

# **Countplus Limited**

**ABN 11 126 990 832**

**ASX Preliminary final report**

**For the Year Ended 30 June 2015**

# Countplus Limited

ABN 11 126 990 832

For the Year Ended 30 June 2015

(Previous corresponding period: Year ended 30 June 2014)

## Results for Announcement to the Market

(The accounts are in the process of being audited)

|  | Movement | % Change from prior year |    | \$A'000 |
|--|----------|--------------------------|----|---------|
| Revenue from ordinary activities<br>(Appendix 4E item 2.1)                               | down     | 0.4%                     | to | 122,014 |
| Profit from ordinary activities after tax attributable to members (Appendix 4E item 2.2) | down     | 12.2%                    | to | 9,934   |
| Net profit for the period attributable to members<br>(Appendix 4E item 2.3)              | down     | 14.0%                    | to | 9,930   |

## Comments

The consolidated entity's net profit after tax for the year ended 30 June 2015 was \$9.9 million (2014: \$11.3 million). Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$18.3 million (2014: \$20.9 million).

## NTA Backing (Appendix 4E item 9)

|  | 2015 cents per share | 2014 cents per share |
|--|----------------------|----------------------|
| Net tangible asset backing per ordinary security | 4.83                 | 4.45                 |

## Control gained or lost over entities

Countplus gained control over the following entities during the year:

1. John Dormer & Associates Control gained at 26 September 2014
2. Harmon Partners Control gained at 8 January 2015

| Dividends / distributions<br>(Appendix 4E item 2.4) | 30 June 2015   | 30 June 2014   |
|---|--|--|
| Interim dividend<br>(Fully franked at 30% tax rate) | 2.0c per fully paid share<br>(paid 17 November 2014) | 3.0c per fully paid share<br>(paid 15 November 2013) |
| Interim dividend<br>(Fully franked at 30% tax rate) | 2.0c per fully paid share<br>(paid 16 February 2015) | 3.0c per fully paid share<br>(paid 14 February 2014) |
| Interim dividend<br>(Fully franked at 30% tax rate) | 2.0c per fully paid share<br>(paid 15 May 2015)      | 3.0c per fully paid share<br>(paid 15 May 2014)      |
| Final dividend<br>(Fully franked at 30% tax rate)   | 2.0c per fully paid share<br>(paid 14 August 2015)   | 3.0c per fully paid share<br>(paid 15 August 2014)   |

## **Countplus Limited**

ABN 11 126 990 832

**For the Year Ended 30 June 2015**

The record date for determining entitlements to the final dividend was 29 July 2015 and the dividend was paid on 14 August 2015. On 26 August 2015, the Company declared its first quarterly dividend for 2015/16 of 2 cents per share payable on 16 November 2015 (record date: 29 October 2015)

*(Appendix 4E item 2.5)*

**Explanation of figures reported above** *(Appendix 4E item 2.6)*

Please refer to Results Announcement dated 27 August 2015

**Countplus Limited**  
**Consolidated Statement of profit or loss and other comprehensive income**  
**For the Year Ended 30 June 2015**

|   | 2015              | 2014          |
|---|-------------------|---------------|
| Note  | \$'000            | \$'000        |
| Revenue from operating activities   | 1 <b>122,014</b>  | 122,519       |
| Fees, commissions and related costs   | 1 <b>(33,609)</b> | (26,689)      |
| <b>Total revenue from continuing operations</b>   | <b>88,405</b>     | <b>95,830</b> |
| <b>Other income</b>   |                   |               |
| Gain/(loss) on deferred consideration adjustment  | <b>178</b>        | (217)         |
| Gain on revaluation of investment property  | <b>1,680</b>      | -             |
| Gain on disposal of subsidiary  | <b>-</b>          | 676           |
| Interest income   | <b>122</b>        | 128           |
| Other income  | <b>556</b>        | 266           |
| <b>Total other income</b>   | <b>2,536</b>      | <b>853</b>    |
| Salaries and employee benefits expense  | 2 <b>(56,444)</b> | (58,238)      |
| Amortisation expense  | 2 <b>(2,804)</b>  | (3,157)       |
| Depreciation expense  | 2 <b>(1,175)</b>  | (1,125)       |
| Premises expenses   | <b>(5,098)</b>    | (5,730)       |
| Acquisition related expenses  | <b>(271)</b>      | (236)         |
| Loss on impairment of software  | <b>(138)</b>      | -             |
| Share based payment expense   | <b>(335)</b>      | (214)         |
| Finance costs   | <b>(1,281)</b>    | (1,224)       |
| Other operating expenses  | 2 <b>(11,237)</b> | (11,725)      |
| <b>Total expenses</b>   | <b>(78,783)</b>   | (81,649)      |
| Share of net profit of associates accounted for using equity method   | <b>893</b>        | 346           |
| <b>Profit from operations before income tax</b>   | <b>13,051</b>     | 15,380        |
| Income tax expense  | <b>(3,117)</b>    | (4,067)       |
| <b>Net profit from operations after income tax</b>  | <b>9,934</b>      | 11,313        |
| <b>Other comprehensive income, net of income tax</b>  |                   |               |
| <b>Items that will be reclassified to profit or loss when specific conditions are met</b>                                 |                   |               |
| Net fair value movements for available-for-sale financial assets  | <b>-</b>          | 600           |
| Deferred tax on above   | <b>-</b>          | (180)         |
| <b>Other comprehensive income for the year, net of tax</b>  | <b>-</b>          | 420           |
| <b>Total comprehensive income for the year, net of tax</b>  | <b>9,934</b>      | 11,733        |
| Profit attributable to:   |                   |               |
| Owners of Countplus Limited   | <b>9,930</b>      | 11,551        |
| Non-controlling interests   | <b>4</b>          | 182           |
|   | <b>9,934</b>      | 11,733        |
|   | <b>Cents</b>      | <b>Cents</b>  |
| <b>Earnings per share for profit from continuing operations attributable to the ordinary owners of the parent entity:</b> |                   |               |
| Basic earnings per share  | <b>9.01</b>       | 10.14         |
| Diluted earnings per share  | <b>9.01</b>       | 10.13         |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Countplus Limited**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2015**

|   | Note | 2015<br>\$'000        | 2014<br>\$'000       |
|---|------|-----------------------|----------------------|
| <b>ASSETS</b>   |      |                       |                      |
| <b>CURRENT ASSETS</b>   |      |                       |                      |
| Cash and cash equivalents   |      | 6,087                 | 8,174                |
| Trade and other receivables   |      | 18,820                | 20,427               |
| Loans and advances  |      | 502                   | 183                  |
| Work in progress  |      | 5,129                 | 5,550                |
| Current tax receivable  |      | 274                   | -                    |
|   |      | <u>30,812</u>         | <u>34,334</u>        |
| Asset classified as held for sale                                       |      | 2,954                 | -                    |
| <b>TOTAL CURRENT ASSETS</b>   |      | <u><b>33,766</b></u>  | <u><b>34,334</b></u> |
| <b>NON-CURRENT ASSETS</b>   |      |                       |                      |
| Loans and other receivables   |      | 2,069                 | 1,865                |
| Investments in associates   |      | 10,907                | 5,662                |
| Investment property   |      | -                     | 1,250                |
| Other investments   |      | 3,638                 | 2,977                |
| Property, plant and equipment   |      | 4,978                 | 4,443                |
| Intangible assets   |      | 50,080                | 49,230               |
| <b>TOTAL NON-CURRENT ASSETS</b>   |      | <u><b>71,672</b></u>  | <u><b>65,427</b></u> |
| <b>TOTAL ASSETS</b>   |      | <u><b>105,438</b></u> | <u><b>99,761</b></u> |
| <b>LIABILITIES</b>  |      |                       |                      |
| <b>CURRENT LIABILITIES</b>  |      |                       |                      |
| Trade and other payables  |      | 10,665                | 9,942                |
| Interest bearing loans and borrowings                                   |      | 6                     | 17                   |
| Current tax liabilities   |      | -                     | 752                  |
| Provisions  |      | 3,876                 | 3,698                |
| Other current liabilities   |      | 4,345                 | 6,604                |
| <b>TOTAL CURRENT LIABILITIES</b>  |      | <u><b>18,892</b></u>  | <u><b>21,013</b></u> |
| <b>NON-CURRENT LIABILITIES</b>  |      |                       |                      |
| Trade and other payables  |      | 1,109                 | 1,003                |
| Interest bearing loans and borrowings                                   |      | 26,370                | 20,849               |
| Deferred tax liabilities  |      | 2,327                 | 3,023                |
| Provisions  |      | 1,755                 | 1,821                |
| Other non-current liabilities   |      | 1,735                 | 888                  |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                    |      | <u><b>33,296</b></u>  | <u><b>27,584</b></u> |
| <b>TOTAL LIABILITIES</b>  |      | <u><b>52,188</b></u>  | <u><b>48,597</b></u> |
| <b>NET ASSETS</b>   |      | <u><b>53,250</b></u>  | <u><b>51,164</b></u> |
| <b>EQUITY</b>   |      |                       |                      |
| Contributed equity  |      | 121,554               | 121,111              |
| Reserves  | 3    | (67,070)              | (67,413)             |
| (Accumulated losses) / retained earnings                                | 4    | (1,899)               | (2,824)              |
| <b>Capital and reserves attributable to owners of Countplus Limited</b> |      | <u><b>52,585</b></u>  | <u><b>50,874</b></u> |
| Non-controlling interest  |      | 665                   | 290                  |
| <b>TOTAL EQUITY</b>   |      | <u><b>53,250</b></u>  | <u><b>51,164</b></u> |

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

Countplus Limited  
Consolidated Statement of Changes in Equity  
For the Year Ended 30 June 2015

|      |   | Attributable to owners of Countplus Limited |                   |                    |                              |             |                    | Non-          |                              |               |
|------|---|---|-------------------|--------------------|------------------------------|-------------|--------------------|---------------|------------------------------|---------------|
|      |   | Issued capital                              | Treasury          | Retained           | Share Based                  | AFS Reserve | Acquisition        | Total         | controlling                  | Total         |
| Note |   | \$'000                                      | Shares*<br>\$'000 | Earnings<br>\$'000 | Payment<br>Reserve<br>\$'000 | \$'000      | Reserves<br>\$'000 | \$'000        | Interests<br>(NCI)<br>\$'000 | \$'000        |
|      | <b>Balance at 1 July 2014</b>                               | 123,384                                     | (2,273)           | (2,824)            | 294                          | 420         | (68,127)           | 50,874        | 290                          | 51,164        |
| 4    | Profits for the period                                      | -   | -                 | 9,930              | -                            | -           | -                  | 9,930         | 4                            | 9,934         |
|      | Other comprehensive income                                  | -   | -                 | -                  | -                            | -           | -                  | -             | -                            | -             |
|      | <b>Total comprehensive income for the period</b>            | -   | -                 | 9,930              | -                            | -           | -                  | 9,930         | 4                            | 9,934         |
|      | <b>Transactions with owners in their capacity as owners</b> |   |                   |                    |                              |             |                    |               |                              |               |
|      | Issue of shares***  | 2,698                                       | (2,255)           | -                  | -                            | -           | -                  | 443           | 530                          | 973           |
|      | Share based payments for loan funded share plan             | -   | -                 | -                  | 228                          | -           | -                  | 228           | -                            | 228           |
|      | Application of dividends to loan funded share plan          | -   | -                 | -                  | 115                          | -           | -                  | 115           | -                            | 115           |
|      | Dividends provided for or paid                              | -   | -                 | (9,005)            | -                            | -           | -                  | (9,005)       | (159)                        | (9,164)       |
|      | <b>Balance at 30 June 2015</b>                              | <b>126,082</b>                              | <b>(4,528)</b>    | <b>(1,899)</b>     | <b>637</b>                   | <b>420</b>  | <b>(68,127)</b>    | <b>52,585</b> | <b>665</b>                   | <b>53,250</b> |
|      | <b>Balance at 1 July 2013</b>                               | 121,186                                     | (730)             | (637)              | 70                           | -           | (68,127)           | 51,762        | 223                          | 51,985        |
| 4    | Profits for the period                                      | -   | -                 | 11,131             | -                            | -           | -                  | 11,131        | 182                          | 11,313        |
|      | Other comprehensive income                                  | -   | -                 | -                  | -                            | 420         | -                  | 420           | -                            | 420           |
|      | <b>Total comprehensive income for the period</b>            | -   | -                 | 11,131             | -                            | 420         | -                  | 11,551        | 182                          | 11,733        |
|      | <b>Transactions with owners in their capacity as owners</b> |   |                   |                    |                              |             |                    |               |                              |               |
|      | Issue of shares***  | 2,198                                       | (1,543)           | -                  | -                            | -           | -                  | 655           | -                            | 655           |
|      | Share based payments for loan funded share plan             | -   | -                 | -                  | 142                          | -           | -                  | 142           | -                            | 142           |
|      | Application of dividends to loan funded share plan          | -   | -                 | -                  | 82                           | -           | -                  | 82            | -                            | 82            |
|      | Dividends provided for or paid                              | -   | -                 | (13,318)           | -                            | -           | -                  | (13,318)      | (115)                        | (13,433)      |
|      | <b>Balance at 30 June 2014</b>                              | <b>123,384</b>                              | <b>(2,273)</b>    | <b>(2,824)</b>     | <b>294</b>                   | <b>420</b>  | <b>(68,127)</b>    | <b>50,874</b> | <b>290</b>                   | <b>51,164</b> |

\*The Company has formed a trust to administer a Loan Funded Share Plan. Shares held by the trust are disclosed as Treasury Shares and deducted from contributed equity.

\*\*This amount includes the dividends applied to the loan funded share plan.

\*\*\*Issue of shares includes shares issued to employees of \$107,285 (2014: \$70,854).

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

Countplus Limited  
Consolidated Statement of Cash Flows  
For the Half-Year Ended 30 June 2015

|   | 2015             | 2014             |
|---|------------------|------------------|
| Note  | \$'000           | \$'000           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>  |                  |                  |
| Receipts from customers (inclusive of goods and service tax)                            | 137,819          | 131,302          |
| Payments to suppliers and employees (inclusive of goods and service tax)                | <u>(120,372)</u> | <u>(112,889)</u> |
|   | 17,447           | 18,413           |
| Dividends received  | 279              | -                |
| Interest received   | 122              | 128              |
| Interest paid   | (1,281)          | (1,224)          |
| Income taxes paid   | <u>(4,981)</u>   | <u>(6,419)</u>   |
| <b>Net cash inflow from operating activities</b>  | <u>11,586</u>    | <u>10,898</u>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                  |                  |
| Proceeds from sale of property, plant and equipment                                     | 54               | 6                |
| Proceeds from disposal of subsidiary  | -                | 7,289            |
| Purchase of equipment and other non-current assets                                      | (2,117)          | (1,970)          |
| Payments for purchase of CRH shares   | (1,157)          | -                |
| Proceeds from sale of CRH shares  | 1,329            | -                |
| Purchase of other non-current assets (Class Pty Ltd)                                    | (661)            | (2,377)          |
| Payments to acquire subsidiaries / business assets                                      | (1,983)          | (2,273)          |
| Dividends received from associate entities  | 841              | 400              |
| Payments for investments in associates  | (3,501)          | (492)            |
| Payment for deferred consideration on acquisition of controlled entities and associates | (1,874)          | (1,637)          |
| Loans to related parties - proceeds from repayments                                     | <u>(7)</u>       | <u>-</u>         |
| <b>Net cash outflow from investing activities</b>                                       | <u>(9,076)</u>   | <u>(1,054)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>  |                  |                  |
| Proceeds from borrowings  | 39,482           | 11,528           |
| Repayment of borrowings   | (33,961)         | (8,236)          |
| Repayment of borrowings / hire purchase and lease liabilities                           | (3)              | (307)            |
| Proceeds from repayment of loan in respect of dividends received on loan funded shares  | 115              | 82               |
| Payment of dividends on ordinary shares   | (10,071)         | (13,282)         |
| Payment of dividends by controlled subsidiaries to non-controlling interests            | <u>(159)</u>     | <u>(115)</u>     |
| <b>Net cash outflow from financing activities</b>                                       | <u>(4,597)</u>   | <u>(10,330)</u>  |
| <b>Net (decrease) in cash and cash equivalents held</b>                                 | <u>(2,087)</u>   | <u>(486)</u>     |
| Cash and cash equivalents at beginning of year  | <u>8,174</u>     | <u>8,660</u>     |
| <b>Cash and cash equivalents at end of financial year</b>                               | <u>6,087</u>     | <u>8,174</u>     |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

## 1 Revenue

### (a) Revenue from operating activities

|  | 2015            | 2014            |
|--|-----------------|-----------------|
|  | \$'000          | \$'000          |
| Accounting services revenue                    | 58,243          | 62,737          |
| Financial services revenue                     | 48,533          | 45,124          |
| Commission earned on property sale             | 9,686           | 9,147           |
| Other property related income                  | 873             | 817             |
| Other operating revenue                        | 4,679           | 4,694           |
|  | <u>122,014</u>  | <u>122,519</u>  |
| <b>Fees, commissions and related costs</b>     |                 |                 |
| Fees and related costs                         | (28,446)        | (21,265)        |
| Commission paid on property sale               | (5,163)         | (5,424)         |
|  | <u>(33,609)</u> | <u>(26,689)</u> |
| <b>Total Revenue from operating activities</b> | <u>88,405</u>   | <u>95,830</u>   |

### (b) Fees, commissions and related costs

Fees, commissions and related costs are made primarily up of two components; those payable by subsidiary, Total Financial Solutions Australia Ltd to financial advisers in accordance with their Authorised Representative Agreements and referral fees payable by the Pacific East Coast group ("PEC group") subsidiaries to its affiliated members.

## 2 Expenses

### (a) Salaries and employee benefits expense

|   | 2015          | 2014          |
|---|---------------|---------------|
|   | \$'000        | \$'000        |
| <i>Salaries and employee benefit expense</i>        |               |               |
| Wages, salaries and other on-costs                  | 50,733        | 52,008        |
| Other employee benefit expenses                     | 5,711         | 6,230         |
|   | <u>56,444</u> | <u>58,238</u> |
| <b>Total salaries and employee benefit expenses</b> | <u>56,444</u> | <u>58,238</u> |



2 Expenses continued

(b) Depreciation and amortisation expenses

|  | 2015<br>\$'000      | 2014<br>\$'000      |
|--|---------------------|---------------------|
| <i>Depreciation</i>                              |                     |                     |
| Office equipment                                 | 550                 | 622                 |
| Leasehold improvements                           | 70                  | 46                  |
| Furniture & fixtures                             | 301                 | 281                 |
| Motor vehicles                                   | 22                  | 24                  |
| Make good  | 156                 | 48                  |
| Other  | 76                  | 104                 |
| Total depreciation                               | <u>1,175</u>        | <u>1,125</u>        |
| <i>Amortisation</i>                              |                     |                     |
| Acquired client relationships / adviser networks | 2,558               | 2,860               |
| Software   | 186                 | 243                 |
| Other  | 60                  | 54                  |
| Total amortisation                               | <u>2,804</u>        | <u>3,157</u>        |
| <b>Total Depreciation and Amortisation</b>       | <u><b>3,979</b></u> | <u><b>4,282</b></u> |

(c) Other operating expenses

|   |                      |                      |
|---|----------------------|----------------------|
| <i>Professional, service and consulting fees</i>      |                      |                      |
| Audit fees  | 305                  | 463                  |
| Legal fees  | 596                  | 602                  |
| Service fees - Count Financial                        | 83                   | 200                  |
| Accounting and other professional fees                | 576                  | 570                  |
| Total professional, service and consulting fees       | <u>1,560</u>         | <u>1,835</u>         |
| <i>Other expenses</i>                                 |                      |                      |
| Bad and doubtful debts - trade receivables            | 668                  | 1,039                |
| Sales and marketing expenses                          | 1,074                | 1,101                |
| Administration expenses                               | 3,486                | 3,688                |
| Insurance expense                                     | 948                  | 928                  |
| Technology expense                                    | 3,000                | 2,692                |
| Net loss on disposal of property, plant and equipment | 44                   | 42                   |
| Other   | 457                  | 400                  |
| Total other expenses                                  | <u>9,677</u>         | <u>9,890</u>         |
| <b>Total other operating expenses</b>                 | <u><b>11,237</b></u> | <u><b>11,725</b></u> |

### 3 Reserves

#### (a) Reserves

|                                  | 2015<br>\$'000  | 2014<br>\$'000  |
|----------------------------------|-----------------|-----------------|
| Acquisition reserves             | (68,127)        | (68,127)        |
| Share based payment reserve      | 637             | 294             |
| Available for sale (AFS) reserve | 420             | 420             |
|                                  | <u>(67,070)</u> | <u>(67,413)</u> |

#### (b) Movements in reserves

|  | 2015<br>\$'000  | 2014<br>\$'000  |
|--|-----------------|-----------------|
| <b>Acquisition reserves</b>                        |                 |                 |
| At 1 July  | (68,127)        | (68,127)        |
| Acquisition of non-controlling interests           | -               | -               |
| At 30 June   | <u>(68,127)</u> | <u>(68,127)</u> |
| <b>Share based payment reserve</b>                 |                 |                 |
| At 1 July  | 294             | 70              |
| Share based payment for loan funded share plan     | 228             | 142             |
| Application of dividends to loan funded share plan | 115             | 82              |
| At 30 June   | <u>637</u>      | <u>294</u>      |
| <b>Available for sale (AFS) reserve</b>            |                 |                 |
| At 1 July  | 420             | -               |
| Fair value gain on revaluation of AFS asset        | -               | 600             |
| Deferred tax on above                              | -               | (180)           |
| At 30 June   | <u>420</u>      | <u>420</u>      |
| <b>Total reserves</b>                              | <u>(67,070)</u> | <u>(67,413)</u> |

#### (c) Nature and purpose of reserves

##### (i) Acquisition reserves

The acquisition reserve arises on the acquisition of the non-controlling interests of subsidiaries. On 1 July 2010, the Company's interests in 15 associates were consolidated with the non-controlling interest being measured as the present ownership's proportionate share of identifiable net assets. The acquisition of these non-controlling interests as part of the public listing was not a business combination but was an equity transaction between owners. Accordingly in 2011, the difference between the consideration paid and fair value of the identifiable net assets of the non-controlling interests has been accounted for in the Acquisition Reserves.

##### (ii) Share based payment reserve

The share-based payments reserve records the value of shares issued to employee share trust on behalf of employees under the loan funded share plan and the value of dividends on those shares applied to the balance of employee loans under the plan.

##### (iii) Available for sale (AFS) reserve

Changes in the fair value arising on translation of investments that are classified as available-for-sale financial assets (eg equities), are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

4 Retained Earnings/(accumulated losses)

|                                  | 2015<br>\$'000 | 2014<br>\$'000 |
|----------------------------------|----------------|----------------|
| At 1 July                        | (2,824)        | (637)          |
| Net profit for the year          | 9,930          | 11,131         |
| Dividends paid and / or proposed | (9,005)        | (13,318)       |
| At 30 June                       | <u>(1,899)</u> | <u>(2,824)</u> |

5 Additional information to appendix 4E

**Additional dividend/distribution information** (Appendix 4E item 7)

Details of dividends/distributions declared or paid during or subsequent to the year ended 30 June 2015 are as follows:

| Record date     | Payment date     | Type    | Amount per security (Cents) | Total dividend \$A'000 | Franked amount per security (Cents) |
|-----------------|------------------|---------|-----------------------------|------------------------|-------------------------------------|
| 29 October 2014 | 17 November 2014 | Interim | 2.0                         | 2,227                  | 2.0                                 |
| 23 January 2015 | 16 February 2015 | Interim | 2.0                         | 2,232                  | 2.0                                 |
| 29 April 2015   | 15 May 2015      | Interim | 2.0                         | 2,272                  | 2.0                                 |
| 29 July 2015    | 14 August 2015   | Final   | 2.0                         | 2,274                  | 2.0                                 |

**Dividend/distribution reinvestment plans** (Appendix 4E item 8)

The company does not operate a dividend reinvestment plan.

**Details of entities over which control gained or lost during the year** (Appendix 4E item 10)

| Name of the entity acquired  | John Dormer & Associates | Harmon Partners |
|--|--------------------------|-----------------|
| Date control gained  | 26 September 2014        | 8 January 2015  |
| Contribution to profit/(loss) from ordinary activities after tax in current period, where material (\$A'000) | 373                      | 163             |

5 Additional information to appendix 4E continued

|  | 2015  | 2014  |
|--|-------|-------|
| <b>Associates</b> ( <i>Appendix 4E item 11</i> )                 |       |       |
| <b>One Hood Sweeney Pty Ltd</b>                                  |       |       |
| Ownership interest   | 26%   | 23%   |
| Profit from ordinary activities during the year (\$A'000)        | 3,422 | 2,215 |
| Contributions towards Group's net profit (\$A'000)               | 511   | 321   |
| <b>My Accounts Pty Ltd</b>                                       |       |       |
| Ownership interest   | 30%   | 30%   |
| Profit/(loss) from ordinary activities during the year (\$A'000) | 21    | 88    |
| Contributions towards Group's net profit (\$A'000)               | 7     | 25    |
| <b>Financial Momentum</b>  |       |       |
| Ownership interest   | 40%   | NA    |
| Profit/(loss) from ordinary activities during the year (\$A'000) | 324   | NA    |
| Contributions towards Group's net profit (\$A'000)               | 86    | NA    |
| <b>McQueen Wealth Management</b>                                 |       |       |
| Ownership interest   | 49%   | NA    |
| Profit/(loss) from ordinary activities during the year (\$A'000) | 669   | NA    |
| Contributions towards Group's net profit (\$A'000)               | 273   | NA    |
| <b>Nixon FS Pty Limited</b>                                      |       |       |
| Ownership interest   | 30%   | NA    |
| Profit/(loss) from ordinary activities during the year (\$A'000) | 73    | NA    |
| Contributions towards Group's net profit (\$A'000)               | 17    | NA    |

**Other significant information** (*Appendix 4E item 12*)

On 29 May 2015, Countplus Limited secured a new banking facility of \$30 million with Macquarie Bank Limited replacing the existing facility of \$25 million previously held with the Commonwealth Bank of Australia. This increased line of credit of \$5 million, provides the additional funding for Principals and senior employees to participate in the partial buy back of existing Countplus businesses by Member Firm Principals and approved employees, as well as funding for "Tuck-ins" or full acquisitions by Countplus.

For other significant information, please refer to Results Announcement dated 27 August 2015.

**Commentary on results** (*Appendix 4E item 14*)

Please refer to Results Announcement dated 27 August 2015.

**5 Additional information to appendix 4E continued**

**After balance date transactions**

On 21 July 2015, the Company sold 40% (1,347,382 shares) in its Gold Coast subsidiary, the MBA Partnership to senior employees under the Group's Direct Equity Plan. Consideration was \$1,967,178 received in cash on settlement.

On 5 August 2015, Victorian based subsidiary, Property Investment Management Ltd (part of the Pacific East Coast group) sold its commercial property asset in Flinders Street, Melbourne for \$3.05 million. Settlement is due on 5 October 2015. The sale price net of associated costs has been used to estimate the fair value of the asset at year end.

On 7 August 2015, the Company sold 30% (694,002 shares) in its Melbourne subsidiary, Kidmans Partners to senior employees and principals under the Group's Direct Equity Plan. Consideration was \$1,117,343 received in cash on settlement.

On 7 August 2015, Countplus subsidiary Advice389 acquired 40% share in NSW based firm, Hunter Financial Planning. Consideration for purchase was \$2.75m paid in cash on settlement.

On 26 August 2015, Countplus Limited declared an interim dividend for 2015/16 of 2 cents per share payable on 16 November 2015 (record date: 29 October 2015).

**Foreign Accounting Standards** (*Appendix 4E item 13*)

Not applicable

**Audit Alert** (*Appendix 4E items 15-17*)

This report is based on accounts which are in the process of being audited.