

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

ABN 37 004 268 679

APPENDIX 4D STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2019

CONTENTS

- Results for announcement to the market
- Letter to Australian Securities Exchange
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RESULTS FOR ANNOUNCEMENT TO THE MARKET

The reporting period is the **half year ended 31 December 2019** with the prior corresponding period being the half year ended 31 December 2018.

The report is based on audit reviewed financial statements. A copy of the auditor's review report can be found on page 15.

Results for announcement to the market

- Revenue from ordinary activities was \$27.7 million, a fall of 2.6% from the prior corresponding period.
- Profit after tax was \$24.5 million, down 0.8% from the prior corresponding period.
- Total net profit for the period of \$24.5 million excludes net realised gains and losses which are transferred directly to the Asset Realisation Reserve under the accounting standards.
- This period special dividends of \$1,050,000 after tax were received (prior corresponding period \$180,000).
- Excluding special dividends received and after tax on those dividends, profit after tax fell 4.4%*.
- Earnings per share based on profit after tax were 19.7 cents, a decrease of 1.0% from the prior corresponding period. Excluding special dividends received, earnings per share fell 4.6%* to 18.8* cents. The weighted average number of ordinary shares for the period rose 0.2% to 124,415,270 after taking into account the shares issued in the dividend re-investment plan.
- The interim dividend for the half year is 17.0 cents per share (17.0 cents prior corresponding period) fully franked payable on 16 March 2020. The record date for determining entitlement to the interim dividend is 24 February 2020.
- The interim dividend will not include any Listed Investment Company capital gain dividend.
- The Company operates a Dividend Reinvestment Plan ("DRP") under which shareholders may elect to have all or part of their dividend payment reinvested in new ordinary shares. Pricing of the new DRP shares will be at the volume weighted average selling price of shares traded on the Australian Securities Exchange in the five trading days commencing from the day the shares start trading on an ex dividend basis, without any discount. The last day for the receipt of an election notice for participation in the plan is 25 February 2020.
- The net tangible asset backing per share based on the market valuation of investments was \$10.09 at 31 December 2019, compared to \$8.44 at the end of the prior corresponding period, an increase of 19.5%. These calculations are after tax on net realised gains, before any future tax benefit of net realised losses, before estimated tax on net unrealised gains/losses, and before provision for the interim dividend.

* Additional non IFRS information, not subject to external review.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

ABN 37 004 268 679

LEVEL 20
101 COLLINS STREET
MELBOURNE VIC 3000
AUSTRALIA

TEL (613) 9654 0499
FAX (613) 9654 3499

18 February 2020

The General Manager
Australian Securities Exchange
P O Box H224
Australia Square
Sydney NSW 2000

Dear Sir,

FINANCIAL REPORT AND DIVIDEND ANNOUNCEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

The Directors make the following report concerning the company's performance and interim dividend:-

Profit and Realised Capital Gains/Losses

Profit after income tax for the half year ended 31 December 2019 was \$24,486,000 (previous corresponding period: \$24,689,000), which includes special dividends received after tax of \$1,050,000 (previously: \$180,000).

Excluding special dividends, Profit after tax fell 4.4%*.

Net realised gains on the investment portfolio after tax were \$1,282,000 (previous corresponding period losses of \$6,550,000), which under accounting standards are transferred directly to the Asset Realisation Reserve and are not included in Net Profit.

Operating expenses for the half year were 0.06% of the average market value of the portfolio (previous corresponding period 0.05%).

Earnings Per Share

Earnings per share based on the weighted average number of shares on issue for the half year were 19.7 cents per share compared to 19.9 cents for the prior corresponding period. Excluding special dividends, earnings per share fell 4.6% to 18.8 cents*.

The weighted average number of ordinary shares for the period rose 0.2% to 124,415,270 after taking into account the shares issued in the dividend reinvestment plan.

* Additional non IFRS information, not subject to external review.

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Dividends

The Directors have declared an interim dividend of 17.0 cents per share fully franked to shareholders registered on 24 February 2020, to be paid on 16 March 2020. The comparable 2018 interim dividend was 17.0 cents per share fully franked.

LIC Capital Gains

The interim dividend will not include any Listed Investment Company capital gain dividend.

Dividend Reinvestment Plan

The Company operates a Dividend Reinvestment Plan (“DRP”) under which shareholders may elect to have all or part of their dividend payment reinvested in new ordinary shares. Pricing of the new DRP shares will be at the volume weighted average selling price of shares traded on the Australian Securities Exchange in the five trading days beginning from the day the shares start trading on an ex dividend basis, without any discount. The last day for the receipt of an election notice for participation in the plan is 25 February 2020.

Asset Backing

The net tangible asset backing per share based on the market valuation of investments was \$10.09 at 31 December 2019 and \$10.58 at 31 January 2020. These calculations are after tax on net realised gains, before any future tax benefit of net realised losses, before estimated tax on net unrealised gains/losses, and before provision for the interim dividend.

The Company is a long term investor and does not intend disposing of its total portfolio. If estimated tax on unrealised portfolio gains were to be deducted, the above figures would be \$8.55 at 31 December 2019 and \$8.89 at 31 January 2020.

Performance

The Company’s net asset backing accumulation performance for the six months to 31 December 2019 (assuming all dividends were reinvested) was a rise of 4.4%, compared to the rise of 3.1% in the S&P ASX 200 Accumulation index. The Company’s returns are after tax and expenses and the impact of the Company’s gearing for which no allowance is made in the index.

Including the value of franking credits, the Company’s accumulation return for the half year to 31 December 2019 was an increase of 5.35% compared to an increase of 3.80% in the S&P/ASX 200 Franking Credit Adjusted Total Return Index.

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Investment Portfolio

As at 31 December 2019 the twenty-five largest shareholdings of the company, at market values were:

Company	Market Value \$'000	% of Market Value of Total Investments
1. CSL Ltd	110,304	8.3%
2. Commonwealth Bank	103,870	7.8%
3. Transurban Group	83,049	6.3%
4. Rio Tinto Ltd	75,300	5.7%
5. Westpac Banking Corp	74,362	5.6%
6. Australia New Zealand Banking Group Ltd	73,890	5.6%
7. BHP Billiton Ltd	72,002	5.4%
8. Diversified United Investment Ltd	71,712	5.4%
9. Woodside Petroleum Ltd	68,760	5.2%
10. Wesfarmers Ltd	57,960	4.4%
11. National Australia Bank	49,260	3.7%
12. Atlas Arteria Ltd	43,065	3.2%
13. Sydney Airport	38,970	2.9%
14. Woolworths Ltd	36,160	2.7%
15. Ramsay Health Care Ltd	25,386	1.9%
16. Seek Ltd	22,550	1.7%
17. Washington H Soul Pattinson	21,500	1.6%
18. Coles Group Ltd	20,775	1.6%
19. Event Hospitality and Entertainment Ltd	20,400	1.5%
20. Brambles Ltd	19,045	1.4%
21. Origin Energy Ltd	18,623	1.4%
22. Orica Ltd	16,485	1.3%
23. Resmed Inc.	16,425	1.2%
24. Invocare Ltd	15,828	1.2%
25. Aurizon Holdings Ltd	15,690	1.2%
	1,171,371	88.2%
Total Investments at Market Value, Net Short Term Receivables and Cash	1,327,178	

*Note: At 31 December 2019 bank facilities were \$150M, drawn as to \$70M, and cash and short term receivables (included in the above figures) were \$31M.

Yours faithfully,

A J Hancock
Company Secretary

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED
(ABN 37 004 268 679)

INTERIM FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Directory

Directors

C B Goode AC - Chairman
J S Craig
F S Grimwade
D C Hershman

Company Secretary

Andrew J Hancock FCA

Registered Office

Level 20
101 Collins Street
Melbourne VIC 3000
Tel: (613) 9654 0499
Fax: (613) 9654 3499
Email: info@aui.com.au
Website: www.aui.com.au

Bankers

National Australia Bank Limited
Australia and New Zealand Banking Group Limited

Auditors

KPMG
Chartered Accountants

Share Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Locked Bag A14
Sydney South NSW 1235

Tel: (+61) 1300 554 474
Email: registrars@linkmarketservices.com.au
Web: www.linkmarketservices.com.au

Securities Exchange

The Company is listed on the Australian Securities Exchange Ltd.
ASX Code: AUI

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

***Interim Financial Report
for the six months ended 31 December 2019***

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AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Directors' Report

The directors of Australian United Investment Company Limited present their Directors' report together with the financial report for the six months ended 31 December 2019 and the auditors' review report thereon.

Directors

The directors of the Company at any time during or since the end of the half-year are:

Name	Period of Directorship
Charles Goode AC (Chairman)	Director since 1990
James Craig	Director since 2009
Fred Grimwade	Director since 2014
Dion Hershan	Director since 2018

Review of Operations

Profit after income tax was \$24,486,000 for the six months ended 31 December 2019 (previous corresponding period: \$24,689,000). Special dividends received during this period were \$1,050,000 after tax (previous corresponding period: \$180,000).

Earnings per share based on profit after tax was 19.7 cents, a decrease of 1.0% from the prior corresponding period. Excluding special dividends received, earnings per share decreased by 4.6% to 18.8 cents per share.

Operating expenses (excluding finance expenses) were 0.06% of the average market value of the portfolio (previous corresponding period: 0.05%).

Dividends

The board has declared an interim dividend of 17.0 cents per share fully franked (previous corresponding period: 17.0 cents per share fully franked).

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the directors' report for the six months ended 31 December 2019.

Rounding Off

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

Dated at Melbourne this 18th day of February 2020.

Signed in accordance with a resolution of the Directors, for and on behalf of the board.


Charles Goode
Director



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Australian United Investment Company Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Australian United Investment Company Limited for the half-year ended 31 December 2019 there have been:

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



A handwritten signature in black ink, appearing to read 'Chris Sargent', written over a horizontal line.

Chris Sargent
Partner

Melbourne
18 February 2020

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED
Statement of Profit or Loss and Other Comprehensive Income
for the six months ended 31 December 2019

	Note	31 December 2019 \$'000	31 December 2018 \$'000
Revenue from investment portfolio		27,675	28,413
Administration and other expenses		(706)	(615)
Finance expenses		(1,776)	(2,691)
Profit before income tax		25,193	25,107
Income tax expense		(707)	(418)
Profit after income tax		24,486	24,689
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Revaluation of investment portfolio for the period		29,395	(97,427)
Provision for tax benefit/(expense) on revaluation of investment portfolio for the period		(9,349)	28,926
Other comprehensive income net of income tax		20,047	(68,501)
Total comprehensive income		44,532	(43,812)
Basic and diluted earnings per share (cents)	4	19.7	19.9

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Balance Sheet
as at 31 December 2019

	Note	31 December 2019 \$'000	30 June 2019 \$'000
Assets			
Cash assets		28,591	83,837
Receivables		2,678	11,855
Other		246	87
Total Current Assets		31,515	95,779
Investment portfolio	7	1,295,909	1,229,812
Plant and equipment		32	3
Other		272	-
Total Non-Current Assets		1,296,213	1,229,815
Total Assets		1,327,728	1,325,594
Liabilities			
Payables		922	873
Current tax payable		410	411
Option valuation		54	-
Borrowings – interest bearing	9	30,000	20,000
Total Current Liabilities		31,386	21,284
Provision for long service leave		52	50
Borrowings – interest bearing	9	40,000	80,000
Deferred tax liability	8	191,858	182,370
Payables		202	-
Total Non-Current Liabilities		232,112	262,420
Total Liabilities		263,498	283,704
Net Assets		1,064,230	1,041,890
Equity			
Issued capital	6	447,103	445,673
Reserves		617,127	596,217
Total Equity		1,064,230	1,041,890

The Balance Sheet is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Statement of Changes in Equity for the six months ended 31 December 2019

	Issued Capital \$'000	Revaluation Reserve \$'000	Realisation Reserve \$'000	Retained Earnings \$'000	Total \$'000
As at 1 July 2018	442,948	383,881	20,322	133,910	981,061
Comprehensive Income					
Revaluation of investment portfolio	-	(97,427)	-	-	(97,427)
Tax on revaluation	-	28,926	-	-	28,926
Net realised losses on investment portfolio	-	8,198	(8,198)	-	-
Tax benefit on net realised losses	-	(1,648)	1,648	-	-
Profit	-	-	-	24,689	24,689
	-	(61,951)	(6,550)	24,689	(43,812)
Transactions with shareholders					
Dividend reinvestment plan	1,399	-	-	-	1,399
Dividends paid	-	-	-	(23,560)	(23,560)
	1,399	-	-	(23,560)	(22,161)
As at 31 December 2018	444,347	321,930	13,772	135,039	915,088

	Issued Capital \$'000	Revaluation Reserve \$'000	Realisation Reserve \$'000	Retained Earnings \$'000	Total \$'000
As at 1 July 2019	445,673	435,193	16,007	145,017	1,041,890
Comprehensive Income					
Revaluation of investment portfolio	-	29,395	-	-	29,395
Tax on revaluation	-	(9,349)	-	-	(9,349)
Net realised gains on investment portfolio	-	(2,078)	2,078	-	-
Tax benefit on net realised gains	-	796	(796)	-	-
Profit	-	-	-	24,486	24,486
	-	18,764	1,282	24,486	44,532
Transactions with shareholders					
Dividend reinvestment plan	1,430	-	-	-	1,430
Dividends paid	-	-	-	(23,622)	(23,622)
	1,430	-	-	(23,622)	(22,192)
As at 31 December 2019	447,103	453,957	17,289	145,881	1,064,230

The Statement of Changes in Equity is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Statement of Cash Flows
for the six months ended 31 December 2019

	Note	31 December 2019 \$'000	31 December 2018 \$'000
Cash flows from operating activities			
Interest received		411	201
Dividends and trust distributions received		31,274	36,531
Option premium income received		107	94
Finance costs paid		(1,855)	(2,598)
Income taxes paid		(550)	(131)
Administration and other expenses paid		(802)	(525)
Net cash flow from operating activities		28,585	33,572
Cash flows from investing activities			
Proceeds from sale of investments		24,016	109,702
Redemption of term deposits		20,000	-
Proceeds from return of capital from investments		195	-
Purchases of investments		(55,809)	(68,835)
Purchases of fixed assets		(31)	-
Net cash flow from investing activities		(11,629)	40,867
Cash flows from financing activities			
Dividends paid net of dividend reinvestment plan		(22,192)	(22,162)
Repayment of borrowings		(30,000)	(20,000)
Net cash flow used in financing activities		(52,192)	(42,162)
Net (decrease)/increase in cash held		(35,236)	32,277
Cash and cash equivalents at 1 July		63,827	22,816
Cash and cash equivalents at 31 December		28,591	55,093

The Statement of Cash Flows is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Condensed Notes to the Financial Statements for the six months ended 31 December 2019

1. Reporting Entity

Australian United Investment Company Limited (the 'Company') is a for-profit company domiciled in Australia.

The annual financial report of the Company as at and for the year ended 30 June 2019 is available on request from the Company's office at Level 20, 101 Collins Street Melbourne Vic 3000 or at www.aui.com.au.

2. Statement of compliance

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

The interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the annual financial report of the Company at 30 June 2019.

This interim financial report was approved by the Board of Directors on 18th February 2020.

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

3. Significant Accounting Policies

The Company adopted AASB 16 Leases effective 1 July 2019, using the modified retrospective approach. The application of this standard has not had a material impact on the Company's financial statements.

Other than the above, the accounting policies applied by the Company in this interim financial report are the same as those applied by the Company in the financial report at 30 June 2019.

4. Earnings per share

	31 December 2019 Cents	31 December 2018 Cents
Basic and diluted earnings per share	19.7	19.9
Earnings per share excluding special dividends	18.8	19.7

There are no factors which cause diluted earnings per share to be different from basic earnings per share.

The basic earnings per share for the half-year is calculated on a weighted average number of ordinary shares of 124,415,270 (previous corresponding period: 124,097,203) after taking into account the shares issued in the dividend re-investment plan.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

**Notes to the Financial Statements
for the six months ended 31 December 2019**

5. Dividends

	31 December 2019 \$'000	31 December 2018 \$'000
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Dividends recognised in the current year by the Company are:

Final fully franked dividend of 19.0 cents per share paid on 20 th September 2019 (previous corresponding period: 19 cents per share fully franked)	23,622	23,561
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Subsequent to reporting date:

Since 31 December 2019, the directors have declared the following dividend payable on 16th March 2020:

Interim dividend of 17.0 cents per share fully franked (previous corresponding period: 17.0 cents per share fully franked)	21,162	21,109
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The financial effect of this dividend has not been brought to account in the interim financial report for the period ended 31 December 2019.

6. Issued capital

	31 December 2019 \$'000	30 June 2019 \$'000
124,484,131 ordinary fully paid shares (30 June 2019: 124,327,707)	447,103	445,673

Movements in issued capital:

Balance at beginning of the financial year	445,673	442,948
Shares issued		
- Dividend re-investment plan ⁽¹⁾	1,430	2,725
	447,103	445,673

(1) In respect of the final dividend paid in September 2019, 156,424 ordinary shares were issued at \$9.14 each.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Notes to the Financial Statements for the six months ended 31 December 2019

7. Net Fair Values of Financial Assets and Liabilities

Recognised Financial Instruments

Listed securities included in "Investments" are readily traded on organised markets in a standardised form. The net fair value of listed securities is determined by valuing them at the last quoted market price as at balance date. In accordance with Australian Accounting Standards, this is considered "level 1" under the fair value measurement hierarchy, which is defined as quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 investments comprised \$1,295,909,000 (2018: \$1,101,581,000).

For all other financial assets and liabilities, the carrying amount closely approximates its fair value.

8. Deferred Tax Assets and Liabilities

	31 December 2019 \$'000	30 June 2019 \$'000
Revaluation reserve – Provision for tax on unrealised gains on the equity investment portfolio	(198,334)	(189,780)
Tax effect of unfranked dividends receivable	(204)	(49)
Tax benefit of capital losses carried forward	6,641	7,437
Tax effect of other items	39	22
Net deferred tax liabilities	(191,858)	(182,370)

9. Borrowings

	31 December 2019 \$'000	30 June 2019 \$'000
Current		
Loan Facility – Secured	30,000	20,000
Non-Current		
Loan Facilities – Secured	40,000	80,000

The total face value of the drawn facilities as at period end was \$70 million (30 June 2019: \$100 million). The liabilities are recorded at the face value of the amount drawn and accrued interest.

At 31 December 2019 the market value of investments secured against the loan facilities was \$501 million (30 June 2019: \$427 million).

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Notes to the Financial Statements for the six months ended 31 December 2019

10. Segment Reporting

The Company's only segment of operation is as an investment company in Australia.

11. Contingent Liabilities and Capital Commitments

There were no contingent liabilities or capital commitments as at 31 December 2019.

12. Related Parties

All arrangements with related parties are consistent with those disclosed in the 30 June 2019 annual financial report.

13. Events Subsequent to Balance Date

The S&P/ASX 200 share market index rose 6.6% from 31 December 2019 to 18 February 2020. The Company's investment portfolio moves broadly in line with the index.

Other than the above, there has not arisen in the interval between the end of the half-year and the date of this report any items, transactions or events of a material and unusual nature, likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial periods.

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

Directors' Declaration

In the opinion of the directors of Australian United Investment Company Limited ("the Company"):

1. The interim financial statements and notes, as set out on pages 6 to 13, are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the financial position of the Company as at 31 December 2019 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Melbourne this 18th day of February 2020.

Signed in accordance with a resolution of the directors.



Charles Goode
Director



Independent Auditor's Review Report

To the members of Australian United Investment Company Limited

Report on the Interim Financial Report of Australian United Investment Company Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Australian United Investment Company Limited (the "Company").

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Australian United Investment Company Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- the balance sheet as at 31 December 2019
- statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the Interim Period ended on that date
- Notes 1 to 13 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Interim Period** is the six months ended on 31 December 2019.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2019 and its performance for the interim period ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Australian United Investment Company Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an Interim Period 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.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Chris Sargent

Partner

Melbourne

18 February 2020