sale will result in a full year loss on disposal of the property of approximately \$0.4 million after transaction costs. This includes the fair value decrease of \$0.075 million recorded in the half year.

Contracts of sale for four apartments at Cumberland Lorne Resort have been entered into subsequent to balance date, each at a profit to carrying value. As at the date of this report, five apartments are under contract. Three of the contracts are unconditional as at the date of this report and two are conditional. Settlements are expected to occur on or before 30 June 2014.

Other than the matters discussed above, there have been no other significant events since balance date which may affect Trinity Group or the Trust's operations, the results of those operations or the state of affairs, which have not been disclosed already in this report.

DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

The Directors of Trinity Limited and Trinity Investment Management Limited as Responsible Entity for Trinity Stapled Trust declare that they are of the opinion that:

- (a) the attached financial statements and notes on pages 6 to 21 comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the *Corporate Regulations 2001* and other mandatory professional reporting requirements; and
- (b) the attached financial statements and notes on pages 6 to 21 give a true and fair view of Trinity Group's and the Trust's financial position as at 31 December 2013 and of their performance for the half year ended on that date; and
- (c) there are reasonable grounds to believe that Trinity Group and the Trust will be able to pay their debts as and when they become due and payable.

Signed in accordance with resolutions of the Boards of Directors of Trinity Limited and Trinity Investment Management Limited made pursuant to section 303(5) of the *Corporations Act 2001*.



Brett Heading

Director

Dated in Brisbane this 28th day of February 2014

INDEPENDENT AUDITOR'S REVIEW REPORT

To the securityholders of Trinity Group

Report on the Half-Year Financial Report

Trinity Group ("Trinity Group") comprises both Trinity Limited ("Parent Entity") and the entities it controlled during the half-year, and Trinity Stapled Trust and the entities it controlled during the half-year ("the Trust").

We have reviewed the accompanying half-year financial report of Trinity Group, which comprises the statements of financial position as at 31 December 2013, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cashflows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of both Trinity Limited and Trinity Investment Management Limited as Responsible entity for Trinity Stapled Trust.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Parent Entity and the directors of Trinity Investment Management Limited as Responsible Entity for Trinity Stapled Trust 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 control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Trinity Group's and the Trust's financial position as at 31 December 2013 and their 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 Trinity Group, 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of both Trinity Limited and Trinity Investment Management Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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 Trinity Group is not in accordance with the *Corporations Act 2001* including:

- A. giving a true and fair view of Trinity Group's and the Trust's financial position as at 31 December 2013 and of their performance for the half-year ended on that date; and
- B. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit Pty Ltd

K L Colyer

Director

Brisbane, 28 February 2014