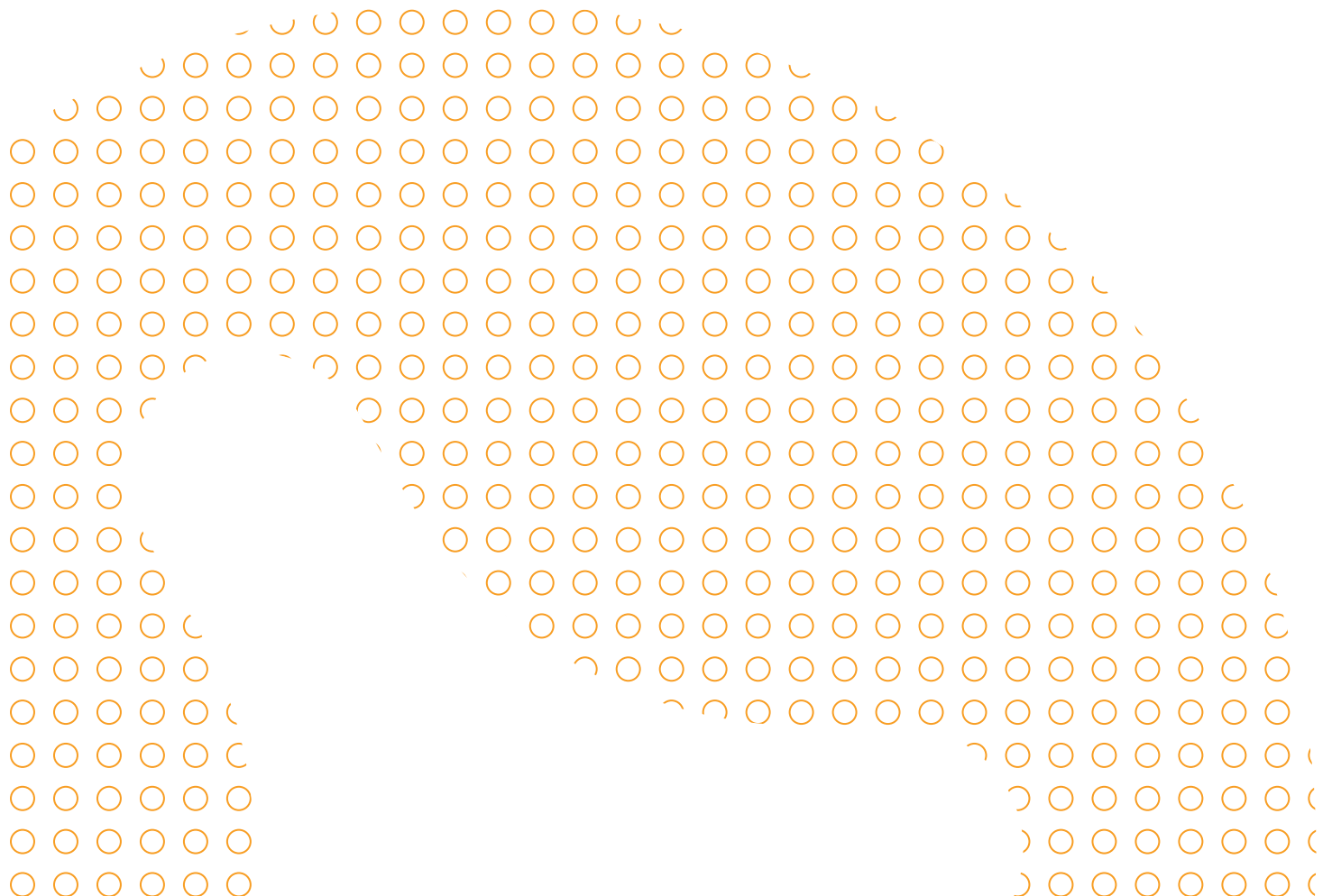




OUR FUTURE IS CLEAR

HALF YEAR PROFIT RESULTS 2017

OFX Group Limited
ABN 12 165 602 273



Appendix 4D

For the half year ended 30 September 2016

OFX Group Limited

ABN 12 165 602 273

Results for announcement to the market

For the half year ended 30 September 2016 (“current period”)

		30 September 2016	% Change from 6 months ended 30 September 2015	30 September 2015
		A\$'000		A\$'000
Revenue from ordinary activities	Up	58,638	1%	58,139
Net profit for the period attributable to members	Down	9,665	(14%)	11,223
Net profit for the period attributable to members of parent (before non-controlling interest)	Down	9,665	(14%)	11,223
Underlying net profit for the period attributable to members ¹	Down	9,665	(21%)	12,309

The Group achieved underlying net profit after tax of \$9.7 million for the half year. The underlying net profit was 21% lower than the \$12.3 million of the prior comparative period.

The statutory net profit for the half year was \$9.7 million, down 14% from \$11.2 million in the prior comparative period.

Dividend information	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit
2016 final dividend (paid 24 June 2016)	3.10	3.10	30%
2017 interim dividend (determined 14 November 2016)	2.80	2.80	30%

2017 Interim dividend dates

Ex-Dividend date	12 December 2016
Record date	13 December 2016
Payment date	4 January 2017

	30 September 2016 (Cents)	31 March 2016 (Cents)
Net tangible asset backing per ordinary security ²	21.15	20.73

Additional Appendix 4D disclosure requirements can be found in the notes to the Interim Financial Report and the Directors' Report for the half year ended 30 September 2016. Information should be read in conjunction with OFX Group Limited's 2016 Annual Report and the attached Interim Financial Report.

This report is based on the consolidated Interim Financial Report for the half year ended 30 September 2016 which has been reviewed by PricewaterhouseCoopers with the Independent Auditor's Review Report included in the Interim Report.

¹ Refer to page 4 of the attached Interim Financial Report for a reconciliation of underlying net profit after tax to statutory net profit after tax.

² Assumes that 243,455,895 shares on issue at 30 September 2016 were on issue at 31 March 2016.

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OFX Group Limited

ABN 12 165 602 273

Interim Financial Report

Half Year Ended 30 September 2016



The Companys registered office is:
Level 19
60 Margaret Street
Sydney NSW 2000
Australia

OFX Group Limited

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OFX Group Limited

Directors' Report

The Directors present their report together with the financial statements of the consolidated entity (the "Group"), being OFX Group Limited (the "Company") and its controlled entities, for the half year ended 30 September 2016 and the Independent Auditor's Review Report thereon.

Directors

The names of the Directors of the Group in office during the half year up to the date of the report unless otherwise stated are as follows:

Steven Sargent	Chairman (appointed on 14 November 2016) Non-Executive Director (appointed on 4 August 2016)
Peter Warne	Chairman (resigned on 14 November 2016)
Richard Kimber	Managing Director and Chief Executive Officer
Melinda Conrad	Non-Executive Director
Douglas Snedden	Non-Executive Director
Grant Murdoch	Non-Executive Director

Principal activities

The Group's principal activity during the half year was the provision of international payment and foreign exchange services.

Dividend and distributions

Dividends paid or determined by the Company during and since the end of the half year are set out in Note 7 to the Financial Statements.

	2017 interim dividend	2016 final dividend
Per Share (cents)	2.80	3.10
Total amount (\$'000)	6,817	7,440
Franked ¹	100%	100%
Payment date	4 January 2017	24 June 2016

Operating and financial review

A summary of financial results for the half year ended 30 September is below:

	Half year 30 September 2016 \$'000	Half year 31 March 2016 \$'000	Half year 30 September 2015 \$'000
Net operating income ²	53,592	50,272	53,641
Underlying EBITDA ³	12,809	17,224	17,229
Underlying EBITDA margin ⁴	23.9%	34.3%	32.1%
Underlying net profit (after tax) ⁵	9,665	11,580	12,309
Underlying earnings per share (EPS) (cents) ⁶	4.03	4.82	5.13
Statutory EBITDA ³	12,809	15,810	15,678
Statutory EBITDA margin ⁴	23.9%	31.4%	29.2%
Statutory net profit (after tax)	9,665	10,591	11,223
Earnings per share (cents)	4.03	4.41	4.68

¹ All dividends are fully franked based on the corporate tax rate of 30%.

² Net operating income is the combination of interest income and net income.

³ Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) is a non-IFRS measure that is unaudited.

⁴ EBITDA margins are calculated with reference to net operating income.

⁵ Underlying net profit (after tax) is net profit after tax adjusted for one-time expenses. Refer to the NPAT reconciliation on page 4.

⁶ Underlying earnings per share was calculated with reference to underlying net profit after tax.

OFX Group Limited

Directors' Report (continued)

Operating and financial review (continued)

The six-month period ended 30 September 2016 marked the commencement of the Group's three-year Accelerate Strategy which includes a programme of investment in People, Technology and Marketing.

The initial stage of the investment is focused on the Australian market with the roll-out of the Group's new single global brand, OFX. The marketing investment was made in addition to the Group's spend on its search engine marketing strategy, broadening the Group's channels of acquisition and raising brand awareness in Australia.

The Group also deepened its investment in technology through strengthening of the engineering talent and transition to Amazon Web Services (AWS). This investment will ensure the platform is at the forefront of developments in technology and ahead of our competition. As the technology stack is transitioned to a more modular cloud-based environment, the Group will benefit from improved scalability and agility of development. This is particularly relevant in periods of high market volatility where the platform is subject to increased transaction volumes.

A key pillar of the Accelerate Strategy is growth in non-Australian Dollar (AUD) revenue streams with the key focus being the United States of America (US). During the half, the Group has been focused on customer research, refining the product in the US and the client acquisition strategy. The Group will look to implement this in the final quarter of the 2017 financial year.

Whilst the Group experienced 0.4% growth in the number of active clients, the quality of the portfolio improved with a heavier weighting to corporate clients and clients with more regular payment needs. The outcome of this was a 6.9% increase in transaction volumes.

Whilst transaction volumes increased, market conditions had an impact on revenue growth. There has been a strengthening cycle in the AUD which has a translational impact on revenue. In addition to this, the impact of political uncertainty arising from the outcome of the UK referendum to leave the European Union has meant that larger discretionary payments originating from the Great British Pound (GBP) have been at lower levels. This has resulted in lower average transaction values, and therefore lower revenue per transaction. Management expects that the market conditions are cyclical rather than structural, however they will continue to impact in the near term.

Following lower growth levels for the six months ended 31 March 2016 relating to the impacts of the Group's rebranding programme and difficult market conditions, there has been a return to growth in all the Group's segments on a sequential half basis.

The significant levels of investment ahead of revenue has meant lower underlying earnings before interest, taxation, depreciation and amortisation margin of 23.9%.

	Half year 30 September 2016 \$'000	Half year 31 March 2016 \$'000	Half year 30 September 2015 \$'000
Underlying NPAT	9,665	11,580	12,309
Corporate action costs after tax	–	(338)	(489)
Rebranding expenditure after tax	–	(362)	(144)
Executive team restructure costs after tax	–	(289)	(453)
Statutory NPAT	9,665	10,591	11,223

EBITDA is a non-IFRS unaudited measure that is calculated by adding back tax and is reconciled as outlined below:

Underlying EBITDA	12,809	17,224	17,229
Corporate action costs before tax	–	(484)	(698)
Rebranding expenditure before tax	–	(517)	(206)
Executive team restructure costs before tax	–	(413)	(647)
Statutory EBITDA	12,809	15,810	15,678
Add back interest income	680	819	843
Earnings before Tax, Depreciation and Amortisation (EBTDA)¹	13,489	16,629	16,521
Less income tax expense	(2,148)	(5,070)	(4,909)
Less depreciation and amortisation	(1,676)	(968)	(389)
Statutory NPAT	9,665	10,591	11,223

¹ The Group actively uses its cash balances as part of its hedging strategy making the interest income integral to its earnings. For this reason, the Group regularly uses EBTDA as a measure of performance.

OFX Group Limited

Directors' Report (continued)

Operating and financial review (continued)

During October 2015, OzForex Limited, a subsidiary of the Group, became an Offshore Banking Unit (OBU). As a result, revenue from foreign exchange transactions with customers outside of Australia, who are not buying or selling AUD, is taxable at a reduced rate of 10%. In the current period the group has accounted for the tax savings for the twelve-month period from October 2015 to September 2016 which has resulted in an effective tax rate of 18%. Going forward, the effective tax rate of the Group will be approximately 24%.

The Group's financial position remains strong. The balance sheet consists predominantly of cash and client liabilities, with the cash position net of client liabilities increasing to \$41.5 million from \$38.1 million at 31 March 2016. The Group currently has no external debt. The financial position provides a good platform to pursue future growth opportunities.

	As at 30 September 2016 \$'000	As at 31 March 2016 \$'000	As at 30 September 2015 \$'000
Cash and receivables due from financial institutions ^{1,2}	155,990	162,890	175,662
Client liabilities ¹	(114,484)	(124,827)	(127,366)
Net cash position	41,506	38,063	48,296

Rounding amounts

The Group is of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Chief Executive Officer/Chief Financial Officer declaration

The Chief Executive Officer and the Chief Financial Officer have given the declarations to the Board concerning the Group's Financial Statements and other matters as required under section 295A(2) of the Corporations Act 2001.

Auditors' independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half year ended 30 September 2016 is on page 6 of this report.

This report is made in accordance with a resolution of Directors.

On behalf of the Board



Steven Sargent
Chairman



Richard Kimber
Chief Executive Officer and Managing Director

14 November 2016

¹ Cash and client liabilities can vary greatly depending on the timing of deal flows.

² Cash includes cash held for subsequent settlement of client liabilities and term deposits of all maturities.



Auditor's Independence Declaration

As lead auditor for the review of OFX Group Limited for the half year ended 30 September 2016, 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 OFX Group Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'CPG Cooper', is written over a horizontal line.

CPG Cooper
Partner
PricewaterhouseCoopers

Sydney
14 November 2016

OFX Group Limited

Statement of Comprehensive Income For the half year ended 30 September 2016

	Notes	Half year 30 September 2016 \$'000	Half year 30 September 2015 \$'000
Interest and similar income		680	843
Interest income		680	843
Fee and trading income ¹		57,958	57,296
Fee and commission expense		(5,046)	(4,498)
Net income		52,912	52,798
Employment expenses		(21,813)	(21,086)
Occupancy expenses		(2,834)	(1,363)
Promotional expenses		(9,282)	(7,797)
Other operating expenses	3	(7,850)	(7,263)
Total operating expenses		(41,779)	(37,509)
Profit before income tax		11,813	16,132
Income tax expense	4	(2,148)	(4,909)
Profit for the half year		9,665	11,223
Profit attributable to ordinary equity holders of OFX Group Limited²		9,665	11,223
Other comprehensive income			
Exchange differences on translation of foreign operations ³		79	32
Total comprehensive income for the half year		9,744	11,255
Total comprehensive income for the year is attributable to:			
Ordinary equity holders of OFX Group Limited		9,744	11,255
Earnings per share based on profit from continuing operations, attributable to the ordinary equity holders of the parent entity:		Cents	Cents
Basic earnings per share		4.03	4.68
Diluted earnings per share		3.98	4.62

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

¹ Referred to as 'Fee and commission income' in the prior period. Naming adjustment reflects a more accurate description of the source of income. This income represents the margin charged to customers, individual transaction fees and the cost benefit of the internal hedging policy.

² Represents profit from continuing operations.

³ Represents other comprehensive income that may be reclassified to profit or loss.

OFX Group Limited

Statement of Financial Position As at 30 September 2016

	Notes	As at 30 September 2016 \$'000	As at 31 March 2016 \$'000
Assets			
Cash and cash equivalents		129,414	142,088
Receivables due from financial institutions		26,576	20,802
Derivative financial instruments – positive values	5	17,774	26,977
Other assets		3,436	3,202
Property, plant and equipment		6,361	6,512
Intangible assets		3,952	2,760
Prepaid income tax		1,671	1,945
Deferred income tax assets		913	1,310
Total assets		190,097	205,596
Liabilities			
Client liabilities		114,484	124,827
Derivative financial instruments – negative values	5	11,237	20,297
Other liabilities		6,183	4,754
Current tax liabilities		–	–
Provisions		2,726	2,467
Deferred income tax liabilities		27	22
Total liabilities		134,657	152,367
Net assets		55,440	53,229
Equity			
Ordinary share capital	6	24,360	24,360
Foreign currency translation reserve		357	278
Share option reserve		2,205	2,298
Retained earnings		28,518	26,293
Total capital and reserves attributable to equity holders of OFX Group Limited		55,440	53,229
Total equity		55,440	53,229

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

OFX Group Limited

Statement of Changes in Equity For the half year ended 30 September 2016

	Notes	Contributed equity \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000	Share- based payments reserve \$'000	Total Equity \$'000
Balance at 1 April 2015		24,360	21,721	311	1,239	47,631
Profit for the half year, after income tax		–	11,223	–	–	11,223
Other comprehensive income, net of tax		–	–	32	–	32
Total comprehensive income		–	11,223	32	–	11,255
Transactions with equity holders in their capacity as equity holders:						
Dividends and distributions paid		–	(8,602)	–	–	(8,602)
Employee share options		–	–	–	17	17
Share-based payment expense		–	–	–	762	762
		–	(8,602)	–	779	(7,823)
Balance at 30 September 2015		24,360	24,342	343	2,018	51,063
Balance at 1 April 2016		24,360	26,293	278	2,298	53,229
Profit for the half year, after income tax		–	9,665	–	–	9,665
Other comprehensive income, net of tax		–	–	79	–	79
Total comprehensive income		–	9,665	79	–	9,744
Transactions with equity holders in their capacity as equity holders:						
Dividends and distributions paid	7	–	(7,440)	–	–	(7,440)
Employee share options		–	–	–	31	31
Share-based payment expense		–	–	–	(124)	(124)
		–	(7,440)	–	(93)	(7,533)
Balance at 30 September 2016		24,360	28,518	357	2,205	55,440

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

The foreign currency translation reserve and the share based payments reserve are non-distributable reserves of the Group.

OFX Group Limited

Statement of Cash Flows For the half year ended 30 September 2016

	Notes	Half year 30 September 2016 \$'000	Half year 30 September 2015 \$'000
Cash flows from operating activities			
Interest received		680	843
Total cash inflows from customers		9,575,040	10,015,327
Total cash outflows to customers, suppliers and employees		(9,572,889)	(9,994,474)
Income tax paid		(1,472)	(10,392)
Net cash flows from operating activities		1,359	11,304
Cash flows from investing activities			
Payments for property, plant and equipment		(764)	(1,629)
Payments for intangible assets		(1,953)	(639)
Payments for deposits with financial institutions		(5,774)	(14,895)
Net cash flows used in investing activities		(8,491)	(17,163)
Cash flows from financing activities			
Dividends paid	7	(7,440)	(8,602)
Net cash flows used in financing activities		(7,440)	(8,602)
Net (decrease)/increase in cash		(14,572)	(14,461)
Cash and cash equivalents at the beginning of the half year		142,088	168,804
Exchange gains on cash and cash equivalents		1,898	1,224
Cash and cash equivalents at the end of the half year		129,414	155,567
The above statement of cash flows should be read in conjunction with the accompanying notes.			
Reconciliation to cash position net of client liabilities			
Cash and cash equivalents at the end of the half year		129,414	155,567
Receivables due from financial institutions		26,576	20,095
Client liabilities		(114,484)	(127,366)
Net cash position		41,506	48,296

Note 1. Basis of preparation

This consolidated interim financial report for the half year ended 30 September 2016 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This consolidated 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 report for the year ended 31 March 2016 and any public announcements made by OFX Group Limited during the half year 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 financial year.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

Compliance with IFRS as issued by the IASB

Compliance with Australian Accounting Standards ensures that the financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Consequently, this financial report has also been prepared in accordance with and complies with IFRS as issued by the IASB.

OFX Group Limited

Note 2. Segment Information

The Group operates international payment services in defined geographic regions (based on client location) and international payment solutions globally.

“International Payment Solutions” is a package offered to strategic partners which consists of the OFX IT platform, customer service, compliance sophistication, banking relationships and payments capabilities.

Half year ended 30 September 2016	Australia and New Zealand \$'000	Europe \$'000	North America \$'000	Asia \$'000	International Payment Solutions \$'000	Consolidated \$'000
Segment Revenue						
Fee and trading income	31,797	10,250	9,633	989	5,289	57,958
Total segment revenue	31,797	10,250	9,633	989	5,289	57,958
Segment result						
EBITDA	6,131	3,124	1,833	18	1,703	12,809
Depreciation and amortisation						(1,676)
Interest income						680
Profit before income tax						11,813
Income tax expense						(2,148)
Profit for the year						9,665
Segment assets						
As at 30 September 2016						
Segment assets	135,049	20,077	31,496	8,565	–	195,187
Intergroup eliminations	–	(3,567)	–	(4,116)	–	(7,683)
Deferred tax assets						913
Total Assets						188,417
Segment liabilities						
As at 30 September 2016						
Segment liabilities	(94,583)	(18,000)	(25,566)	(2,484)	–	(140,633)
Intergroup eliminations	3,057	–	4,626	–	–	7,683
Deferred tax liabilities						(27)
Total Liabilities						(132,977)
Segment net assets	40,466	2,077	5,930	6,081	–	54,554
Intergroup eliminations	3,057	(3,567)	4,626	(4,116)	–	–
Net deferred tax						886
Total Net Assets						55,440

OFX Group Limited

Note 2. Segment Information (continued)

Half year ended 30 September 2015	Australia and New Zealand \$'000	Europe \$'000	North America \$'000	Asia \$'000	International Payment Solutions \$'000	Consolidated \$'000
Segment Revenue						
Fee and trading income	30,510	11,185	8,733	1,090	5,778	57,296
Total segment revenue	30,510	11,185	8,733	1,090	5,778	57,296
Segment result						
EBITDA¹	8,776	4,237	328	286	2,051	15,678
Depreciation and amortisation						(389)
Interest income						843
Profit before income tax						16,132
Income tax expense						(4,909)
Profit for the year						11,223
Segment assets						
As at 31 March 2016						
Segment assets	155,138	18,379	29,344	7,456	–	210,317
Intergroup eliminations	–	(5,554)	–	(477)	–	(6,031)
Deferred tax assets						1,310
Total Assets						205,596
Segment liabilities						
As at 31 March 2016						
Segment liabilities	(117,742)	(15,507)	(23,636)	(1,491)	–	(158,376)
Intergroup eliminations	827	–	5,204	–	–	6,031
Deferred tax liabilities						(22)
Total Liabilities						(152,367)
Segment net assets	37,396	2,872	5,708	5,965	–	51,941
Intergroup eliminations	827	(5,554)	5,204	(477)	–	–
Net deferred tax						1,288
Total Net Assets						53,229

¹ Comparative information has been restated to conform to presentation in the current year.

OFX Group Limited

Note 3. Other operating expenses

	Half year 30 September 2016 \$'000	Half year 30 September 2015 \$'000
Other operating expenses		
Professional fees	(1,377)	(2,717)
Information technology	(1,767)	(701)
Depreciation: computer equipment ¹	(252)	(172)
Amortisation: software and other intangibles ¹	(760)	(79)
Communication expenses	(593)	(362)
Compliance expenses	(944)	(946)
Insurance expenses	(428)	(408)
Travel expenses	(603)	(788)
Bad and doubtful debts recovery/(expense)	(310)	(428)
Non-recoverable GST	(137)	(182)
Other expenses	(679)	(480)
Total other operating expenses	(7,850)	(7,263)

Note 4. Income tax expense

	Half year 30 September 2016 \$'000	Half year 30 September 2015 \$'000
a) Income tax expense		
Current tax expense	2,326	4,744
Adjustments for current tax of prior periods		
Decrease in tax expense attributable to the OBU ^{2,3}	(580)	–
Total tax on profits for the year	1,746	4,744
Deferred income tax:		
Decrease/(Increase) in deferred tax assets	397	162
(Decrease)/Increase in deferred tax liabilities	5	3
Total deferred income tax expense/(benefit)	402	165
Total income tax expense	2,148	4,909
b) Reconciliation of income tax expense to prima facie tax payable		
Profit before income tax	11,813	16,132
Prima facie income tax expense on operating profit ⁴	3,544	4,840
Tax effect of amounts adjusted in calculating taxable income:		
Decrease in tax expense as a result of operating as an OBU in the current period ^{2,3}	(650)	–
Decrease in tax expense as a result of operating as an OBU in a prior period ^{2,3}	(580)	–
Other items	(166)	69
Total income tax expense	2,148	4,909

The Group has a tax year ending on 30 September. No tax losses were utilised during the half year.

¹ Comparative information has been restated to conform to presentation in the current year.

² On 10 October 2015, Ozforex Limited, a subsidiary of the Group, was declared an Offshore Banking Unit (OBU). As a result, income which is deemed to be earned by the OBU is taxable at a reduced rate of 10%. The prior period tax saving reflected above relates to the period from 10 October 2015 to 31 March 2016. The current period tax saving relates to the period from 1 April 2016 to 30 September 2016.

³ OBU income includes revenue earned on foreign exchange transactions with offshore counterparties, excluding those with any AUD component.

⁴ Prima facie income tax on operating profit is calculated at the rate of 30% (2015: 30%).

Note 5. Fair values of assets and liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments measured at fair value are categorised in their entirety, in accordance with the levels of the fair value hierarchy prescribed under the accounting standards. All financial instruments held by the Group are categorised as Level 2, as outlined below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices in active markets (for example, over-the-counter derivatives) are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates;

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The appropriate level for an instrument is determined on the basis of the lowest level input that is significant to the fair value measurement.

The following methods and significant assumptions have been applied in determining the fair values of financial instruments:

Liabilities, financial assets and liabilities at fair value through profit or loss, derivative financial instruments and other transactions undertaken for trading purposes are measured at fair value by reference to quoted market prices when available. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or other recognised valuation techniques.

The following methods and significant assumptions have been applied in determining the fair values of financial instruments which are carried at amortised cost:

- The fair values of liquid assets and other instruments maturing within three months approximate their carrying amounts. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities.
- The fair value of demand deposits with no fixed maturity is approximately their carrying amount as they are short-term in nature or are payable on demand.

The table below summarises the carrying value and fair value of all financial instruments of the Group at 30 September 2016.

	30 September 2016 Carrying amount \$'000	30 September 2016 Fair value \$'000	31 March 2016 Carrying amount \$'000	31 March 2016 Fair value \$'000
Assets				
Cash	129,414	129,414	142,088	142,088
Receivables due from financial institutions	26,576	26,576	20,802	20,802
Derivative financial instruments – positive values	17,774	17,774	26,977	26,977
Total financial assets	173,764	173,764	189,867	189,867
Liabilities				
Client liabilities	114,484	114,484	124,827	124,827
Derivative financial instruments – negative values	11,237	11,237	20,297	20,297
Total financial liabilities	125,721	125,721	145,124	145,124

OFX Group Limited

Note 5. Fair values of assets and liabilities (continued)

The following table summarises the Level 2 financial instruments of the Group measured at fair value at 30 September 2016:

	30 September 2016 \$'000	31 March 2016 \$'000
Assets		
Derivative financial instruments – positive values	17,774	26,977
Total assets	17,774	26,977
Liabilities		
Derivative financial instruments – negative values	11,237	20,297
Total liabilities	11,237	20,297

Note 6. Contributed equity

	30 September 2016 Number of shares	31 March 2016 Number of shares	30 September 2016 \$'000	31 March 2016 \$'000
Ordinary share capital				
Opening balance of fully paid ordinary shares	240,000,000	240,000,000	24,360	24,360
Shares issued under the Executive Share Plan ¹	3,455,895	–	–	–
Closing balance of fully paid ordinary shares	243,455,895	240,000,000	24,360	24,360
Total equity contribution	243,455,895	240,000,000	24,360	24,360

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds of the Company in a liquidity event in proportion to the number of and amounts paid on the shares held.

Each ordinary shareholder is entitled to one vote per share held.

¹ Participants of the OFX Group Limited Executive Share Plan were issued 3,455,895 fully paid ordinary shares on 30 September 2016 in accordance with the Plan Rules approved by shareholders at the 3 August 2016 Annual General Meeting.

OFX Group Limited

Note 7. Dividends paid and distributions paid or provided for

	30 September 2016 \$'000	30 September 2015 \$'000
Final dividend paid (\$0.03100 (2015: \$0.03584) per share) ^{1,2}	(7,440)	(8,602)
Total dividends paid	(7,440)	(8,602)

Dividend franking account

Franking credits available for subsequent financial years based on a tax rate of 30% (2015: 30%)

6,081	10,811
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The above amounts represent the balance of the franking account as at the end of the financial period, adjusted for franking credits that will arise from the payment of the amount of the provision for income tax.

Note 8. Events occurring after balance sheet date

Dividend

On 14 November 2016 a dividend of \$0.028 per share (\$6,816,765) was determined.

Ex-Dividend date	12 December 2016
Record date	13 December 2016
Payment date	4 January 2017

As the parent entity OFX Group Limited is a holding company which has no trading profits, dividends declared but not paid will be funded through the profits of subsidiary entities.

Dividend Reinvestment Plan

On 14 November 2016, the Board approved the establishment of a Dividend Reinvestment Plan under which holders of ordinary shares may be able to elect to have all or part of their dividend entitlements satisfied by the issue of new fully paid ordinary shares. The DRP will not apply to the interim dividend.

There were no other material post balance sheet events occurring after the reporting date requiring disclosure in these financial statements.

¹ These dividends were 100% franked at the 30% corporate tax rate.

² Dividend per share is calculated based on the ordinary shares outstanding on the dividend determination date.

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes for the half year ended 30 September 2016 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 30 September 2016 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that OFX Group Limited will be able to pay its debts as and when they become due and payable, and

(c) Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

On behalf of the Board:



Steven Sargent
Chairman



Richard Kimber
Chief Executive Officer and Managing Director

14 November 2016



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

Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of OFX Group Limited (the Company), which comprises the statement of financial position as at 30 September 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, selected explanatory notes and the Directors declaration for OFX Group Limited (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 (including the Australian Accounting Interpretations) 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as at 30 September 2016 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 OFX Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au



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 OFX Group Limited is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the entity's financial position as at 30 September 2016 and of its performance for the half year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the Company for the half year ended 30 September 2016 included on OFX Group Limited's website. The Company's Directors are responsible for the integrity of the OFX Group Limited web site. We have not been engaged to report on the integrity of this website. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this website.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to be 'CPG Cooper', written in a cursive style.

CPG Cooper
Partner

Sydney
14 November 2016

OFX Group Limited

Corporate Information

Directors	Mr Steven Sargent (Chairman, appointed on 14 November 2016) (Non-Executive Director, appointed on 4 August 2016) Mr Peter Warne (resigned on 14 November 2016) Mr Richard Kimber (Managing Director and CEO) Mr Douglas Snedden (Non-Executive Director) Ms Melinda Conrad (Non-Executive Director) Mr Grant Murdoch (Non-Executive Director)
Company Secretary	Ms Freya Smith (appointed on 11 October 2016) Ms Linda Cox (resigned on 28 October 2016)
	Level 19 60 Margaret Street Sydney NSW 2000 Australia Ph +61 2 8667 8000 Fax +61 2 8667 8080 Email investors@ofx.com.au
Share register	Computer Registry Services Pty Limited 60 Carrington Street Sydney NSW 2000 Australia Ph +61 3 9415 4000 Ph 1300 850 505 (Australian shareholders)
Auditor	PwC Darling Park Tower 2 201 Sussex Street Sydney, NSW 2000 Australia
Stock Exchange Listing	OFX Group shares are listed on the Australian Securities Exchange: OFX
Website address	www.ofx.com