23 February 2016

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

Steadfast announces 1H FY16 results

Please refer to the following information in relation to Steadfast Group Limited's half year results for the six months ended 31 December 2015.

Part 1: Appendix 4D and the half year 2016 financial report

Part 2: 1H FY16 results market release

Part 3: 1H FY16 results investor presentation

Part 4: Appendix 3A.1: notification of dividend

Yours faithfully

Linda Ellis

Linda Ellis
Group Company Secretary & General Counsel

Steadfast Group Limited and controlled entities

Appendix 4D (rule 4.3A)
Preliminary final report for the half year ended 31 December 2015

Results for announcement to the market
(All comparisons to half year ended 31 December 2014)

	2015 $'000	Up/Down	% Movement
Revenues from ordinary activities	191,934	86,839	83%
Earnings before interest expense, tax and amortisation expense (EBITA) from core operations pre-corporate income/(expenses)	66,038	28,485	76%
EBITA from ordinary activities from core operations post-corporate income/(expenses)	60,395	25,904	75%
Profit before income tax expense from core operations before non-trading items	43,526	18,026	71%
Profit before income tax expense from core operations after non-trading items	54,493	30,550	128%
Profit after income tax expense from core operations before non-trading items (Note 1)	29,996	12,169	68%
Profit/(loss) from ordinary activities after tax attributable to shareholders (Note 1)	42,324	25,993	159%
Net profit/(loss) after tax attributable to shareholders	39,017	25,274	184%
Total comprehensive income attributable to shareholders	39,250	25,216	180%

Note 1:

The table below provides the reconciliation between the profit after income tax expense from core operations before and after non-trading items.

	2015 $'000 BEFORE TAX	2015 $'000 AFTER TAX
Profit from core operations before non-trading items	43,526	29,996
Add/(less): non-trading income/(expenses)		
Net gain on settlement or re-estimate of deferred consideration	16,015	16,015
Impairment of investments	(5,317)	(3,875)
Gain on unwind of deemed interest costs on the interest free executive loans	269	188
Profit from core operations after non-trading items	54,493	42,324

During the half year ended 31 December 2015, the Group recognised after tax income of $12,328,000 as non-trading items. These income/expenses include:

- a gain of $16,015,000 attributed to lower than expected settlement of deferred consideration, offset by
- a loss of $3,875,000 being impairment of investments; and
- $188,000 in relation to gain on reversal of deemed interest costs on the interest free executive loans that were expensed in the prior period.

In regards to acquisitions, the Group often defers a portion of the purchase price and makes the final payment referable to future financial performance.

At the time of acquisition an estimate is made as to the final payment. This is reviewed each half year based on information available and at settlement, and the estimate is adjusted if appropriate. Any adjustment is taken to profit (downwards estimate) or loss (upwards estimate). Where an estimate is reduced, the Group will consider whether the factors leading to the estimate of deferred consideration represent an indicator of impairment, and if so, the need for impairment is considered. The deferred consideration adjustments and impairment do not affect the cashflow from operating activities.

Some of the financial data in the table above, namely the EBITA related items, are not disclosed in accordance with current Australian Accounting Standards requirements. However, all financial data is based on the information disclosed in the reviewed financial statements and notes to the financial statements of the Group and follow the recognition requirements of Australian Accounting Standards.

Dividend information

	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit (%)
Interim 2016 dividend per share	2.4	2.4	30

Interim dividend dates

Ex-dividend date	08 March 2016
Record date	09 March 2016
Payment date	14 April 2016

The Company's DRP will operate by purchasing ordinary shares on market. No discount will be applied. The record date is 9 March 2016. The last election notice for participation in the DRP in relation to this interim dividend is 10 March 2016.

A copy of the full terms and conditions for the DRP are available at http://investor.steadfast.com.au/Investor-Centre/?page=Dividends.

	31 December 2015 ($)	30 June 2015 ($)
Net tangible assets per ordinary share*	0.08	0.06

* Net tangible assets per ordinary share are based on 749,751,634 shares on issue at 31 December 2015 compared to 743,413,768 shares on issue as at 30 June 2015.

Other information

During the reporting period, Steadfast Group Limited held an interest in the following associates and joint venture:

	Ownership interest %
Associates	
Armbro Insurance Brokers Pty Ltd	40.0%
Armstrong's Insurance Brokers Pty Ltd and Armstrong's Insurance Brokers Unit Trust	25.0%
Ausure Group Pty Ltd- associates thereof	23.9%
Austcover Holdings Pty Ltd	49.0%
Blackburn (Insurance Brokers) Pty Ltd and Liability Brokers Pty Ltd	49.0%
Consolidated Insurance Agencies Pty Ltd	49.0%
Covercorp Pty Ltd	49.0%
Edgewise Insurance Brokers Pty Ltd and The Bradstock GIS Unit Trust	25.0%
Emergence Insurance Group Pty Ltd	37.5%
Empire Insurance Services Pty Ltd and McLardy McShane & Associates Pty Ltd	37.0%
Finpac Insurance Advisors Pty Ltd	49.0%
Glenowar Pty Ltd	49.0%
IPS Insurance Brokers Pty Ltd	40.0%
J.D.I (YOUNG) Pty Ltd	25.0%
Johansen Insurance Brokers Pty Ltd	48.0%
King Insurance Brokers Pty Ltd	37.0%
Lanyon Partners Consolidated Pty Ltd	45.0%
McKillops Insurance Brokers Pty Ltd	49.0%
Melbourne Insurance Brokers Pty Ltd	49.0%
Meridian Lawyers Limited	25.0%
NCA Insurance Services Pty Ltd	49.0%
Optimus 1 Pty Ltd	25.0%
Paramount Insurance Brokers Pty Ltd	25.0%
Phoenix Insurance Brokers Pty Ltd	46.0%
Pollard Advisory Services Pty Ltd	49.0%
QUS Pty Ltd	46.5%
Risk Partners Pty Ltd	45.0%
Rose Stanton Insurance Brokers Pty Ltd	49.0%
Rothbury Group Limited	30.0%
RSM Group Pty Ltd	49.0%
Sapphire Star Pty Ltd	30.0%
Scott & Broad Pty Ltd	49.0%
Southside Insurance Brokers Pty Ltd	49.0%
Steadfast Life Pty Ltd	50.0%
Sterling Insurance Pty Limited	39.5%
Tradewise Insurance Pty Ltd	48.0%
Tudor Insurance Australia (Insurance Brokers) Pty Ltd and Tudor Insurance Agency Unit Trust	48.0%
Watkins Taylor Stone Insurance Brokers Pty Ltd and D&E Watkins Unit Trust	35.0%
Joint ventures	
Macquarie Premium Funding Pty Ltd and its subsidiaries (Macquarie Pacific Funding Group)	50.0%

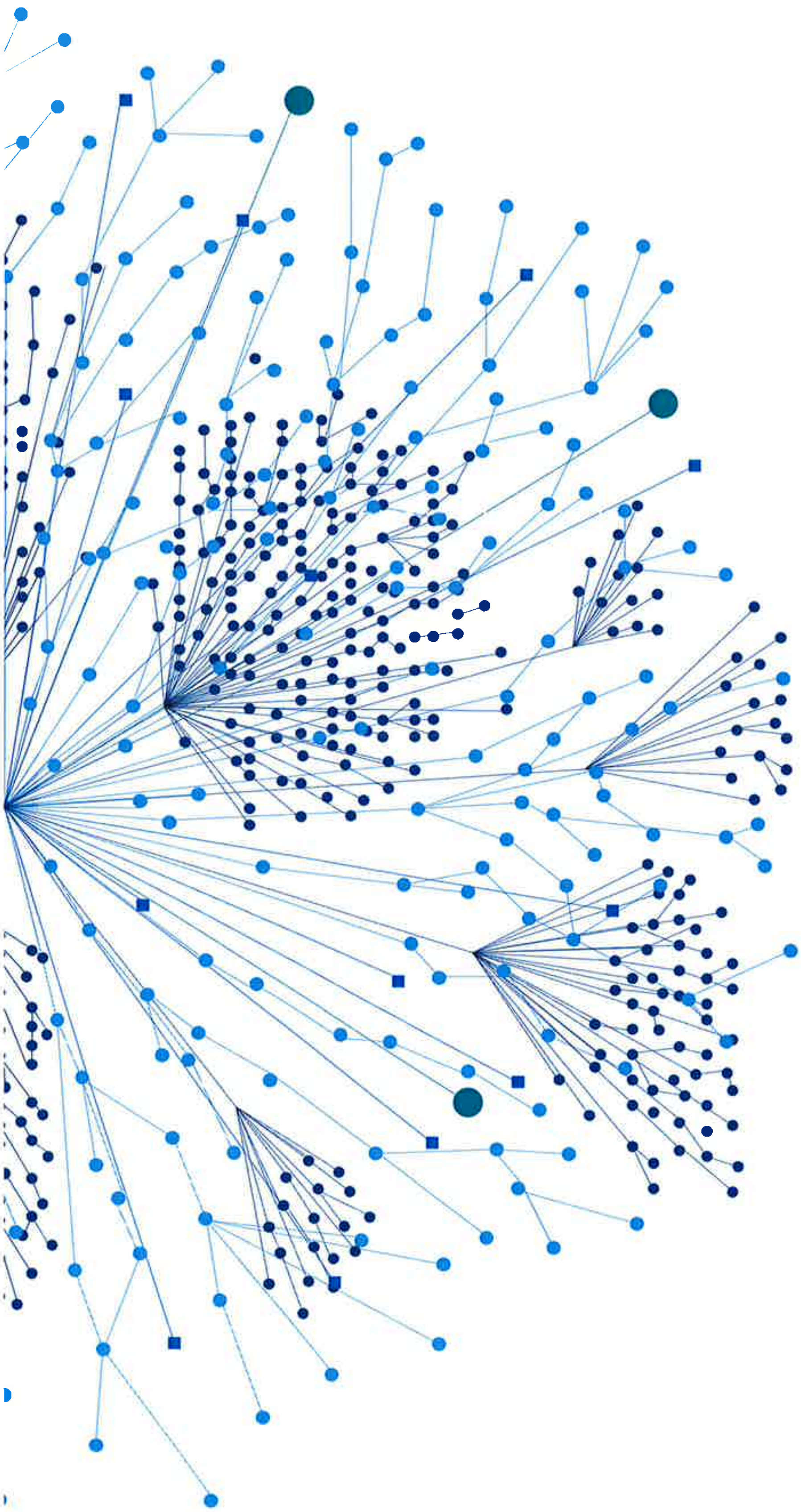
The aggregate share of profits after tax of associates and joint venture accounted for using equity method is $5.219 million.

Additional Appendix 4D disclosure requirements can be found in the directors' report and the 31 December 2015 financial statements and accompanying notes.

This report is based on the consolidated financial statements which have been reviewed by KPMG.

Attachment A – Steadfast Group Ltd Half year financial report – 31 December 2015

Steadfast
STRENGTH WHEN YOU NEED IT



Half Year Financial Report 2016

343 insurance brokerages
781 offices
22 specialist underwriters
6 complementary businesses

STEADFAST GROUP LIMITED
ABN 98 073 659 677

Financial Report
For the half year ended 31 December 2015

Steadfast Group Limited
Directors' Report

The Directors present their report together with the consolidated financial statements of Steadfast Group Limited (Steadfast or the Company) and its subsidiaries, and the Group's interests in associates and joint venture (Steadfast Group or the Group) for the half year ended 31 December 2015 and the auditor's review report thereon.

Directors

The Directors of the Company at any time during or since the end of the half year are as follows. Directors were in office for the entire period unless otherwise stated.

Name	Date of appointment
Chairman	
Frank O'Halloran, AM	21 October 2012
Managing Director & CEO	
Robert Kelly	18 April 1996
Other Directors	
David Liddy, AM	1 January 2013
Anne O'Driscoll	1 July 2013
Philip Purcell	1 February 2013
Greg Rynenberg	10 August 1998

Operating and financial review

Operating results for the half year

	Note	31 Dec 2015 $'000	31 Dec 2014 $'000
Revenue – consolidated entities	4	**170,431**	99,307
Expenses – consolidated entities	4	**(114,243)**	(71,145)
EBITA – consolidated entities	4	**56,188**	28,162
Share of EBITA from associates and joint venture	4	**9,850**	9,391
EBITA from core operations – pre-corporate expenses		**66,038**	37,553
Corporate expenses	4	**(5,643)**	(3,062)
EBITA from core operations – post-corporate expenses		**60,395**	34,491
Finance costs	4	**(4,615)**	(2,273)
Amortisation expense	4	**(12,254)**	(6,718)
Profit before income tax before non-trading items		**43,526**	25,500
Income tax expense on profit before non-trading items	4	**(13,530)**	(7,673)
Profit after income tax before non-trading items		**29,996**	17,827
Non-trading items:			
Income	4	**16,284**	1,067
Expenses	4	**(5,317)**	(2,624)
Income tax expense on non-trading items	4	**1,361**	61
Net profit after income tax for the half year		**42,324**	16,331
Non-controlling interests		**(3,307)**	(2,588)
Net profit after income tax attributable to owners of Steadfast Group Limited		**39,017**	13,743
Other comprehensive income to owners of Steadfast Group Limited		**233**	291
Total comprehensive income after income tax attributable to owners of Steadfast Group Limited		**39,250**	14,034

The Group's total comprehensive income after income tax attributable to owners for the half year was $39.250 million (31 December 2014: $14.034 million).

The increase in comprehensive income after tax was mainly due to:

- profits generated from acquisition of businesses, including the Calliden Group in December 2014 and two underwriting agencies and an insurance broker from QBE ("QBE agencies") in April 2015;
- increased marketing & administration fee income;

- a net gain, classified as non-trading, of $16.015 million arising from lower estimates of amounts payable for earn outs, particularly for certain agencies acquired from QBE in 2015; offset by
- higher funding costs, amortisation and tax expense attributable to the increased scale of operations;
- $5.317 million of impairment of assets for some acquisitions where there was a reduction in deferred consideration payable. There were no impairments of other assets.

Some of the financial data in the table above, namely the EBITA related items, are not disclosed in accordance with current Australian Accounting Standards requirements. However, all financial data is based on the information disclosed in the reviewed financial statements and notes to the financial statements of the Group and follow the recognition requirements of Australian Accounting Standards.

Review of financial condition

Financial position

The total assets of the Group as at 31 December 2015 were largely unchanged from 30 June 2015. Net assets increased by $29.209 million due to undistributed profits and dividend reinvestment.

Cash held on trust has increased by $42.965 million and trust receivables have decreased by $82.374 million largely due to seasonality, with premiums due on June renewals included in the June 2015 receivables being received during the six months to December 2015. These funds were applied to the trust creditors which reduced by $34.224 million.

The current portion of the deferred consideration payable at 30 June 2015 has been settled via a combination of cash and corporate debt. Total debt on the Group's balance sheet has now increased to $197.112 million of which $179.774 million was drawn from the Company's multi-bank syndicated facility, which together with $0.271 million utilised for bonds and rental guarantees, left $104.955 million available in the corporate facility as at 31 December 2015.

Cash from operations

The $25.970 million increase in operating net cash flows before customer trust accounts movement reflects the increased scale of operations.

Events subsequent to reporting date

Subsequent to 31 December 2015, the Board declared an interim dividend of 2.4 cents per share, 100% franked.

Further details of the dividend is set out in note 16.

Likely developments

The Group's business strategy going forward is to grow shareholder value through maintaining and growing its market position in the provision of insurance and related services, with a core focus on general insurance intermediation.

To achieve this strategy, the Group will in particular focus on:

- acquiring equity interests in insurance brokers and underwriting agencies;
- continuing to support the growth and development of all Steadfast network brokers, Steadfast underwriting agencies, premium funders and other complementary businesses;
- maintaining and developing its relationship with strategic partners who provide products for distribution by the Group;
- realisation of synergies from hubbing and back office systems;
- acquiring non-insurance businesses which offer complementary products and services; and
- the cross-sell of products and services between Steadfast network brokers and other businesses with which the Group has a relationship.

In assessing future business acquisitions described above, strict acquisition criteria will be applied, including that an acquisition is expected to be earnings per share accretive for the Group within 12 months of the acquisition concerned.

The Group continues to work closely with the existing management team of each acquired business, and allow each business to operate in a manner consistent with the Group's co-ownership model. In most cases, this model involves ongoing equity participation of key management personnel in the business acquired.

Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the half year ended 31 December 2015.

Rounding

The Group is of the kind referred to in the class order 98/100 dated 10 July 1998 issued by the Australian Securities & Investment Commission. In accordance with that class order, amounts in the Directors' report and financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

Signed at Sydney on 23 February 2016 in accordance with a resolution of the Directors.

Frank O'Halloran, AM
Chairman

Robert Kelly
Managing Director & CEO

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

To: the directors of Steadfast Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 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.

KPMG

KPMG

Andrew Dickinson
Partner

Sydney

23 February 2016

Steadfast Group Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2015

	Note	31 Dec 2015 $'000	31 Dec 2014 $'000
Revenue			
Fee and commission income		**199,153**	81,331
Less: Brokerage commission paid		**(66,883)**	(13,585)
Net fee and commission income		**132,270**	67,746
Marketing and administration fees		**16,588**	15,583
Interest income		**3,687**	2,905
Other revenue		**17,886**	13,073
		170,431	99,307
Share of profits of associates accounted for using the equity method	11	**3,754**	2,987
Share of profits of joint venture accounted for using the equity method	12	**1,465**	1,734
Gain from adjustments to deferred consideration estimates	4,10	**16,015**	-
Other income		**269**	1,067
		191,934	105,095
Expenses			
Employment expense		**(77,333)**	(46,036)
Selling expense		**(7,859)**	(4,422)
Administration, brokers' support service and other expenses		**(21,517)**	(15,784)
Steadfast Network Broker rebates expense		**(5,200)**	(4,348)
Occupancy expense		**(6,337)**	(3,826)
Amortisation expense	4,7	**(10,528)**	(4,565)
Depreciation expense		**(1,601)**	(1,142)
Impairment expense	4(v)	**(5,317)**	-
Finance costs	4	**(4,209)**	(1,779)
Stamp duty, due diligence and restructure costs		**(39)**	(1,273)
Profit before income tax expense		**51,994**	21,920
Income tax expense		**(9,670)**	(5,589)
Profit after income tax expense for the half year		**42,324**	16,331
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net movement in foreign currency translation reserve		**114**	416
Cash flow hedge effective portion of change in fair value		**218**	-
Income tax expense on other comprehensive income		**(99)**	(125)
Other comprehensive income for the period, net of tax		**233**	291
Total comprehensive income for the half year, net of tax		**42,557**	16,622
Profit for the half year is attributable to:			
Non-controlling interests		**3,307**	2,588
Owners of Steadfast Group Limited		**39,017**	13,743
		42,324	16,331
Total comprehensive income for the half year is attributable to:			
Non-controlling interests		**3,307**	2,588
Owners of Steadfast Group Limited	4	**39,250**	14,034
		42,557	16,622
Basic earnings per share (cents per share)	5	**5.25**	2.64
Diluted earnings per share (cents per share)	5	**5.23**	2.64

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the financial statements.

Steadfast Group Limited
Consolidated Statement of Financial Position
As at 31 December 2015

	Note	31 Dec 2015 $'000	30 June 2015 $'000
Assets			
Current assets			
Cash and cash equivalents		**79,884**	67,648
Cash held on trust		**215,120**	172,155
Receivables from broking/underwriting agency operations		**229,147**	311,521
Other receivables		**30,069**	27,507
Related party loans receivable		**948**	927
Other		**5,932**	3,386
Total current assets		**561,100**	583,144
Non-current assets			
Related party loans receivable		**7,029**	7,500
Property, plant and equipment		**28,867**	25,777
Deferred tax assets		**16,372**	10,357
Investments in associates	11	**126,605**	122,351
Interest in joint venture	12	**2,773**	3,446
Intangible assets	7	**173,124**	180,952
Goodwill	7	**684,037**	669,321
Other		**22,304**	12,659
Total non-current assets		**1,061,111**	1,032,363
Total assets		**1,622,211**	1,615,507
Liabilities			
Current liabilities			
Bank overdrafts	8	**-**	632
Payables on broking/underwriting agency operations		**394,788**	429,012
Other payables		**42,082**	43,380
Borrowings	8	**1,504**	453
Income tax payable		**11,814**	4,168
Provisions		**10,842**	11,851
Deferred consideration	10	**7,264**	27,506
Total current liabilities		**468,294**	517,002
Non-current liabilities			
Borrowings	8	**195,608**	160,910
Other payables		**855**	1,284
Deferred tax liabilities		**62,743**	59,810
Deferred consideration	10	**16,396**	27,821
Provisions		**7,541**	7,115
Total non-current liabilities		**283,143**	256,940
Total liabilities		**751,437**	773,942
Net assets		**870,774**	841,565
Equity			
Share capital	9	**796,857**	787,946
Treasury shares held in trust	9	**(4,326)**	(3,018)
Foreign currency translation reserve		**(153)**	(237)
Share-based payments reserve		**3,638**	3,130
Undistributed profits reserve		**1,342**	6,562
Other reserves		**(10,477)**	(10,698)
Retained earnings		**61,131**	39,196
Equity attributable to the owners of Steadfast Group Limited		**848,012**	822,881
Non-controlling interests		**22,762**	18,684
Total equity		**870,774**	841,565
Corporate gearing ratio	9	**17.1%**	14.9%

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

Steadfast Group Limited
Consolidated Statement of Changes in Equity
For the half year ended 31 December 2015

31 Dec 2015	Equity attributable to owners of Steadfast Group Limited							Non-controlling interests	Total equity
	Share capital $'000	Treasury shares held in trust $'000	Foreign currency translation reserve $'000	Share-based payments reserve $'000	Un-distributed profits reserve $'000	Other reserves $'000	Retained earnings $'000	$'000	$'000
Balance at 1 July 2015	787,946	(3,018)	(237)	3,130	6,562	(10,698)	39,196	18,684	841,565
Profit after income tax expense for the half year	-	-	-	-	-	-	39,017	3,307	42,324
Other comprehensive income for the half year, net of tax	-	-	84	-	-	149	-	-	233
Total comprehensive income for the half year	-	-	84	-	-	149	39,017	3,307	42,557
Transactions with owners in their capacity as owners:									
Shares issued for Dividend Reinvestment Plan (Note 9)	8,911	(85)	-	-	-	-	-	-	8,826
Shares acquired and held in trust (Note 9)	-	(1,388)	-	-	-	-	-	-	(1,388)
Share-based payments on Executive Shares and employee share plans	-	-	-	508	-	-	-	-	508
Shares allotted to employees under Employee Conditional Rights Scheme	-	165	-	-	-	-	-	-	165
Transfer of retained earnings to profit reserve	-	-	-	-	17,082	-	(17,082)	-	-
Acquisition of non-controlling interests (Note 10)	-	-	-	-	-	-	-	248	248
Changes in part equity interest in subsidiaries without loss of control	-	-	-	-	-	72	-	3,874	3,946
Dividends declared and paid	-	-	-	-	(22,302)	-	-	(3,351)	(25,653)
Balance at 31 December 2015	796,857	(4,326)	(153)	3,638	1,342	(10,477)	61,131	22,762	870,774

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

Steadfast Group Limited
Consolidated Statement of Changes in Equity
For the half year ended 31 December 2015

31 Dec 2014	Equity attributable to owners of Steadfast Group Limited							Non-controlling interests	Total equity
	Share capital $'000	Treasury shares held in trust $'000	Foreign currency translation reserve $'000	Share-based payments reserve $'000	Un-distributed profits reserve $'000	Other reserves $'000	Retained earnings $'000	$'000	$'000
Balance at 1 July 2014	488,187	(1,070)	810	3,187	6,328	(2,578)	20,937	9,237	525,038
Profit after income tax expense for the half year	-	-	-	-	-	-	13,743	2,588	16,331
Other comprehensive income for the half year, net of tax	-	-	291	-	-	-	-	-	291
Total comprehensive income for the half year	-	-	291	-	-	-	13,743	2,588	16,622
Transactions with owners in their capacity as owners:									
Shares issued for Dividend Reinvestment Plan (Note 9)	2,573	-	-	-	-	-	-	-	2,573
Shares acquired and held in trust (Note 9)	-	(2,084)	-	-	-	-	-	-	(2,084)
Shares allotted through Dividend Reinvestment Plan (Note 9)	-	(36)	-	-	-	-	-	-	(36)
Shares allotted to employees under Employee Conditional Rights Scheme	-	1,046	-	(1,046)	-	-	-	-	-
Share based payments expense on executive shares and employee share plans	-	-	-	496	-	-	-	-	496
Transfer of retained earnings to profit reserve	-	-	-	-	10,969	-	(10,969)	-	-
Acquisition of non-controlling interests (Note 10)	-	-	-	-	-	-	-	2,060	2,060
Change of part equity interests in subsidiaries without loss of control	-	-	-	-	-	3,636	-	2,212	5,848
Dividends declared and paid	-	-	-	-	(13,545)	-	-	(1,807)	(15,352)
Balance at 31 December 2014	490,760	(2,144)	1,101	2,637	3,752	1,058	23,711	14,290	535,165

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

Steadfast Group Limited
Consolidated Statement of Cash Flows
For the half year ended 31 December 2015

	Note	31 Dec 2015 $'000	31 Dec 2014 $'000
Cash flows from operating activities			
Receipts from customers		**178,868**	111,944
Payments to suppliers and employees, and Network Broker rebates		**(130,735)**	(95,277)
Dividends received from associates and joint venture		**6,621**	9,879
Interest received		**2,900**	2,194
Interest and other finance costs paid		**(3,955)**	(1,779)
Income taxes paid		**(6,637)**	(5,869)
Net cash from operating activities before customer trust accounts movement		**47,062**	21,092
Net movement in customer trust accounts (net cash receipts/payments on behalf of customers)		**41,818**	1,284
Net cash from operating activities	13	**88,880**	22,376
Cash flows from investing activities			
Payments for acquisitions of subsidiaries and business assets, net of cash acquired and repayment of subsidiaries' loans		**(10,078)**	(71,690)
Payment for deferred consideration of subsidiaries, associates and business assets		**(21,400)**	(13,212)
Payments for investments in associates and joint venture		**(7,069)**	(921)
Refundable payment under scheme of arrangement		**-**	(6,250)
Proceeds from part disposal of investments and subsidiaries in scheme of arrangement		**-**	39,365
Proceed from disposal of investment in associates		**161**	-
Payments for step up investment in subsidiaries on hubbing arrangements		**(4,077)**	-
Payments for property, plant and equipment		**(5,274)**	(442)
Payments for intangible assets		**(2,512)**	(553)
Net cash used in investing activities		**(50,249)**	(53,703)
Cash flows from financing activities			
Payments for purchase of treasury shares		**(1,388)**	(2,084)
Repayment of related party loans		**810**	897
Provision of related party loan		**(100)**	(216)
Repayment of non-related party loans		**458**	2,236
Provision of non-related party loans		**(695)**	(1,660)
Proceeds from borrowings		**187,825**	102,005
Repayment of borrowings		**(153,403)**	(547)
Dividends paid to owners of Steadfast, net of Dividend Reinvestment Plan		**(13,391)**	(10,973)
Dividends paid to non-controlling interests		**(2,914)**	(1,807)
Net cash from financing activities		**17,202**	87,851
Net increase in cash and cash equivalents		**55,833**	56,524
Cash and cash equivalents at the beginning of the financial period		**239,171**	114,576
Cash and cash equivalents at the end of the financial period*		**295,004**	171,100
* Balance represents:			
Cash and cash equivalents		**79,884**	54,648
Cash held on trust		**215,120**	116,722
Bank overdrafts		**-**	(270)
		295,004	171,100

The above consolidated statement of cash flows should be read in conjunction with the notes to the financial statements.

Note 1. General information

This financial report is for the half year ended 31 December 2015 and comprises the consolidated financial statements for Steadfast Group Limited (Steadfast or the Company) and its subsidiaries, and the Group's interests in associates and a joint venture (Steadfast Group or the Group). These financial statements are presented in Australian dollars, which is Steadfast's functional and presentation currency.

The Company is a for-profit listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 3, 99 Bathurst Street, Sydney NSW 2000.

A description of the nature of the Group's operations and its principal activities is included in the Directors' Report, which is not part of the financial report.

This financial report was authorised for issue by the Board on 23 February 2016.

This report should be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcement made by the Company during the half year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Note 2. Significant accounting policies

A. Statement of compliance

This half year financial report has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting, the recognition and measurement requirements of other applicable Australian Accounting Standards adopted by the Australian Accounting Standards Board, as appropriate for for-profit oriented entities and the Australian Securities Exchange (ASX) Listing Rules.

International Financial Reporting Standards (IFRS) refer to the overall framework of standards and pronouncements approved by the International Accounting Standards Board. IFRS forms the basis of the Australian Accounting Standards. This half year financial report of the Group does not include all information required for annual financial statement presentation in accordance with IFRS.

B. Basis of preparation of the financial report

The accounting policies adopted in the preparation of this financial report have been applied consistently by all entities in the Group and are the same as those applied for the most recent annual financial report. These financial statements have been prepared under the historical cost convention, modified, where applicable, by the measurement at fair value of certain non-current assets, financial assets and financial liabilities.

i. New and amended standards adopted by the Group

The Group has adopted the following revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the year ending 30 June 2016 and thus they are also applicable for the half year ended 31 December 2015. Adoption of these standards has not had any material effect on the financial position or performance of the Group.

Title	Description
AASB 2015-3	Amendments to Australian Accounting Standards arising from the withdrawal of AASB1031 Materiality

ii. Reclassification of comparatives

Certain prior year comparative information has been revised in this financial report to conform to the current period's presentation. The reclassifications are:

- certain items previously included within the consolidated statement of cash flows as receipts from customers and payments to suppliers have been reclassified to be reported on a net basis within the net movement in trust accounts; and
- reclassifying the trading results of authorised representatives from selling expenses to brokerage commission paid.

iii. Rounding

The Group is of the kind referred to in the class order 98/100 dated 10 July 1998 issued by the Australian Securities & Investment Commission. In accordance with that class order, amounts in this financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

iv. *Australian Accounting Standards issued and not yet effective*

The Company has not early adopted and applied any new, revised or amending Accounting Standards and Interpretations that are not yet mandatory for the half year ended 31 December 2015.

The Company intends to adopt new, revised or amending Accounting Standards and Interpretations in the operating year commencing 1 July after the effective date of these standards and interpretations as set out in the table below.

Title	Description	Effective date	Operating year	Note
AASB 9	Financial Instruments and the relevant amending standards	1 January 2018	30 June 2019	(i)
AASB 15	Revenue from Contracts with Customers and the relevant amending standards	1 January 2018	30 June 2019	(ii)
AASB 16	Leases	1 January 2019	30 June 2020	(ii)
AASB 1057	Application of Australian Accounting Standards	1 January 2016	30 June 2017	(i)

Table notes

(i) These changes are not expected to have a significant financial impact.
(ii) The potential effect of this standard is yet to be determined.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates may differ from the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the half year ended 31 December 2015 and the financial year ending 30 June 2016 are discussed below.

A. Fair value of assets acquired

The Group measures the net assets acquired in a business combination at their fair value at the date of acquisition. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the fair value, then the amounts recognised as at the acquisition date will be retrospectively revised.

Fair value is estimated with reference to the market transactions for similar assets or discounted cash flow analysis.

B. Deferred consideration

The Group has made a best estimate of the consideration payable for the acquisitions where there is a variable purchase price (generally, a multiple of future period revenue or earnings before interest expense, tax and amortisation (EBITA)) after performing due diligence on the acquisition. Should the future revenue or EBITA vary from previous estimates, the Group is required to increase or decrease the final consideration payable and recognise the difference as expense or income.

C. Goodwill

Goodwill is not amortised but assessed annually for impairment or when there is evidence of impairment.

The recoverable amount of goodwill is estimated using the higher of fair value or the discounted cash flow analysis of the relevant cash generating unit (CGU) deducting the carrying amount of the identifiable net assets of the CGU. Key assumptions used in the calculation of recoverable amounts are the discount rates, terminal value growth rates and EBITA growth rates.

D. Intangible assets

The carrying amounts of intangible assets with finite lives are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated on the same basis as goodwill above.

An impairment loss is recognised if the carrying amount of the intangible asset exceeds its recoverable amount.

E. Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 4. Operating segments

The Company's corporate structure includes equity investments in insurance intermediary entities (insurance broking, underwriting agencies and premium funders) and complementary businesses. Discrete financial information about each of these entities is reported to management on a regular basis and accordingly management considers each entity to be a discrete business operation. The Company believes that all of the Group's equity investments in insurance intermediary entities exhibit similar economic characteristics and have therefore been aggregated into a single reporting segment, being the general insurance intermediary sector. This assessment is based on each of the business operations having similar products and services, similar types of customer, employing similar operating processes and procedures and operating within similar regulatory environments. The Group is in the business of distributing and advising on insurance products in Australia, New Zealand and Singapore.

In addition to reviewing performance based on statutory profit after tax, the Chief Operating Decision Maker (being the Managing Director & CEO) also reviews the additional performance measure earnings before interest expense, tax, and amortisation (EBITA) broken down by consolidated entities, associates and joint venture.

The additional performance measure, EBITA, and other related information (broken down by consolidated entities, associates and joint venture) provided on a regular basis to the Chief Operating Decision Maker is outlined in the table below.

		Half year to 31 Dec 2015			**Half year to 31 Dec 2014**		
	Table note	**Insurance intermed-iary $'000**	**Other $'000**	**Total $'000**	**Insurance intermed-iary $'000**	**Other $'000**	**Total $'000**
Revenue – consolidated entities		**164,418**	**6,013**	**170,431**	95,314	3,993	99,307
Expenses – consolidated entities		**(109,256)**	**(4,987)**	**(114,243)**	(67,997)	(3,148)	(71,145)
EBITA – consolidated entities		**55,162**	**1,026**	**56,188**	27,317	845	28,162
Share of EBITA from associates and joint venture (Note 11, 12)		**9,727**	**123**	**9,850**	9,294	97	9,391
EBITA from core operations – pre-corporate expenses		**64,889**	**1,149**	**66,038**	36,611	942	37,553
Corporate expenses		**(5,643)**	**-**	**(5,643)**	(3,062)	-	(3,062)
EBITA from core operations – post-corporate expenses		**59,246**	**1,149**	**60,395**	33,549	942	34,491
Finance costs (net of interest received on surplus cash held)	(i)	**(4,607)**	**(8)**	**(4,615)**	(2,273)	-	(2,273)
Amortisation expense	(ii)	**(11,958)**	**(296)**	**(12,254)**	(6,525)	(193)	(6,718)
Profit before income tax before non-trading items		**42,681**	**845**	**43,526**	24,751	749	25,500
Income tax expense on profit before non-trading items	(iii)	**(13,321)**	**(209)**	**(13,530)**	(7,476)	(197)	(7,673)
Profit after income tax before non-trading items		**29,360**	**636**	**29,996**	17,275	552	17,827
Non-trading items:							
Income	(iv)	**16,284**	**-**	**16,284**	1,067	-	1,067
Expenses	(v)	**(5,317)**	**-**	**(5,317)**	(2,624)	-	(2,624)
Income tax expense on non-trading items		**1,361**	**-**	**1,361**	61	-	61
Net profit after income tax for the half year		**41,688**	**636**	**42,324**	15,779	552	16,331
Non-controlling interests		**(3,307)**	**-**	**(3,307)**	(2,588)	-	(2,588)
Net profit after income tax attributable to owners of Steadfast Group Limited		**38,381**	**636**	**39,017**	13,191	552	13,743
Other comprehensive income attributable to owners of Steadfast Group Limited		**233**	**-**	**233**	291	-	291
Total comprehensive income after income tax attributable to owners of Steadfast Group Limited		**38,614**	**636**	**39,250**	13,482	552	14,034

TABLE NOTES

	Half year to 31 Dec 2015 Insurance intermed-iary $'000	Half year to 31 Dec 2015 Other $'000	Half year to 31 Dec 2015 Total $'000	Half year to 31 Dec 2014 Insurance intermed-iary $'000	Half year to 31 Dec 2014 Other $'000	Half year to 31 Dec 2014 Total $'000
(i) Breakdown of finance costs:						
Finance costs – consolidated entities	**(4,209)**	-	**(4,209)**	(1,779)	-	(1,779)
Finance costs – associates and joint venture (Note 11, 12)	**(398)**	**(8)**	**(406)**	(494)	-	(494)
	(4,607)	**(8)**	**(4,615)**	(2,273)	-	(2,273)
(ii) Breakdown of amortisation expenses:						
Amortisation expense – consolidated entities	**(10,268)**	**(260)**	**(10,528)**	(4,409)	(156)	(4,565)
Amortisation expense – associates and joint venture (Note 11, 12)	**(1,690)**	**(36)**	**(1,726)**	(2,116)	(37)	(2,153)
	(11,958)	**(296)**	**(12,254)**	(6,525)	(193)	(6,718)
(iii) Breakdown of income tax expenses on profit before non-trading items:						
Income tax expense – consolidated entities	**(10,845)**	**(186)**	**(11,031)**	(5,463)	(187)	(5,650)
Income tax expense – associates and joint venture (Note 11, 12)	**(2,476)**	**(23)**	**(2,499)**	(2,013)	(10)	(2,023)
	(13,321)	**(209)**	**(13,530)**	(7,476)	(197)	(7,673)
(iv) Breakdown of non-trading income:						
Executive loans fair value adjustment	-	-	-	666	-	666
Unwind of deemed interest revenue on interest free Executive loans	**269**	-	**269**	401	-	401
Net gain on re-estimation and settlement of deferred consideration*	**16,015**	-	**16,015**	-	-	-
	16,284	-	**16,284**	1,067	-	1,067
(v) Breakdown of non-trading expenses:						
Net loss on settlement of deferred consideration*	-	-	-	(1,351)	-	(1,351)
Impairment loss*	**(5,317)**	-	**(5,317)**	-	-	-
Due diligence and restructure costs	-	-	-	(1,273)	-	(1,273)
	(5,317)	-	**(5,317)**	(2,624)	-	(2,624)

* The Group often defers a portion of the purchase price and makes the final payment referable to future financial performance. At the time of acquisition an estimate is made as to the final payment. This is reviewed each half year based on information available and at settlement, and the estimate is adjusted if appropriate. Any adjustment is taken to profit (downwards estimate) or loss (upwards estimate). Where an estimate is reduced, the Group will consider whether the factors leading to the estimate of deferred consideration represent an indicator of impairment, and if so, the need for impairment is considered. The deferred consideration adjustments and impairments do not affect cash flows from operating activities. An impairment of $5.317 million was recognised against certain businesses that had earn out arrangements.

Note 5. Earnings per share

	Half year to 31 Dec 2015 cents	Half year to 31 Dec 2014 cents
A. Reporting period value		
Basic earnings per share	**5.25**	2.64
Diluted earnings per share	**5.23**	2.64

	Half year to 31 Dec 2015 $'000	Half year to 31 Dec 2014 $'000
B. Reconciliation of earnings used in calculating earnings per shares		
Profit after income tax	**42,324**	16,331
Non-controlling interests	**(3,307)**	(2,588)
Profit after income tax attributable to the owners of Steadfast Group Limited for calculation of basic and diluted earnings per share	**39,017**	13,743

	Half year to 31 Dec 2015 Number in '000	Half year to 31 Dec 2014 Number in '000
C. Reconciliation of weighted average number of shares used in calculating earnings per share		
I. Weighted average number of ordinary shares issued [c]		
Weighted average number of ordinary shares issued	**746,115**	521,034
Weighted average number of treasury shares held in trust	**(2,607)**	(1,152)
Weighted average number of ordinary shares used in calculating basic earnings per share	**743,508**	519,882
II. Weighted average number of dilutive potential ordinary shares related to[c]		
Weighted average number of ordinary shares	**743,508**	519,882
Effect of share based payment arrangements[a]	**1,467**	362
Effect of deemed bonus shares on share options[b]	**996**	983
Weighted average number of ordinary shares used in calculating diluted earnings per share	**745,971**	521,227

The weighted average number of ordinary shares or dilutive potential ordinary shares is calculated by taking into account the period from the issue date of the shares to the reporting date unless otherwise stated as below.

(a) Steadfast operates share based payments arrangements (being an employee conditional rights scheme, a short term incentive plan and a long term incentive plan) where eligible employees could receive conditional rights instead of cash. One conditional right will convert to one ordinary share subject to vesting conditions being met. These share based payments arrangements are granted to employees free of costs and no consideration will be paid on conversion to Steadfast's ordinary shares. These arrangements have a dilutive effect to the basic earnings per share (EPS) in the current reporting period.

(b) 3.000 million share options were issued to a key management personnel of an acquired business with an exercise price of $1 per share. Because the average share price exceeds the exercise price, 0.996 million shares are deemed to be bonus shares.

(c) The number of shares in the 2014 comparatives have been restated for the rights issue completed in March 2015 by applying a bonus factor.

Note 6. Dividends

A. Dividends on ordinary shares during the half year

During the half year ended 31 December 2015, the following dividends were declared and paid by the Company:

	Cents per share	Total amount $'000	Payment date	Tax rate for franking credit	Percentage franked
31 December 2015					
2015 final dividend	3.0	22,302	14 October 2015	30%	100%

B. Dividend reinvestment

A Dividend Reinvestment Plan (DRP) operates which allows equity holders to elect to receive their dividend entitlement in the form of the Company's ordinary shares. The price of DRP shares is the average share market price, less a discount if any (determined by the directors) calculated over the pricing period (which is at least five trading days) as determined by the directors for each dividend payment date.

C. Dividend not recognised at reporting date

On 23 February 2016, the Board resolved to pay the following dividend. As this occurred after the reporting date, the dividends declared have not been recognised in this financial report.

	Cents per share	Total amount $'000	Expected payment date	Tax rate for franking credit	Percentage franked
2016 interim dividend	**2.4**	**17,994**	**14 Apr 2016**	**30%**	**100%**

The Company's DRP will operate by purchasing ordinary shares on market. No discount will be applied. The last election notice for participation in the DRP in relation to this interim dividend is 10 March 2016.

Note 7. Intangible assets and goodwill

	Customer relationships $'000	Capitalised software $'000	Other Intangible assets $'000	Total intangible assets $'000	Goodwill $'000
31 December 2015					
A. Composition					
At cost	**199,300**	**4,109**	**4,659**	**208,068**	**684,549**
Accumulated amortisation and impairment	**(33,096)**	**(585)**	**(1,263)**	**(34,944)**	**(512)**
	166,204	**3,524**	**3,396**	**173,124**	**684,037**
B. Movements (6 months)					
Balance at the beginning of the financial period	**175,742**	**1,746**	**3,464**	**180,952**	**669,321**
Additions	-	**1,948**	**564**	**2,512**	-
Additions through business combinations	**5,242**	-	-	**5,242**	**17,504**
Reduction in intangibles upon loss of control	**(382)**	-	-	**(382)**	**(2,276)**
Amortisation expense transferred to other reserve on hubbing	**133**	-	-	**133**	-
Impairment	**(4,805)**	-	-	**(4,805)**	**(512)**
Amortisation expense	**(9,726)**	**(170)**	**(632)**	**(10,528)**	-
Balance at the end of the financial period	**166,204**	**3,524**	**3,396**	**173,124**	**684,037**
30 June 2015					
C. Composition					
At cost	194,440	2,161	4,095	200,696	669,321
Accumulated amortisation	(18,698)	(415)	(631)	(19,744)	-
	175,742	1,746	3,464	180,952	669,321
D. Movements (12 months)					
Balance at the beginning of the financial period	75,964	642	-	76,606	289,162
Additions	-	1,281	18	1,299	-
Additions through business combinations	113,238	-	4,077	117,315	384,373
Reduction in intangibles upon loss of control	(1,802)	-	-	(1,802)	(4,214)
Amortisation expense transferred to other reserve on hubbing	415	-	-	415	-
Amortisation expense	(12,073)	(177)	(631)	(12,881)	-
Balance at the end of the financial period	175,742	1,746	3,464	180,952	669,321

Note 8. Borrowings

	31 Dec 2015 $'000	30 June 2015 $'000
Bank loans		
Current	**1,504**	453
Non-current	**195,608**	160,910
	197,112	161,363
Bank facilities available		
Bank facilities drawn down		
Bank loans – corporate facility	**179,774**	147,109
Bank loans - subsidiaries	**17,338**	14,254
Lines of credit (bank overdrafts)	**-**	632
	197,112	161,995
Undrawn bank facilities		
Bank loans	**106,695**	32,891
Lines of credit	**1,175**	368
	107,870	33,259
Total bank facilities available		
Bank loans	**303,807**	194,254
Lines of credit	**1,175**	1,000
	304,982	195,254

A. Bank corporate facility details

During the half year, the Company entered into a multi-bank syndicated facility with Macquarie Bank and ANZ Banking Group of $285.000 million to replace the $180.000 million facility with Macquarie Bank. $179.774 million of the $285.000 million facility has been drawn down at 31 December 2015, which together with $0.271 million for bonds and rental guarantees, leaving $104.955 million available in the corporate facility for future drawdowns.

The Facility charges variable interest rates based on BBSY plus the applicable margin. Immediately after the loan was drawn down, the Company transacted an interest rate swap with notional amount of $75.000 million where the Company swaps the floating rate payment into fixed rate payments.

The key terms and conditions of the multi-bank syndicated facility were disclosed in the annual report for the year ended 30 June 2015 and remain unchanged.

Note 9. Notes to the statement of changes in equity and reserves

A. Share capital

	Half year to 31 Dec 2015 Number of shares in 000's	Year to 30 June 2015 Number of shares in 000's	Half year to 31 Dec 2015 $'000	Year to 30 June 2015 $'000
Reconciliation of movements				
Balance at the beginning of the financial period	**743,414**	501,638	**787,946**	488,187
Shares issued on the ASX	**-**	238,097	**-**	300,002
Less: Transaction costs on issue of ordinary shares, net of income tax	**-**	-	**-**	(5,801)
Shares issued under the Dividend Reinvestment Plan	**6,338**	3,679	**8,911**	5,558
Balance at the end of the financial period	**749,752**	743,414	**796,857**	787,946

B. Treasury shares held in trust

	Half year to 31 Dec 2015 Number of shares in '000	Year to 30 June 2015 Number of shares in '000	Half year to 31 Dec 2015 $'000	Year to 30 June 2015 $'000
Reconciliation of movements				
Balance at the beginning of the financial period	**2,036**	754	**3,018**	1,070
Shares allocated to employees	**(100)**	(737)	**(165)**	(1,046)
Shares acquired	**907**	1,977	**1,388**	2,931
Shares allotted through Dividend Reinvestment Plan	**60**	42	**85**	63
Balance at the end of the financial period	**2,903**	2,036	**4,326**	3,018

Treasury shares are ordinary shares of Steadfast bought on market by the trustee (a wholly owned subsidiary of the Group) of an employee share plan for meeting future obligations under that plan when conditional rights vest and shares are allocated to participants.

C. Capital Risk Management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue its listing on the ASX, provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to minimise the cost of capital, within the risk appetite approved by the Directors.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, take on borrowings or sell assets to reduce debt.

The Group monitors capital on the basis of its corporate gearing ratio, which is calculated as borrowings attributable to the Company (corporate borrowings) divided by total equity and corporate borrowings. The Company's current maximum corporate gearing ratio determined by the Directors is 25%. The gearing ratio at reporting date is as follows.

	31 Dec 2015 $'000	30 June 2015 $'000
Corporate borrowings	**179,774**	147,109
Total equity	**870,774**	841,565
Total equity and corporate borrowings	**1,050,548**	988,674
Corporate gearing ratio	**17.1%**	14.9%

D. Nature and purpose of reserves

i. Foreign currency translation reserve

The foreign currency translation reserve records the foreign currency differences from the translation of the financial information of foreign operations that have a functional currency other than Australian dollars.

ii. Share based payments reserve

The share based payments reserve is used to recognise the fair value at grant date of equity settled share based remuneration provided to employees and a key management personnel of a subsidiary and the discount on Executive Shares.

iii. Other reserves

The other reserves are used to recognise other movements in equity including cumulative net change in fair value of hedging instruments and the fair value of put options issued to a shareholder of a subsidiary over that subsidiary's shares and the net effect on disposal of partial equity ownership in subsidiaries without loss of control.

iv. Undistributed profits reserve

The undistributed profits reserve consists of current financial period's net profit attributable to owners of the Group and any retained amount carried forward from prior periods transferred from retained earnings. This reserve will be used to pay dividends declared by the Directors.

Note 10. Business combinations

Acquisitions for the half year ended 31 December 2015

During the half year ended 31 December 2015, the Group completed a number of acquisitions in accordance with its strategy.

The following disclosures provide the provisional financial impact to the Group at the acquisition date. Only those significant acquisitions with total consideration over $15 million are disclosed separately. Other acquisitions are disclosed in aggregate. No acquisitions over this amount were made in the half year.

Acquisition of subsidiaries

The following disclosures provide aggregated information for four acquired businesses where consideration was less than $15 million. Note 10.f. contains a list of subsidiaries acquired and the respective ownership interests.

a. Consideration paid/payable

Half year to 31 December 2015	Acquisitions $'000
Cash	**12,621**
Deferred consideration[a]	**5,269**
Scrip for scrip[b]	**3,790**
Total	**21,680**

(a) Pursuant to the Share Purchase Agreements, some of the consideration will be settled based on future years' actual financial performance and thus was recognised as deferred consideration by the Group. The deferred consideration is estimated based on a multiple of forecast revenue and/or earnings. Any variations at the time of settlement will be recognised as an expense or income in the statement of profit or loss and other comprehensive income. The deferred consideration shown above represents:
  - $4.686 million of deferred consideration for which the maximum amount of payment is unlimited; and
  - $0.583 million of deferred consideration which is fixed.

(b) Some acquisitions made through existing subsidiaries of the Group have been partially completed on a scrip for scrip basis.

b. Identifiable assets and liabilities acquired

Half year to 31 December 2015	Acquisitions $'000
Cash, and cash equivalents[1]	**2,543**
Trade and other receivables[2]	**1,427**
Property, plant and equipment	**38**
Deferred tax assets	**44**
Identifiable intangibles	**5,242**
Other assets	**88**
Trade and other payables	**(2,777)**
Income tax payable	**(205)**
Provisions	**(265)**
Deferred tax liabilities	**(1,711)**
Total net identifiable assets/(liabilities)	**4,424**

(1) Includes cash held on trust

(2) The trade receivables comprise contractual amounts and are expected to be fully recoverable.

If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above amounts, then the acquisition accounting will be revised.

c. Goodwill on acquisition

Half year to 31 December 2015	**Acquisitions $'000**
Total consideration paid/payable	**21,680**
Total net identifiable (assets)/liabilities acquired	**(4,424)**
Non-controlling interests acquired	**248**
Goodwill on acquisition*	**17,504**

* The majority of the goodwill relates to benefits from the combination of synergies as well as the acquired subsidiaries ability to generate future profits. None of the goodwill recognised is expected to be deductible for tax purposes.

d. Financial performance of acquired subsidiaries

The contribution for the period since acquisition by the acquired subsidiaries to the financial performance of the Group is outlined in the table below.

Half year to 31 December 2015	**Total $'000**
Revenue	**1,320**
EBITA	**517**
Profit after income tax	**252**

If the acquisitions of subsidiaries occurred on 1 July 2015, the Group's total revenue, EBITA and profit after income tax attributable to the owners of the Group for the half year ended 31 December 2015 would have increased by $2.316 million, $1.234 million and $1.084 million respectively.

e. Acquisition-related costs

The Group incurred acquisition-related costs, being stamp duty and legal fees for business interests acquired during the half year ended 31 December 2015.

f. Subsidiaries acquired

The table below outlines all the subsidiaries acquired during the half year ended 31 December 2015. There are changes in ownership of some acquired entities due to internal restructuring in the form of hubbing arrangements.

Name of subsidiary acquired	**Table note**	**Ownership interest as at 31 December 2015 %**
Ausure Consolidated Brokers Pty Ltd		60.50
Gardners Insurance Brokers QLD Pty Ltd		64.00
DIB Insurance Brokers Pty Ltd		60.00
Seamac Insurance Brokers Pty Ltd	(i)	47.00

Table note

(i) The Group acquired Seamac Insurance Brokers Pty Ltd through Capital Insurance (Broking) Group Pty Ltd (trading as Hervey Bay Maryborough Insurance Brokers. (Hervey Bay)), an existing subsidiary of the Group. The 47% equity interest in Seamac represents the Group's effective interest in Seamac. The Group effectively has control over Seamac as the Group has the right to appoint half of the directors of Hervey Bay. Therefore it is classified as a subsidiary.

g. Deferred consideration reconciliation

The following table shows a reconciliation from the opening balance to the closing balance of the deferred consideration.

	Half year to 31 Dec 2015 $'000	Year to 30 June 2015 $'000
Balance at the beginning of the financial period	**55,327**	20,052
Settlement of deferred consideration	**(21,400)**	(19,775)
Additions from new acquisitions in business combinations	**5,269**	52,384
Additions from new acquisitions in step up acquisitions and hubbing arrangements	**479**	1,727
(Gain)/loss in profit or loss on settlement or reassessment*	**(16,015)**	939
Balance at the end of the financial period	**23,660**	55,327

* The Group often defers a portion of the purchase price and makes the final payment referable to future financial performance. At the time of acquisition an estimate is made as to the final payment. This is reviewed each half year based on information available and at settlement, and the estimate is adjusted if appropriate. Any adjustment is taken to profit (downwards estimate) or loss (upwards estimate). For the half year 31 December 2015, the Group has recognised a net gain of $16.015 million (year to 30 June 2015: net loss of $0.939 million), based on actual financial performance to 31 December 2015 and revised estimates of expected future financial performance.

The closing balance of deferred consideration at the end of the financial period represent:

	31 Dec 2015 $'000	30 June 2015 $'000
Amount payable is limited	**12,493**	26,354
Amount payable is unlimited	**6,958**	25,717
Amount payable is fixed	**4,209**	3,256
	23,660	55,327

Note 11. Investments in associates

	Half year to 31 Dec 2015 $'000	Year to 30 June 2015 $'000
Reconciliation of movements		
Balance at the beginning of the financial period	**122,351**	**144,388**
Acquisition of associates	**7,069**	**4,204**
Reclassification of investment in associates to investment in subsidiaries	**-**	**(16,927)**
Disposal of associates through hubbing arrangements	**(1,506)**	**(5,503)**
Share of EBITA from associates	**7,427**	**16,653**
Less share of:		
Finance costs	**(316)**	**(686)**
Amortisation expense	**(1,486)**	**(3,169)**
Income tax expense	**(1,871)**	**(4,505)**
Share of associates' profit after income tax	**3,754**	**8,293**
Dividends received	**(4,483)**	**(11,505)**
Net foreign exchange movements	**(580)**	**(599)**
Balance at the end of the financial period	**126,605**	**122,351**

Note 12. Interest in joint venture

	Half year to 31 Dec 2015 $'000	Year to 30 June 2015 $'000
Reconciliation of movements		
Balance at the beginning of the financial period	**3,446**	**4,425**
Share of EBITA from joint venture	**2,423**	**3,704**
Less share of:		
Finance costs	**(90)**	**(230)**
Amortisation expense	**(240)**	**(480)**
Income tax expense	**(628)**	**(856)**
Share of joint venture's profit after income tax	**1,465**	**2,138**
Dividends received	**(2,138)**	**(3,117)**
Balance at the end of the financial period	**2,773**	**3,446**

Note 13. Reconciliation of profit after income tax to net cash from operating activities

	Half year to 31 Dec 2015 $'000	Half year to 31 Dec 2014 $'000
Profit after income tax expense for the half year	**42,324**	16,331
Adjustments for		
Depreciation, amortisation and loss on disposal of property, plant and equipment	**12,123**	5,710
Share of profits of associates and joint venture	**(5,219)**	(4,721)
Income tax paid	**(6,637)**	(5,869)
Dividends received from associates and joint venture	**6,621**	9,879
(Gain)/loss on settlement of deferred consideration	**(16,015)**	1,351
Capitalised interest income and loan amortisation costs	**(533)**	(694)
Executive loans fair value adjustment	**-**	(666)
Share based payments and incentives accruals	**1,162**	388
Impairment loss	**5,317**	-
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	**81,239**	56,902
(Increase)/decrease in deferred tax assets	**(5,905)**	(3,256)
(Increase)/decrease in other assets	**(1,408)**	(1,152)
Increase/(decrease) in trade and other payables	**(37,646)**	(39,155)
Increase/(decrease) in income tax payable	**11,494**	6,917
Increase/(decrease) in deferred tax liabilities	**4,079**	1,928
Increase/(decrease) in other liabilities	**(429)**	(20,506)
Increase/(decrease) in provisions	**(1,687)**	(1,011)
Net cash from operating activities	**88,880**	22,376

Note 14. Related party transactions

A. Transactions with subsidiaries

All transactions that have occurred among the subsidiaries within the Group have been eliminated for consolidation purposes.

B. Transactions with other related parties

The following transactions occurred with related parties:

	Half year to 31 Dec 2015 $	Half year to 31 Dec 2014 $
i. Sale of goods and services		
Marketing and administration fees received from associates on normal commercial terms	**73,695**	85,234
Marketing and administration fees received from joint venture on normal commercial terms	**1,456,497**	1,748,984
Commission income received/receivable from associates on normal commercial terms	**52,909**	28,378
ii. Interest income		
Interest income received/receivable from joint venture	**74,959**	120,505
iii. Payment for goods and services		
Estimated Steadfast Network Broker rebate expense paid or payable to associates on the basis as determined by the Board	**613,118**	699,425
Commission expense paid/payable to associates on normal commercial terms	**1,985,290**	1,285,004
Service fees paid to associates	**5,740**	33,267

	31 Dec 2015 $	30 June 2015 $
iv. Receivable from and payable to related parties		
The following balances are outstanding at the reporting date in relation to transactions with related parties:		
a. Current receivables		
Trade receivables from associates	**8,190,181**	5,953,360
Trade receivables from joint venture	**52,903**	137,366
Dividend receivable from associates	-	84,086
b. Current payables		
Trade payables to associates	**97,375**	151,753
v. Loans to/from related parties		
The following balances are outstanding at the reporting date in relation to loans with related parties:		
a. Current receivables		
Loan to joint venture	**603,125**	603,125
Executive loans	**345,000**	324,300
	948,125	927,425
b. Non-current receivables		
Loan to joint venture	**1,809,375**	2,412,500
Executive loans	**4,586,392**	4,559,947
Loans to associates	**633,329**	527,442
	7,029,096	7,499,889

Note 15. Contingencies

A. Contingent assets

There are no material changes in contingent assets for claims experience benefit since the end of the last annual reporting period.

B. Contingent liabilities

Debt guarantees provided to associates

The Group has guaranteed loan facilities to associates which are limited to the shares held by the Group in each entity. The value of each guarantee is dependent on a valuation of the shares which support the guarantee.

Macquarie Bank put options

Steadfast Group Limited has granted options to Macquarie Bank Limited ("Macquarie") to put shares held by other shareholders in associates to the Group at fair value if Macquarie enforces its security over those shares. These have been granted in relation to shares held by other shareholders in associates over which Macquarie holds a security interest to secure indebtedness by those shareholders.

Note 16. Events after the reporting period

A. Interim dividend

On 23 February 2016, the Board declared an interim dividend of 2.4 cents per share, 100% franked. The dividend will be paid on 14 April 2016. The Company's DRP will be funded via the purchase of shares on market. No discount will be applied. The last election notice for participation in the DRP in relation to this interim dividend is 10 March 2016.

Steadfast Group Limited
Directors' declaration

In the opinion of the directors of Steadfast Group Limited ("the Company"):

(a) the consolidated financial statements and notes 1 to 16, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance, for the six month period ended on that date; and

(ii) complying with Australian Accounting Standards AASB134 Interim Financial Reporting and the Corporations Regulations 2001; 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.

Signed at Sydney on 23 February 2016 in accordance with a resolution of the Directors.

Frank O'Halloran, AM
Chairman

Robert Kelly
Managing Director & CEO

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

Report on the financial report

We have reviewed the accompanying half-year financial report of Steadfast Group Limited, which comprises the consolidated statement of financial position as at 31 December 2015, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 16 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 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 Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Steadfast Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Steadfast Group Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance 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*.

KPMG

KPMG

Andrew Dickinson
Partner

Sydney

23 February 2016