

**SELECT HARVESTS LIMITED  
ABN 87 000 721 380  
AND CONTROLLED ENTITIES**

**HALF-YEAR INFORMATION  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015  
PROVIDED TO THE ASX UNDER LISTING RULE 4.2A**

**This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2015.**

# Appendix 4D

## Half Year Report for the six months to 31 December 2015

Name of entity

Select Harvests Limited

ABN 87 000 721 380

### 1. Reporting period

Report for the half year ended 31 December 2015

Previous corresponding period is the financial year ended 30 June 2015 and half year ended 31 December 2014

### 2. Results for announcement to the market

(All amounts in this report are expressed in \$'000 unless otherwise stated)

Revenues from continuing ordinary activities ( <i>item 2.1</i> )	Up	65.3%	to	166,440
Profit from continuing ordinary activities after tax attributable to members ( <i>item 2.2</i> )	Up	41.0%	to	23,913
Profit after tax excluding acquisition costs*	Up	15.4%	to	23,913
*Acquisition costs relate to the one off duties, legals & registration fees paid in relation to the almond orchards purchased.				
<b>Dividends (<i>item 2.4</i>)</b>		<b>Amount per security</b>		<b>Franked amount per security</b>
Interim dividend		21.0 ¢		Nil ¢
Previous corresponding period				
Interim dividend		15.0 ¢		11.0 ¢
Record date for determining entitlements to the interim and special dividend ( <i>item 2.5</i> )		4 March 2016		
Brief explanation of any of the figures reported above necessary to enable the figures to be understood ( <i>item 2.6</i> ):				
Please refer to the attached announcement.				

**3. Net tangible assets per security (item 3)**

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$3.39	\$3.35

**4. Details of entities over which control has been gained or lost during the period: (item 4)**

**Control gained over entities**

Name of entities (item 4.1)	-	
Date(s) of gain of control (item 4.2)	-	
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities since the date(s) in the current period on which control was acquired (item 4.3)	\$ -	
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3)	\$ -	

**5. Dividends (item 5)**

	Date of payment	Total amount of dividend (\$'000)
Interim dividend – year ended 30 June 2016	15 April 2016	15,135
Interim dividend – year ended 30 June 2015	16 April 2015	10,641

**Amount per security**

	Amount per security	Franked amount per security at 30 % tax	Amount per security of foreign sourced dividend
<b>Total dividend:</b> Current year (interim)	21.0 ¢	Nil ¢	Nil ¢
Previous year (interim)	15.0 ¢	Nil ¢	Nil ¢

**Total dividend on all securities**

	Current period \$'000	Previous corresponding Period - \$'000
Ordinary securities <i>(each class separately)</i>	15,135	10,641
Preference securities <i>(each class separately)</i>	-	-
Other equity instruments <i>(each class separately)</i>	-	-
<b>Total</b>	<b>15,135</b>	<b>10,641</b>

**6. Details of dividend or distribution reinvestment plans in operation are described below *(item 6)*:**

The interim dividend may be reinvested in ordinary shares under the company's Dividend Reinvestment Plan.

The last date(s) for receipt of election notices for participation in the dividend or distribution reinvestment plan

7 March 2016

**7. Details of associates and joint venture entities *(item 7)***

Name of associate or joint venture entity	%Securities held
N/A	

**Aggregate share of profits (losses) of associates and joint venture entities**

<b>Group's share of associates' and joint venture entities':</b>	2016 \$	2015 \$
Profit (loss) from ordinary activities before tax	-	-
Income tax on ordinary activities	-	-
<b>Net profit (loss) from ordinary activities after tax</b>	-	-
Adjustments	-	-
<b>Share of net profit (loss) of associates and joint venture entities</b>	-	-

**8. The financial information provided in the Appendix 4D is based on the half year condensed financial report (attached), which has been prepared in accordance with Australian accounting standards.**

**9. Independent review of the financial report** (*item 9*)

The financial report has been independently reviewed. The financial report is not subject to a qualified independent review statement.

**10. Matters relating to a qualified independent review statement**

A description of the dispute or qualification in respect of the independent review of the half-year financial report is provided below (*item 17*)

N/A
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**SELECT HARVESTS LIMITED  
ABN 87 000 721 380  
AND CONTROLLED ENTITIES**

**FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2015**

**SELECT HARVESTS LIMITED AND CONTROLLED ENTITIES**  
**ABN 87 000 721 380**  
**FINANCIAL REPORT FOR THE HALF-YEAR ENDED**  
**31 DECEMBER 2015**

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and any public announcements made by Select Harvests Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*

## DIRECTORS' REPORT

The directors present their report together with the financial report of Select Harvests Limited and controlled entities (referred to hereafter as the "consolidated entity" and "group") for the half-year ended 31 December 2015 and independent review report thereon.

### Directors

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

M Iwaniw (Chairman)  
P Thompson (Managing Director)  
R M Herron  
M Carroll  
F S Grimwade  
P Riordan  
N Anderson (Appointed 21 January 2016)

The directors have been in office since the start of the financial period to the date of this report.

### Review of Operations

The consolidated profit of the group for the half year amounted to \$23.91 million (half-year restated 31 December 2014 \$16.96 million).

On 20 August 2015, the Company announced the sale and leaseback of three existing properties in Victoria and South Australia, to First State Super. The transaction comprised selling 995 hectares (2,458 acres) of planted almond orchards, 292 hectares (722 acres) of planted citrus orchards, and 1,012 hectares (2,500 acres) of land suitable for the planting out of new greenfield almond orchards. Net proceeds of the sale were \$63.28 million. A pre - tax gain on sale of \$4.09 million is included within the 1H 16 result. The orchards are leased back to Select Harvests under a 20 year lease term with options to extend the lease.

On 10 December 2015, the Company announced the sale of its Western Australian assets for \$9.5 million. Proceeds will be settled in April 2016.

### Interim Dividend

On 25 February 2016, the directors declared an unfranked interim dividend of 21 cents per ordinary share to be paid on 15 April 2016 to shareholders registered at 5.00pm on 4 March 2016.

### Subsequent Events

On 12 February 2016, the Company renegotiated its financing facilities with its banks. The new facilities are held with National Australia Bank (NAB), Rabobank (Rabo) and Commonwealth Bank (CBA) with a combined core and working capital facility of \$115 million.

No other significant events have occurred subsequent to reporting date.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

**SELECT HARVESTS LIMITED AND CONTROLLED ENTITIES**  
**ABN 87 000 721 380**

**Rounding of amounts to nearest thousand dollars**

The amounts contained in the report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors:

A handwritten signature in blue ink, appearing to read "Michael Iwaniw". The signature is stylized with a large initial "M" and a long horizontal stroke at the end.

Michael Iwaniw  
Chairman  
Dated this 25<sup>th</sup> day of February 2016



## Auditor's Independence Declaration

As lead auditor for the review of Select Harvests Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Select Harvests Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'Andrew Cronin', is written over a faint, light blue grid background.

Andrew Cronin  
Partner  
PricewaterhouseCoopers

Melbourne  
25 February 2016

**CONSOLIDATED INCOME STATEMENT  
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Note	Half-year	
		2015	Restated*
		\$ '000	\$ '000
<b>Revenue</b>			
Sales of goods and services		166,384	100,582
Other revenue		56	93
<b>Total revenue</b>		<b>166,440</b>	<b>100,675</b>
<b>Other income</b>			
Inventory fair value adjustment		(27,239)	20,303
Gain on sale of assets		4,089	-
<b>Total other income</b>		<b>(23,150)</b>	<b>20,303</b>
<b>Expenses</b>			
Cost of sales		(102,537)	(82,364)
Distribution expenses		(2,149)	(2,537)
Marketing expenses		(343)	(530)
Occupancy expenses		(646)	(647)
Administrative expenses		(3,533)	(2,721)
Finance costs		(2,648)	(2,627)
Other expenses		(1,234)	(1,560)
Acquisition costs		-	(3,766)
<b>PROFIT BEFORE INCOME TAX</b>		<b>30,200</b>	<b>24,226</b>
Income tax expense	5	(6,287)	(7,268)
<b>PROFIT ATTRIBUTABLE TO MEMBERS OF SELECT HARVESTS LIMITED</b>		<b>23,913</b>	<b>16,958</b>
<b>Earnings per share for profit attributable to the ordinary equity holders of the company:</b>			
Basic earnings (cents per share)		33.4	27.4
Diluted earnings (cents per share)		32.9	26.6

The above Consolidated Income Statement should be read in conjunction with the accompanying Notes.

\* Refer to note 1 for details regarding the restatements.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	<b>Half-year</b>	
	<b>2015</b>	Restated*
	<b>\$ '000</b>	2014
		<b>\$ '000</b>
<b>Profit for the half-year</b>	<u>23,913</u>	<u>16,958</u>
<b>Other Comprehensive Income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Changes in fair value of cash flow hedges, net of tax	<u>1,147</u>	<u>(1,556)</u>
<b>Other Comprehensive Income for the half-year</b>	<u>1,147</u>	<u>(1,556)</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF SELECT HARVESTS LIMITED</b>	<u><b>25,060</b></u>	<u><b>15,402</b></u>

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying Notes.

\* Refer to note 1 for details regarding the restatements.

**CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2015**

	Note	<b>31 December 2015 \$ '000</b>	30 June 2015 \$ '000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		12,754	270
Trade and other receivables		39,484	58,308
Inventories		112,844	142,354
Derivative financial instruments		1,459	76
Other assets		4,445	1,774
		<b>170,986</b>	<b>202,782</b>
Assets held for sale		5,000	5,000
<b>TOTAL CURRENT ASSETS</b>		<b>175,986</b>	<b>207,782</b>
<b>NON CURRENT ASSETS</b>			
Other assets		234	349
Property, plant and equipment (includes bearer plants)		225,517	231,442
Intangible assets		50,494	48,339
<b>TOTAL NON CURRENT ASSETS</b>		<b>276,245</b>	<b>280,130</b>
<b>TOTAL ASSETS</b>		<b>452,231</b>	<b>487,912</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		28,338	31,273
Interest bearing liabilities		4,339	21,051
Lease liabilities		2,329	1,367
Derivative financial instruments		32	288
Current tax liabilities		18,951	5,473
Provisions		2,342	2,441
<b>TOTAL CURRENT LIABILITIES</b>		<b>56,331</b>	<b>61,893</b>
<b>NON CURRENT LIABILITIES</b>			
Interest bearing liabilities		24,000	88,927
Lease liabilities		34,716	4,534
Deferred tax liabilities		37,366	44,064
Provisions		1,243	1,107
Others		3,459	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>100,784</b>	<b>138,632</b>
<b>TOTAL LIABILITIES</b>		<b>157,115</b>	<b>200,525</b>
<b>NET ASSETS</b>		<b>295,116</b>	<b>287,387</b>
<b>EQUITY</b>			
Contributed equity	8	177,370	170,198
Reserves		11,192	12,818
Retained profits		106,554	104,371
<b>TOTAL EQUITY</b>		<b>295,116</b>	<b>287,387</b>

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Half-year	
	2015 \$ '000	Restated* 2014 \$ '000
<b>Balance at 1 July</b>	<b>287,387</b>	<b>175,406</b>
Profit for the half-year	23,913	16,958
Other Comprehensive Income	1,147	(1,556)
<b>Total comprehensive income for the half-year</b>	<b>25,060</b>	<b>15,402</b>
Transactions with equity holders in their capacity as equity holders:		
- Dividends paid (note 7)	(25,003)	(5,219)
- Contributions of equity (note 8)	7,174	66,900
- Employee performance rights reserve	498	372
	(17,331)	62,053
<b>Total equity at the end of half-year</b>	<b>295,116</b>	<b>252,861</b>

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

\* Refer to note 1 for details regarding the restatements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Half-year	
	2015	2014
	\$ '000	\$ '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers (inclusive of goods & services tax)	190,195	115,879
Payments to suppliers and employees (inclusive of goods & services tax)	(107,203)	(95,236)
	82,992	20,643
Interest received	57	76
Interest paid	(2,224)	(2,331)
<b>Net Cash Inflow From Operating Activities</b>	80,825	18,388
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Government grants	4,118	-
Proceeds from sale of property, plant and equipment	366	-
Payment for water rights	(4,953)	(10,961)
Payment for property, plant and equipment	(22,048)	(11,246)
Proceeds from sale and leaseback	34,922	-
Payment for orchard acquisitions	6 (5,285)	(58,366)
Payment for tree development costs	(3,254)	(2,687)
<b>Net Cash Inflow/ (Outflow) From Investing Activities</b>	3,866	(83,260)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from sale and leaseback	28,362	-
Proceeds from issue of shares	-	63,950
Proceeds from borrowings	68,500	46,000
Repayments of borrowings	(149,109)	(45,850)
Repayment of finance lease	(1,100)	-
Dividends payment on ordinary shares, net of Dividend Reinvestment Plan	(17,829)	(2,964)
<b>Net Cash (Outflow)/ Inflow From Financing Activities</b>	(71,176)	61,136
<b>Net increase/ (decrease) in cash and cash equivalents</b>	13,515	(3,736)
Cash and cash equivalents at the beginning of the half-year	(5,100)	4,011
<b>Cash And Cash Equivalents At The End Of The Half-Year</b>	8,415	275
<b>Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents as per consolidated balance sheet	12,754	3,302
Bank overdraft included in interest bearing liabilities	(4,339)	(3,027)
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	8,415	275

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation of half-year report**

This general purpose interim financial report for the half-year ended 31 December 2015 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by Select Harvests Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous annual financial report.

As a result of the changes in the entity's accounting policies in the previous financial year relating to the early adoption of amendments made to Accounting Standards AASB116 Property, Plant and Equipment and AASB141 Agriculture, prior year financial statements have been restated. The following table show the adjustments recognized for each individual line item. Line items that were not affected by the change have not been included.

	Prior Year Restatement		
	31 Dec 2014 \$'000	Increase/ (Decrease) \$'000	31 Dec 2014 (Restated) \$'000
<b>Statement of profit and loss (extract)</b>			
Cost of sales	(79,711)	(2,653)	(82,364)
Profit before income tax	26,879	(2,653)	24,226
Income tax benefit/(expense)	(8,064)	796	(7,268)
Profit attributable to members of Select Harvests Limited	18,815	(1,857)	16,958
Basic earnings per share (cents per share)	30.4	(3.0)	27.4
Diluted earnings per share (cents per share)	29.6	(3.0)	26.6

**New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2015 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments (effective from 1 January 2018)

*AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The standard is not applicable until 1 January 2018 but is available for early adoption. The Company is yet to assess its full impact and has not yet decided when to adopt AASB 9.*

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

(ii) AASB15 Revenue from Contracts with Customers (effective from 1 January 2018)

*The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard is not applicable until 1 January 2018 but is available for early adoption. The Company is yet to assess its full impact and has not yet decided when to adopt AASB 15.*

(iii) IFRS 16 Leases

*IFRS 16 (effective for annual periods starting on or after 1 January 2019) eliminates the classification of leases as either operating leases or finance leases and requires entities to recognise assets and liabilities on the balance sheet for the majority of leases. The company is currently evaluating the impact of the new standard."*

### 2. COMPARATIVE INFORMATION

The Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows provide comparative information for the half-year ended 31 December 2014. The Balance Sheet provides comparative information as at 30 June 2015.

Where necessary, the comparatives have been reclassified and repositioned to be consistent with the current year disclosures.

### 3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The consolidated entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In addition to those critical accounting estimates and assumptions disclosed in the Group's previous annual financial report, the estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### **Inventory - Current Year Almond Crop**

The current year almond crop is classified as a biological asset and valued in accordance with AASB 141 "Agriculture". In applying this standard, the consolidated entity has made various assumptions at the interim balance date as the current year almond crop is only partially through the growing season and the actual crop yield will not be known until it is completely processed and sold. The assumptions are the estimated average almond selling price at the point of harvest of \$9.00 per kg and almond yield based on a crop estimate for Company Orchards of 13,700 metric tonnes.

#### **Fair Value of Acquired Assets**

In calculating the fair value of acquired assets, in particular almond orchards, the company has made various assumptions. These include future almond price, long term yield and discount rates. The valuation of almond trees is sensitive to these assumptions and any change may have a material impact on these valuations.

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2015**

**4. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

On 12 February 2016, the Company renegotiated its financing facilities with its banks. The new facilities are held with National Australia Bank (NAB), Rabobank (Rabo) and Commonwealth Bank (CBA) with a combined core and working capital facility of \$115 million.

On 25 February 2016, the Directors declared an unfranked interim dividend of 21 cents per ordinary share to be paid on 15 April 2016 to shareholders registered at 5.00pm on 4 March 2016.

No other significant events have occurred subsequent to reporting date.

**5. NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE**

	Half-year	
	2015	Restated 2014
	\$ '000	\$ '000
Profit from continuing operations before income tax expense	30,200	24,226
Tax at the Australian tax rate of 30% (2014 – 30%)	(9,060)	(7,268)
Over provision of previous year	2,773	-
Income tax expense	<b>(6,287)</b>	<b>(7,268)</b>

**6. BUSINESS COMBINATIONS**

**(a) Summary of Acquisitions**

On 18 September 2015, Select Harvests acquired 370 acres of land, which includes 200 acres of almond orchards, in New South Wales for \$5.3 million cash consideration.

The provisional fair values of assets and liabilities recognised as a result of the acquisitions are as follows:

	\$'000
Plantation land and irrigation systems	1,792
Buildings	200
Biological assets – trees	2,340
Permanent water rights	953
<b>Net Identifiable Assets</b>	<b>5,285</b>
Net cash outflow on acquisition	5,285
<b>Total purchase consideration</b>	<b>5,285</b>

**(b) Revenue and profit contribution**

The acquired businesses contributed earnings before interest and tax of \$186,000 to the group for the period from acquisition date to 31 December 2015.

If the acquisition had occurred on 1 July 2015, consolidated profit after tax for the half year ended 31 December 2015 would have remained unchanged from the reported results.

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2015**

**7. DIVIDENDS**

	Half-year	
	2015	2014
	\$ '000	\$ '000
<b>(a) Dividends paid during the half-year</b>		
Total dividends paid during the half-year	25,003	5,219
<b>(b) Dividends not recognised at the end of the half-year:</b>		
In addition to the above dividends, since the end of the half-year the directors have declared the payment of an unfranked interim dividend of 21 cents per fully paid ordinary share (2014 – 15.0 cents fully franked per fully paid ordinary share). The aggregate amount of the declared dividends expected to be paid on 15 April 2016 out of retained profits at 31 December 2015, but not recognised as a liability at the end of the half-year, is:	15,135	10,641

**8. EQUITY SECURITIES ISSUED**

	Half-year		Half-year	
	2015	2014	2015	2014
	Shares	Shares	\$'000	\$'000
	No.	No.		
<b>Issues of ordinary shares during the half-year</b>				
Dividend reinvestment scheme issues	633,671	399,613	7,174	2,245
Long term incentive plan – tranche vested	-	152,943	-	-
Ordinary shares issued under equity raising (net of transaction costs and deferred tax)	-	12,388,891	-	64,655
Contributions to equity			<u>7,174</u>	<u>66,900</u>

**SELECT HARVESTS LIMITED AND CONTROLLED ENTITIES**  
**ABN 87 000 721 380**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 DECEMBER 2015**

**9. SEGMENT INFORMATION**

The segment information provided to the Chief Executive Officer is referenced in the following table:

	Food Division		Almond Division		Eliminations and Corporate		Consolidated Entity	
	(\$'000)		(\$'000)		(\$'000)		(\$'000)	
	31 Dec 2015	31 Dec 2014	31 Dec 2015 <sup>#</sup>	Restated 31 Dec 2014 <sup>*</sup>	31 Dec 2015	31 Dec 2014	31 Dec 2015	Restated 31 Dec 2014 <sup>*</sup>
<b>Revenue</b>								
Total revenue from external customers	91,694	70,623	74,690	29,959	-	-	166,384	100,582
Intersegment revenue	-	-	20,079	11,560	(20,079)	(11,560)	-	-
<b>Total segment revenue</b>	<b>91,694</b>	<b>70,623</b>	<b>94,769</b>	<b>41,519</b>	<b>(20,079)</b>	<b>(11,560)</b>	<b>166,384</b>	<b>100,582</b>
Other revenue	-	-	14	65	42	28	56	93
<b>Total revenue</b>	<b>91,694</b>	<b>70,623</b>	<b>94,783</b>	<b>41,584</b>	<b>(20,037)</b>	<b>(11,532)</b>	<b>166,440</b>	<b>100,675</b>
<b>EBIT</b>	<b>6,724</b>	<b>4,091</b>	<b>29,058</b>	<b>25,910</b>	<b>(2,990)</b>	<b>(3,175)</b>	<b>32,792</b>	<b>26,826</b>
Interest received	-	-	14	-	42	27	56	27
Finance costs expensed	-	-	(702)	(50)	(1,946)	(2,577)	(2,648)	(2,627)
<b>Profit before income tax</b>	<b>6,724</b>	<b>4,091</b>	<b>28,370</b>	<b>25,860</b>	<b>(4,894)</b>	<b>(5,725)</b>	<b>30,200</b>	<b>24,226</b>
<b>Segment assets</b> (excluding intercompany debts)	<b>78,286</b>	<b>70,773</b>	<b>361,946</b>	<b>353,351</b>	<b>11,999</b>	<b>-</b>	<b>452,231</b>	<b>424,124</b>
<b>Segment liabilities</b> (excluding intercompany debts)	<b>(10,377)</b>	<b>(8,124)</b>	<b>(109,931)</b>	<b>(68,089)</b>	<b>(36,807)</b>	<b>(87,686)</b>	<b>(157,115)</b>	<b>(163,899)</b>
<b>Acquisition of non-current segment assets</b>	<b>72</b>	<b>539</b>	<b>34,494</b>	<b>82,594</b>	<b>974</b>	<b>127</b>	<b>35,540</b>	<b>83,260</b>
<b>Depreciation and amortisation of segment assets</b>	<b>242</b>	<b>228</b>	<b>5,723</b>	<b>4,658</b>	<b>24</b>	<b>15</b>	<b>5,988</b>	<b>4,901</b>

<sup>#</sup> Almond division includes a gain on sale of assets of \$4.1 million.

<sup>\*</sup> Refer to note 1 for details regarding the restatement; Almond Division includes acquisition costs of \$3.8 million.

## DIRECTORS' DECLARATION

In the directors' opinion:

- a) the financial statements and notes set out on pages 4 to 13 are in accordance with the *Corporations Act 2001* including:
  - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b) there are reasonable grounds to believe that Select Harvests Limited will be able to pay its debts as and when they become due and payable.

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



Michael Iwaniw  
Chairman  
Dated this 25<sup>th</sup> day of February 2016



## **Independent auditor's review report to the members of Select Harvests Limited**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of Select Harvests Limited (the company), which comprises the consolidated balance sheet as at 31 December 2015, the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Select Harvests Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that 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 Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Select Harvests 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 Select Harvests Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in blue ink that reads 'Andrew Cronin'.

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to be 'Andrew Cronin'.

Andrew Cronin  
Partner

Melbourne  
25 February 2016