

RESULTS ANNOUNCEMENT FOR THE 6 MONTHS ENDED 31 DECEMBER 2014

INTRODUCTION

CVC Limited (ASX: CVC) [the Company] today reported a statutory net profit after tax attributable to shareholders of \$13.4 million (2013: profit of \$11.3 million) for the six months ended 31 December 2014, an improvement of 18.8% over the prior corresponding period.

Statutory Net Tangible Assets per share (NTA), decreased by 6 cents per share in the six month period to \$1.57 per share (2013: increase of 23 cents) after providing for the payment of a dividend of 3 cents per share in September 2014. The NTA does not include the estimated value increase associated with the Marsden Park North development which would have the effect of increasing underlying NTA by 28 cents to \$1.85 per share.

Total comprehensive income for the six month period was a loss of \$4.3 million (2013: profit of \$31.9 million).

COMMENTARY

Highlights during the half year were:

Balance Sheet Strength

Closing cash balances grew by \$15.1 million to \$63.8 million as at 31 December 2014. Shareholders' equity decreased by \$7.9 million to \$187.3 million over the six month period, after dividend payments during the period of \$3.6 million reflecting in large part a decline in the market value of certain listed investments.

Listed Investments

The contribution from listed investments to comprehensive income for the six month period was a loss of \$2.6 million (2013: profit of \$27.4 million). This contribution comprised \$15.1 million from realised profits and a reduction in reserves of \$17.7 million.

During the period CVC sold its shareholding in Villa World Limited (ASX: VLW) crystallising a profit of \$15.7 million.

The performance of listed investments was adversely impacted by a reduction in value of companies exposed to the resources sector. Impairment charges made against various resource companies amounted to \$3.3 million.

Property

Property investments contributed \$2.8 million (2013: \$2.6 million) to comprehensive income. This included interest related income generated from the provision of mezzanine finance facilities of \$1.8 million and net rental income, after interest related expenses, of \$1.0 million.

During the period under review CVC entered into a conditional project delivery agreement with Mirvac Homes (NSW) Pty Limited ("Mircac") to develop the site at Marsden Park North, New South Wales in which CVC holds a 66% interest. The land is targeted to achieve in excess of 1,200 lots with development expected to commence in the next 4 years. CVC's share of the value of the project is estimated to be in the vicinity of \$40 million, which has not been reflected in NTA as the property is classified as inventory and any increase in value cannot, in accordance with accounting standards, be included in the financial statements. .

During the period a joint venture between CVC and Villa World Limited (ASX: VLW) acquired a residential land subdivision development site in Donnybrook, Victoria. Subject to further planning approvals, it is anticipated the land is capable of yielding in excess of 2,000 residential allotments. The planning process is forecast to take between 2 and 3 years to complete.

Both the Marsden Park North and Donnybrook development sites are subject to planning approval and are forecast to provide a significant contribution to the long term profits of CVC once development has commenced over the next 4 years.

Private Equity

The contribution to comprehensive income for the period was \$0.9 million (2013: \$2.2 million). This is the first period since the sale of Ron Finemore Transport Pty Limited.

The performance of the private equity segment was depressed by an impairment charge of \$3.3 million in relation to an investment in a company exposed to the resources sector.

Funds Management

The contribution to comprehensive income was \$0.4 million (2013: \$1.0 million).

Consolidated Trading Operations

Cellnet Group Limited (ASX: CLT) provided a contribution to comprehensive income of \$1.7 million (2013: \$0.5 million) for the six month period. This is the first reporting period since the sale of Battery Energy Power Solutions Pty Limited. Cellnet Group Limited continues to experience an improvement in its trading performance reflecting its continued focus on operational improvements.

2015 OUTLOOK



CVC Limited

The volatility of listed equity markets and impact of significant individual transactions makes it difficult for the Company to meaningfully forecast CVC's 2015 full financial year result.

CVC continues to focus on delivering pre-tax investment returns in excess of 15% per annum over the investment cycle.

CAPITAL MANAGEMENT

A fully franked dividend of 3 cents per share was paid to shareholders on 3 September 2014 for the year ended 30 June 2014. On 27 February 2015, the Directors resolved to pay an interim dividend of 2 cents per share payable on 17 March 2015.

ADH Beard
Director
27 February 2015

Appendix 4D

Half-Yearly Report Results for announcement to the market

CVC Limited		
ABN	Half-Year ended (‘Reporting Period’)	Previous Half-Year ended (‘Corresponding period’)
34 002 700 361	31 December 2014	31 December 2013

Results

Revenue from ordinary activities	down	0.5%	to	76,725,687
Profit/(loss) before tax	up	55.3%	to	19,298,876
Profit/(loss) after tax attributable to members	up	18.8%	to	13,407,786
Net profit/(loss) attributable to members	up	18.8%	to	13,407,786

The preliminary half-yearly report is based on accounts which have been reviewed.

Dividends (distributions)

	Amount per security	Franked amount per security
Interim dividend	2.0 cents	2.0 cents
Prior year Special dividend	5.0 cents	5.0 cents
Prior year interim dividend	2.0 cents	2.0 cents
Prior year final dividend	3.0 cents	3.0 cents
Information on dividends: On 27 February 2015 the directors resolved to pay an interim dividend of 2 cents per share, fully franked, payable on 17 March 2015. As previously advised the Dividend Reinvestment Plan has been suspended until such time as there is a better correlation between the share price and the underlying net asset value of CVC Limited. As a result, the Dividend Reinvestment Plan will not be in operation.		
Ex-Dividend date for the purpose of receiving the dividend	4 March 2015	
Record date for determining entitlements to the dividend	6 March 2015	
Payment Date	17 March 2015	

Commentary

Brief explanation of any of the figures reported above:
Please refer to the attached commentary for a detailed review.

CVC LIMITED
AND ITS CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT

For the half-year ended
31 December 2014



COMPANY PARTICULARS

CVC LIMITED

ACN 002 700 361

DIRECTORS

Vanda Gould (resigned as Chairman and Director 19 December 2014)

John Read

Alexander Beard

Jason Ters

SECRETARIES

Alexander Beard

John Hunter

MANAGEMENT TEAM

Mark Avery

Alexander Beard

Michael Bower

William Highland

Andrew Harris

John Hunter

Christian Jensen

Elliott Kaplan

Jason Ters

Charles Williams

PRINCIPAL AND REGISTERED OFFICE

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SHARE REGISTRY

Gould Ralph Pty Limited

Level 29, 259 George Street

SYDNEY NSW 2000 AUSTRALIA

Telephone: (02) 9032 3000

Facsimile: (02) 9032 3088

AUDITORS

HLB Mann Judd

Chartered Accountants

Level 19, 207 Kent Street

SYDNEY NSW 2000 AUSTRALIA

BANKERS

Westpac Banking Corporation Limited

Bank of Western Australia Limited

National Australia Bank Limited

Deutsche Bank Australia Limited

STOCK EXCHANGE LISTING

Australian Securities Exchange Limited

CVC LIMITED & CONTROLLED ENTITIES DIRECTORS' REPORT

The directors present their report together with the consolidated financial report for CVC Limited and its controlled entities ("CVC") for the half-year ended 31 December 2014 and the independent review report thereon.

Directors

The directors of CVC throughout and since the end of the half-year are:

Vanda Russell Gould (resigned as Chairman and Director 19 December 2014)

John Douglas Read (Non Executive Director)

Alexander Damien Harry Beard (Director and Company Secretary)

Jason Ters (Executive Director)

Operating Results

The net profit after tax attributable to shareholders for the six months ended 31 December 2014 of CVC amounted to \$13.4 million (2013: \$11.3 million).

As always the results of CVC are significantly impacted by the timing of major investment realisations. The Board remains cognisant of the need to continue the development and attraction of investees so as to provide regular realisation opportunities. However, in pursuing this strategy the Board remains steadfastly committed to developing longer term value for shareholders rather than on timing realisations for accounting outcomes. During the period CVC has continued to be focused on the development of its core investments, assisting management to restructure and strengthen operations in the face of the current economic climate and to take advantage of opportunities presented to build the companies.

A more detailed review of operations and developments is included in the commentary that accompanies the ASX release of these results.

Dividends

Since the end of the period, the directors have determined to pay an interim dividend in respect of the year ended 30 June 2015 of 2 cents per share, fully franked, payable on 17 March 2015. During the period, directors paid a final fully franked dividend in respect of the year ended 30 June 2014 of 3 cents per share on 3 September 2014.

Events subsequent to balance date

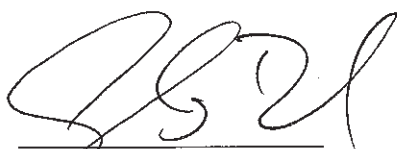
Since the end of the period, the directors have determined to pay an interim dividend in respect of the year ended 30 June 2015 of 2 cents per share, fully franked, payable on 17 March 2015.

There are no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of CVC, the results of those operations or the state of affairs of CVC in the financial period subsequent to 31 December 2014.

Auditor's Independence Declaration

A copy of the Independence Declaration given to the directors by the auditor for the review undertaken by HLB Mann Judd Chartered Accountants is included on page 22.

Signed and Dated Sydney this 27th day of February 2015 in accordance with a resolution of directors.


ALEXANDER BEARD
Director
JASON TERS
Director

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Notes	31 Dec 2014 \$	31 Dec 2013 \$
INCOME			
Revenue from services		712,677	991,395
Rental income		1,841,047	1,634,223
Outgoings recovered		312,967	277,190
Net gain on sale of equity investments		13,473,798	2,052,726
Interest income		3,512,773	3,522,989
Dividends received		2,227,390	206,062
Recovery of investments in associated entities		-	1,104,907
Recovery of investments in related entities		-	384,838
Recovery of investments in unrelated entities		3,672,007	5,096,207
Recovery of loans in unrelated entities		15,626	168,302
Finance income		1,337,934	-
Sale of goods		45,848,105	59,317,228
Net realised foreign exchange gain		973,275	58,065
Other income		408,791	190,086
Total income		74,336,390	75,004,218
Equity accounted profits			
Share of net profit of associates	7	2,389,297	2,078,726
EXPENSES			
Net change in fair value of investment properties	10	-	1,036,596
Cost of goods sold	12	36,686,072	48,584,204
Audit fees		147,129	155,253
Depreciation expense		243,729	274,136
Directors fees		321,900	321,994
Employee costs		6,032,418	5,883,135
Finance costs		1,309,821	1,516,396
Impairment of listed investments		3,672,881	1,579,480
Impairment of unlisted investments		120,004	-
Impairment of investments in associated entities		374,782	779
Impairment of loans to other corporation		3,315,219	-
Insurance		198,174	201,644
Legal costs		178,790	45,451
Management and consultancy fees		230,932	176,463
Operating lease expense		588,215	817,656
Travel and accommodation		285,914	199,415
Other expenses		3,720,831	3,859,712
Total expenses		57,426,811	64,652,314
Profit before related income tax expense		19,298,876	12,430,630
Income tax expense/(benefit)	2	4,668,847	(109,300)
Net profit for the half-year		14,630,029	12,539,930
Net profit attributable to:			
Members of the parent entity	17	13,407,786	11,290,436
Non-controlling interest		1,222,243	1,249,494
Net profit for the half-year		14,630,029	12,539,930
Basic and diluted earnings per share (cents)	4	11.22	9.31

The above statement of financial performance should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	31 Dec 2014	31 Dec 2013
	\$	\$
Profit for the half-year	14,630,029	12,539,930
Other comprehensive (loss)/income		
Items that may be reclassified to profit or loss		
- "Available-for-sale" investments:		
- (Increase)/decrease in fair values recognised in other reserves	(1,420,319)	24,104,729
- Amounts transferred from other reserves to the income statement on sale	(16,295,933)	(3,319,815)
Other comprehensive (loss)/income for the half-year, net of tax	(17,716,252)	20,784,914
Total comprehensive (loss)/income for the half-year	(3,086,223)	33,324,844
Total comprehensive (loss)/income for the half-year is attributable to:		
Members of the parent entity	(4,280,210)	31,869,621
Non-controlling interest	1,193,987	1,455,223
	(3,086,223)	33,324,844

The above statement of comprehensive income should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	31 Dec 2014 \$	30 Jun 2014 \$
CURRENT ASSETS			
Cash and cash equivalents	5	63,823,671	48,683,783
Loans and other receivables	6	38,758,194	29,191,445
Financial assets - "at fair value through profit or loss"	9	1,152,894	1,120,947
Derivative financial instrument		457,111	-
Inventories	12	21,948,889	23,948,372
Current tax assets		980	20,539
Other assets		540,540	398,444
Total current assets		126,682,279	103,363,530
NON-CURRENT ASSETS			
Loans and other receivables	6	17,882,173	23,329,781
Financial assets - "available-for-sale"	8	43,667,612	75,213,285
Inventories	12	10,425,411	10,207,123
Investments accounted for using the equity method	7	26,240,116	14,326,380
Property, plant and equipment	11	1,536,917	1,707,395
Investment properties	10	42,263,777	41,733,439
Deferred tax assets		845,619	662,353
Total non-current assets		142,861,625	167,179,756
TOTAL ASSETS		269,543,904	270,543,286
CURRENT LIABILITIES			
Trade and other payables	13	17,711,720	13,594,321
Interest bearing loans and borrowings	14	28,574,880	13,912,603
Derivative financial instrument		-	731,892
Provisions	15	1,013,245	812,384
Current tax liabilities		4,920,868	1,067,475
Total current liabilities		52,220,713	30,118,675
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	14	9,843,353	25,755,809
Provisions	15	214,188	387,039
Deferred tax liabilities		2,036,667	1,318,602
Total non-current liabilities		12,094,208	27,461,450
TOTAL LIABILITIES		64,314,921	57,580,125
NET ASSETS		205,228,983	212,963,161
EQUITY			
Contributed equity	16	103,646,848	103,646,848
Retained profits	17	77,959,203	68,137,401
Other reserves	18	5,651,528	23,353,680
Parent entity interest		187,257,579	195,137,929
Non-controlling interest		17,971,404	17,825,232
TOTAL EQUITY		205,228,983	212,963,161

The above statement of financial position should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Contributed equity \$	Retained earnings \$	Asset revaluation \$	Employee equity benefit \$	Foreign exchange translation \$	Owners of the parent \$	Non-controlling interest \$	Total \$
At 1 July 2014	103,646,848	68,137,401	23,006,152	235,388	112,140	195,137,929	17,825,232	212,963,161
Profit for the half-year	-	13,407,786	-	-	-	13,407,786	1,222,243	14,630,029
Other comprehensive (loss)/income	-	-	(17,839,451)	10,814	140,641	(17,687,996)	(28,256)	(17,716,252)
Total comprehensive (loss)/income for the half-year	-	13,407,786	(17,839,451)	10,814	140,641	(4,280,210)	1,193,987	(3,086,223)
Transactions with shareholders:								
Acquisition of interest in controlled entities	-	-	(24,702)	-	-	(24,702)	(697,286)	(721,988)
Employee share options	-	-	-	10,546	-	10,546	(7,184)	3,362
Dividend paid	-	(3,585,984)	-	-	-	(3,585,984)	(343,345)	(3,929,329)
At 31 December 2014	103,646,848	77,959,203	5,141,999	256,748	252,781	187,257,579	17,971,404	205,228,983
At 1 July 2013	105,935,045	54,864,508	10,698,989	198,585	267,011	171,964,138	18,062,575	190,026,713
Profit for the half-year	-	11,290,436	-	-	-	11,290,436	1,249,494	12,539,930
Other comprehensive income	-	-	20,440,841	-	138,344	20,579,185	205,729	20,784,914
Total comprehensive income for the half-year	-	11,290,436	20,440,841	-	138,344	31,869,621	1,455,223	33,324,844
Other movements in equity:								
Share of associates equity based remuneration recognised in other reserve	-	-	-	18,542	-	18,542	-	18,542
Transactions with shareholders:								
Acquisition of interest in controlled entities	-	-	(508,291)	-	-	(508,291)	1,237,533	729,242
Employee share options	-	-	-	13,060	-	13,060	(6,502)	6,558
Shares bought back	(412,529)	-	-	-	-	(412,529)	-	(412,529)
Tax benefit of transaction costs	631	-	-	-	-	631	-	631
Transaction with non-controlling interests	-	-	-	-	-	-	335,055	335,055
Dividend paid	-	(3,637,838)	-	-	-	(3,637,838)	-	(3,637,838)
At 31 December 2013	105,523,147	62,517,106	30,631,539	230,187	405,355	199,307,334	21,083,884	220,391,218

The above statement of changes in equity should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Notes	31 Dec 2014 \$	31 Dec 2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		54,580,586	68,978,404
Cash payments in the course of operations		(51,075,444)	(69,644,164)
Cash payments for land held for resale		(3,964,739)	(3,137,657)
Proceeds on disposal of financial assets at fair value through profit or loss		1,128,747	336,468
Payment for financial assets at fair value through profit or loss		(169,793)	(255,267)
Interest received		3,055,050	5,919,444
Interest paid		(892,998)	(946,819)
Dividends received		4,746,679	216,644
Income taxes paid		(430,320)	(614,720)
Net cash flows provided by operating activities	5(b)	<u>6,977,768</u>	<u>852,333</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital expenditure for investment properties		(539,640)	(808,355)
Payments for property, plant and equipment		(73,251)	(101,901)
Payments for investment properties		-	(9,400,000)
Payments for equity investments		(25,821,506)	(9,347,870)
Proceeds on disposal of equity investments		46,975,372	26,942,254
Proceeds on disposal of controlled entities		-	1,000
Payment for acquisition of controlled entities		(169,012)	-
Loans provided		(28,361,797)	(5,810,696)
Loans repaid		22,483,287	10,975,817
Net cash flows provided by investing activities		<u>14,493,453</u>	<u>12,450,249</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(2,822,486)	(2,448,587)
Proceeds from borrowings		-	5,427,710
Dividends paid		(3,929,329)	(3,637,838)
Payments for share buybacks		(552,793)	(788,153)
Net cash flows used in financing activities		<u>(7,304,608)</u>	<u>(1,446,868)</u>
Net increase in cash held		14,166,613	11,855,714
Foreign exchange gain on cash		973,275	58,065
Cash at the beginning of the half-year		48,683,783	27,601,321
CASH AT THE END OF THE HALF-YEAR	5(a)	<u><u>63,823,671</u></u>	<u><u>39,515,100</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of 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 should be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by CVC during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Related Party Disclosures:

The Company notes the decision in *Hua Wang Bank Berhad v Commissioner of Taxation* [2014] FCA 1392 which was handed down on 19 December 2014 and that this decision is under appeal. If the trial judge's key findings are upheld on appeal, it may change the Company's assessment of which entities are related parties or associates of related parties and the shares in the Company in which they have a relevant interest and, as a result, change the disclosures of relevant interests in shares held by certain key management personnel contained in the Director's Report for the year ended 30 June 2014 and possibly prior years. The Company is currently undertaking procedures to confirm the current disclosures. The Company is unable to confirm the outcome of the procedures undertaken or of the impact, if any, of them on the disclosure of relevant interests in the Company held by certain key management personnel as at 30 June 2014 and prior periods.

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

Certain comparatives balances have been changed in order to achieve consistency and comparability with the current period's amounts.

	31 Dec 2014	31 Dec 2013
	\$	\$
NOTE 2: INCOME TAX EXPENSE		
Income tax expense:		
Prima facie income tax expense at 30% on profit before income tax	5,789,663	3,729,189
Increase in income tax expense due to:		
Sundry items	40,149	34,381
Trust loss not deductible	-	45,297
Deferred tax balances not recognised	1,353,107	-
Decrease in income tax expense due to:		
Franked dividends received	(1,721,015)	(20,970)
Trust profit not assessable	(408,306)	-
Sundry items	-	(58,932)
Tax losses recouped	(26,186)	(472,436)
Deferred tax balances not recognised	-	(3,300,504)
	<u>5,027,412</u>	<u>(43,975)</u>
Adjustment in respect of current income tax of previous years	(358,565)	(65,325)
	<u>4,668,847</u>	<u>(109,300)</u>
Income tax expense/(benefit) for the half-year		

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

NOTE 3: DIVIDENDS

Dividends proposed or paid and not provided for in previous periods by CVC are:

CVC paid a final dividend of 3 cents per share on 3 September 2014 in respect of the year ended 30 June 2014.

On 27 February 2015, CVC declared an interim dividend of 2 cents per share, fully franked, to be paid on 17 March 2015 to shareholders registered on 6 March 2015.

	31 Dec 2014	30 Jun 2014
Dividend franking account		
Franking credits available to shareholders of CVC Limited for subsequent financial years	<u>21,400,416</u>	<u>16,702,805</u>

The franking account is stated on a tax paid basis. The balance comprises the franking account at period-end adjusted for:

- (a) franking credits that will arise from the payment of the amount of the provision for income tax
- (b) franking debits that will arise from the refund of overpaid tax instalments paid
- (c) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- (d) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date
- (e) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

	31 Dec 2014	31 Dec 2013
NOTE 4: EARNINGS PER SHARE		
	Cents	Cents
Basic earnings per share	11.22	9.31
Diluted earnings per share	<u>11.22</u>	<u>9.31</u>
Reconciliation of earnings used in calculation of earnings per share:	\$	\$
Net profit	14,630,029	12,539,930
Non-controlling interest	<u>(1,222,243)</u>	<u>(1,249,494)</u>
Earnings used in calculation of earnings per share	<u>13,407,786</u>	<u>11,290,436</u>
	Number of Shares	
Weighted average number of ordinary shares – Basic and Diluted	119,532,788	121,216,636
Number of shares on issue at the end of the half-year	<u>119,532,788</u>	<u>121,040,608</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

NOTE 5: NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short-term deposits at call. Cash as at the end of the interim reporting period is reconciled to the related items in the statement of financial position as follows:

	31 Dec 2014	30 Jun 2014
	\$	\$
Cash on deposit	63,334,671	48,194,783
Funds held by bank	489,000	489,000
Cash and cash equivalents	<u>63,823,671</u>	<u>48,683,783</u>

(b) Reconciliation of profit after income tax to the net cash provided by operating activities:

	31 Dec 2014	31 Dec 2013
	\$	\$
Profit after income tax	14,630,029	12,539,930
Add/(less) non-cash items:		
Share of equity accounted profits	(2,389,297)	(2,078,726)
Depreciation and amortisation of plant and equipment	243,729	274,136
Non-cash employee benefits expense-share based payments	3,179	3,179
Impairment expenses on financial instruments	7,482,886	1,580,259
Impairment recoveries	(3,687,633)	(6,754,254)
Net profit on disposal of investments	(13,473,798)	(2,052,726)
Net change in fair value of investment properties	-	1,036,596
Interest income not received	(457,723)	2,396,455
Interest expense not paid	386,303	542,317
Dividend income	5,975	10,582
Foreign exchange profit on cash	(973,275)	(58,065)
Movement in income tax provision	3,687,400	(664,573)
Movement in deferred tax assets and liabilities	550,660	(60,042)
Changes in assets and liabilities:		
Inventories	1,968,957	(5,127,934)
Financial assets at fair value through profit or loss	958,954	81,202
Trade and other receivables	(1,808,238)	(4,851,613)
Trade and other payables	(36,254)	4,556,599
Provisions	28,010	(7,991)
Other assets	(142,096)	(512,998)
Net cash provided by operating activities	<u>6,977,768</u>	<u>852,333</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

	31 Dec 2014	30 Jun 2014
	\$	\$
NOTE 6: LOANS AND OTHER RECEIVABLES		
Current		
Trade receivables	20,966,219	18,153,567
Allowance for impairment loss	(82,670)	(58,657)
Other receivables and prepayments	1,770,482	1,729,078
Loans to related entities	-	25,000
Loans to other corporations	16,409,041	9,647,336
Impairment of loans to other corporations	(304,878)	(304,879)
	<u>38,758,194</u>	<u>29,191,445</u>
Non-Current		
Loans to related entities	-	3,380,606
Loans to associated entities	2,450,949	1,010,947
Loans to other corporations	12,876,715	11,328,746
Impairment of loans to other corporations	(3,348,491)	(48,898)
Other receivables and prepayments	5,903,000	7,658,380
	<u>17,882,173</u>	<u>23,329,781</u>

NOTE 7: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Equity accounted shares in other associated companies	26,240,116	14,326,380
---	------------	------------

Associated entities

Details of associated entities are as follows:

	% Ownership at end of half-year		Carrying value		Contribution to net profit/(loss)	
	31 Dec 14	30 Jun 14	31 Dec 14	30 Jun 14	31 Dec 14	31 Dec 13
			\$	\$	\$	\$
Concise Asset Management Limited	42.0	42.0	1,098,444	800,997	297,447	(143,307)
Green's Foods Holdings Pty Limited	43.5	43.5	15,091,466	13,316,753	1,774,712	836,940
JAK Investment Group Pty Ltd(a)	50.0	50.0	219,332	208,630	115,702	(40,305)
Ron Finemore Transport Pty Limited(c)	n/a	n/a	-	-	-	926,451
Donnybrook JV Pty Ltd	49.0	n/a	9,829,867	-	-	-
Ryedale Road Trust	50.0	50.0	1,007	-	201,436	-
Londonderry Unit Trust	30.0	50.0	-	-	-	-
Everten Group Pty Limited(d)	n/a	n/a	-	-	-	(15,132)
Villa World Limited(b)	n/a	n/a	-	-	-	514,079
			<u>26,240,116</u>	<u>14,326,380</u>	<u>2,389,297</u>	<u>2,078,726</u>

- (a) JAK Investment Group Pty Ltd is not considered to be a controlled entity of CVC as management of the company is controlled by the holders of the remaining 50%.
- (b) CVC's holding in Villa World Limited fell below 20% on 4 November 2013. CVC ceased equity accounting effective 4 November 2013.
- (c) CVC realised its investment in Ron Finemore Transport Pty Limited on 13 June 2014.
- (d) CVC realised its investment in Everten Group Pty Limited on 30 June 2014.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

	31 Dec 2014	30 Jun 2014
	\$	\$
NOTE 8: FINANCIAL ASSETS - "AVAILABLE-FOR-SALE"		
Non-Current		
Shares in listed corporations – at market value	33,835,735	69,188,421
Other investments - at cost	11,385,918	7,417,401
Impairment of other investments – at cost	(2,725,520)	(2,605,516)
Public unlisted investments – at market value	1,171,479	1,212,979
Other investments – at market value	-	283,362
Impairment of other investments – at market value	-	(283,362)
	<u>43,667,612</u>	<u>75,213,285</u>
NOTE 9: FINANCIAL ASSETS - "AT FAIR VALUE THROUGH PROFIT OR LOSS"		
Current		
Shares in listed corporations – at market value	<u>1,152,894</u>	<u>1,120,947</u>
NOTE 10: INVESTMENT PROPERTIES		
Investment properties (note 21)	<u>42,263,777</u>	<u>41,733,439</u>
Reconciliation:		
Investment properties at beginning of the half-year	41,733,439	52,588,212
Additions – acquisition of properties	-	4,900,000
Additions – capital expenditure	530,338	2,746,508
Reclassification from property, plant and equipment arising from the disposal of controlled entity	-	2,000,000
Reclassification to inventory	-	(15,207,123)
Carrying value of investment property sold	-	(3,600,000)
Fair value adjustment	-	(1,694,158)
Total investment properties at the end of the half-year	<u>42,263,777</u>	<u>41,733,439</u>
NOTE 11: PROPERTY, PLANT AND EQUIPMENT		
Total property, plant and equipment	<u>1,536,917</u>	<u>1,707,395</u>
<i>Plant and equipment:</i>		
At cost	2,223,920	2,010,582
Accumulated depreciation	(1,057,781)	(707,066)
Total plant and equipment	<u>1,166,139</u>	<u>1,303,516</u>
<i>Leasehold improvements:</i>		
At cost	319,954	319,954
At fair value	(44,135)	(11,034)
Total properties	<u>275,819</u>	<u>308,920</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

	31 Dec 2014 \$	30 Jun 2014 \$
NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONT.)		
<i>Properties:</i>		
At cost	94,959	94,959
Total properties	94,959	94,959
<i>Reconciliation:</i>		
<i>Plant and equipment:</i>		
Carrying amount at the beginning of the half-year	1,303,516	1,593,338
Additions	73,251	260,415
Disposals	-	(518)
Disposal through sale of controlled entities	-	(46,362)
Depreciation	(210,628)	(503,357)
Carrying amount at the end of the half-year	1,166,139	1,303,516
<i>Leasehold improvements</i>		
Carrying amount at the beginning of the year	308,920	-
Additions	-	319,954
Depreciation	(33,101)	(11,034)
Carrying amount at the end of the year	275,819	308,920
<i>Properties:</i>		
Carrying amount at the beginning of the half-year	94,959	2,094,959
Reclassification to investment properties arising from the disposal of controlled entity	-	(2,000,000)
Carrying amount at the end of the half-year	94,959	94,959
NOTE 12: INVENTORIES		
Current		
Stock on hand	8,637,417	9,645,451
Provision for obsolescence	(715,204)	(1,058,188)
Land and development held for resale	14,026,676	15,361,109
Total inventories at the lower of cost and net realisable value	21,948,889	23,948,372
Non-current		
Land and development held for resale	10,425,411	10,207,123

Inventories recognised as an expense for the period ended 31 December 2014 totalled \$36,686,072 (2013: \$48,584,204). This expense has been included in the cost of goods sold in the Statement of Financial Performance.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

	31 Dec 2014	30 Jun 2014
	\$	\$
NOTE 13: TRADE AND OTHER PAYABLES		
Current		
Trade and other payables	4,732,666	7,118,598
Sundry creditors and accruals	12,979,054	6,475,723
	<u>17,711,720</u>	<u>13,594,321</u>

NOTE 14: INTEREST-BEARING LOANS AND BORROWINGS

Current		
Unsecured loan	197,000	200,000
Secured bank loan	21,467,842	7,442,116
Trade finance facility	6,910,038	6,270,487
	<u>28,574,880</u>	<u>13,912,603</u>
Non-current		
Secured bank loans	-	16,146,000
Unsecured loan from associated entity	9,843,353	9,609,809
	<u>9,843,353</u>	<u>25,755,809</u>

NOTE 15: PROVISIONS

Current		
Employee entitlements	1,013,245	812,384
Non-current		
Employee entitlements	214,188	387,039

	31 Dec 2014	31 Dec 2013	
	Number	Number	\$
NOTE 16: CONTRIBUTED EQUITY			
Issued and paid-up ordinary share capital			
Balance at the beginning of the half-year	119,532,788	103,646,848	121,421,485
Shares bought back on market	-	-	(380,877)
	<u>119,532,788</u>	<u>103,646,848</u>	<u>121,040,608</u>
Balance at the end of the half-year	<u>119,532,788</u>	<u>103,646,848</u>	<u>105,523,147</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

	31 Dec 2014	31 Dec 2013
	\$	\$
NOTE 17: RETAINED PROFITS		
Balance at the beginning of the half-year	68,137,401	54,864,508
Net profit attributable to shareholders	13,407,786	11,290,436
Dividends	(3,585,984)	(3,637,838)
	<u>77,959,203</u>	<u>62,517,106</u>
Balance at the end of the half-year	<u>77,959,203</u>	<u>62,517,106</u>

NOTE 18: OTHER RESERVES

	Asset Revaluation Reserve \$	Employee Equity Benefit Reserve \$	Foreign Exchange Reserve \$	Total \$
<i>Half-year ended 31 December 2014:</i>				
Balance at the beginning of the half-year	23,006,152	235,388	112,140	23,353,680
Share based payments	-	10,546	-	10,546
Net unrealised gain/(loss) on "available-for-sale" investments	(1,700,917)	-	280,598	(1,420,319)
Net unrealised (gain)/loss on "available-for-sale" investments – non-controlling interest	29,110	-	(10,221)	18,889
Acquisition of interest in controlled entities	(24,702)	-	-	(24,702)
Realised (gain)/loss on "available-for-sale" investments reclassified to the income statement	(16,176,973)	10,814	(129,774)	(16,295,933)
Realised gain on "available-for-sale" investments reclassified to the income statement – non-controlling interest	9,329	-	38	9,367
	<u>5,141,999</u>	<u>256,748</u>	<u>252,781</u>	<u>5,651,528</u>
Balance at the end of the half-year	<u>5,141,999</u>	<u>256,748</u>	<u>252,781</u>	<u>5,651,528</u>
<i>Half-year ended 31 December 2013:</i>				
Balance at the beginning of the half-year	10,698,989	198,585	267,011	11,164,585
Equity accounted share of associates reserves	-	18,542	-	18,542
Share based payments	-	13,060	-	13,060
Net unrealised gain on "available-for-sale" investments	23,796,143	-	308,586	24,104,729
Net unrealised gain on "available-for-sale" investments – non-controlling interest	(104,187)	-	(102,349)	(206,536)
Acquisition of interest in controlled entities	(508,291)	-	-	(508,291)
Realised gain on "available-for-sale" investments reclassified to the income statement	(3,251,922)	-	(67,893)	(3,319,815)
Realised gain on "available-for-sale" investments reclassified to the income statement – non-controlling interest	807	-	-	807
	<u>30,631,539</u>	<u>230,187</u>	<u>405,355</u>	<u>31,267,081</u>
Balance at the end of the half-year	<u>30,631,539</u>	<u>230,187</u>	<u>405,355</u>	<u>31,267,081</u>

NOTE 19: ASSETS PER SECURITY

	31 Dec 2014	31 Dec 2013
	\$	\$
Net assets per share attributable to members of the parent entity	1.57	1.65
Net tangible assets per share attributable to members of the parent entity	<u>1.57</u>	<u>1.65</u>

The figures above are calculated based on the consolidated financial position of CVC Limited.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

NOTE 20: SEGMENT REPORTING

The revenues and results by business segments are as follows:

	Private Equity and Venture Capital \$	Listed Investments \$	Property \$	Funds Management \$	Consolidated Trading Operations \$	Controlled Eliminations \$	Consolidated \$
<i>Half-year ended 31 December 2014:</i>							
Revenues:							
Total revenue for reportable segments	2,501,211	18,900,969	7,154,540	125,770	44,591,786	-	73,274,276
Inter-segment revenue	-	-	1,427,473	4,425,211	-	(5,852,684)	-
Unallocated amounts:							
Interest income							930,935
Other income							131,179
Consolidated revenue							<u>74,336,390</u>
Equity accounted income	<u>1,774,712</u>	<u>-</u>	<u>317,138</u>	<u>297,447</u>	<u>-</u>	<u>-</u>	<u>2,389,297</u>
Results:							
Total profit for reportable segments	(829,351)	15,108,083	2,633,523	56,416	1,736,939	-	18,705,610
Share of profit/(loss) of equity accounted investees	<u>1,774,712</u>	<u>-</u>	<u>317,138</u>	<u>297,447</u>	<u>-</u>	<u>-</u>	<u>2,389,297</u>
Unallocated amounts: corporate expenses	945,361	15,108,083	2,950,661	353,863	1,736,939	-	21,094,907
Consolidated profit before tax							<u>(1,796,031)</u>
							<u>19,298,876</u>

Segment results are shown before related income tax expense.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

NOTE 20: SEGMENT REPORTING (CONT.)

	Private Equity and Venture Capital \$	Listed Investments \$	Property \$	Funds Management \$	Consolidated Trading Operations \$	Controlled Eliminations \$	Consolidated \$
<i>Half-year ended 31 December 2013:</i>							
Revenues:							
Total revenue for reportable segments	402,426	7,698,182	10,722,910	1,164,118	54,579,791	-	74,567,427
Inter-segment revenue	-	-	2,549,088	4,242,031	-	(6,791,119)	-
Unallocated amounts: interest income							436,791
Consolidated revenue							75,004,218
Equity accounted income	1,748,259	514,079	-	(183,612)	-	-	2,078,726
Results:							
Total profit for reportable segments	402,426	6,118,702	2,648,839	1,163,338	2,176,933	-	12,510,238
Share of profit/(loss) of equity accounted investees	1,748,259	514,079	-	(183,612)	-	-	2,078,726
Unallocated amounts: corporate expenses	2,150,685	6,632,781	2,648,839	979,726	2,176,933	-	14,588,964
Consolidated profit before tax							(2,158,334)
							12,430,630

Segment results are shown before related income tax expense.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

NOTE 21: FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities of CVC are approximately equal to their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form.

Judgements and estimates were made in determining the fair values of the financial instruments and non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, CVC has classified its financial instruments and non-financial assets into three levels prescribed under the accounting standards.

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset that are not based on observable market data.

The fair value of the assets and liabilities as well as the methods used to estimate the fair value are summarised in the table below.

	Quoted market price (Level 1)	Valuation technique – market observable inputs (Level 2)	Valuation technique – non market observable inputs (Level 3)	Total
	\$	\$	\$	\$
At 31 December 2014				
Financial assets				
<i>“Available-for-sale” investments</i>				
Shares in listed corporations – at market value	19,836,480	13,999,255	-	33,835,735
Public unlisted investments – at market value	-	1,171,479	-	1,171,479
Other investments	-	3,626,079	5,034,319	8,660,398
Derivative financial instrument	-	457,111	-	457,111
<i>“Fair value through profit or loss” investments</i>				
Shares in listed corporations – at market value	1,152,894	-	-	1,152,894
Non-financial assets				
Investment properties	-	-	42,263,777	42,263,777
	<u>20,989,374</u>	<u>19,253,924</u>	<u>47,298,096</u>	<u>87,541,394</u>
At 30 June 2014				
Financial assets				
<i>“Available-for-sale” investments</i>				
Shares in listed corporations – at market value	24,844,489	44,343,932	-	69,188,421
Public unlisted investments – at market value	-	1,407,985	-	1,407,985
Other investments	-	4,404,980	211,899	4,616,879
<i>“Fair value through profit or loss” investments</i>				
Shares in listed corporations – at market value	1,120,947	-	-	1,120,947
Non-financial assets				
Investment properties	-	-	41,733,439	41,733,439
	<u>25,965,436</u>	<u>50,156,897</u>	<u>41,945,338</u>	<u>118,067,671</u>

Reconciliation of Level 3 fair value movements:

	\$
Opening balance 30 June 2014	41,945,338
Purchases	5,155,869
Gains recognised in other comprehensive income	261,889
Transfer out of Level 3	(65,000)
Closing balance 31 December 2014	<u>47,298,096</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

NOTE 21: FAIR VALUE MEASUREMENTS (CONT.)

The fair value of Level 2 financial instruments are determined using available prices where trading does not occur in an active market. The quantitative information about the significant unobservable inputs used in level 3 fair value measurements are as follows:

Description	Fair value at 31 December 2014 \$	Unobservable inputs	Weighted average	Relationship of unobservable inputs to fair value
Leased properties	30,250,000	Capitalisation rate	12.15%	The higher the capitalisation rate, the lower the fair value
		Lease expiry	1.52 years	The longer the lease term, the higher the fair value
		Occupancy	100%	The higher the occupancy rate, the higher the fair value
Development Properties	12,013,777	Capitalisation rate	8%	The higher the capitalisation rate on completion of construction, the lower the fair value
	<u>42,263,777</u>			
Other investments – at cost	<u>5,034,319</u>	(a)		

(a) Fair value has been determined based on acquisition cost.

NOTE 22: SUBSEQUENT EVENTS

Since the end of the period, the directors have determined to pay an interim dividend of 2 cents per share, fully franked, payable on 17 March 2015.

There are no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of CVC, the results of those operations or the state of affairs of CVC in the financial period subsequent to 31 December 2014.

**CVC LIMITED & CONTROLLED ENTITIES
HALF YEARLY REPORT**

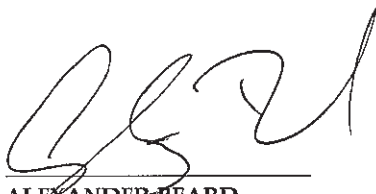
DIRECTORS' DECLARATION

In the opinion of the directors:

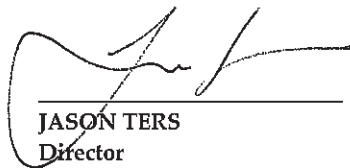
- (a) the interim financial statements and notes set out on pages 4 to 20, are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) there are reasonable grounds to believe that CVC Limited will be able to pay its debts as when they become due and payable.

Dated at Sydney this 27th day of February 2015.

Signed in accordance with a resolution of the board of directors.



ALEXANDER BEARD
Director



JASON TERS
Director

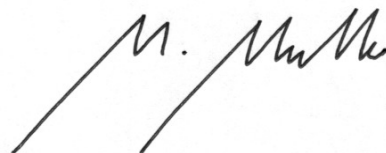
CVC LIMITED**AUDITOR'S INDEPENDENCE DECLARATION**

To the Directors of CVC Limited:

As lead auditor for the review of the consolidated financial report of CVC Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

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



Sydney, NSW
27 February 2015

M D Muller
Partner

CVC LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT

To the shareholders of CVC Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of CVC Limited ("the Company") which comprises the condensed statement of financial position as at 31 December 2014, the condensed statement of financial performance, condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of CVC Limited, 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 controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and 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 consolidated entity's financial position as at 31 December 2014 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 the Company, 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*.

HLB Mann Judd (NSW Partnership) ABN 34 482 821 289

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HLB Mann Judd (NSW Partnership) is a member of  International. A world-wide network of independent accounting firms and business advisers.

CVC LIMITED

**INDEPENDENT AUDITOR'S REVIEW REPORT
(continued)**

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

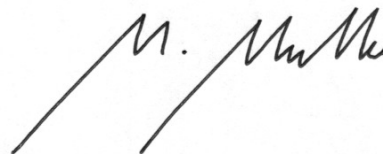
- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

We draw attention to Note 1: Related Party Disclosures to the half-year financial report which describes a potential impact on the disclosure of the relevant interest in the Company held by certain key management personnel. Our conclusion is not modified in respect of this matter.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

**HLB Mann Judd
Chartered Accountants**

A handwritten signature in black ink that appears to read 'M. Muller'.

**M D Muller
Partner**

**Sydney, NSW
27 February 2015**