Sietel Limited
Preliminary final report
Year Ended 30 September 2016

Sietel LIMITED
ACN 004 217 734 Incorporated in Victoria

24 November 2016

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

Announcement to the market

In accordance with Australian Stock Exchange (ASX) Listing Rule 4.3A, Sietel Limited has attached its Appendix 4E – Preliminary final report for the year ended 30 September 2016.

An audit report has not been issued at this stage, however the directors have received no indication from the audit staff that a qualified opinion is being considered.

Yours sincerely
Sietel Limited

Richard Rees
Managing Director

Sietel Limited Address: 140-144 Cochranes Rd, Moorabbin, Victoria, Australia
ACN 004 217 734 Postal Address: PO Box 1195 Moorabbin, Victoria 3189
ABN 75 004 217 734 Telephone: (03) 9553 5740 Fax: (03) 9555 2662

Appendix 4E

Preliminary final report

Period ended 30 September 2016

Name of entity

SIETEL LIMITED

ABN or equivalent company reference	Half yearly *(tick)*	Preliminary final *(tick)*	Financial year ended ('current period')
004 217 734		✓	**30 SEPTEMBER, 2016**

Results for announcement to the market

				$
Revenues from ordinary activities	Down	1%	to	7,969,157
Profit (loss) from ordinary activities after tax attributable to members	Up	744%	to	1,584,447
Net profit (loss) for the period attributable to members	Up	744%	to	1,584,447

Dividends (distributions) – Ordinary Shares	Amount per security	Franked amount per security
Final dividend Interim dividend	Nil ¢	Nil ¢
Previous corresponding period	Nil ¢	Nil ¢

+Record date for determining entitlements to the dividend, (in the case of a trust, distribution)	N/A

Dividends (distributions) – Preference Shares	Amount per security	Franked amount per security
Final dividend – Paid 7 Jan 2016 – Record date 31 Dec 2015	5 ¢	Nil ¢
Interim dividend – Paid 7 July 2016 – Record date 1 July 2016	5 ¢	Nil ¢
Previous corresponding period		
Final dividend – Paid 7 Jan 2015 – Record date 9 December 2014	280 ¢	Nil ¢
Interim dividend – Paid 7 July 2015 – Record date 30 June 2015	5 ¢	Nil ¢

The directors announce a profit after tax attributable to members for year ended 30 September 2016 of $1,584,447.

Ratios and Other Measures

	Current period	Previous corresponding Period
Profit before tax / revenue Consolidated profit (loss) before tax as a percentage of revenue	23.65%	(0.76%)
Profit after tax / +equity interests Consolidated net profit (loss) after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	2.57%	(0.42%)

Earnings per security (EPS)

$$\text{Basic EPS} = \frac{\text{Profit/(loss) for the period}}{\text{No. Of ordinary securities}} = \frac{1{,}584{,}447}{8{,}007{,}479} = 19.79¢$$

$$\text{Diluted EPS} = \frac{\text{Profit/(loss) for the period}}{\text{No. Of ordinary securities + Preference securities}} = \frac{1{,}584{,}447}{8{,}007{,}479+75{,}000} = 19.60¢$$

NTA backing	Current period	Previous corresponding Period
Net tangible asset backing per +ordinary security	771 CENTS	738 CENTS

SIETEL LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Year Ended 30 Sept 2016 $	Year Ended 30 Sept 2015 $
REVENUE		
Sales revenue	2,591,463	3,098,381
Dividends received	1,092,243	1,120,140
Interest received	178,067	247,552
Rent revenue	3,021,990	3,064,134
Other revenue	1,078,837	454,975
	7,962,600	**7,985,182**
Profit on disposal of property, plant and equipment	-	-
Profit/(loss) on disposal of investments	6,557	54,578
Total Revenue	**7,969,157**	**8,039,760**
EXPENSES		
Costs of goods sold	1,687,614	2,099,497
Overheads (Operating)	3,516,831	3,630,872
Administration expenses	632,414	686,469
Selling expenses	88,425	72,328
Finance expenses	-	-
Impairment of goodwill	-	-
Impairment loss – Note 5	159,402	1,611,445
Total Expenses	**6,084,686**	**8,100,611**
Profit/(loss) before income tax	1,884,471	(60,851)
Income tax revenue/(expense)	(300,024)	(185,055)
Profit/(loss) after income tax	**1,584,447**	**(245,906)**
Profit after income tax from discontinued operations	**-**	**-**
Net profit/(loss) attributable to members of the Company	**1,584,447**	**(245,906)**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net gain/(loss) on available for sale financial assets - Note 5	1,063,357	(802,171)
Total comprehensive income/(loss)	**2,647,804**	**(1,048,077)**
Earnings per share (EPS)		
Basic EPS (cents per share)	19.79	(3.07)
Diluted EPS (cents per share)	19.60	(3.04)

SIETEL LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Year Ended 30 Sept 2016	Year Ended 30 Sept 2015
	$	$
Profit for the year attributable to:		
Non-controlling interest	(18,297)	(20,276)
Owners of the Parent	1,602,744	(225,630)
	1,584,447	**(245,906)**
Total comprehensive income for the year attributable to:		
Non-controlling interest	(18,297)	(20,276)
Owners of the Parent	2,666,101	(1,027,801)
	2,647,804	**(1,048,077)**

SIETEL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

	As At 30 Sept 2016 $	As At 30 Sept 2015 $
Current Assets		
Cash and cash equivalents	7,903,817	7,357,509
Trade and other receivables	542,828	657,154
Inventories	441,754	348,897
Other current assets	202,851	209,511
Current tax receivables	-	-
Total Current Assets	**9,091,250**	**8,573,071**
Non-Current Assets		
Financial assets	26,294,461	22,324,440
Property, plant and equipment	2,683,997	2,937,718
Investment properties	26,165,351	27,192,184
Deferred tax assets	762,569	704,946
Total Non-Current Assets	**55,906,378**	**53,159,288**
Total Assets	**64,997,628**	**61,732,359**
Current Liabilities		
Trade and other payables	673,631	537,085
Financial liabilities	213,079	187,436
Provisions	1,046,487	1,040,733
Current tax liabilities	210,618	53,678
Total Current Liabilities	**2,143,815**	**1,818,932**
Non-Current Liabilities		
Deferred tax liabilities	1,138,743	838,661
Total Non-Current Liabilities	**1,138,743**	**838,661**
Total Liabilities	**3,282,558**	**2,657,593**
Net Assets	**61,715,070**	**59,074,766**
Equity		
Issued capital	4,257,129	4,257,129
Reserves	3,330,450	2,267,093
Retained earnings	54,192,843	52,597,599
	61,780,422	59,121,821
Non-controlling interest	(65,352)	(47,055)
Total Shareholders' Equity	**61,715,070**	**59,074,766**

SIETEL LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Economic Entity	Issued Capital	Reserves	Retained Earnings	Non-Controlling Interest (NCI)	Total Equity
Balance at 1 October 2014	4,257,129	3,069,264	53,036,979	(26,779)	60,336,593
Net profit (loss) for the period	-	-	(225,630)	(20,276)	(245,906)
Other comprehensive income	-	(802,171)	-	-	(802,171)
Dividends paid	-	-	(213,750)	-	(213,750)
Balance at 30 September 2015	4,257,129	2,267,093	52,597,599	(47,055)	59,074,766
Net profit (loss) for the period	-	-	1,602,744	(18,297)	1,584,447
Other comprehensive income	-	1,063,357	-	-	1,063,357
Dividends paid	-	-	(7,500)	-	(7,500)
Balance at 30 September 2016	4,257,129	3,330,450	54,192,843	(65,352)	61,715,070

SIETEL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Year Ended 30 Sept 2016 $	Year Ended 30 Sept 2015 $
Cash flows from Operating Activities		
Receipts from customers	6,733,047	6,637,026
Payments to suppliers & employees	(4,540,159)	(5,180,658)
Income tax paid	(200,969)	(312,675)
Interest received	156,247	270,313
Dividends received	1,187,632	1,125,408
Finance costs	-	-
Net cash provided by operating activities	**3,335,798**	**2,539,414**
Cash flows from Investing Activities		
Proceeds from sale of property, plant and equipment	-	-
Proceeds from sale of investment properties	-	-
Proceeds from sale of financial assets	165,755	155,274
Purchase of share in Alliance Appliances Australia Pty Ltd	-	-
Purchase of property, plant & equipment	(19,425)	(469,693)
Purchase of investment properties	(3,400)	(6,200)
Purchase of financial assets	(2,924,920)	(5,168,866)
Net cash provided by/(used in) investing activities	**(2,781,990)**	**(5,489,485)**
Cash flows from Financing Activities		
Dividends paid	(7,500)	(213,750)
Net cash provided by (used in) financing activities	**(7,500)**	**(213,750)**
Net increase/(decrease) in cash flows	546,308	(3,163,821)
Cash as at beginning of period	7,357,509	10,521,330
Cash and cash equivalents at the end of the year	**7,903,817**	**7,357,509**

SIETEL LIMITED
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. Basis of Preparation of the Financial Statements

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of the ASX Appendix 4E.

The accounting policies adopted in the preparation of this preliminary final report are consistent with those to be adopted and disclosed in the 2016 annual report.

2. Related Party Transactions

The Group has had no related party transactions during the year ended 30 September 2016, which are significantly different in quantum or nature from those for the year ended 30 September 2015. Arrangements with related parties continue to be in place and transactions for the year ended 30 September 2016 are similar in nature to those for the year ended 30 September 2015.

3. Subsequent Events

No other matter or circumstance has arisen since 30 September 2016 that has significantly affected or may significantly affect the operations, results or state of affairs of the Group in the near future.

4. Audit

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

5. Movement in reserves

Movement in available for sale financial assets

Sietel Limited complies with AASB 139 in regards to the measurement of financial assets.

	Year Ended 30 Sept 2016	Year Ended 30 Sept 2015
New impairment	159,402	1,611,445
Impairment Loss/(Gain)	**159,402**	**1,611,445**
Gain transferred to equity	845,405	232,983
Less Reversal from equity	(145,801)	(733,711)
Add Reversal of impairment	370,866	77,704
Less Re-Impair previous impairment reversals	(7,113)	(379,147)
Net gain/(loss) on available for sale financial assets	**1,063,357**	**(802,171)**

Gains transferred to equity are net of income tax at the rate of 30% (2015: 30%), impairment reversed to equity are at the gross values.

6. Segment Reporting

	Revenue		Results		Assets		Liabilities		Depreciation	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Continuing operations										
Investments	5,362	4,929	1,868	48	62,923	59,957	2,910	2,339	1,275	1,282
Operations	2,607	3,111	(284)	(294)	2,075	1,775	373	319	28	33
TOTAL	7,969	8,040	1,584	(246)	64,998	61,732	3,283	2,658	1,303	1,315