



**INTUERI**  
EDUCATION GROUP

20 August 2015

Listed Company Relations  
NZX Limited  
Level 2, NZX Centre  
Wellington  
New Zealand

Australian Stock Exchange Centre  
Level 6  
20 Bridge Street  
Sydney NSW 2000  
Australia

Dear Sir/Madam

**Intueri Education Group Limited interim results announcement  
(for the 6 months ended 30 June 2015)**

Please find attached the financial information required by NZX Limited Main Board Listing rules and ASX Listing Rule 4.3A.

Attached:

1. Media Announcement in relation to the 1H 2015 interim results
2. Interim results presentation
3. Interim financial statements for the 6 months ended 30 June 2015
4. NZX Appendix 1
5. NZX Appendix 7
6. ASX Appendix 4D
7. ASX Appendix 3A.1

Yours sincerely

**Rodney Marvin**  
Chief Financial Officer  
Intueri Education Group Limited

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## INTUERI 2015 INTERIM RESULTS ANNOUNCEMENT

### 2015 FIRST HALF KEY EVENTS AND HIGHLIGHTS

- Positive rollout of Intueri's growth strategy:
  - Revenue \$42.7 million, up 75% on prior comparable period (PCP)
  - Net Profit After Tax \$6.1 million, up 277% on PCP
  - EBITA \$11.7 million, up 95% on PCP
- Strategic acquisition of outstanding 50% shareholding in Online Courses Australia Group in January 2015 and 100% acquisition of Information Technology Training Institute in April 2015
- Outperformance from the Online segment and strong growth from International, with softer New Zealand Domestic performance, as previously advised
- Fully imputed interim dividend declared of 6.1 cents per share, in line with prospectus guidance
- 2015 full year underlying EBITA forecast in the range of \$27 million to \$29 million

### INTUERI REPORTS UPLIFT IN REVENUE AND PROFIT AS GROWTH STRATEGY CONTINUES

Vocational education provider, Intueri Education Group, has delivered a significant uplift in its first half result as it continues to successfully implement its growth strategy.

The increase in half year net profit after tax to \$6.1 million was primarily driven by additional earnings from strategic acquisitions, as well as strong growth in Intueri's Online and International segments, offset by a weaker than expected performance from the Domestic segment.

### 2015 First Half Financial Summary

NZ\$ Millions	1H 2015 <sup>i</sup>	1H 2014 <sup>i</sup>	Variance % 1H15:1H14	1H 2014 Reported Pro Forma <sup>ii</sup>
Revenue	42.7	24.4	75%	36.2
Domestic	22.0	12.6	75%	22.0
International	10.0	8.3	21%	8.5
Online	9.5	2.7	252%	4.7
Other	1.2	0.8	50%	1.0
EBITA <sup>iii</sup>	11.7	6.0	95%	10.5
EBITA margin	27.5%	24.8%	-	29.0%
Net Profit After Tax	6.1	1.6	277%	3.7
NPATA <sup>iv</sup>	9.7	3.5	177%	6.4
Interim Dividend (cps)	6.1	-	-	-
Net Debt	34.9	15.4	127%	15.4

*\*Refer endnote 1 in regards to the impact of acquisition timings on 1H 2014 and 1H 2015 results.*

For the six months to 30 June 2015, Intueri has reported revenue of \$42.7 million.

Earnings Before Interest, Tax and Amortisation of Acquired Intangibles (EBITA<sup>iii</sup>) were \$11.7 million, with EBITA excluding \$0.4 million of acquisition costs of \$12.1 million. EBITA includes \$2.1 million of other income associated with the reversal of a prior year Tertiary Education Commission (TEC) Dive School provision and an adjustment to deferred consideration on the Academy acquisition.

Net Profit After Tax was \$6.1 million for the period, including a \$1.9 million adjustment for the deferred consideration on the 2016 OCA final acquisition payment.

Operating costs increased in line with management's focus on building a strong organisational infrastructure to support future growth. Investment continued into the company's quality and compliance functions to deliver enhanced outcomes for students.

Cash flow from operations of \$4.2 million was impacted by additional working capital requirements of \$1.4 million for Online Courses Australia (OCA), resulting from the strong growth in student numbers and the associated time lag in VET Fee-Help payments. Cash flow also reflects the \$1.3 million expansionary capital expenditure in kitchens at NSIA and \$2.3 million of 2014 terminal tax payments.

Net Debt increased to \$34.9 million from \$11.3 million as at 1 January 2015, largely as a result of acquisition payments. Intueri has a conservative debt gearing level of 1.4x with access to sufficient funds for planned acquisition payments and to investigate further growth opportunities.

Directors have declared a fully imputed dividend of 6.1 cents per share. This equates to 63% of NPATA<sup>iv</sup>, which is within Intueri's dividend policy of 60-70% of NPATA and in line with prospectus guidance. Given the excellent growth of the Australian business, Intueri will be offering partial franking credits to its Australian investors, in conjunction with a supplementary dividend.

#### MANAGEMENT COMMENT: ROB FACER, CHIEF EXECUTIVE OFFICER

Management's focus for the first half year has been to integrate acquisitions, drive the quality and compliance programme to ensure quality outcomes for students, develop initiatives to offset the weaker performance from the Domestic sector and continue to identify potential growth opportunities.

The \$10-billion Australasian vocational education market is highly fragmented and offers significant opportunities for consolidation. We have continued to implement our growth strategy with the acquisition of the outstanding 50% shareholding in Online Courses Australia Group (OCA) in January 2015 and the 100% acquisition of the Information Technology Training Institute (ITTI) on 1 April 2015.

Since period-end, we have also announced the acquisition of the New Zealand Institute of Sport, along with its subsidiary the New Zealand College of Massage, which is expected to settle in October 2015 following customary approvals. This increases the company's expected annualised revenue to more than \$100 million and annualised EBITA above \$30 million.

We are pleased with the excellent growth delivered by our Australian Online segment, which provided \$9.5 million in revenue for the six month period, more than double the previous comparable period. The continuing outperformance of OCA validates our decision to acquire the outstanding 50% shareholding of this company in January 2015. We are supportive of the regulatory reforms underway in the Australian sector and remain largely unaffected by these. OCA management are continuing to drive student enrolments by delivering an increasing number of higher value Diploma qualifications.

Our International segment has also delivered strong growth with revenue of \$10.0 million for the period, up 20% on the prior comparable period. We are benefitting from the continuing growth in international student numbers with New Zealand student visa approvals up 10% in 2015 YTD. We have commissioned two additional kitchens at our NSIA college to accommodate further growth in this segment.

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Revenue for the Domestic segment, which provided 51% of Intuери's group revenue, was \$22.0 million for the period. A number of our New Zealand colleges are continuing to deliver solid results, such as the Cut Above Academy and Elite. However, as previously advised, ongoing trends are affecting the overall performance of our Domestic segment including a strong local labour market affecting domestic student recruitment in Foundation and Youth Guarantee courses; a slower rebound in Christchurch which is continuing to affect enrolments at the Design and Arts College; and the ongoing consequences around legacy issues at the Dive School.

A number of initiatives are underway to mitigate the soft performance in our Domestic sector, including the operational integration of our Academy and Quantum colleges to facilitate the roll-out of Youth Guarantee programmes in regional centres. A review of sites and premises across the country to ensure optimum use is also underway.

Ensuring quality outcomes for students, including improved student achievement and enhanced relevance of programmes, is at the heart of the company's strategy. This has resulted in a number of changes being implemented at Quantum including the introduction of more robust enrolment pre-requisites and additional measures to ensure successful student completions, as well as aligning reporting metrics with other colleges in the Intuери group.

We believe these initiatives will provide long term, sustainable benefits to our company, and more importantly, result in better outcomes for a greater number of students. While these changes are currently having an impact on recruitment and completions, and therefore the level of course fees received from students, the New Zealand Qualifications Authority (NZQA) and TEC are fully supportive of our quality initiatives and the changes we are making have no impact on the current TEC course funding.

We expect to start seeing the benefits of these initiatives flowing from the second half.

#### SECOND HALF OUTLOOK

Management are focused on continuing to drive the strong growth in our Online and International segments and are working hard to improve the performance in our Domestic segment.

We are looking forward to resolving the Dive School Worksafe case by year end and rebuilding our student numbers at this respected facility with several new international programmes coming on stream and an increased marketing focus on domestic enrolments. The court callover date has been deferred one further month, till 17 September 2015, whilst discussions continue towards agreeing a resolution.

We are expecting a stronger second half result as we benefit from acquisition growth and the continuing positive growth trends in our Online and International segments. We remain on track to achieve our updated guidance of underlying EBITA between \$27 million and \$29 million for the 2015 financial year.

#### KEY DATES

Record date for interim dividend	11 September 2015
Payment date of interim dividend	25 September 2015
Release of interim report	25 September 2015

ENDS

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**For more information, please contact:**

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Intueri is a New Zealand headquartered group of private training establishments delivering vocational education to students in New Zealand, Australia and from around the world. Intueri is dual listed on the NZ and Australian stock exchanges under the code IQE. [www.intueri.co.nz](http://www.intueri.co.nz)

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<sup>i</sup> Financial results reflect earnings from businesses from the time of acquisition. 1H 2015 includes a full six months for all colleges except for ITTI which was acquired on 1 April 2015. 1H 2014 includes five weeks of Quantum (acquired 23 May 2014) and three months of OCA (acquired 31 March 2014). It does not include ITTI or Academy.

<sup>ii</sup> Intueri has previously provided 2014 pro forma information as this was the prospectus reporting basis for 2014. No phased 2015 or other forward looking pro forma information was provided in the prospectus, and therefore no 1H 2015 performance comparison vs prospectus is available. The 1H 2014 reported pro forma is the pro forma basis outlined in the Intueri prospectus which assumed that Quantum Education Group Limited and Online Courses Australia Group Limited were acquired on 1 January 2014. It excluded Academy Group NZ Limited and ITTI, which were acquired after the Intueri prospectus was issued, and for which pre acquisition pro forma information was not available.

<sup>iii</sup> EBITA is Earnings Before Interest, Tax and Amortisation of Acquired Intangibles. The Board has used Underlying EBITA, being EBITA excluding Acquisition Costs, as the basis for its full year forecast guidance as it believes this provides the most appropriate measure of Intueri's operating performance. These are non-GAAP measures.

<sup>iv</sup> NPATA is Net Profit After Tax Before Amortisation of Acquired Intangibles. The Board believes NPATA provides a better comparable measure of its operating performance and cash flow and it is the basis for the Intueri's dividend policy.

More detail on the financial results and reconciliation of non-GAAP to GAAP measures are available in the Interim Results Presentation released to the market on 20 August 2015 and available on the company website [www.intueri.co.nz](http://www.intueri.co.nz).

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**2015 Interim Results Presentation to 30 June 2015**

# Agenda

**Rob Facer, Chief Executive Officer**

**Rod Marvin, Chief Financial Officer**

1. Organisation Overview
2. First Half Year Performance
3. First Half Financial Results
4. Looking Forward
5. Discussion
6. Appendices



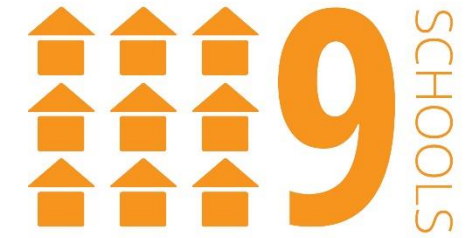
# About Us












Intueri is a New Zealand headquartered group, delivering high quality vocational education to a diversified cohort of students in New Zealand and Australia

Only dual NZX/ASX listed opportunity to invest into the Australasian vocational education sector.

As of 30 June 2015, Intueri has nine colleges across New Zealand and Australia, providing more than 12,000 students with a diverse range of studying options from Foundation courses to Graduate Diploma level qualifications.

Intueri utilises traditional classroom-based settings, blended learning and exclusively online delivery across 32 physical sites and one large virtual campus.



-  Academy Group NZ
-  Cut Above Academy
-  Design & Arts College of New Zealand
-  Elite International School of Beauty and Spa Therapies
-  Information Technology Training Institute
-  NZ School of Commercial Diver Training
-  NSIA - The Professional Hospitality Academy
-  Quantum Education Group
-  Online Courses Australia
-  NZ Institute of Sport (Completion due Oct 15)
-  NZ College of Massage (Completion due Oct 15)

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## OUR PURPOSE



## OUR STRATEGY

### QUALITY FOCUS

Maintain an unrelenting focus on quality outcomes

### GROWTH

Add value through organic, acquisition, collaborative and innovative growth

### INVEST

Invest in our people and our organisation

### TECHNOLOGY

Harness technology opportunities

### FOCUS:

Maintain an unrelenting focus on quality outcomes

Rollout of group wide Quality Management System

Resource quality & compliance programmes in both NZ and Australia

Completed successful ASQA re-registration and ACPET audit processes at Online Courses Australia (OCA)

### INVEST:

Invest in our people and our organisation

Recruited specialist Health & Safety + Learning & Development advisors

Rollout of employee values workshop series

Implementation of 'My Say' staff engagement survey team initiatives

### GROWTH:

Add value through organic, acquisition, collaborative and innovative growth

Acquisitions: Information Technology Training Institute (ITTI) and 50% outstanding OCA shareholding

Significant progress in post NZQA Targeted Review of Qualifications (TRoQ) programme development

Driving ongoing consultation within the sector to establish collaborative partnerships (i.e Open Polytechnic, The Careers Group)

New OCA Diploma Programmes in Counselling, Community Services, and School-Aged Education & Care

### TECHNOLOGY:

Harness technology opportunities

Rollout of Learning Management System functionality in all NZ Colleges

Commencement of group wide Student Management System harmonisation project

Complete migration of all business units to XERO

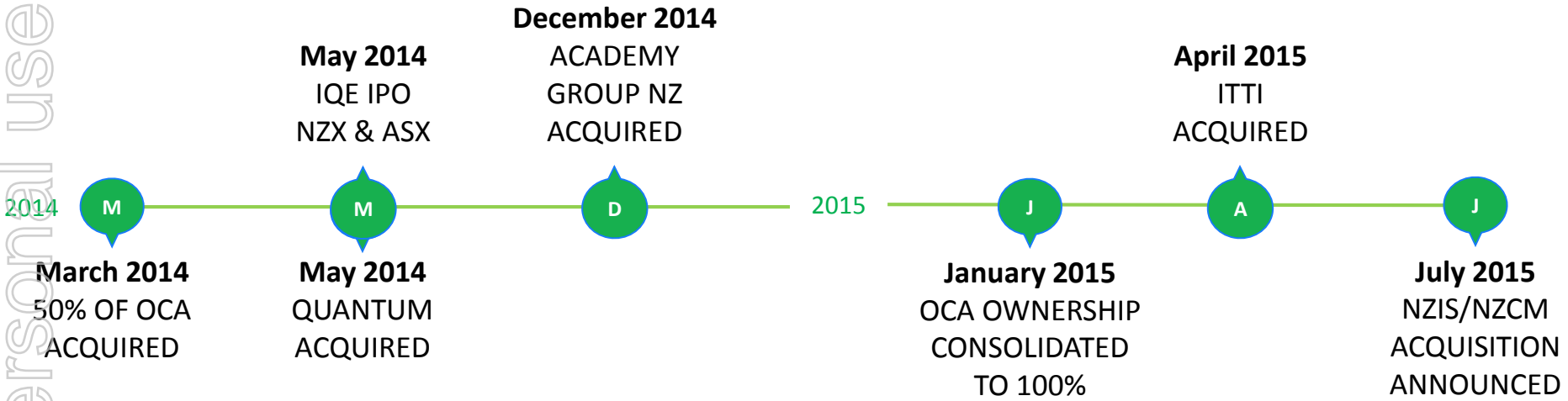
# Growth By Acquisition

Four Colleges Acquired Since Listing



Expected annualised revenue now more than \$100m and annualised EBITA above \$30m

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OCA: Online Courses Australia Group  
ITTI: Information Technology Training Institute  
NZIS/NZCM: New Zealand Institute of Sport/New Zealand College of Massage

# First Half Results Snapshot



## Significant uplift in first half results against prior first half year

Reflects successful implementation of growth strategy and strong returns from International and Online, offset by weaker Domestic performance

<b>NZ\$m</b>	<b>1H 2015</b>	<b>1H 2014</b>	<b>Variance %</b>	<b>Reported Pro Forma 1H 2014</b>
Revenue	42.7	24.4	75%	36.2
EBITA	11.7	6.0	95%	10.5
EBITA margin	27.5%	24.8%	-	29.0%
Net Profit After Tax	6.1	1.6	277%	3.7
Net Profit After Tax Before Amortisation (NPATA)	9.7	3.5	177%	6.4
Dividend (cps)	6.1	-	n/a	-

- Financial results reflect earnings from businesses from the time of acquisition. See Note 1 in the glossary slide for details of acquisitions and timings.
- Pro Forma is the pro forma basis outlined in the Intueri prospective financial information which assumed that Quantum Education Group Limited and Online Courses Australia Group Limited were acquired on 1 January 2014. See Note 2 in the glossary slide for more details.
- EBITA and NPATA are non-GAAP measures. A definition of these terms and further details are detailed in Notes 3 and 4 in the glossary slide.

Revenue: \$22m - 51% of Group Revenue

### KEY EVENTS

- Acquisition of Information Technology Training Institute (ITTI) in April 2015
- Domestic College Performance:
  - Solid performance from Cut Above and Elite Colleges
  - Quantum & Academy Foundation courses impacted by ongoing economic trends and increasing focus on quality of student outcomes, as previously advised. Implemented a number of initiatives to improve Quantum performance
  - Legacy issues at Dive School and slow rebound in enrolments at Design and Art School in Christchurch
- Significant progress in post NZQA Targeted Review of Qualifications (TRoQ) programme development
- Implemented Quantum/Academy operational integration and review of campus operations
- Initiated rollout of Youth Guarantee courses in regional centres
- Announced acquisition of New Zealand Institute of Sport with settlement expected October 2015

### OPERATING ENVIRONMENT

Sector regulated by the New Zealand Qualifications Authority (NZQA) and primarily funded by Tertiary Education Commission (TEC)

NZQA targeted review of qualifications (TRoQ) process nearing completion with significant reduction in the total number of qualifications listed

TEC funding focus continues to shift to relevance for learners and return on investment for Government

Sector consolidation continues to gain momentum

Revenue: \$10m - 24% of Group Revenue

### KEY EVENTS

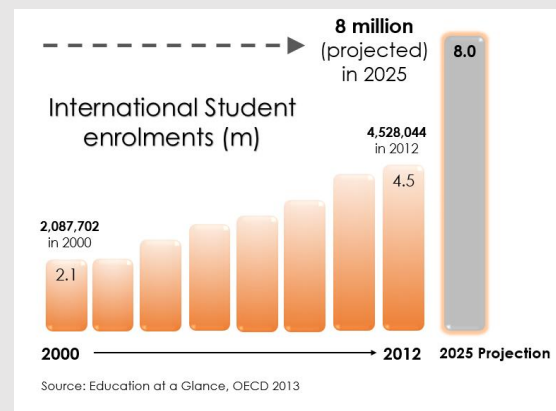
- Maintained strong growth in financial performance, primarily through NSIA - The Professional Hospitality Academy
- Commissioned two additional kitchens at NSIA to meet increasing demand
- Newly accredited training schemes for Dive School approved by NZQA
- Ongoing leveraging of Intueri brand and development of in-market (overseas) initiatives to forge sustainable engagement with agent community and high schools in emerging markets
- Identifying programmes that can be re-packaged for an international cohort thereby diversifying existing provision (e.g Pharmacy and IT)

### OPERATING ENVIRONMENT

10%+ year-on-year growth in international student visa approvals

Close to 100,000 international students studying in New Zealand, almost back to 2010 peak levels

Contributes ~\$2.85 billion to New Zealand economy and directly employs 30,000 people



Revenue: \$9.5m - 22% of Group Revenue

## KEY EVENTS

- Excellent revenue growth continues, driven by increasing VET FEE-HELP\* enrolments
- Established new Diploma programmes in Community Services, Counselling and School-Aged Education & Care to drive growth
- Managed compliance requirements resulting from the Vet Fee-Help reforms
- Relocated to new, larger premises to support expanded operations

## OPERATING ENVIRONMENT

The Australian Federal Government Department of Education & Training has initiated a range of VET FEE-HELP reforms to improve the standard of student enrolment practices, quality of delivery and assessments, and overall provider duty of care to students

\*VET FEE-HELP (VFH) is an Australian Federal Government support initiative available to assist eligible students studying higher level Vocational Education and Training (VET) qualifications to pay their tuition fees



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## 2015 First Half Financial Results



# Key Financial Highlights



Intueri generated strong revenue growth in the first half of 2015 whilst maintaining high EBITA margins.

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## **STRONG REVENUE GROWTH**

Up 75% on 1H 2014

Acquisitions and strong growth in International and Online offset by weaker Domestic performance

## **HIGH MARGINS**

1H 2015 EBITA margins of 27.5%

## **LOW CAPITAL INTENSITY**

Additional investment capex of \$1.3m in 1H 2015 for new kitchens at NSIA

No other significant capex forecast in 2015

## **CONSERVATIVE GEARING**

Net debt lifted from \$11.3m to \$34.9m primarily due to acquisitions.

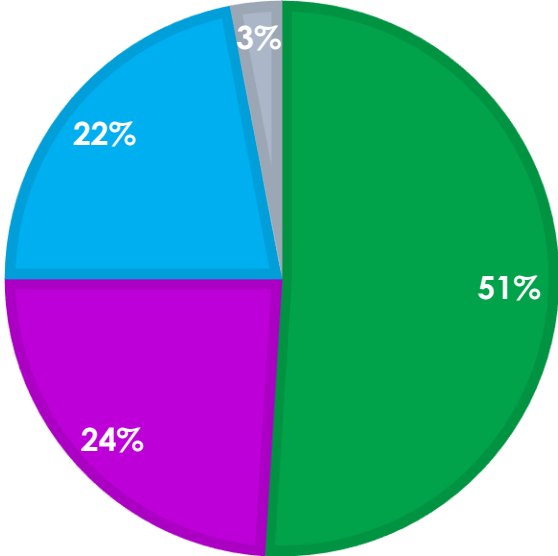
Annualised Debt/EBITDA of 1.4x

# Segment Revenue Performance

New Zealand Domestic remains largest segment with 51% of revenue. International students provided 24% and Australia Online is now 22% of revenue.

1H 2015 REVENUE

NZ\$m	1H 2015	1H 2014	Reported Pro Forma 1H 2014
NZ Domestic	22.0	12.6	22.0
NZ International	10.0	8.3	8.5
Australian Online	9.5	2.7	4.7
Other Revenue	1.2	0.8	1.0
<b>Total Revenue</b>	<b>42.7</b>	<b>24.4</b>	<b>36.2</b>



- NZ Domestic
- NZ International
- Australia Online

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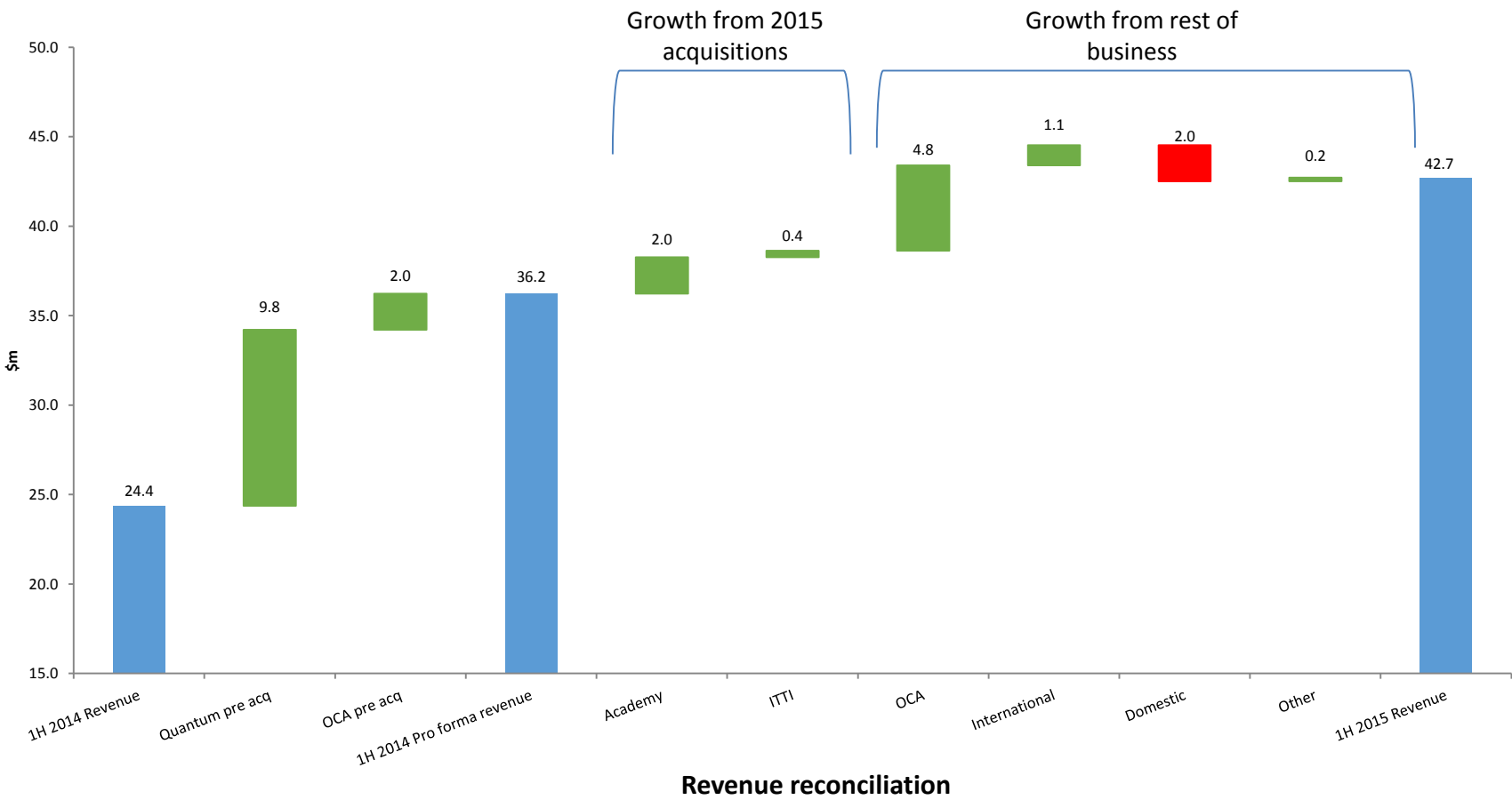
# Revenue Growth

75% Increase in Revenue to \$42.7m



Intueri 1H 2015 revenue significantly ahead of 1H 2014, primarily due to impact of acquisitions, with strong growth in Australia Online, NZ International offsetting NZ Domestic revenues.

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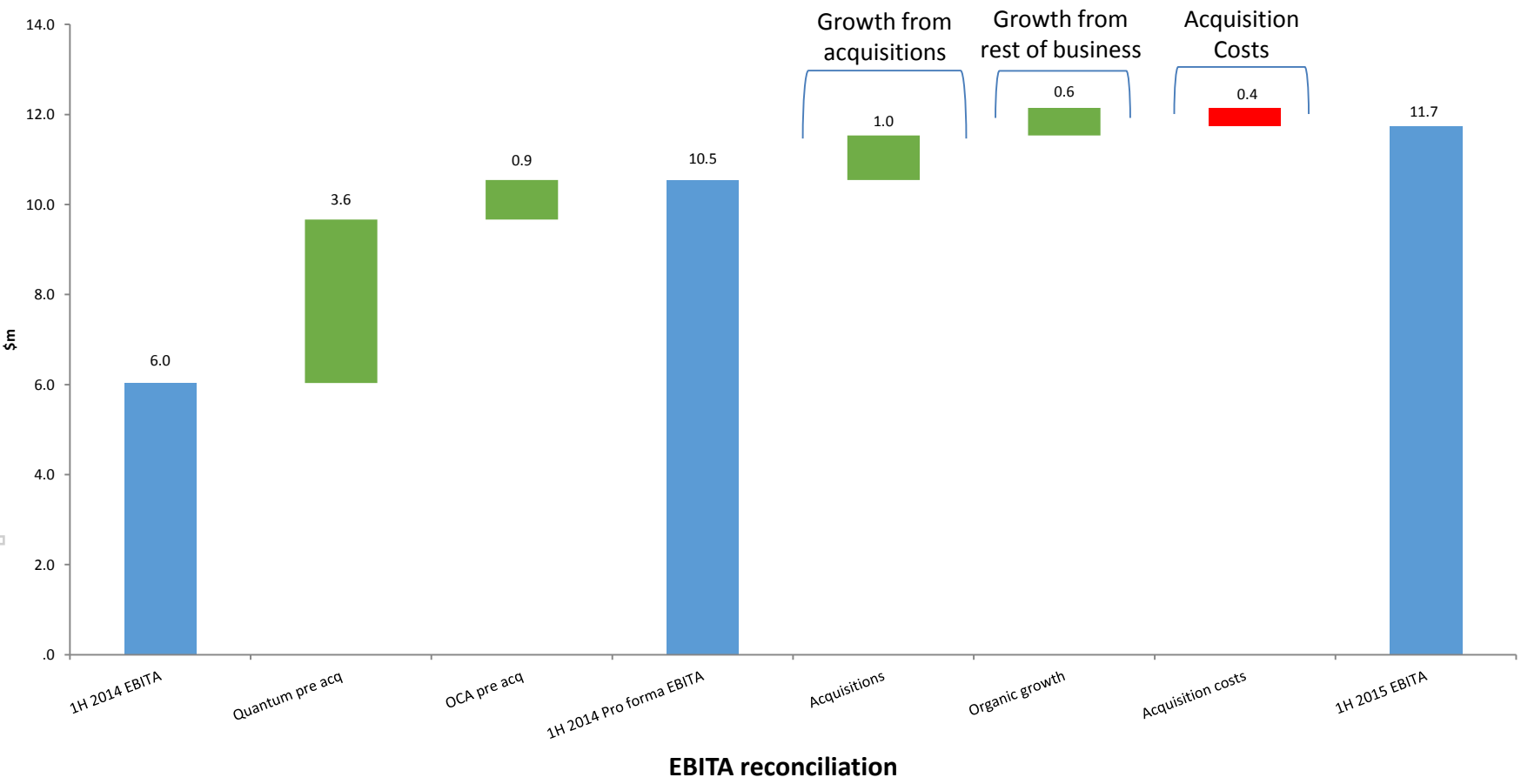
# EBITA Growth

95% increase to \$11.7m



Intueri 1H 2015 EBITA significantly ahead of 1H 2014, primarily due to impact of acquisitions.

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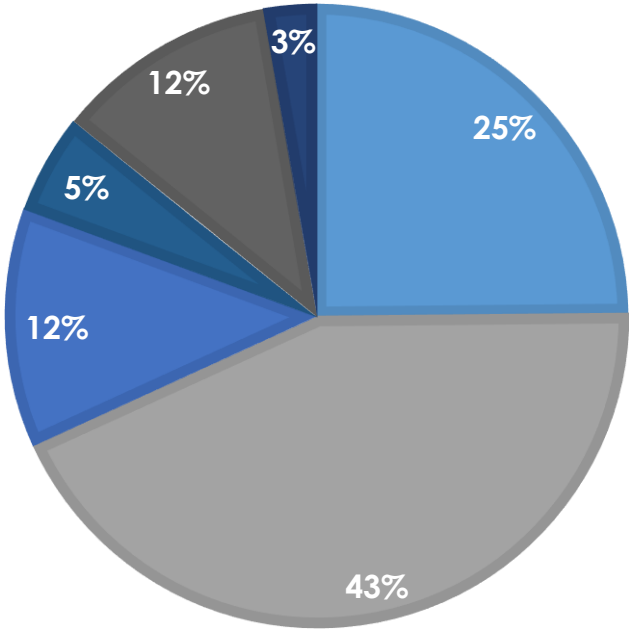
# Operating Costs

Operating costs were higher due to inclusion of acquisitions, investment into additional resources to drive growth and enhanced quality and compliance capability

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NZ\$M	1H 2015	1H 2014	Reported Pro Forma 1H 2014
Direct Costs	8.2	4.9	5.7
Personnel	14.3*	7.5	11.3
Occupancy	4.1	2.7	3.4
Marketing	1.7	0.9	1.7
Admin and Other	3.8*	1.7	2.7
Depreciation	0.9	0.6	0.8
<b>Total Operating Costs</b>	<b>33.0</b>	<b>18.3</b>	<b>25.6</b>

1H 2015 OPERATING COSTS



- Direct Costs
- Personnel
- Occupancy
- Marketing
- Admin and Other
- Depreciation

\*Includes \$0.4m of acquisition costs, of which \$0.12m is in personnel costs and \$0.28m in admin & other

# Profit And Loss Summary

## 277% Increase in NPAT to \$6.1m



NZ\$m	1H 2015	1H 2014
Revenue	42.7	24.4
EBITA	11.7	6.0
Acquired intangible amortisation	(5.0)	(2.6)
EBIT	6.7	3.4
Net interest expense	(0.9)	(0.6)
Net finance income (OCA contingent consideration)	1.9	-
NPBT	7.7	2.8
Tax	(1.7)	(0.9)
Non-controlling interests	-	(0.3)
<b>Net profit / (loss) after tax</b>	<b>6.1</b>	<b>1.6</b>
NPATA	9.7	3.5

EBITA includes \$1.1m reversal of Dive School Tertiary Education Commission (TEC) provision, and \$1.0m release of deferred consideration on Academy Group acquisition

\$0.4m of acquisition costs associated with OCA, ITTI and NZIS colleges

Amortisation of acquired intangibles increased in 1H 2015 in line with acquisitions

Interest costs increasing in line with higher debt levels post-acquisitions

Deferred contingent consideration adjustment of \$1.9m associated with forecast consideration for final OCA acquisition payment in Q1 2016, included within net finance income.

1H 2014 Net profit after tax attributable to the owners of Intueri is after deducting \$0.3m of non-controlling interests in OCA Group, reflecting Intueri's 50% ownership in 2014

Refer Slides 25 and 26 for definition of terms and reconciliation of non-GAAP to GAAP figures

Capital light business model with a favourable working capital profile

Statement of Cash Flows NZ\$m	1H 2015	1H 2014
Net cash inflow from operations	4.2	3.2
Net cash outflow from investing	(19.4)	(58.3)
Net cash inflow from financing	10.0	56.2
Net increase/(decrease) in cash	(5.2)	1.0
Cash at the start of the period	7.8	2.5
Exchange gains/losses on cash	0.4	-
Cash at the end of the period	3.0	3.5

## Operating Cash Flow

1H 2015 operating cash flow impacted by \$1.4m OCA working capital requirement associated with timing lag of VFH payments following strong growth in enrolments

Includes \$2.3m in FY 2014 terminal tax payments

## Investing Cash Flow

\$17.0m of acquisition payments for ITTI and OCA, plus \$2.5m Capital expenditure, including \$1.3m investment in NSIA kitchens

## Financing Cash Flow

Payment of \$7.7m FY 2014 Dividend payment in Q1 2015 and movement in bank debt

**No capacity or major replacement capital expenditure or prior period tax payments expected in 2H 2015**

# Balance Sheet/Funding for Growth



Conservative gearing with sufficient access to facilities for future scheduled acquisition payments and growth opportunities

Balance Sheet NZ\$m	1H 2015	1H 2014	FY 2014
Total Assets	148.0	148.0	154.6
Total Liabilities	92.0	62.8	66.9
Total Equity	56.1	85.2	87.7
Net Debt	34.9	15.4	11.3
Working Capital*	1.4	(3.4)	(3.1)

Total liabilities have increased due to inclusion of \$13.3m contingent consideration for final payment for OCA acquisition, and higher bank debt as a result of 1H 2015 acquisition payments

Total equity reduced by the OCA 50% ownership consideration

\*Working Capital excluding cash, short term debt, and OCA contingent consideration.

## FUNDING FOR GROWTH

- Actual net debt increased from \$11.3m as at 1 Jan 2015 to \$34.9m, largely due to acquisition payments
- Debt / EBITDA level of 1.4x still comfortably below 2.0x bank covenant level
- Access to sufficient funds for future scheduled acquisition payments and to investigate additional growth opportunities

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# Interim Dividend

6.1 cents per share



Directors have declared a fully imputed interim dividend of 6.1 cents per share, in line with prospectus guidance

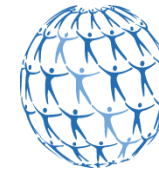
- Interim dividend is in line with prospectus guidance and equates to 63% of NPATA, in the mid range of Intueri's dividend policy of 60% to 70% of NPATA
- The interim dividend is fully imputed
- A supplementary dividend of 1.0765 cents per share is also available to non resident investors who hold less than 10% of the ordinary shares in Intueri
- In conjunction with the growth in its Australian online business, Intueri is now able to offer partial franking credits of 12.8%

## KEY DATES

Record date:  
11 September 2015

Payment Date:  
25 September 2015

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**Looking Forward**

## FOCUS:

Maintain an unrelenting focus on quality outcomes

Review and refine updated Quantum enrolment processes and monitor learner outcomes to ensure targets are being met

Further investment in quality & assurance at OCA to ensure compliance with 2016 regulatory changes

Resolve the pre IPO Dive School Worksafe case with court callover date now set for 17 September 2015

## INVEST:

Invest in Our People

Implementation of group-wide staff appraisal process

Implementation of group-wide staff learning & development programme

## GROWTH:

Add value through organic, acquisition, collaborative and innovative growth

Continued investment in Online segment to fuel sustainable growth

Rollout of International cohort-specific Pharmacy and IT programmes and Dive School training schemes

Drive performance in the Domestic segment

- Finalise overhaul of Quantum marketing strategy
- Ongoing refinement of lead to enrolment conversion process
- Complete student insight project
- Operational integration of Academy and Quantum colleges

## TECHNOLOGY:

Harness technology opportunities

eLearning Project rollout

Implement Phase 1 of Student Management System harmonisation project

## Significant opportunity in the New Zealand Domestic market

- Stable regulatory and funding environment with positive long term outlook
- Intueri is the largest PTE (Private Training Establishment) group in New Zealand – benefitting from operational synergies and scale
- Intueri is well-positioned to build market share as a result of a focus on quality outcomes for students, the range of course areas available, and strong reputation

## Fast growing prospects in the Online and International student markets

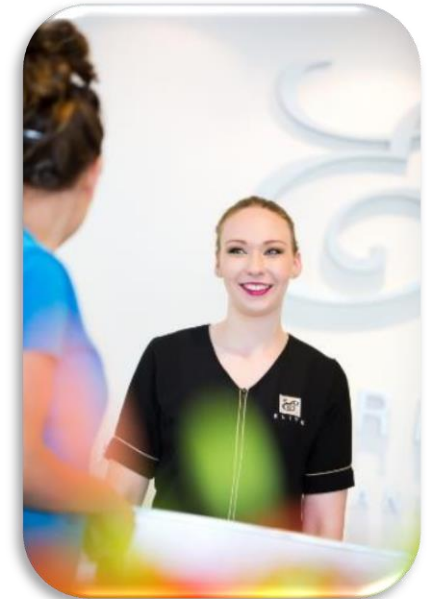
- International student visas continue to increase in number, reflecting New Zealand's growing reputation as a study destination, the perceived quality of New Zealand academic programmes and relative affordability
- Intueri is investing into additional capacity and a broader range of programmes to grow the numbers of international students
- Intueri is delivering high quality and an expanding range of provision for a growing cohort of online learners

**We remain on track to achieve our updated guidance of underlying EBITA (being EBITA less acquisition costs) of between \$27 million and \$29 million for the 2015 financial year.**

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EDUCATION GROUP



**Thank You**



1. Financial results reflect earnings from businesses from the time of acquisition. 1H 2015 includes a full six months for all colleges except for ITTI which was acquired on 1 April 2015. 1H 2014 includes five weeks of Quantum (acquired 23 May 2014) and three months of OCA (acquired 31 March 2014). It does not include ITTI or Academy
2. Intueri has previously provided 2014 pro forma information as this was the prospectus reporting basis for 2014. No phased 2015 or other forward looking pro forma information was provided in the prospectus, and therefore no 1H 2015 performance comparison vs prospectus is available. The 1H 2014 reported pro forma is the pro forma basis outlined in the Intueri prospectus which assumed that Quantum Education Group Limited and Online Courses Australia Group Limited were acquired on 1 January 2014. It excluded Academy Group NZ Limited and ITTI, which were acquired after the Intueri prospectus was issued, and for which pre acquisition pro forma information was not available.
3. EBITA is Earnings Before Interest, Tax and Amortisation of Acquired Intangibles. The Board has used EBITA excluding Acquisition Costs, as the basis for its full year forecast guidance as it believes this provides the most appropriate measure of Intueri's operating performance. These are non-GAAP measures.
4. NPATA is Net Profit After Tax Before Amortisation of Acquired Intangibles. The Board believes NPATA provides a better comparable measure of its operating performance and cash flow and it is the basis for the Intueri Dividend Policy

# Reconciliation of non-GAAP to GAAP measures



<b>Profit and Loss Reconciliation NZ\$m</b>	<b>1H 2015 Actual</b>	<b>1H 2014 Actual</b>
EBITA	11.7	6.0
Acquired intangible amortisation	(5.0)	(2.6)
EBIT	6.7	3.4
Income tax	(1.7)	(0.9)
Financing costs	1.0	(0.6)
Non-controlling interests	-	(0.3)
Net Profit/(Loss) After Tax attributable to owners of Intueri	6.1	1.6
Add back: After Tax acquired intangible amortisation	3.6	1.9
Net Profit After Tax Before Amortisation (NAPTA)	9.7	3.5

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## Capital Structure

Fully Paid Ordinary Shares	\$100m
Options	-
Share Price (as at 18/8/15)	NZ\$1.59
Market Capitalisation (as at 18/8/15)	\$159m
Total Facilities Net Debt (as at 18/8/15)	\$32m
Total Facilities (as at 18/8/15)	\$60m

## Shareholder Mix

	Shares (000's)	Holding (%)
Arowana International	24,884	24.9%
Other Australian Institutional & Retail Investors	49,964	49.9%
NZ & International Institutional & Retail Investors	25,152	25.2%

## Board of Directors

Chris Kelly	Independent Chairman
Rob Facer	Chief Executive & Director
James Turner	Independent Director
Nico Marx	Non-Independent Non-Executive Director
Russell Woodard	Independent Director
Dame Alison Paterson	Independent Director

## Executive Team

Rob Facer	Chief Executive Officer
Rod Marvin	Chief Financial Officer
Leigh Olsen	GM – Human Resources
Andy Walker	GM – Organisational Capability
Liane Clarke	GM – Marketing & Communications
Michele La Riviere	Group Finance Director
Cheryl Brookes	OCA Managing Director



# Important Notice



## Disclaimer

The information in this presentation has been prepared by Intueri Education Group Limited ("Intueri") with due care and attention. However, neither Intueri nor any of its directors, employees, shareholders nor any other person shall have any liability whatsoever to any person for any loss (including, without limitation, arising from any fault or negligence) arising from this presentation or any information supplied in connection with it.

This presentation may contain projections or forward looking statements regarding a variety of items. Such projections or forward looking statements are based on current expectations, estimates and assumptions and are subject to a number of risks, uncertainties and assumptions. There is no assurance that results contemplated in any projections and forward looking statements in this presentation will be realised. Actual results may differ materially from those projected in this presentation. No person is under any obligation to update this presentation at any time after its release to you or to provide you with further information about Intueri.

Forward looking statements are subject to any material adverse events, significant one-off expenses, non-cash fair value movements or other unforeseeable circumstances, including the risks described in the Investment Statement dated 23 May 2014 and the Prospectus dated 6 May 2014.

A number of non-GAAP financial measures are used in this presentation. You should not consider any of these in isolation from, or as a substitute for, the information provided in the consolidated interim financial statements for the six month period ending 30 June 2015.

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.

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**Intueri Education Group Limited and its  
Controlled Entities  
Interim Financial Statements  
for the six months ended 30 June 2015**

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## Company Directory

### Principal business

Investment in private training establishments

### Directors

Christopher Morton Kelly  
Robert Charles Facer  
James Alexander Turner  
Russell John Woodard  
Glen William Dobbie (ceased 21 May 2014)  
Nico Andre Marx (appointed 21 May 2015)  
Alison Mae Paterson (appointed 18 June 2015)

### Company Number

**4013538**

### Registered office

100 Symonds St, Grafton  
Auckland 1010, New Zealand

### Shareholder Services

NEW ZEALAND  
Computershare Investor Services Limited  
Private Bag 92119, Auckland 1142  
Phone +64 9 488 8777  
Email enquiry@computershare.co.nz

AUSTRALIA  
Boardroom Pty Limited  
GPO Box 3993, Sydney, 2001  
Phone +61 2 9290 9600  
Email enquiries@boardroomlimited.com.au

### Auditor

BDO Auckland

### Solicitors

Chapman Tripp  
Minter Ellison

### Bankers

ANZ

### Date of Formation

17 September 2012

### Website address

intueri.co.nz

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**Intueri Education Group Limited and Its Controlled Entities  
Directors' Declaration**

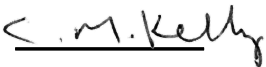
In the opinion of the Directors of Intueri Education Group Limited (the "Company"), the interim consolidated financial statements and notes set out on pages 5 to 25:

- (i) comply with generally accepted accounting practice in New Zealand and give a true and fair view of the Group as at 30 June 2015, and the financial performance and the cash flows of the Group for the period ended on that date;
- (ii) have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the interim consolidated financial statements.

The Board of Directors are pleased to present the interim consolidated financial statements of Intueri Education Group Limited and its controlled entities for the six months ended 30 June 2015, and the independent review report thereon.

Approved for and on behalf of the Board of Directors.



Chairman  
19 August 2015



Director  
19 August 2015

**INDEPENDENT REVIEW REPORT  
TO THE SHAREHOLDERS OF  
INTUERI EDUCATION GROUP LIMITED**

**Report on the Condensed Interim Consolidated Financial Statements**

We have reviewed the accompanying condensed interim consolidated financial statements of Intuери Education Group Limited and its controlled entities ("the Group") on pages 5 to 25, which comprise the consolidated statement of financial position as at 30 June 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six month period ended on that date, and a summary of significant accounting policies and other explanatory information.

**Board of Directors' Responsibility**

The Board of Directors of the Group is responsible for the preparation and fair presentation of the condensed interim consolidated financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the Board of Directors determine is necessary to enable the preparation and fair presentation of the condensed interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Our Responsibility**

Our responsibility is to express a conclusion on the condensed interim consolidated financial statements based on our review. We conducted our review in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity*. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*. As the auditor of the Group, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of the condensed interim consolidated financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Other than in our capacity as assurance provider, our firm also provided other services to the Group in relation to taxation services. Other than these matters, we have no relationship with or interests in the Group.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 30 June 2015, and of its financial performance and its cash flows for the period ended on that date, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

*BDO Auckland*

**BDO Auckland  
19 August 2015  
Auckland  
New Zealand**

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**Intueri Education Group Limited and Its Controlled Entities**  
**Consolidated statement of comprehensive income**  
**For the six months ended 30 June 2015**

	Notes	Group For six months ended 30 June 2015 (unaudited) \$'000	Group For six months ended 30 June 2014 (unaudited) \$'000
Domestic revenue		21,965	12,589
International revenue		10,039	8,306
Online revenue		9,463	2,690
Other revenue		1,248	794
<b>Total Revenue</b>	5	<b>42,715</b>	24,379
Other income	6	2,087	-
Cost of materials		(2,844)	(2,050)
Agents fees		(5,373)	(2,840)
Employee expenses		(14,344)	(7,499)
Occupancy expenses		(4,151)	(2,725)
Marketing expenses		(1,682)	(911)
Insurance costs		(182)	(96)
IT and communication costs		(545)	(318)
Travel costs		(426)	(300)
Depreciation and amortisation expenses		(5,919)	(3,223)
Other expenses		(2,623)	(1,022)
<b>Operating profit before net finance costs</b>		<b>6,713</b>	3,395
Finance expense	7	(976)	(641)
Finance income	7	1,997	8
<b>Net finance income / (cost)</b>	7	<b>1,021</b>	(633)
<b>Profit / (loss) before income tax</b>		<b>7,734</b>	2,762
Income tax (expense) / benefit	8	(1,683)	(860)
<b>Profit for the period</b>		<b>6,051</b>	1,902
Other comprehensive income:			
<b>Items that may be subsequently reclassified to profit or loss:</b>			
Exchange gain arising on translation of foreign operations		1,085	78
Other comprehensive income for the year, net of tax		1,085	78
<b>Total comprehensive income for the year</b>		<b>7,136</b>	1,980
<b>Profit / (loss) for the period attributable to:</b>			
Owners of Intueri Education Group		6,051	1,612
Non-controlling interest		-	290
		<b>6,051</b>	1,902
<b>Total comprehensive income for the period attributable to:</b>			
Owners of Intueri Education Group		7,136	1,651
Non-controlling interest		-	329
		<b>7,136</b>	1,980
<b>Earnings per share attributable to the ordinary equity holders of the parent</b>			
Basic and diluted (cents)	10	6.1	4.2

*These financial statements have not been audited. They have been the subject of review by the auditors pursuant to NZ SRE 2410 Review of Financial Statements Performed by the Independent Auditor of the Entity ('NZ SRE 2410'), issued by the External Reporting Board*

**Intueri Education Group Limited and Its Controlled Entities**  
**Consolidated statement of changes in equity**  
**For the six months ended 30 June 2015**

	Notes	Attributable to equity holders of the Company				Total equity attributable to owners of parent \$'000	Non-controlling interest \$'000	Total equity \$'000
		Share Capital \$'000	Retained earnings (restated) \$'000	Foreign currency translation reserve \$'000	Share-based payments reserve \$'000			
<b>Balance as at 1 January 2014 (as reported) (unaudited)</b>		20,602	686	-	-	21,288	-	21,288
Adjustment (prior period)	27	-	(269)	-	-	(269)	-	(269)
<b>Balance as at 1 January 2014 (restated)</b>		<u>20,602</u>	<u>417</u>	<u>-</u>	<u>-</u>	<u>21,019</u>	<u>-</u>	<u>21,019</u>
<b>Comprehensive income for the period</b>								
Profit for the period		-	1,612	-	-	1,612	290	1,902
Other comprehensive income								
Exchange gain arising on translation of foreign operations		-	-	39	-	39	39	78
<b>Total comprehensive income for the period</b>		<u>-</u>	<u>1,612</u>	<u>39</u>	<u>-</u>	<u>1,651</u>	<u>329</u>	<u>1,980</u>
Transactions with owners								
Issue of shares		58,177	-	-	-	58,177	-	58,177
Non-controlling interest arising on business combination		-	-	-	-	-	3,798	3,798
Total transactions with owners		<u>58,177</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,177</u>	<u>3,798</u>	<u>61,975</u>
<b>Balance as at 30 June 2014 (unaudited)</b>		<u>78,779</u>	<u>2,029</u>	<u>39</u>	<u>-</u>	<u>80,847</u>	<u>4,127</u>	<u>84,974</u>

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Intueri Education Group Limited and Its Controlled Entities  
 Consolidated statement of changes in equity  
 For the six months ended 30 June 2015  
 (continued)

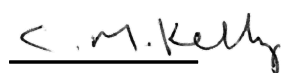
	Notes	Attributable to equity holders of the Company				Total equity attributable to owners of parent \$'000	Non-controlling interest \$'000	Total equity \$'000
		Share Capital \$'000	Retained earnings (restated) \$'000	Foreign currency translation reserve \$'000	Share-based payments reserve \$'000			
<b>Balance as at 1 January 2015 (audited)</b>		78,779	4,438	(147)	-	83,070	4,633	87,703
<b>Comprehensive income for the period</b>								
Profit for the period		-	6,051	-	-	6,051	-	6,051
Other comprehensive income								
Exchange gain arising on translation of foreign operations		-	-	1,085	-	1,085	-	1,085
<b>Total comprehensive income for the period</b>		-	6,051	1,085	-	7,136	-	7,136
Transactions with owners								
Employee share option scheme:								
- Value of employee services		-	-	-	36	36	-	36
Acquisition of non-controlling interest in OCA	24	-	(26,450)	-	-	(26,450)	(4,633)	(31,083)
Dividends	25	-	(7,700)	-	-	(7,700)	-	(7,700)
Total transactions with owners		-	(34,150)	-	36	(34,114)	(4,633)	(38,747)
<b>Balance as at 30 June 2015 (unaudited)</b>		<b>78,779</b>	<b>(23,661)</b>	<b>938</b>	<b>36</b>	<b>56,092</b>	<b>-</b>	<b>56,092</b>

These financial statements have not been audited. They have been the subject of review by the auditors pursuant to NZ SRE 2410 Review of Financial Statements Performed by the Independent Auditor of the Entity ('NZ SRE 2410'), issued by the External Reporting Board

**Intuero Education Group Limited and Its Controlled Entities**  
**Consolidated statement of financial position**  
**As at 30 June 2015**

	Notes	Group 30 June 2015 (unaudited) \$'000	Group 31 December 2014 (audited) \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,962	7,755
Inventories		121	165
Trade and other receivables	11	26,715	27,739
Other current assets	12	1,943	1,179
<b>Total current assets</b>		<b>31,741</b>	<b>36,838</b>
<b>Non-current assets</b>			
Property, plant and equipment	13	13,020	11,574
Intangible assets	14	102,301	105,233
Deferred tax assets	21	477	477
Investments in subsidiaries		-	-
Retention in trust	15	500	500
<b>Total non-current assets</b>		<b>116,298</b>	<b>117,784</b>
<b>Total assets</b>		<b>148,039</b>	<b>154,622</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	16	3,511	4,842
Other current liabilities	17	22,145	23,302
Current tax liabilities		(347)	2,650
Interest bearing liabilities	18	17,870	15,068
Provisions	19	14,170	175
Employee benefits		1,184	1,183
<b>Total current liabilities</b>		<b>58,533</b>	<b>47,220</b>
<b>Non-current liabilities</b>			
Interest bearing liabilities	18	20,000	4,092
Employee benefits	20	53	45
Deferred consideration payable		-	1,000
Deferred tax liabilities	21	12,861	14,062
Retention in trust	15	500	500
<b>Total non-current liabilities</b>		<b>33,414</b>	<b>19,699</b>
<b>Total liabilities</b>		<b>91,947</b>	<b>66,919</b>
<b>Net assets</b>		<b>56,092</b>	<b>87,703</b>
<b>EQUITY</b>			
Share capital		78,779	78,779
Translation reserve		938	(147)
Share-based payments reserve		36	-
Retained earnings		(23,661)	4,438
<b>Total equity</b>		<b>56,092</b>	<b>83,070</b>
Non-controlling interest	24	-	4,633
<b>Total equity</b>		<b>56,092</b>	<b>87,703</b>

For and on behalf of the Board.



Chairman  
19 August 2015



Director  
19 August 2015

*These financial statements have not been audited. They have been the subject of review by the auditors pursuant to NZ SRE 2410 Review of Financial Statements Performed by the Independent Auditor of the Entity ('NZ SRE 2410'), issued by the External Reporting Board*

**Intueri Education Group Limited and Its Controlled Entities**  
**Consolidated statement of cash flows**  
**For the six months ended 30 June 2015**

		<b>Group</b> <b>For six months ended</b> <b>30 June 2015</b> <b>(unaudited)</b> <b>\$'000</b>	<b>Group</b> <b>For six months ended</b> <b>30 June 2014</b> <b>(unaudited)</b> <b>\$'000</b>
	Notes		
<b>Cash flows from operating activities</b>			
Receipts from customers		42,060	18,804
Payments to suppliers and employees		(31,861)	(14,945)
Income tax paid		(6,012)	(666)
Interest received		51	8
<b>Net cash inflow / (outflow) from operating activities</b>		<b>4,238</b>	<b>3,201</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment and intangibles	13,14	(2,521)	(2,031)
Sale of property, plant and equipment		113	-
Purchase of subsidiaries / business (net of cash acquired)	4	(1,194)	(56,311)
Purchase of non-controlling interest		(15,838)	-
<b>Net cash inflow / (outflow) from investing activities</b>		<b>(19,440)</b>	<b>(58,342)</b>
<b>Cash flows from financing activities</b>			
Issue of shares		-	58,177
Proceeds from borrowings		18,710	-
Repayment of borrowings		-	(1,305)
Interest paid		(994)	(707)
Dividends paid to owners of the parent	25	(7,700)	-
<b>Net cash inflow / (outflow) from financing activities</b>		<b>10,016</b>	<b>56,165</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(5,186)</b>	<b>1,024</b>
Cash and cash equivalents at the beginning of the period		7,755	2,516
Exchange gains/(losses) on cash and cash equivalents		393	-
<b>Cash and cash equivalents at end of the period</b>		<b>2,962</b>	<b>3,540</b>

*These financial statements have not been audited. They have been the subject of review by the auditors pursuant to NZ SRE 2410 Review of Financial Statements Performed by the Independent Auditor of the Entity ('NZ SRE 2410'), issued by the External Reporting Board*

## **1 Reporting entity**

Intueri Education Group Limited (the "Company") is a company incorporated and domiciled in New Zealand, registered under the Companies Act 1993, and listed on the New Zealand and Australian Stock Exchanges. The Company is a FMC Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

These condensed interim consolidated financial statements comprise the Company and its controlled entities (the "Group"). The consolidated financial statements have been presented for the Group.

The interim consolidated financial statements for the Group are presented for the six months ended 30 June 2015.

The Company's principal activity is investment in private training establishments and the Group's principal activity is the provision of both physical and online private training tuition.

## **2 Basis of preparation**

The condensed interim consolidated financial statements have been prepared in accordance with NZ IAS 34 and IAS 34 Interim Financial Statements, and requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed below.

The Group has applied the same accounting policies and methods of computation in its interim financial statements as in its financial statements for period ended 31 December 2014.

These financial statements do not include all the information and disclosures required for a complete set of NZ IFRS financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2014. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements as at and for the year ended 31 December 2014.

The Group's operations are not affected by cyclicity or seasonality.

## **3 Use of estimates and judgements**

The preparation of interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on various other factors, including expectations of future events that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

In preparing these interim consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation of uncertainty were the same as those applied to the annual financial statements as at and for the year ended 31 December 2014, except for acquisition accounting for ITTI (note 4) and deferred contingent consideration in respect of the acquisition of the final 50% of OCA (note 19).

## **4 Business combinations**

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. As part of its growth strategy and in line with investment criteria the Company has made the following acquisition.

### **(a) IT Training Limited (ITTI)**

On 1 April 2015, the Company acquired 100% of the share capital of IT Training Limited and Information Technology Training Institute Limited, together referred to as ITTI, for \$1.21 million. ITTI delivers computer and information technology programmes in Auckland. The acquisition is expected to help lay the foundation for entry into IT provision for International students. The goodwill reflects intangible assets that do not qualify for separate recognition such as synergies. Acquisition costs for ITTI of \$50,000 have been charged to profit or loss, \$30,000 to other expenses and \$20,000 to employee expenses.

#### 4 Business combinations (continued)

The following table summarises the consideration paid for ITTI, the fair value of assets acquired and liabilities assumed at the acquisition date.

	Group For six months ended 30 June 2015 (unaudited) \$'000
Cash consideration	1,210
<b>Recognised amounts of identifiable assets acquired and liabilities assumed</b>	
Cash and cash equivalents	16
Property, plant and equipment (note 13)	48
Identifiable intangible assets (note 14)	469
Other current assets	134
Trade and other payables	(140)
Deferred tax liabilities (note 21)	(131)
<b>Total identifiable net assets</b>	<b><u>396</u></b>
Goodwill (note 14)	814

Had ITTI been consolidated from 1 January 2015, the consolidated statement of comprehensive income would show pro-forma revenue of \$658,590 and profit after tax of \$109,787 in respect of ITTI.

Since acquisition, revenue of \$359,551 and profit after tax of \$41,037 has been included in the consolidated statement of comprehensive income.

On 22 May 2015 both Intueri Education Australia Pty Ltd, which is wholly owned by Intueri Education Group Limited, and Intueri Services Australia Pty Ltd, which is wholly owned by Intueri Education Australia Pty Ltd, were incorporated. There has been no trading by these companies to date.

#### 5 Revenue

##### (a) Course revenue

	Group For six months ended 30 June 2015 (unaudited) \$'000	Group For six months ended 30 June 2014 (unaudited) \$'000
Revenue from students	32,792	18,080
Government grants	<u>8,675</u>	<u>5,505</u>
	<b><u>41,467</u></b>	<b><u>23,585</u></b>

## 5 Revenue (continued)

### (b) Other revenue

	<b>Group For six months ended 30 June 2015 (unaudited) \$'000</b>	<b>Group For six months ended 30 June 2014 (unaudited) \$'000</b>
Interest on other receivables	422	272
Ancillary goods and services to course delivery	<u>826</u>	<u>522</u>
	<u><b>1,248</b></u>	<u><b>794</b></u>

## 6 Other income

	<b>Group For six months ended 30 June 2015 (unaudited) \$'000</b>	<b>Group For six months ended 30 June 2014 (unaudited) \$'000</b>
Release of TEC payable	1,087	-
Release of contingent consideration	<u>1,000</u>	<u>-</u>
	<u><b>2,087</b></u>	<u><b>-</b></u>

The release of the TEC payable relates to an amount for NZ School of Outdoor Studies. Refer to note 27

The contingent consideration release arises from the reassessment of the forecast earnings before interest and tax for Academy Group for 2015. Academy was acquired on 23 December 2014 for an amount of \$4 million plus a contingent consideration of four times the earnings before interest and tax over \$1 million and up to \$1.25 million for the year to 31 December 2015. As the forecast does not show an expectation of reaching the threshold of \$1 million the contingent consideration payable has been released.

## 7 Finance income and expenses

	<b>Group For six months ended 30 June 2015 (unaudited) \$'000</b>	<b>Group For six months ended 30 June 2014 (unaudited) \$'000</b>
<b>Finance costs</b>		
interest expense	(976)	(641)
Total finance costs	<u>(976)</u>	<u>(641)</u>
<b>Finance income</b>		
Interest income on cash and cash equivalents	49	8
Adjustment including unwinding of discount and exchange differences on contingent consideration	1,948	-
Total finance income	<u>1,997</u>	<u>8</u>
Net finance (costs) / income	<u><b>1,021</b></u>	<u><b>(633)</b></u>

The adjustment on deferred contingent consideration relates to a decrease in the earnout amount expected to be paid in 2016 to the former owners of OCA, along with associated unwinding of discount and exchange differences.

**8 Income tax**

<b>Group For six months ended 30 June 2015 (unaudited) \$'000</b>	<b>Group For six months ended 30 June 2014 (unaudited) \$'000</b>
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**(a) Income tax recognised in profit or loss and other comprehensive income**

**Income tax recognised in profit and loss**

Current tax	3,016	1,309
Deferred tax	<u>(1,333)</u>	<u>(449)</u>
<b>Income tax expense</b>	<b><u>1,683</u></b>	<b><u>860</u></b>

No income tax has been recognised in other comprehensive income.

**(b) Reconciliation of income tax expense**

Profit from continuing operations before income tax expense	<u>7,734</u>	<u>2,762</u>
Tax calculated at domestic tax rates applicable to profits in the respective countries	<u>2,233</u>	<u>788</u>
Tax effects of:		
• Permanent differences	(771)	(10)
• Adjustment for prior period	<u>221</u>	<u>82</u>
<b>Income tax expense</b>	<b><u>1,683</u></b>	<b><u>860</u></b>

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## 9 Segment information

In accordance with NZIFRS 8 Operating Segments, the Group has determined that it has two reportable segments, online vocational training and in-class vocational training. These segments offer different services and are managed separately because they require different technology and marketing strategies. The financial information in respect of these segments is reviewed by the Board of Directors which is the chief operating decision maker and makes resource allocation decisions.

The comparative is for a three month period only as the online vocational training business was acquired on 31 March 2014.

	In-class vocational training \$'000	Online vocational training \$'000	Group Total \$'000
<b>30 June 2015</b>			
External revenue	33,241	9,474	42,715
Other income	2,087	-	2,087
Management fee	250	(250)	-
Cost of materials	(2,507)	(337)	(2,844)
Agents fees	(2,731)	(2,642)	(5,373)
Employee expenses	(12,804)	(1,540)	(14,344)
Occupancy expenses	(4,026)	(125)	(4,151)
Marketing expenses	(1,106)	(576)	(1,682)
Insurance costs	(176)	(6)	(182)
IT and communications costs	(440)	(105)	(545)
Travel costs	(395)	(31)	(426)
Depreciation and amortisation	(5,513)	(406)	(5,919)
Other expenses	(2,275)	(348)	(2,623)
Finance income	1,988	9	1,997
Finance expense	(971)	(5)	(976)
Income tax expense	(673)	(1,010)	(1,683)
Net profit after income tax	<u>3,949</u>	<u>2,102</u>	<u>6,051</u>
<b>Segmental assets/liabilities</b>			
Assets	133,538	14,504	148,042
Liabilities	<u>(88,103)</u>	<u>(3,844)</u>	<u>(91,947)</u>
Total net assets	<u>45,435</u>	<u>10,660</u>	<u>56,095</u>
	In-class vocational training \$'000	Online vocational training \$'000	Group Total \$'000
<b>30 June 2014</b>			
External revenue	21,690	2,689	24,379
Cost of materials	(1,451)	(599)	(2,050)
Agents fees	(2,624)	(216)	(2,840)
Employee expenses	(6,963)	(536)	(7,499)
Occupancy expenses	(2,691)	(34)	(2,725)
Marketing expenses	(606)	(305)	(911)
Insurance costs	(90)	(6)	(96)
IT and communications costs	(266)	(52)	(318)
Travel costs	(282)	(18)	(300)
Depreciation and amortisation	(3,055)	(168)	(3,223)
Other expenses	(1,066)	44	(1,022)
Finance income	7	1	8
Finance expense	(624)	(17)	(641)
Income tax expense	(629)	(231)	(860)
Net profit after income tax	<u>1,350</u>	<u>552</u>	<u>1,902</u>



## 9 Segment information (continued)

	In-class vocational training \$'000	Online vocational training \$'000	Group Total \$'000
<b>31 December 2014</b>			
<b>Segmental assets/liabilities</b>			
Assets	139,054	15,568	154,622
Liabilities	<u>(60,573)</u>	<u>(6,346)</u>	<u>(66,919)</u>
Total net assets	<u>78,481</u>	<u>9,222</u>	<u>87,703</u>

The reportable segments do not have inter-segment trading and therefore, the total of the reportable segments' amounts reconcile to the consolidated total.

The online vocational training segment is operated in Australia and the in-class vocational training segment is operated in New Zealand. Therefore the information above also presents the Group's revenue and non-current assets by geographic location: online vocational training segment representing Australia; and in-class vocational training segment representing New Zealand.

## 10 Earnings per share

	Group 30 June 2015	Group 30 June 2014
Basic earnings per share attributable to the ordinary equity holders of the Company (cents)	6.1	4.2
Diluted earnings per share attributable to the ordinary equity holders of the Company (cents)	<u>6.1</u>	<u>4.2</u>

### Numerator \$000

Profit attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share	<u>6,051</u>	<u>1,902</u>
Profit from continuing operations attributable to minority interests	<u>-</u>	<u>(290)</u>
Profit from continuing operations attributable to the ordinary equity holders of the company used in calculating basic earnings per share	6,051	1,612

### Denominator

Weighted average number of ordinary shares used as denominator in calculating basic earnings per share	<u>100,000,000</u>	<u>38,148,141</u>
Weighted average number of ordinary shares for calculating diluted earnings per share	<u>100,000,000</u>	<u>38,148,141</u>

**11 Current assets - Trade and other receivables**

	<b>Group 30 June 2015 (unaudited) \$'000</b>	Group 31 December 2014 (audited) \$'000
Trade receivables (net of impairment)	764	484
Other receivables	25,436	26,756
Retention in trust	400	400
Interest receivable	77	95
Sundry receivables	38	4
	<u>26,715</u>	<u>27,739</u>

The majority of other receivables are monies held with Public Trust which have not yet been transferred to the Group. These will be released in accordance with the Student Fee Protection Trust Deed.

Retentions in trust relates to amounts held in trust by Vendors' solicitors toward the acquisition of Academy Group Limited.

**12 Current assets - Other current assets**

	<b>Group 30 June 2015 (unaudited) \$'000</b>	Group 31 December 2014 (audited) \$'000
Prepayments	1,566	958
Prepaid property bonds	377	221
	<u>1,943</u>	<u>1,179</u>

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**13 Non-current assets - Property, plant and equipment**

Cost	Land at cost \$'000	Freehold buildings \$'000	Leasehold improvements \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Computer equipment \$'000	Office equipment \$'000	Plant & equipment \$'000	Total \$'000
As at 1 January 2014	-	-	9,028	1,298	89	695	844	3,994	15,948
Exchange differences	-	-	-	-	2	-	-	1	3
Acquisition through business combinations	175	410	493	200	350	326	105	171	2,230
Additions	-	-	172	41	70	287	6	1,222	1,798
Disposals	-	-	-	-	(3)	(137)	(4)	-	(144)
<b>Balance at 30 June 2014 (unaudited)</b>	<b>175</b>	<b>410</b>	<b>9,693</b>	<b>1,539</b>	<b>508</b>	<b>1,171</b>	<b>951</b>	<b>5,388</b>	<b>19,835</b>
As at 1 July 2014	175	410	9,693	1,539	508	1,171	951	5,388	19,835
Exchange differences	-	-	-	-	(4)	-	-	(3)	(7)
Acquired through business combinations	-	-	45	112	18	37	82	117	411
Additions	-	-	214	48	46	112	35	204	659
Disposals	-	-	(33)	(14)	(44)	-	(22)	(42)	(155)
<b>Balance at 31 December 2014 (audited)</b>	<b>175</b>	<b>410</b>	<b>9,919</b>	<b>1,685</b>	<b>524</b>	<b>1,320</b>	<b>1,046</b>	<b>5,664</b>	<b>20,743</b>
As at 1 January 2015	175	410	9,919	1,685	524	1,320	1,046	5,664	20,743
Exchange differences	-	-	-	-	12	-	-	16	28
Acquired through business combinations (note 4)	-	-	-	32	-	-	16	-	48
Additions	-	-	1,691	124	-	209	48	175	2,247
Disposals	-	-	(525)	(58)	(63)	(133)	(149)	(804)	(1,732)
<b>Balance at 30 June 2015 (unaudited)</b>	<b>175</b>	<b>410</b>	<b>11,085</b>	<b>1,783</b>	<b>473</b>	<b>1,396</b>	<b>961</b>	<b>5,051</b>	<b>21,334</b>

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13 Non-current assets - Property, plant and equipment (continued)

Accumulated depreciation	Land at cost \$'000	Freehold buildings \$'000	Leasehold improvements \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Computer equipment \$'000	Office equipment \$'000	Plant & equipment \$'000	Total \$'000
As at 1 January 2014	-	-	4,809	847	66	469	577	1,216	7,984
Exchange differences	-	-	-	-	1	-	-	-	1
Depreciation for the period	-	-	223	43	21	69	26	150	532
Depreciation reversal for the period	-	-	-	-	(1)	(31)	(2)	-	(34)
<b>Balance at 30 June 2014 (unaudited)</b>	<b>-</b>	<b>-</b>	<b>5,032</b>	<b>890</b>	<b>87</b>	<b>507</b>	<b>601</b>	<b>1,366</b>	<b>8,483</b>
As at 1 July 2014	-	-	5,032	890	87	507	601	1,366	8,483
Exchange differences	-	-	-	-	(5)	3	-	10	8
Depreciation for the period	-	-	238	56	63	156	43	208	764
Depreciation reversal for the period	-	-	-	(13)	(41)	5	(21)	(16)	(86)
<b>Balance at 31 December 2014 (audited)</b>	<b>-</b>	<b>-</b>	<b>5,270</b>	<b>933</b>	<b>104</b>	<b>671</b>	<b>623</b>	<b>1,568</b>	<b>9,169</b>
As at 1 January 2015	-	-	5,270	933	104	671	623	1,568	9,169
Exchange differences	-	-	-	-	3	-	-	5	8
Depreciation for the period	-	-	230	64	44	156	44	208	746
Depreciation reversal for the period	-	-	(526)	(52)	-	(133)	(138)	(760)	(1,609)
<b>Balance at 30 June 2015 (unaudited)</b>	<b>-</b>	<b>-</b>	<b>4,974</b>	<b>945</b>	<b>151</b>	<b>694</b>	<b>529</b>	<b>1,021</b>	<b>8,314</b>
<b>Net book value</b>									
At 30 June 2014 (unaudited)	175	410	4,661	649	421	664	350	4,022	11,352
At 31 December 2014 (audited)	175	410	4,649	752	420	649	423	4,096	11,574
<b>At 30 June 2015 (unaudited)</b>	<b>175</b>	<b>410</b>	<b>6,111</b>	<b>838</b>	<b>322</b>	<b>702</b>	<b>432</b>	<b>4,030</b>	<b>13,020</b>

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**14 Non-current assets - Intangible assets and goodwill**

Cost	Agent relationship \$'000	Goodwill (restated) \$'000	Non-competes \$'000	Intellectual property \$'000	Software development \$'000	Brand \$'000	Other intangibles \$'000	Customer contract \$'000	Course materials \$'000	Total \$'000
As at 1 January 2014 (as reported)	5,208	21,231	3,511	-	-	4,652	-	-	7,218	41,820
Adjustment (prior period)	-	518	-	-	-	-	-	-	-	518
<b>Balance at 1 January 2014</b>	<b>5,208</b>	<b>21,749</b>	<b>3,511</b>	<b>-</b>	<b>-</b>	<b>4,652</b>	<b>-</b>	<b>-</b>	<b>7,218</b>	<b>42,338</b>
Acquisition through business combinations	371	30,881	5,545	3,180	6,348	3,948	-	6,769	12,833	69,875
Exchange differences	4	56	6	-	8	3	-	-	8	85
Additions	-	-	-	-	74	-	74	-	114	262
<b>Balance at 30 June 2014 (unaudited)</b>	<b>5,583</b>	<b>52,686</b>	<b>9,062</b>	<b>3,180</b>	<b>6,430</b>	<b>8,603</b>	<b>74</b>	<b>6,769</b>	<b>20,173</b>	<b>112,560</b>
As at 1 July 2014	5,583	52,686	9,062	3,180	6,430	8,603	74	6,769	20,173	112,560
Measurement period adjustments	(113)	163	(133)	-	(2,156)	144	-	(3,057)	5,087	(65)
Acquisition through business combinations	-	2,573	527	-	-	703	3	-	1,265	5,071
Exchange differences	(9)	(168)	(16)	-	(24)	(12)	-	-	(25)	(254)
Additions	-	-	-	-	9	-	30	-	268	307
<b>Balance at 31 December 2014 (audited)</b>	<b>5,461</b>	<b>55,254</b>	<b>9,440</b>	<b>3,180</b>	<b>4,259</b>	<b>9,438</b>	<b>107</b>	<b>3,712</b>	<b>26,768</b>	<b>117,619</b>
As at 1 January 2015	5,461	55,254	9,440	3,180	4,259	9,438	107	3,712	26,768	117,619
Acquisition through business combination (note 4)	-	845	99	-	-	132	-	-	238	1,314
Exchange differences	23	494	48	-	72	36	-	-	91	764
Additions	-	-	-	-	51	-	9	-	173	233
<b>Balance at 30 June 2015 (unaudited)</b>	<b>5,484</b>	<b>56,593</b>	<b>9,587</b>	<b>3,180</b>	<b>4,382</b>	<b>9,606</b>	<b>116</b>	<b>3,712</b>	<b>27,270</b>	<b>119,930</b>

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**14 Non-current assets - Intangible assets and goodwill (continued)**

	Agent relationship \$'000	Goodwill (restated) \$'000	Non- compe- te \$'000	Intellectual property \$'000	Software development \$'000	Brand \$'000	Other intangibles \$'000	Customer contract \$'000	Course materials \$'000	Total \$'000
<b>Accumulated amortisation</b>										
As at 1 January 2014	1,357	-	919	-	-	-	-	-	1,235	3,511
Amortisation for the period	<u>793</u>	<u>-</u>	<u>689</u>	<u>68</u>	<u>128</u>	<u>-</u>	<u>2</u>	<u>72</u>	<u>942</u>	<u>2,694</u>
<b>Balance at 30 June 2014 (unaudited)</b>	<b><u>2,150</u></b>	<b><u>-</u></b>	<b><u>1,608</u></b>	<b><u>68</u></b>	<b><u>128</u></b>	<b><u>-</u></b>	<b><u>2</u></b>	<b><u>72</u></b>	<b><u>2,177</u></b>	<b><u>6,205</u></b>
As at 1 July 2014	2,150	-	1,608	68	128	-	2	72	2,177	6,205
Exchange differences	-	-	(1)	-	(2)	-	-	-	(9)	(12)
Amortisation for the period	799	-	1,114	321	680	-	8	188	1,755	4,865
Measurement period adjustments	(6)	-	(4)	-	58	-	-	(33)	19	34
Impairment charge recognised in profit and loss	<u>-</u>	<u>1,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,294</u>
<b>Balance at 31 December 2014 (audited)</b>	<b><u>2,943</u></b>	<b><u>1,294</u></b>	<b><u>2,717</u></b>	<b><u>389</u></b>	<b><u>864</u></b>	<b><u>-</u></b>	<b><u>10</u></b>	<b><u>227</u></b>	<b><u>3,942</u></b>	<b><u>12,386</u></b>
As at 1 January 2015	2,943	1,294	2,717	389	864	-	10	227	3,942	12,386
Exchange differences	3	-	12	-	19	-	-	-	36	70
Amortisation for the period	<u>802</u>	<u>-</u>	<u>1,215</u>	<u>318</u>	<u>691</u>	<u>-</u>	<u>8</u>	<u>185</u>	<u>1,954</u>	<u>5,173</u>
<b>Balance at 30 June 2015 (unaudited)</b>	<b><u>3,748</u></b>	<b><u>1,294</u></b>	<b><u>3,944</u></b>	<b><u>707</u></b>	<b><u>1,574</u></b>	<b><u>-</u></b>	<b><u>18</u></b>	<b><u>412</u></b>	<b><u>5,932</u></b>	<b><u>17,629</u></b>
<b>Net book value</b>										
At 30 June 2014 (unaudited)	3,433	52,686	7,454	3,112	6,302	8,603	72	6,697	17,994	106,353
At 31 December 2014 (audited)	2,518	53,960	6,723	2,791	3,395	9,438	97	3,485	22,826	105,233
<b>At 30 June 2015 (unaudited)</b>	<b>1,736</b>	<b>55,299</b>	<b>5,643</b>	<b>2,473</b>	<b>2,808</b>	<b>9,606</b>	<b>98</b>	<b>3,300</b>	<b>21,338</b>	<b>102,301</b>

#### 14 Non-current assets - Intangible assets and goodwill (continued)

Goodwill and brand names are intangible assets with indefinite lives. There was no impairment of goodwill or brand names during the 6 months ended 30 June 2015 (31 December 2014: \$1,294,000).

#### 15 Retention in trust

Retention in trust non-current asset and non-current liability relates to amounts held in trust by vendors solicitors towards the acquisition of NZ School of Outdoor Studies. The retention amount relates to warranties which are in place for five years from date of acquisition, which was 28 March 2013.

#### 16 Current liabilities - Trade creditors and accruals

	Group 30 June 2015 (unaudited) \$'000	Group 31 December 2014 (audited) \$'000
Trade creditors	2,578	1,497
Retention payable	520	400
TEC payable	-	2,878
Sundry payables	413	67
	<u>3,511</u>	<u>4,842</u>

Retention payable relates to amounts held in trust by vendors solicitors towards the acquisition of Academy Group Limited and IT Training Limited.

Retention amount (subject to any claims) is payable to the vendors at the end of the retention period.

TEC payable liabilities are for known under consumption of funding.

#### 17 Current liabilities - Other payables

	Group 30 June 2015 (unaudited) \$'000	Group 31 December 2014 (audited) \$'000
Income received in advance	18,590	20,582
Accruals	1,847	1,146
Payroll liabilities	701	351
GST payable / receivable	815	1,084
Rent incentive liability	192	139
	<u>22,145</u>	<u>23,302</u>

Income received in advance relates to amounts received but not yet recognised as revenue. These amounts will be recognised in accordance with the revenue recognition policy.

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**18 Interest bearing liabilities**

	<b>Group 30 June 2015 (unaudited) \$'000</b>	<b>Group 31 December 2014 (audited) \$'000</b>
<b>Borrowings - current</b>		
Current loan	17,850	15,000
Current finance lease liabilities	<u>20</u>	<u>68</u>
Total current interest bearing borrowings	<u>17,870</u>	<u>15,068</u>
<b>Borrowings - non-current</b>		
Long term loan	20,000	4,000
Non-current finance lease liabilities	<u>-</u>	<u>92</u>
Total non-current interest bearing borrowings	<u>20,000</u>	<u>4,092</u>
<b>Total interest bearing liabilities</b>	<u>20,000</u>	<u>4,092</u>

On 2 June 2015 a new facility agreement was signed with ANZ. The facility consists of two elements, a short term advances facility of \$40m (reviewed annually on 30 June) to assist with working capital and acquisitions, and a \$20m 3 year term debt facility to refinance existing loans. Both facilities are interest only, and the amounts above represent the drawdown on each at the reporting date. The loans are secured by a fixed and floating charge over the assets of Intueri Education Group Limited and its subsidiaries. The term debt has a floating interest rate of 5.24% as at 30 June 2015, and the short term facility has a floating interest rate of 4.84% at the same date.

**19 Current liabilities - Provisions**

	<b>Group 30 June 2015 (unaudited) \$'000</b>	<b>Group 31 December 2014 (audited) \$'000</b>
TEC payable provision	698	-
Provision for WorkSafe charges	175	175
Deferred consideration provision	<u>13,297</u>	<u>-</u>
	<u>14,170</u>	<u>175</u>

**(a) TEC payable provision**

A provision is recognised for the amount of Youth Guarantee funding received from TEC but not utilised. It is expected that the full amount will be repaid to TEC in the first half of 2016.

**(b) Recognised contingent liability**

A provision for fines and/or penalties in relation to the previously reported Dive School WorkSafe charges was recognised in 2014. There has been no significant change from 31 Decemebr 2014. The balance at 30 June 2015 is expected to be utilised in the second half of 2015. In the directors' opinion, after taking appropriate legal advice, the outcome of these charges will not give rise to any significant loss beyond the amounts provided at 30 June 2015.

**(c) Deferred consideration provision**

The agreement to purchase the remaining 50% of OCA on 7 January 2015 included an earnout amount in relation to 2015 EBITA. Refer to note 24



## 19 Current liabilities - Provisions (continued)

The deferred contingent consideration amount at 30 June 2015 has been established by reference to the forecast EBITA for OCA for 2015, the current exchange rate for AUD and an appropriate discount rate to the expected payment date. Payment will be made upon finalisation of the 2015 Financial Statements, which is expected to be March 2016. The fair value adjustment has been included in finance income.

### (d) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	TEC payable provision \$'000	Contingent liability \$'000	Deferred consideration provision \$'000	Total \$'000
At 1 January 2015	-	175	-	175
• Additional provisions	698	-	15,245	15,943
• Fair value adjustment including unwinding of discount and exchange differences	-	-	(1,948)	(1,948)
At 30 June 2015 (unaudited)	<u>698</u>	<u>175</u>	<u>13,297</u>	<u>14,170</u>

## 20 Non-current liabilities - Employee benefits

	Group 30 June 2015 (unaudited) \$'000	Group 31 December 2014 (audited) \$'000
Long term benefits	<u>53</u>	<u>45</u>

## 21 Deferred tax

	Group 30 June 2015 (unaudited) \$'000	Group 31 December 2014 (audited) \$'000
Opening balance	(13,585)	(4,426)
Balance from acquisitions	-	479
Deferred tax on acquired identifiable intangible assets	(131)	(11,457)
Current period movement, attributable to:	-	-
- Accrued expenses	(227)	(356)
- Employee benefits	24	43
- Intangible assets	1,393	2,110
- Property, plant & equipment	(151)	22
- Losses carried forward	293	-
Closing balance	<u>(12,384)</u>	<u>(13,585)</u>

Deferred tax assets are attributable to the following:

Accrued expenses	225	418
Employee benefits	262	217
Property, plant and equipment	(303)	(158)
Losses carried forward	293	-
	<u>477</u>	<u>477</u>

## 21 Deferred tax (continued)

Deferred tax liability is attributable to the following:

Identifiable intangible assets	(12,875)	(14,100)
Accrued expenses	4	-
Property, plant and equipment	(76)	(69)
Employee benefits	86	107
	(12,861)	(14,062)

No deferred tax was recognised in other comprehensive income.

## 22 Contingent assets and liabilities

The potential legal claim for AUD 175,000 disclosed in the 2014 financial statements relating to an alleged breach of contract has been disputed and no further action has been taken to date by the plaintiffs.

There are no other significant contingent liabilities or assets.

## 23 Related parties

### (a) Key management personnel remuneration

Key management personnel remuneration for the six months ended 30 June 2015 and 30 June 2014 is set out below. The key management personnel are all the directors of the company and executive management team.

	Short-term benefits \$'000	Share-based benefits \$'000	Total \$'000
<b>30 June 2015 (unaudited)</b>	<b>1,110</b>	<b>36</b>	<b>1,146</b>
30 June 2014 (unaudited)	754	-	754

The share based benefit relates to the Foundation Shares Scheme, of which the CEO and CFO are the beneficiaries. The Scheme was established in conjunction with the Initial Public Offering and permits participants to receive an interest free loan from the Company in order to purchase shares. The loan must be repaid within five years of the acquisition of the shares, and the participants are restricted from selling these shares for a period of three years following acquisition. The participants have the right to sell any shares held on their behalf to the Company at the original issue price, with those proceeds used to repay any loan.

## 24 Transactions with non-controlling interests

### *Acquisition of additional interest in a subsidiary*

On 7 January 2015, the Company acquired the remaining 50% of the issued shares of Online Courses Australia Group Pty Ltd (OCA) for a purchase consideration of 2.875 times earnings before interest, tax and amortisation of acquired intangibles for the year to 31 December 2015. An initial amount of AUD 15 million has been paid, with the remainder to be paid upon confirmation of the 2015 earnings. The Company now holds 100% of the equity share capital of OCA. The carrying amount of the non-controlling interests in OCA on the date of acquisition was \$4,633,121. The Company derecognised non-controlling interests of \$4,633,121 and recorded a decrease in equity attributable to owners of the Company of \$26,449,700. Acquisition costs in the period of \$24,500 have been incurred, \$10,000 in travel costs and \$14,500 in other costs.

The effect of changes in the ownership interest of OCA on the equity attributable to owners of the Company during the year is summarised as follows:

## 24 Transactions with non-controlling interests (continued)

Group  
 For six  
 months ended  
 30 June 2015  
 (unaudited)  
 \$'000

Carrying amount of non-controlling interests acquired	4,633
Consideration paid/payable to non-controlling interests	<u>(31,083)</u>
Excess of consideration paid recognised in parent's equity	<u>(26,450)</u>

## 25 Dividends

During the six months to 30 June 2015 a final dividend in respect of the financial year to 31 December 2014 was paid of \$7,700,000 (7.7 cents per share).

## 26 Events post balance sheet

On 23 July 2015 Intueri announced the conditional agreement to purchase New Zealand Institute of Sport and its controlled entities (NZIS) for an amount of 5.5 times 2016 earnings before interest, tax, depreciation and amortisation (EBITDA). Based on the forecast EBITDA of \$3.5 million, this equates to a total consideration of \$19.25 million. An initial payment of \$17.6 million will be made upon completion, followed by two contingent payments in March 2016 and March 2017. The conditions of the agreement have yet to be fulfilled and therefore control has not been obtained. Acquisition costs of \$247,000 have been incurred up to 30 June 2015, \$101,000 has been charged to employee costs, \$136,000 to other costs and \$10,000 to travel costs.

There were no other events occurring subsequent to balance date which require adjustment to or disclosure in the interim financial statements.

## 27 Restatement of prior period

During 2014, the Group discovered that some historical student records at NZ School of Outdoor Studies Limited (NZSOS) may be incorrect and had been included in returns to the Tertiary Education Commission (TEC) affecting funding claims. An independent investigation of the error was conducted, and the estimated amount of the potential liability relating to the over funding was accrued for at 31 December 2014. The restatement has affected the opening balance as at 1 January 2014 of retained earnings (decrease of \$268,834) and goodwill (increase of \$518,047). During the period TEC has confirmed it will not be requiring any further information nor any repayment of funding. The potential liability has subsequently been released to the statement of comprehensive income as other income.

## 28 NZX rule 5.2.3 Waiver Extension

On 22 May 2015, NZX granted a further extension of the NZX Main Board listing rule 5.2.3 for a period of 12 months to May 23 2016. This allows Intueri to remain listed on the NZX main board whilst retaining less than 500 shareholders of the public, subject to certain requirements. Please refer to the investor section of Intueri.co.nz or NZX.com (code IQE) for these requirements and full details for the waiver.

Intueri Education Group Limited	
Results for announcement to the market	
Reporting Period	six months to 30 June 2015
Previous Reporting Period	six months to 30 June 2014

	Amount (000s)	Percentage change
Revenue from ordinary activities	\$NZ 42,716	75%
Profit (loss) from ordinary activities after tax attributable to security holder	\$NZ 6,051	277%
Net profit (loss) attributable to security holders	\$NZ 6,051	277%
Earnings per share (NZ cents per share)	\$NZ 6.1	45%
Net Tangible Assets per security (NZ cents per share)	\$NZ (46.21)cps	(124)%

Interim/Final Dividend	Amount per security	Imputed amount per security
Interim Ordinary dividend	NZ\$ 6.1cps	NZ\$ 6.1cps
Supplementary dividend for non resident investors holding less than 10% shareholding	NZ\$ 1.0765cps	NZ\$ 1.0765cps

Record Date	11 <sup>th</sup> September 2015
Dividend Payment Date	25 <sup>th</sup> September 2015

Comments:	<p>This has been a period of continued growth for Intueri. The company acquired a further 50% shareholding in Online Courses Australia Group Pty Limited and its controlled entities on 7 January 2015. The company also acquired the Information Technology Training Institute and IT Training Limited on 1 April 2015 (three month trading contributing \$NZ 41,037 net profit after tax which is reflected in the interim results).</p> <p>For commentary on the interim results, please refer to the interim results announcement.</p> <p>Appendix 1 should be read in conjunction with the unaudited interim financial statements for the six months ended 30 June 2015.</p> <p>See also other attached documents (results</p>
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	announcement, results presentation and NZX Appendix 7)
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**Notice of event affecting securities**

NZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.  
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.

Number of pages including this one  
(Please provide any other relevant  
details on additional pages)

Full name of Issuer **Intueri Education Group Limited (IQE)**

Name of officer authorised to make this notice **Rodney Marvin** Authority for event, e.g. Directors' resolution **Directors' resolution**

Contact phone number **+64 274 997 822** Contact fax number **+64 9 309 5917** Date **19 / 08 / 2015**

**Nature of event**  
Tick as appropriate

Bonus Issue  If ticked, state whether: Taxable  / Non Taxable  Conversion  Interest  Rights Issue Renounceable   
Rights Issue non-renounceable  Capital change  Call  Dividend  If ticked, state whether: Interim  Full Year  Special  DRP Applies

**EXISTING securities affected by this** *If more than one security is affected by the event, use a separate form.*  
Description of the class of securities **Ordinary Shares** ISIN **NZIQEE0001S6**  
*If unknown, contact NZX*

**Details of securities issued pursuant to this event** *If more than one class of security is to be issued, use a separate form for each class.*  
Description of the class of securities  ISIN   
*If unknown, contact NZX*

Number of Securities to be issued following event  Minimum Entitlement  Ratio, e.g. ① for ②  for

Conversion, Maturity, Call Payable or Exercise Date  Treatment of Fractions

Strike price per security for any issue in lieu or date  Strike Price available.  Tick if *pari passu*  OR provide an explanation of the ranking

**Monies Associated with Event** *Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.*

*In dollars and cents*

Amount per security (does not include any excluded income) **\$0.061** Source of Payment

Excluded income per security (only applicable to listed PIEs)

Currency **NZD** Supplementary dividend details - NZSX Listing Rule 7.12.7 Amount per security in dollars and cents **\$0.010765**

Total monies **6,100,000.00** Date Payable **25 September, 2015**

**Taxation** *Amount per Security in Dollars and cents to six decimal places*

In the case of a taxable bonus issue state strike price \$

Resident Withholding Tax **\$0.004236** Imputation Credits (Give details) **\$0.023722**

Foreign Withholding Tax **\$0.010765** FDP Credits (Give details)

**Timing** (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm For calculation of entitlements - **11 September, 2015**

Application Date Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week. **25 September, 2015**

Notice Date Entitlement letters, call notices, conversion notices mailed

Allotment Date For the issue of new securities. Must be within 5 business days of application closing date.

**OFFICE USE ONLY**  
Ex Date:  
Commence Quoting Rights:  
Cease Quoting Rights 5pm:  
Commence Quoting New Securities:  
Cease Quoting Old Security 5pm:

Security Code:  
Security Code:



Intueri Education Group Limited	
Results for announcement to the market	
Reporting Period	six months to 30 June 2015
Previous Reporting Period	six months to 30 June 2014

	Amount (000s)	Percentage change
Revenue from ordinary activities	\$NZ 42,716	75%
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Net Tangible Assets per security (NZ cents per share)	\$NZ (46.21)cps	(124)%

Interim/Final Dividend	Amount per security	Franked amount per security
Interim Ordinary dividends	NZ\$ 6.1cps	NZ\$ 0.7808cps
Supplementary dividend for non resident investors holding less than 10% shareholding	NZ\$ 1.0765cps	NZ\$ 0.0cps

Record Date	11 <sup>th</sup> September 2015
Dividend Payment Date	25 <sup>th</sup> September 2015

Comments:	<p>This has been a period of continued growth for Intueri. The company acquired a further 50% shareholding in Online Courses Australia Group Pty Limited and its controlled entities on 7 January 2015. The company also acquired the Information Technology Training Institute and IT Training Limited on 1 April 2015 (three month trading contributing \$NZ 41,037 net profit after tax which is reflected in the interim results).</p> <p>For commentary on the interim results, please refer to the interim results announcement. Appendix 4D should be read in conjunction with the unaudited interim financial statements for the six months ended 30 June 2015.</p> <p>See also other attached documents (results</p>
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	announcement, results presentation and ASX Appendix 3A.1)
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+Rule 3.20.4, 15.3, Appendix 6A paragraph 1

## Appendix 3A.1

### Notification of dividend / distribution

#### Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity	Intueri Education Group Limited (IQE)
1.2	*Registration type and number <i>One of ABN/ARSN/ARBN/ACN or other registration type and number (if "other" please specify what type of registration number has been provided).</i>	ARBN # 168 915 900
1.3	*ASX issuer code	IQE
1.4	*The announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> New announcement <input type="checkbox"/> Update/amendment to previous announcement <input type="checkbox"/> Cancellation of previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above. If information has previously been provided in Part 3D of the form "Preference +security distribution rate details" please also confirm whether the rate changes remain in place for the +security or are also cancelled.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement <i>The date of lodgement of the form by the entity via ASX Online.</i>	20 August 2015
1.6	*Applicable ASX +security code and description for dividend / distribution  <i>Please select the +security to which the notification applies. Only one +security can be selected for each form.</i>	ASX +security code: IQE +Security description: Ordinary Fully Paid Shares

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Part 2 – All dividends / distributions

Part 2A – Basic details

Question No.	Question	Answer
2A.1	<p>*Type of dividend / distribution</p> <p><i>Each form can only relate to one *record date and payment date but may have multiple types of payment for example an ordinary and special dividend. Please note that dividends/distributions for units, ETFs and preference *securities are classified as "Ordinary".</i></p>	<p><input checked="" type="checkbox"/> Ordinary (must be cash) <i>Please complete Part 3A.</i></p> <p><input type="checkbox"/> Special (must be cash) <i>Please complete Part 3B.</i></p> <p><input type="checkbox"/> Scrip (must be scrip) <i>Please complete Part 3C.</i></p>
2A.2	<p>*Dividend / distribution period (frequency)</p> <p><i>Tick one only to indicate length of period to which the dividend/distribution applies. If a special or scrip dividend/distribution is notified at the same time as another dividend/distribution which is monthly, quarterly, six monthly or once a year then the special or scrip dividend/distribution will be characterised with the same frequency type and will have the same period ending as the monthly, quarterly, interim or final dividend/distribution. If the dividend/distribution is special and/or scrip only then N/A may be applicable.</i></p>	<p><input type="checkbox"/> Monthly</p> <p><input type="checkbox"/> Quarterly</p> <p><input checked="" type="checkbox"/> Six Monthly</p> <p><input type="checkbox"/> Once a Year</p> <p><input type="checkbox"/> N/A</p>
2A.3	<p>*Dividend/distribution relates to the period ending (date)</p> <p><i>For preference *securities this may correspond to the payment date. If a special or scrip dividend/distribution is notified at the same time as another dividend/distribution which is monthly, quarterly, six monthly or once a year then the special or scrip dividend/distribution will be characterised with the same period type and will have the same period ending as the monthly, quarterly, six monthly or once a year dividend/distribution. If the dividend/distribution is special and/or scrip only and N/A has been ticked in Q2A.2, then a period ending date may not be applicable.</i></p>	30 June 2015
2A.4	<p>**Record date</p> <p><i>The *record date must be at least five *business days from current date (refer Appendix 6A paragraph 1). Please note that the *record date and ex date cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day before the previous ex date advised.</i></p>	11 September 2015
2A.5	<p>*Ex date</p> <p><i>The ex date is two *business days before *record date (i.e. *business day 3 if the *record date is *business day 5). Refer to Appendix 6A paragraph 1. *Securities will trade "ex" dividend/distribution from the ex date. Please note that the *record date and ex date cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day before the previous ex date</i></p>	9 September 2015

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	<i>advised.</i>			
2A.6	<p><b>*Payment date</b></p> <p><i>The payment date must be after the *record date. Refer to Appendix 6A paragraph 1. For a scrip dividend/distribution this date will be the same as the *issue date referred to in Q3C.4 of this form. Please note that the payment date cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day of the previous payment date advised.</i></p>		25 September 2015	
2A.7	<p><b>*Is the payment of the dividend/distribution conditional</b></p> <p><i>If any conditions including the ones outlined below such as *security holder approval apply to the dividend/distribution please answer 'yes' and provide details at Q2A.7a. If "no" go to Q2A.8.</i></p>		Y / N - No	
2A.7a	<p><b>Conditions applicable to the dividend/distribution</b></p> <p><i>Select appropriate condition from drop down box as applicable. More than one condition can be selected. This question refers to preconditions only, that is, the event may not take place without the relevant condition being satisfied. The "Date for determination" is the date that you expect to know if the condition is satisfied for example the date of the *security holder meeting in the case of *security holder approval being the condition or the date of the court hearing if court approval is the relevant condition.</i></p>			
<b>*Condition</b>	<b>*Date for determination</b>	<b>*Is the date estimated or actual?</b>	<b>**Condition met?</b>	<b>Comments</b>
			<i>Only answer this question when you know the outcome of the condition – please advise on or before *business day 0 of the relevant Appendix 6A or Appendix 7A timetable.</i>	
+Security holder approval		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Court approval		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Lodgement of court order with +ASIC		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
ACCC approval		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
FIRB approval		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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<p>+ASIC class order</p> <p><i>If there is an +ASIC class order which is not a precondition to the event you may provide further information about this in the Part entitled "Further Information" at the end of this form.</i></p>		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>ATO ruling</p> <p><i>If there is an ATO ruling which is not a precondition to the event you may provide information about this in the Part entitled "Further Information" at the end of this form.</i></p>		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>Other (please specify in comment question)</p>		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>2A.8</p>	<p>*Currency in which the dividend/distribution is made ("primary currency")</p> <p><i>Primary currency will be the currency in which all other questions relating to the dividend/distribution will appear excepting those relating to payment in a different currency. For dividends/distributions paid in a currency other than AUD please answer 2A.9a-2A.9c. If the primary currency is NZD please also complete Part 3F.</i></p>	<p>NZD</p>		
<p>2A.9</p>	<p>*Total dividend/distribution amount per +security (in primary currency):</p> <p><i>This amount should be the total of any Ordinary, Scrip, Special and Supplementary dividend announced using this form. An estimate is only permitted in the case of units of trusts, units of ETFs and preference +securities.</i></p>	<p>\$0.071765 (NZD)</p> <p>Estimated or Actual - Actual</p>		
<p>2A.9a</p>	<p>AUD equivalent to total dividend/distribution amount per +security</p> <p><i>If primary currency is non-AUD.</i></p> <p><i>If more than one dividend/distribution type is included in this announcement (e.g. ordinary and special), this total should be the total of those types.</i></p> <p><i>ASX publishes an AUD equivalent amount for non-AUD +dividends/distributions. If this amount is not provided by the entity it is calculated and published using the RBA rate of exchange on the day before the ex date. The entity should only populate this question if an actual amount is known. If amount not known please answer 2A.9b. If known go to 2A.9c.</i></p>	<p>Refer to 2A.9b</p>		
<p>2A.9b</p>	<p>If AUD equivalent not known, date</p>	<p>11 September 2015, or shortly thereafter</p>		

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	for information to be released <i>If primary currency is non-AUD.</i>	
2A.9c	FX rate (in format AUD rate / primary currency rate): <i>If primary currency is non-AUD.</i>	To be confirmed on or after record date (11 <sup>th</sup> September)
2A.10	*Whether mandatory or via an optional plan or facility, will or can the dividend/distribution be paid in a currency other than the primary currency <i>If "yes", please complete Part 2B.</i>	Y / N - Yes
2A.11	*Does the entity have <i>This information is required by Appendix 6A paragraph 1. More than one option may be selected. If the entity has a DRP please answer Q2A.11a, if the entity has a BSP please answer Q2A.11b, if the entity has another +security plan please answer Q2A.11c.</i>	a Dividend/Distribution Reinvestment Plan (DRP) <input type="checkbox"/> a Bonus +Security Plan (BSP) <input type="checkbox"/> another +security plan (Plan) <input type="checkbox"/> no plan <input checked="" type="checkbox"/>
2A.11a	*If the entity has a DRP, is the DRP applicable to this dividend/distribution <i>This information is required by Appendix 6A paragraph 1. If "yes", please answer Q2A.11a(i). If "no", ASX will assume the DRP is suspended for this dividend/distribution.</i>	Y / N – N/A
2A.11a(i)	*DRP Status in respect of this dividend/distribution <i>Please select one and complete Part 4A. Note that "Full DRP" includes plans which may have limited exceptions for example exclusion of US or other foreign holders. The term is designed primarily to distinguish those plans which apply only to specific subgroups of +security holders such as "retail" holders.</i>	<input type="checkbox"/> DRP for retail +security holders only <i>The entity has a DRP which applies to this dividend/distribution only for retail +security holders.</i> <input type="checkbox"/> Full DRP offered <i>The entity has a DRP which applies to this dividend/distribution only for all +security holders.</i> <input type="checkbox"/> DRP subject to +security holder approval <i>The entity has a DRP which is active for this dividend/distribution subject to +security holder approval.</i>
2A.11b	*If the entity has a BSP, is the BSP applicable to this +dividend/distribution? <i>This information is required by Appendix 6A paragraph 1. If "yes", please answer Q2A.11b(i). If "no", ASX will assume the BSP is suspended for this dividend/distribution.</i>	Y / N – N/A
2A.11b(i)	*BSP status in respect of this dividend/distribution <i>Please select one and complete Part 4B. If the entity has a BSP subject to +security holder approval please choose the appropriate box above and make a note of the approval requirement in "Part 5 Further information" at the end of this form.</i>	<input type="checkbox"/> BSP for retail +security holders only <i>The entity has a BSP which applies to this dividend/distribution only for retail +security holders.</i> <input type="checkbox"/> Full BSP offered <i>The entity has a BSP which applies to this dividend/distribution only for all +security holders.</i>
2A.11c	*If the entity has another +security plan, is that +security plan applicable to this	Y / N – N/A

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	*dividend/distribution? <i>If "yes" please complete Part 4C.</i>	
2A.12	*Does the entity have tax component information apart from franking? <i>If "yes" please complete Part 3E.</i>	Y / N - Yes
2A.13	Withholding tax rate applicable to the dividend/distribution <i>For non-Australian entities.</i>  <i>ASX only captures the dividend/distribution withholding tax rate in respect of dividends/distributions paid by foreign resident listed entities to Australian resident *security holders. If a dividend/distribution is payable to an Australian resident *security holder, please advise the applicable dividend/distribution withholding tax rate (assuming no exemptions are sought by and granted to the holder). Should you wish to provide further information please use Part 5 - Further information at the end of this form.</i>	15%

## Part 2B – Currency information

*Part 2B to be completed if you answered "yes" to Q2A.10.*

Question No.	Question	Answer
2B.1	*Does the entity pay in certain currencies dependent upon the registered address of the *security holder (for example NZD to residents of New Zealand and/or USD to residents of the U.S.A.)?  <i>This question should be answered on the basis of the entity's policy applicable to all *security holders. It does not refer to arrangements made between individual *security holders and the share registry on an ad hoc or one-off basis and it does not refer to arrangements offered by the registry independently of the entity.</i>  <i>If "yes" please answer Q2B.1a-c. If "no" go to Q2B.2.</i>	Y / N – Yes
2B.1a	Other currency/currencies in which the dividend/distribution will be paid  <i>If there is more than one payment currency other than the primary currency it is mandatory to advise the additional currencies. The payment currency equivalent amount can also be advised if known, or provided by way of an update once known. Note: if more than one dividend/distribution type is included in this announcement (e.g. ordinary and special), the payment currency equivalent amount should be the total of those types and the equivalent of the total amount in Q2A.9.</i>	*Non primary payment currency: Payment currency equivalent amount per +security:  AUD
2B.1b	If payment currency equivalent not known, date for information to be released	Estimated or actual – 11 <sup>th</sup> September 2015 or shortly

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		thereafter
2B.1c	Method of calculation of payment currency equivalent <i>Please provide the methodology for calculating the payment currency equivalent.</i>	Exchange rate on date of confirmation
2B.2	*Does the entity offer all +security holders a documented plan under which they may apply to receive their payment in a foreign currency? <i>For example residents of Australia can be paid in NZD or USD and/or New Zealand residents can be paid in AUD or USD.</i> <i>This refers to the type of plan which is documented and offered by the entity to all +security holders and allows +security holders to nominate by election a foreign currency in which their payment can be made. Please note this refers only to arrangements the entity already has in respect to the dividend/distribution the subject of this form.</i> <i>If "yes" please answer Q2B.2a-2B.2b. If "no" go straight to Part 3.</i>	Y / N – N/A
2B.2a	Please provide, or indicate where +security holders may obtain the foreign currency plan documentation inclusive of the application form and further information about the currency plan.	N/A
2B.2b	Date and time by which share registry must receive application documentation <i>Please enter the time in Sydney time (i.e. AEST or, when daylight savings is in operation, AEDST) using 24 hour convention e.g. 6.00pm should be entered as 18:00.</i>	N/A

### Part 3 – Dividend/distribution amounts per type and other details

*Please state amounts in the dividend/distribution primary currency stated at Q2A.9.*

### Part 3A – Ordinary dividend/distribution

*Part 3A to be completed if "Ordinary" selected in Q2A.1.*

Question No.	Question	Answer
3A.1	*Is the ordinary dividend/distribution estimated at this time <i>If "yes" Q3A.1a + 3A.1a(i) must be completed if "no" Q3A.1b must be completed upon the first announcement of a +dividend/distribution. An estimate is only permitted in the case of units of</i>	Y / N - No

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	<i>trusts, units of ETFs and preference *securities.</i>	
3A.1a	*Ordinary dividend/distribution <b>estimated</b> amount per *security <i>Only permitted in the case of units of trusts, units of ETFs and preference *securities.</i>	N/A
3A.1a(i)	*Date that actual ordinary amount will be announced	Estimated or Actual – Actual to be announced 20 August 2015
3A.1b	*Ordinary dividend/distribution amount per *security <i>Please provide the amount in the primary currency.</i>	\$0.061 NZD
3A.2	*Is the ordinary dividend/distribution franked? <i>If “yes”, please answer Q3A.2a. If “no” go straight to Q3A.3. This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities.</i>	Y / N - Yes
3A.2a	*Is the ordinary dividend/distribution fully franked? <i>This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities.</i>	Y / N - N
3A.3	*Percentage of ordinary dividend/distribution that is franked <i>Please provide the percentage to which the dividend/distribution is franked. (if 100% franked, then 100%, if 100% unfranked then 0%). This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities.</i>	12.80%
3A.3a	*Applicable corporate tax rate for franking credit (%) <i>Do not answer for 100% unfranked dividends/distributions. Please provide the applicable corporate tax rate. This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities.</i>	N/A – 30%
3A.4	*Ordinary dividend/distribution franked amount per *security <i>Amount of dividend/distribution that is franked. Please provide the amount in the primary currency. In the case of dividends announced in conjunction with Appendix 4D and 4E the franked amount per *security must be provided. This question is not mandatory in relation to units of trusts, units of ETFs and preference</i>	\$0.007808 NZD

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	<i>*securities. If the dividend/distribution is 100% unfranked please answer "\$0.00".</i>	
3A.5	<p><b>*Percentage of ordinary dividend/distribution that is unfranked</b></p> <p><i>Please provide the percentage to which the dividend/distribution is unfranked (if 100% unfranked, then 100%. If 100% franked then 0%). This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities.</i></p>	87.20%
3A.6	<p><b>*Ordinary dividend/distribution unfranked amount per *security</b></p> <p><i>Amount of dividend/distribution that is unfranked. Please provide the amount in the primary currency. This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities. If the dividend/distribution is fully franked please answer "\$0.00".</i></p>	\$0.053192 NZD
3A.7	<p><b>*Ordinary dividend/distribution conduit foreign income amount per *security</b></p> <p><i>For Australian entities only.</i></p> <p><i>Please provide the amount in the primary currency. This information is required by Appendix 6A paragraph 1 in respect of dividends. This question is not mandatory in relation to units of trusts, units of ETFs and preference *securities.</i></p>	N/A

### Part 3E – Other – distribution components / tax

*Part 3E to be completed if you answered "yes" to Q2A.12.*

Question No.	Question	Answer
3E.1	<p>Please indicate where and when information about tax components can be obtained (you may enter a url)</p> <p><i>If the entity is required to provide information regarding taxation, for example the notice for the purpose of Subdivision 12-H of Schedule 1 of the Taxation Administration Act 1953 (Cth), please indicate here where it may be found and/or when the entity expects to announce this information.</i></p>	Information provided shortly after record date (11 <sup>th</sup> September 2015) and can be obtained via IQE website, NZX/ASX releases & Intueri's registry providers Computershare & Boardroom.

### Part 3F – NZD dividend/distribution – supplementary dividend/distribution

*Part 3F to be completed for dividends/distributions whose primary currency is NZD.*

Question No.	Question	Answer
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3F.1	Is a supplementary dividend/distribution payable?  <i>If "yes please answer 3F.2, if "no", Q3F.2 – 3F.7 are not applicable.</i>	Y / N - Yes
3F.2	Is the supplementary dividend/distribution estimated at this time?  <i>If "yes" please answer Q3F.2a(i) and Q3F.2a(ii). If "no" go to Q3F.2b. Please answer either Q3f.2a + 3F.2a(i) or Q3F.2b. An estimate is only permitted in the case of units of trusts, units of ETFs and preference *securities.</i>	Y / N - No
3F.2a	Supplementary dividend/distribution <b>estimated</b> amount per *security  <i>Please provide the amount in NZD. Please answer Q3F.2a(i). An estimate is only permitted in the case of units of trusts, units of ETFs and preference *securities.</i>	
3F.2a(i)	Date that actual supplementary dividend/distribution amount per *security will be announced	Estimated or actual – Actual to be announced 20 August 2015
3F.2b	Supplementary dividend/distribution amount per *security  <i>Please provide the amount in NZD. Please answer either 3Qf.2a + 3F.2a(i) or Q3F.2b.</i>	\$0.010765 NZD
3F.3	Is the supplementary dividend/distribution franked?	Y / N - No
3F.3a	Is the supplementary dividend/distribution fully franked?	Y / N - No
3F.4	Percentage of supplementary dividend/distribution that is franked  <i>Please provide the percentage to which the dividend/distribution is franked. (if 100% franked, then 100%, if 100% unfranked then 0%).</i>	0%
3F.4a	Applicable corporate tax rate for franking credit (%)  <i>Do not answer for 100% unfranked dividends/distributions. Please provide the applicable corporate tax rate.</i>	N/A
3F.5	Supplementary	\$0.00

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	<p>dividend/distribution franked amount per +security</p> <p><i>Amount of dividend/distribution that is franked. Please provide the amount in the primary currency. In the case of dividends announced in conjunction with Appendix 4D and 4E the franked amount per +security must be provided. If the dividend/distribution is 100% unfranked please answer "\$0.00".</i></p>	
3F.6	<p>Percentage of supplementary dividend/distribution that is unfranked</p> <p><i>Please provide the percentage to which the dividend/distribution is unfranked (if 100% unfranked, then 100%).</i></p>	100%
3F.7	<p>Supplementary dividend/distribution unfranked amount per +security</p> <p><i>Amount of dividend/distribution that is unfranked. Please provide the amount in the primary currency. In the case of dividends announced in conjunction with Appendix 4D and 4E the unfranked amount per +security must be provided. If the dividend/distribution is 100% unfranked please answer "\$0.00".</i></p>	\$0.010765 NZD

Currencies used in this part are primary currency as advised at Q2A.8

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