

APPENDIX 4D STATEMENT FOR THE HALF-YEAR ENDING 31 DECEMBER 2017

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This half-year report is presented under listing rule 4.2A and should be read in conjunction with the Company's 2017 Annual Report.

AMCIL Limited ABN 57 073 990 735

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The reporting period is the half-year ended 31 December 2017 with the previous corresponding period being the half-year ended 31 December 2016. The results have been reviewed by the Company's auditors.

Results for announcement to the market

- Profit for the half-year, which was \$2.57 million, was up 9.1% from the previous corresponding period. This was primarily due to increased distributions from stocks that the Company owns, plus the addition of some higher-yielding stocks to replace those sold.
- Revenue from investments was \$4.12 million, up 24.6% from \$3.31 million in the previous corresponding period. This excludes capital gains on investments.
- Net tangible asset backing per share before any provision for tax on unrealised gains at 31 December 2017 was 97 cents per share (2016 : 93 cents).
- A final dividend of 3.5 cents per share (fully franked) in respect of the financial year ended 30 June 2017 was paid on 24 August 2017.
- In line with the Company's practice, no interim dividend has been declared in respect of the half-year ended 31 December 2017.
- Management expense ratio of 0.66%.

AMCIL Lifts Profit 9.1%

Half Year Report to 31 December 2017

Key Themes –

- AMCIL's investment approach is to have a focused portfolio in which large, mid and small companies can have an equally important impact on portfolio returns.
 - Material and energy stocks have risen strongly over the six month period, with small and mid cap companies in these sectors up very strongly, as confidence about global growth continued. Through the period, AMCIL added Rio Tinto to the portfolio as well as making additional investments in BHP.
 - In a market where opportunities were more difficult to find, Westfield Corporation (now subject to a takeover offer) was added to the portfolio during price weakness.
 - AMCIL also deployed funds into option strategies to generate additional income. This was particularly relevant to AMCIL's bank holdings.
 - The Company sold some positions where the investment case had become less compelling or because of high valuations.
 - The market in our view appears to be fully valued at current levels. AMCIL is close to fully invested.
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Result Summary –

- Half Year Profit of \$2.6 million was up 9.1% from \$2.4 million in the previous corresponding period due to a higher contribution from investment income. During the period AMCIL increased its position in a number of dividend paying stocks, including the large resource companies.
 - In line with previous practice, the Board has not declared an interim dividend.
 - Six month portfolio return was 6.9%; including franking it was 8.4%.
 - Twelve month portfolio return was 8.7% per annum; including franking it was 10.2% per annum.
 - Management expense ratio of 0.66% (annualised).
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Profit

Profit for the half year was \$2.6 million, up 9.1% from \$2.4 million in the previous corresponding period. This was due to a higher contribution from investment income as AMCIL increased its position in a number of dividend paying stocks, including the large resource companies. The contribution from trading and option portfolios were down \$0.8 million, as a number of call options were bought back and replaced with options expiring in the second half of the financial year. This was done to capture more of the potential capital gains in the rising market.

In line with previous practice, the Board has not declared an interim dividend.

Portfolio Performance

Over the six month period the energy and materials sectors have driven strong market returns. Energy was up 27% over the period and materials increased 20%. AMCIL's exposure to these sectors is through companies with long life assets and low cost production. It is consequently underweight the more speculative components of these sectors. During the half, BHP, Oil Search, Iluka Resources and Rio Tinto were strong contributors to portfolio performance.

AMCIL also seeks to have smaller companies make an equally important impact on portfolio returns as large companies. In this context, there were strong contributions from Lifestyle Communities, Objective Corporation, CYBG (Clydesdale Bank), Treasury Wine Estates and Fisher and Paykel Healthcare.

AMCIL's total portfolio return over the half year was 6.9%. Given AMCIL's dividend policy seeks to maximise the distribution of franking credits, including those arising from taxable realised gains, it is appropriate to add franking credits to total returns. On this basis, assuming the full benefit of franking credits, AMCIL's portfolio delivered a return of 8.4% whereas the S&P/ASX 200 Accumulation Index return was 9.2% on the same basis over the half year.

Adjustments to the Portfolio

It was a challenging investment environment over the period as quality companies with good growth prospects generally traded at very high levels. AMCIL through this time looked for opportunities to generate enhanced income from selling call options against part of the portfolio. This activity covered a number of holdings, including Westpac Banking Corporation. The Company also added Rio Tinto to the portfolio early in the half year as well as building on the position in BHP. Westfield Corporation (now subject to a takeover offer) was added to the portfolio during price weakness.

Holdings were sold where the investment case had become less compelling against our original investment thesis or because of high valuation levels. Major sales included the complete disposal of holdings in QBE Insurance, TPG Telecom, ResMed and Mayne Pharma. The position in Treasury Wine Estates was reduced.

Moving Forward

AMCIL is close to fully invested. Current market conditions make it difficult to find great value in the quality companies AMCIL looks to invest in. We will be patient and look for any market opportunities to adjust the portfolio.

Please direct any enquiries to:

Mark Freeman
Managing Director
(03) 9225 2112

Geoff Driver
General Manager
(03) 9225 2102

23 January 2018

MAJOR TRANSACTIONS IN THE INVESTMENT PORTFOLIO

Acquisitions	Cost \$'000
Rio Tinto	4,960
Westfield Corporation	4,915
BHP	3,812
Westpac Banking Corporation	3,776
Healthscope	3,764
AGL Energy	3,535
Boral	3,126
EQT Holdings	3,000

Disposals	Proceeds \$'000
QBE Insurance [#]	5,711
TPG Telecom [#]	4,481
Treasury Wine Estates	4,017
ResMed [#]	3,217
Mayne Pharma Group [#]	3,137

[#] complete disposal from the portfolio

New Companies Added to the Portfolio

Rio Tinto	Carsales.com
Westfield Corporation	Reece
AGL Energy	Dulux Group
Boral	Xero
EQT Holdings	Bingo Industries

TOP INVESTMENTS AS AT 31 DECEMBER 2017

Includes investments held in both the Investment and Trading Portfolios

Valued at closing prices at 29 December 2017

		Total Value \$ '000	% of Portfolio
1	* BHP	15,750	6.4%
2	Lifestyle Communities	11,600	4.7%
3	* Westpac Banking Corporation	11,302	4.6%
4	* National Australia Bank	11,041	4.5%
5	* Commonwealth Bank of Australia	10,400	4.2%
6	* CSL	9,210	3.7%
7	* Qube Holdings	7,833	3.2%
8	Mainfreight	7,504	3.0%
9	* Oil Search	7,088	2.9%
10	Transurban Group	6,719	2.7%
11	* James Hardie Industries	6,459	2.6%
12	* Amcor	6,096	2.5%
13	* IRESS	5,787	2.3%
14	* CYBG	5,744	2.3%
15	* Computershare	5,680	2.3%
16	* Seek	5,655	2.3%
17	* Westfield Corporation	5,574	2.2%
18	Freedom Foods Group	5,180	2.1%
19	* Iluka Resources	5,036	2.0%
20	Brambles	5,035	2.0%
		<u>154,694</u>	
As % of Total Portfolio (excludes cash)			62.4%

* Indicates that options were outstanding against part of the holding.

Cash position at 31 December 2017 - \$6.7 million

PORTFOLIO PERFORMANCE TO 31 DECEMBER 2017

PERFORMANCE MEASURES AT 31 DECEMBER 2017	6 MONTH	1 YEAR	5 YEARS %PA	10 YEARS %PA
NET ASSET BACKING RETURN INCLUDING DIVIDENDS REINVESTED	6.9%	8.7%	9.0%	6.9%
S&P/ASX 200 ACCUMULATION INDEX	8.4%	11.8%	10.2%	4.1%
NET ASSET BACKING GROSS RETURN INCLUDING DIVIDENDS REINVESTED*	8.4%	10.2%	11.5%	8.9%
S&P/ASX 200 GROSS ACCUMULATION INDEX *	9.2%	13.4%	11.9%	5.7%

Note: AMCIL's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should also be noted that Index returns for the market do not include the impact of management expenses and tax on their performance.

*Incorporates the benefit of franking credits for those who can fully utilise them.



AMCIL LIMITED

ABN 57 073 990 735

HALF-YEAR REPORT 31 DECEMBER 2017

COMPANY PARTICULARS

AMCIL Limited (“AMH”)

ABN 57 073 990 735

AMCIL is a Listed Investment Company. It is an investor in equities and similar securities on the stock market primarily in Australia.

Directors: Bruce Teele, Chairman
Ross Barker
Roger Brown
Siobhan McKenna
Rupert Myer AO
Richard (Bob) Santamaria
Jonathan Webster
Mark Freeman, Managing Director

Company Secretaries: Matthew Rowe
Andrew Porter

Auditor: PricewaterhouseCoopers, Chartered Accountants

Country of incorporation: Australia

Registered office: Level 21
101 Collins Street
Melbourne, Victoria 3000

Contact Details: Mail Address: Level 21, 101 Collins St., Melbourne, Victoria 3000
Telephone: (03) 9650 9911
Facsimile: (03) 9650 9100
Email: invest@amcil.com.au
Internet address: www.amcil.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone: 1800 780 784 (toll free)

Share Registrar: Computershare Investor Services Pty Limited
Mail Address: GPO Box 2975, Melbourne, Victoria 3001
Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067

AMH Shareholder
enquiry line: 1300 653 916
+613 9415 4224 (from overseas)
Facsimile: (03) 9473 2500
Internet: www.investorcentre.com/contact

For all enquiries relating to shareholdings, dividends and related matters, please contact the share registrar as above.

Securities Exchange Code:

AMH Ordinary shares

DIRECTORS' REPORT

This report in relation to the half-year to 31 December 2017 is presented by the Directors of AMCIL Limited ('the Company') in accordance with a resolution of Directors.

Directors

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

B.B. Teele (appointed December 2003)
R.E. Barker (appointed May 1996)
R.G. Brown (appointed February 2014)
S.L. McKenna (appointed March 2016)
R.H. Myer AO (appointed January 2000)
R.B. Santamaria (appointed August 1996)
J.J. Webster (appointed November 2016)
R.M. Freeman (appointed January 2018)

Company operations and results

Overview

AMCIL is a Listed Investment Company which invests primarily in securities listed on the Australian Securities Exchange.

Performance Indicators and Outcomes

Profit for the half-year, which was \$2.6 million, was up 9.1% from the previous corresponding period. This was primarily due to increased distributions from stocks that the Company owns, plus the addition of some higher-yielding stocks to replace those sold.

The net profit for the six months was equivalent to 0.99 cents per share (2016 : 0.92 cents per share).

Dividends and distributions from investments amounted to \$4.0 million for the half-year, of which \$3.0 million was from fully franked dividends.

The portfolio return for the six months to December 2017 delivered a return of 6.9% compared to the broader S&P/ASX200 return of 8.4%. AMCIL's portfolio return is after costs and tax paid (including tax on realised capital gains which can be returned to shareholders via franking credits).

As with previous years, the Board has decided not to declare an interim dividend.

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

Rounding of amounts

The Company is of a kind referred to in the ASIC Corporations' (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report and financial report. Unless specifically stated otherwise, amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Instrument.

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

A handwritten signature in black ink, appearing to read 'BB Teele', with a stylized flourish at the end.

BB Teele
Chairman
Melbourne
23 January 2018



Auditor's Independence Declaration

As lead auditor for the review of AMCIL Limited for the half-year ended 31 December 2017, 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.

A handwritten signature in dark ink, appearing to read 'Nadia Carlin'.

Nadia Carlin
Partner
PricewaterhouseCoopers

Melbourne
23 January 2018

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	Half-year 2017 \$'000	Half-year 2016 \$'000
Dividends and distributions		3,996	3,184
Revenue from deposits and bank bills		128	125
Total revenue		4,124	3,309
Net gains/(losses) on trading and options portfolios		(920)	(123)
Other income		-	6
Income from operating activities	3	3,204	3,192
Finance costs		(25)	(25)
Administration expenses		(808)	(775)
Profit before income tax expense		2,371	2,392
Income tax (expense)/credit		195	(40)
Profit for the half-year		2,566	2,352
		Cents	Cents
Basic earnings per share	8	0.99	0.92

This Income Statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Half-Year to 31 December 2017			Half-Year to 31 December 2016		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Profit for the half-year	2,566	-	2,566	2,352	-	2,352
Other Comprehensive Income						
Gains for the period on equity securities in the investment portfolio	-	14,033	14,033	-	7,921	7,921
Deferred tax expense on above	-	(5,673)	(5,673)	-	(2,438)	(2,438)
Total Other Comprehensive Income¹	-	8,360	8,360	-	5,483	5,483
Total comprehensive income ²	2,566	8,360	10,926	2,352	5,483	7,835

¹ These are the net capital gains/(losses) not accounted for through the Income Statement.

² This is the company's Net Return for the half-year, which includes the Net Profit plus the net realised and unrealised gains or losses on the Company's investment portfolio.

Note that none of the items included in Other Comprehensive Income will be recycled through the Income Statement.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	31 Dec 2017 \$'000	30 June 2017 \$'000
Current assets			
Cash		6,732	14,991
Receivables		265	832
Trading portfolio		-	516
Total current assets		6,997	16,339
Non-current assets			
Investment portfolio		250,385	231,024
Deferred tax assets		231	-
Total non-current assets		250,616	231,024
Total assets		257,613	247,363
Current liabilities			
Payables		256	249
Options written portfolio	4	2,563	641
Tax payable		63	2,074
Total current liabilities		2,882	2,964
Non-current liabilities			
Deferred tax liabilities		-	140
Deferred tax liabilities - investment portfolio	5	20,958	15,473
Total non-current liabilities		20,958	15,613
Total liabilities		23,840	18,577
Net Assets		233,773	228,786
Shareholders' equity			
Share Capital	6	174,748	171,658
Revaluation Reserve		35,582	27,120
Realised Capital Gains Reserve		5,931	9,427
Retained Profits		17,512	20,581
Total shareholders' equity		233,773	228,786

This Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

Half-Year to 31 December 2017

	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		171,658	27,120	9,427	20,581	228,786
Dividends paid	7	-	-	(3,870)	(5,159)	(9,029)
Shares issued – Dividend Reinvestment Plan	6	3,101	-	-	-	3,101
Share Issue Transaction Costs	6	(11)	-	-	-	(11)
Total transactions with shareholders		3,090	-	(3,870)	(5,159)	(5,939)
Profit for the half-year		-	-	-	2,566	2,566
<i>Other Comprehensive Income for the half-year</i>						
Net gains for the period on equity securities in the investment portfolio		-	8,360	-	-	8,360
Other Comprehensive Income for the half-year		-	8,360	-	-	8,360
Transfer to Retained Profits of net cumulative non-taxable losses		-	476	-	(476)	-
Transfer to Realised Capital Gains Reserve of net cumulative taxable gains		-	(374)	374	-	-
Total equity at the end of the half-year		174,748	35,582	5,931	17,512	233,773

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

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2017 (CONT.)

Half-Year to 31 December 2016	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		168,556	25,620	4,485	22,632	221,293
Dividends paid	7	-	-	-	(8,914)	(8,914)
Shares issued – Dividend Reinvestment Plan		3,113	-	-	-	3,113
Share Issue Transaction Costs		(11)	-	-	-	(11)
Total transactions with shareholders		3,102	-	-	(8,914)	(5,812)
Profit for the half-year		-	-	-	2,352	2,352
<i>Other Comprehensive Income for the half-year</i>						
Net gains for the period on equity securities in the investment portfolio		-	5,483	-	-	5,483
Other Comprehensive Income for the half-year		-	5,483	-	-	5,483
Transfer to Retained Profits of net cumulative non-taxable gains		-	(507)	-	507	-
Transfer to Realised Capital Gains Reserve of net cumulative taxable gains		-	(3,758)	3,758	-	-
Total equity at the end of the half-year		171,658	26,838	8,243	16,577	223,316

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

CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Half-year 2017 \$'000 INFLOWS/ (OUTFLOWS)	Half-year 2016 \$'000 INFLOWS/ (OUTFLOWS)
Cash flows from operating activities		
Sales from trading portfolio	2,129	337
Purchases for trading portfolio	(715)	(540)
Interest received	128	125
Proceeds from entering into options in options written portfolio	2,752	1,173
Payment to close out options in options written portfolio	(1,876)	(492)
Dividends and distributions received	3,730	3,749
	<u>6,148</u>	<u>4,352</u>
Administration expenses	(801)	(776)
Finance costs paid	(25)	(25)
Taxes paid	(236)	(826)
Other receipts	-	6
Net cash inflow/(outflow) from operating activities	<u>5,086</u>	<u>2,731</u>
Cash flows from investing activities		
Sales from investment portfolio	57,864	52,543
Purchases for investment portfolio	(63,132)	(32,856)
Taxes paid on capital gains	(2,138)	(452)
Net cash inflow/(outflow) from investing activities	<u>(7,406)</u>	<u>19,235</u>
Cash flows from financing activities		
Share issues	3,101	3,112
Share issues transaction costs	(11)	(11)
Dividends paid	(9,029)	(8,914)
Net cash inflow/(outflow) from financing activities	<u>(5,939)</u>	<u>(5,813)</u>
Net increase/(decrease) in cash held	(8,259)	16,153
Cash at the beginning of the half-year	14,991	7,375
Cash at the end of the half-year	<u>6,732</u>	<u>23,528</u>

This Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

1. Basis of preparation of half-year financial report

This general purpose half-year financial report 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. This report should be read in conjunction with the 2017 Annual Report and public announcements made by the Company during the half-year, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

In the interests of transparency in its reporting, the Company uses the phrase “market value” in place of the AASB terminology “fair value for actively traded securities.”

2. Financial reporting by segments

The Company operates as a Listed Investment Company in Australia. It has no reportable business or geographic segments.

(a) Segment information provided to the Board

The internal reporting provided to the Board for the Company’s assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in the Company’s Net Tangible Asset announcements to the ASX).

The relevant amounts as at 31 December 2017 and 31 December 2016 were as follows:

Net tangible asset backing per share	2017	2016
	cents	cents
Before Tax	97	93
After Tax	89	87

(b) Other segment information

(i) Segment Revenue

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, whilst income arises from gains or losses on the trading portfolio and the options portfolio.

The Company is domiciled in Australia and the Company’s income is derived predominantly from Australian entities or entities that have a listing on the Australian Securities Exchange. The Company has a diversified portfolio of investments, with three investments comprising more than 10% of the Company’s income, including contribution from the trading portfolio and realised income from the options written portfolio : Westpac 15.0%, National Australia Bank 14.5% and Commonwealth Bank 10.1% (2016 : None).

3. Income from operating activities	Half-year 2017 \$'000	Half-year 2016 \$'000
Income from operating activities is comprised of the following:		
Dividends & distributions		
• securities held in investment portfolio	3,996	3,184
• securities held in trading portfolio	-	-
	<u>3,996</u>	<u>3,184</u>
Interest income		
• securities held in investment portfolio	-	-
• deposits and income from bank bills	128	125
	<u>128</u>	<u>125</u>
Net gains/(losses)		
• net gains from trading portfolio sales	127	66
• unrealised losses in trading portfolio	-	(142)
• realised gains/(losses) on options written portfolio	(485)	183
• unrealised losses on options written portfolio	(562)	(230)
	<u>(920)</u>	<u>(123)</u>
Other income	-	6
Income from operating activities	<u>3,204</u>	<u>3,192</u>

4. Current liabilities – options written portfolio

As at balance date there were call options outstanding which potentially required the Company, if they were all exercised, to deliver securities to the value of \$62.4 million (30 June 2017: \$36.0 million). If all the put options were exercised, this would require the Company to purchase \$3.9 million of stock (30 June 2017 : \$3.2 million).

5. Deferred tax liabilities – investment portfolio

In accordance with AASB 112 *Income Taxes*, deferred tax liabilities have been recognised for Capital Gains Tax on the unrealised gains in the investment portfolio at current tax rates (30% - see Note 11) totalling \$21.0 million (30 June 2017 : \$15.5 million at 27.5%). As the Directors do not intend to dispose of the portfolio, this tax liability may not be crystallised at this amount.

6. Shareholders' equity – share capital

Movements in Share Capital of the Company during the half-year were as follows:

Date	Details	Notes	Number of shares '000	Issue price \$	Paid-up Capital \$'000
01/07/2017	Opening Balance		257,976		171,658
24/08/2017	Dividend Reinvestment Plan	(i)	3,524	0.88	3,101
Various	Share Issue Costs		-		(11)
31/12/2017	Balance		<u>261,500</u>		<u>174,748</u>

- (i) The Company's Dividend Reinvestment Plan was in place for the 2017 final dividend. Shares were issued at a price equivalent to the 5-day VWAP calculated from when the shares traded ex-dividend.

7. Dividends	Half-year 2017 \$'000	Half-year 2016 \$'000
Dividends (fully franked) paid during the period	9,029 (3.5 cents per share)	8,914 (3.5 cents per share)

8. Earnings per Share	Half-year 2017 Number	Half-year 2016 Number
Weighted average number of ordinary shares used as the denominator	260,446,532	256,979,061

Basic earnings per share

	\$'000	\$'000
Profit for the half-year	2,566	2,352
	Cents	Cents
Basic earnings per share	0.99	0.92

Dilution

As there are no options, convertible notes or other dilutive instruments on issue, diluted net profit per share is the same as basic net profit per share.

9. Events subsequent to balance date

Since 31 December 2017 to the date of this report there has been no event of which the Directors are aware which has had a material effect on the Company or its financial position.

10. Contingencies

At balance date Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the financial report.

11. Taxation Rate

The Company has assumed that the changes announced by the Federal Government to disallow access by investment companies to the lower corporate tax rate will be legislated with effect from 1 July 2017. Consequently, a rate of 30% has been used for the half-year ended 31 December 2017.

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 13 to 21 are in accordance with the *Corporations Act 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 Company's financial position as at 31 December 2017 and of its performance, as represented by the results of the operations, changes in equity and cash flows, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



BB Teele
Chairman
Melbourne
23 January 2018



Independent auditor's review report to the members of AMCIL Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of AMCIL Limited (the Company), which comprises the balance sheet as at 31 December 2017, the statement of comprehensive income, statement of changes in equity, cash flow statement and income statement for the half-year ended on that date, selected explanatory notes and the directors' declaration.

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 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 entity's financial position as at 31 December 2017 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 AMCIL 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*.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

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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 AMCIL Limited is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A stylized signature in blue ink, likely representing the PricewaterhouseCoopers firm.

PricewaterhouseCoopers

A stylized signature in blue ink, likely representing Nadia Carlin.

Nadia Carlin
Partner

Melbourne
23 January 2018