LASSETERS INTERNATIONAL HOLDINGS LIMITED
(Company Registration No. 200402223M)
(the "Company")

HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT (UNAUDITED) FOR THE PERIOD ENDED 31 DECEMBER 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. These figures have not been audited.

	Group		
(AUD'000)	**1/7/2014 to 31/12/2014**	**1/7/2013 to 31/12/2013**	**Increase/ (Decrease) %**
		Restated	
Revenue	26,276	27,224	(3.5)
Consumables	(2,302)	(2,064)	11.5
Employee benefits expenses	(11,462)	(11,615)	(1.3)
Depreciation and amortisation expenses	(3,343)	(3,344)	-
Villa lease rental	(786)	(933)	(15.8)
Advertising and promotional expenses	(954)	(1,028)	(7.2)
Gaming tax	(1,271)	(1,331)	(4.5)
Other operating expenses	(5,442)	(5,798)	(6.1)
Total operating expenses	(25,560)	(26,113)	(2.1)
Profit from operations	716	1,111	(35.6)
Loss on disposal of business	(1,284)	-	(>100.0)
Gain on disposal of a subsidiary	-	1,880	(>100.0)
Reversal of prior years' impairment loss	1,032	-	>100.0
Finance costs	(2,910)	(2,839)	2.5
(Loss)/Profit before income tax from continuing operations	(2,446)	152	(>100.0)
Income tax	(52)	(206)	(74.8)
Loss after income tax from continuing operations	(2,498)	(54)	>100.0
Loss after income tax from discontinued operations	(389)	(1,411)	(72.4)
LOSS FOR THE FINANCIAL PERIOD	(2,887)	(1,465)	97.1
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	(13)	(39)	(66.7)
Other comprehensive income for the period, net of tax	(13)	(39)	(66.7)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	(2,900)	(1,504)	92.8
Loss attributable to:			
Owners of the parent	(2,874)	(1,458)	97.1
Non-controlling interests	(13)	(7)	85.7
	(2,887)	(1,465)	97.1
Total comprehensive income attributable to:			
Owners of the parent	(2,887)	(1,497)	92.9
Non-controlling interests	(13)	(7)	85.7
	(2,900)	(1,504)	92.8

Notes:

1(a)(i) Profit/(loss) before income tax is arrived at after charging/(crediting):

(AUD'000)	Continuing Operations		Discontinued Operations		Group		Increase/ (Decrease) %
	1/7/2014 to 31/12/2014	1/7/2013 to 31/12/2013	1/7/2014 to 31/12/2014	1/7/2013 to 31/12/2013	1/7/2014 to 31/12/2014	1/7/2013 to 31/12/2013	
Other income including interest income	(436)	(1,204)	(1)	(419)	(437)	(1,623)	(73.1)
Interest expense	2,910	2,839	3	274	2,913	3,113	(6.4)
Depreciation expenses	3,343	3,344	-	-	3,343	3,344	-
Allowance for doubtful debt	-	-	48	-	48	-	>100.0
Foreign exchange loss	2	18	-	-	2	18	(88.9)
Loss on disposal of business	1,284	-	-	545	1,284	545	>100.0
Gain on disposal of subsidiaries	-	(1,880)	-	(175)	-	(2,055)	(>100.0)
Operating lease expenses, exclude villa lease rental	199	236	-	-	199	236	(15.7)

1(a)(ii) The results of the discontinued operations are as follows:

(AUD'000)	1/7/2014 to 31/12/2014	1/7/2013 to 31/12/2013
Revenue	1	4,271
Consumables	-	(503)
Employee benefit expenses	-	(2,684)
Villa lease rental	(20)	(700)
Advertising and promotional expenses	-	(31)
Other operating expenses	(367)	(1,120)
Loss from operations	(386)	(767)
Loss on disposal of business	-	(545)
Gain on disposal of subsidiaries	-	175
Finance costs	(3)	(274)
Loss before and after income tax	(389)	(1,411)
Attributable to:		
Owners of the parent	(389)	(1,409)
Non-controlling interests	-	(2)
	(389)	(1,411)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
(AUD'000)	**31/12/2014**	**30/6/2014**	**31/12/2014**	**30/6/2014**
Non-current assets				
Property, plant and equipment	150,396	150,993	1	1
Intangible assets	1,598	1,598	-	-
Investment in subsidiaries	-	-	14,554	14,554
Membership right	38	38	38	38
	152,032	152,629	14,593	14,593
Current assets				
Inventories	751	686	-	-
Trade and other receivables	1,182	2,395	20,074	16,901
Property development costs	11,095	7,880	-	-
Income tax recoverable	1,001	675	-	-
Cash and cash equivalents	4,169	2,353	59	101
	18,198	13,989	20,133	17,002
Assets classified as held for sale	3,008	3,035	-	-
	21,206	17,024	20,133	17,002
Less:				
Current liabilities				
Trade and other payables	25,755	22,152	8,360	4,872
Bank borrowings – secured	6,269	5,985	-	-
Finance lease payables	894	861	-	-
Income tax payable	50	-	-	-
	32,968	28,998	8,360	4,872
Liabilities classified as held for sale	67	61	-	-
	33,035	29,059	8,360	4,872
Net current (liabilities)/assets	(11,829)	(12,035)	11,773	12,130
Less:				
Non-current liabilities				
Trade and other payables	868	616	-	-
Bank borrowings - secured	79,650	77,403	-	-
Finance lease payables	1,561	1,547	-	-
Deferred tax liabilities	17,598	17,602	2	2
	99,677	97,168	2	2
Net assets	40,526	43,426	26,364	26,721
Equity				
Share capital	44,287	44,287	44,287	44,287
Treasury shares	(426)	(426)	(426)	(426)
Foreign currency translation reserve	(3,459)	(3,446)	(1,717)	(1,717)
Revaluation reserve	46,535	46,535	-	-
Accumulated losses	(46,417)	(43,543)	(15,780)	(15,423)
Equity attributable to owners of the parent	40,520	43,407	26,364	26,721
Non-controlling interests	6	19	-	-
Total equity	40,526	43,426	26,364	26,721

Notes:

On 9 September 2008, the shares of Lasseters Corporation Limited ("LCL") were voluntarily suspended from quotation at the request of LCL. LCL is continuing the business operation to the extent necessary to meet on-going obligations to customers, and to preserve the assets of the business.

On 21 October 2013, the Company's subsidiaries, Cypress Lakes Group Limited, Cypress Lakes Villa Management Pty Limited, Cypress Resort Management Pty Ltd, Cypress Lakes Golf and Country Club Pty Limited and The Golden Door Resort Spa – Cypress Lakes Pty Ltd (collectively known as the "**CLG Group**") has successfully disposed of the property, assets and business of the CLG Group, comprising, *inter alia*, freehold interests in lands, villa leases, golf course business and development lands (the "**Disposal Assets**") to Hunter Valley (CL) Management Pty Ltd (the "**Purchaser**"). Ancillary to the completion of the disposal, a put and call option agreement has been entered into with the Purchaser for the disposal of lands at Cypress Lakes Resort ("CLR"), with the expiry being two years from the date of completion or 20 October 2015.

Pursuant to FRS 105 - Non-current Assets Held for Sale and Discontinued Operations, the above businesses have been classified as assets/liabilities held for sale and the results of the discontinued operations have been presented separately in the statements of financial position and the consolidated statement of comprehensive income.

Details of the assets / liabilities held for sale are as follows:

	Group	
(AUD'000)	**31/12/2014**	**30/6/2014**
Assets		
Property, plant and equipment	3,000	3,000
Trade and other receivables	8	5
Cash and bank balances	-	30
	3,008	3,035
Liabilities		
Trade and other payables	67	61

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	Group		Group	
	As at 31/12/2014		As at 30/6/2014	
(AUD'000)	**Secured**	**Unsecured**	**Secured**	**Unsecured**
Finance lease payables				
Repayable within one year	894	-	861	-
Repayable after one year	1,561	-	1,547	-
Bank borrowings				
Repayable within one year	6,269	-	5,985	-
Repayable after one year	79,650	-	77,403	-

Details of any collateral

The Group's borrowings are secured by (a) registered mortgages on the Group's land and buildings; (b) mortgage debenture on all the assets and uncalled capital of certain subsidiaries of the Group; (c) a fixed charge over the Casino and Liquor Licences of one of the subsidiary of the Group; and (d) interlocking guarantees between certain subsidiaries of the Group.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceeding financial year

(AUD'000)	Group 1/7/2014 to 31/12/2014	Group 1/7/2013 to 31/12/2013
		Restated
Cash flows from operating activities		
Profit before income tax from continuing operations	(2,446)	152
Loss before income tax from discontinued operations	(389)	(1,411)
	(2,835)	(1,259)
Adjustments for:		
Depreciation and amortisation expenses	3,343	3,344
Loss on disposal of business	1,284	545
Gain on disposal of subsidiaries	-	(2,055)
Reversal of prior years' impairment loss	(1,032)	-
Allowance for doubtful debt	48	-
Interest expense	2,913	3,113
Interest income	(6)	(29)
Operating cash flows before working capital changes	3,715	3,659
Working capital changes:		
Inventories	(65)	52
Trade and other receivables	1,163	(654)
Property development costs	(3,215)	(438)
Trade and other payables	3,861	(6,884)
Cash generated / (used in) operations	5,459	(4,265)
Interest received	6	29
Interest paid	(2,913)	(3,274)
Income taxes paid	(332)	(735)
Net cash from / (used in) operating activities	2,220	(8,245)
Cash flows from investing activities		
Proceeds from disposal of subsidiaries (net)	-	3,350
Proceeds from disposal of business	1,572	7,424
Purchase of property, plant and equipment	(481)	(6,993)
Currency translation adjustment	-	53
Net cash from investing activities	1,091	3,834
Cash flows from financing activities		
Proceeds from bank borrowings	1,864	7,947
Repayment of bank borrowings	(2,636)	(7,143)
Repayment of finance lease obligations	(451)	(703)
Net cash (used in) / from financing activities	(1,223)	101
Net increase / (decrease) in cash and cash equivalents	2,088	(4,310)
Cash and cash equivalents at beginning of financial period	1,841	8,189
Currency translation adjustment	(13)	(39)
Cash and cash equivalents at end of financial period*	3,916	3,840
***Analysis of cash and cash equivalents**		
Cash and bank balances – Continuing operations	3,578	5,044
Cash and bank balances – Discontinued operations	591	25
Bank overdrafts	(253)	(1,229)
Cash and cash equivalents at end of financial period	3,916	3,840

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding year

	Group							
(AUD'000)	**Share capital**	**Treasury Shares**	**Foreign currency translation reserve**	**Revaluation reserve**	**Accumulated losses**	**Subtotal**	**Non-controlling interests**	**Total equity**
Balance at 1 July 2013	44,287	(426)	(3,922)	48,580	(40,930)	47,589	54	47,643
Total comprehensive income for the financial year	-	-	476	(2,045)	(2,613)	(4,182)	(35)	(4,217)
Balance at 30 June 2014	44,287	(426)	(3,446)	46,535	(43,543)	43,407	19	43,426
Balance at 1 July 2014	44,287	(426)	(3,446)	46,535	(43,543)	43,407	19	43,426
Total comprehensive income for the financial period	-	-	(13)	-	(2,874)	(2,887)	(13)	(2,900)
Balance at 31 December 2014	44,287	(426)	(3,459)	46,535	(46,417)	40,520	6	40,526

	Company				
(AUD'000)	**Share capital**	**Treasury shares**	**Foreign currency translation reserve**	**Accumulated losses**	**Total equity**
Balance at 1 July 2013	44,287	(426)	(1,717)	(535)	41,609
Total comprehensive income for the financial year	-	-	-	(14,888)	(14,888)
Balance at 30 June 2014	44,287	(426)	(1,717)	(15,423)	26,721
Balance at 1 July 2014	44,287	(426)	(1,717)	(15,423)	26,721
Total comprehensive income for the financial period	-	-	-	(357)	(357)
Balance at 31 December 2014	44,287	(426)	(1,717)	(15,780)	26,364

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the financial period reported on and as at the end of the corresponding period of the immediately preceeding financial year.

There was no change in the Company's share capital since the year ended 30 June 2014 and the Company has no outstanding convertibles as at 31 December 2014 (as at 30 June 2014: Nil). In addition, the number of treasury shares held by the Company as at 31 December 2014 is 3,548,000 (as at 30 June 2014: 3,548,000).

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 December 2014, the total number of issued shares excluding treasury shares of the Company was 249,469,521 shares (30 June 2014: 249,469,521 shares excluding treasury shares).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2014.

2 Whether the figures have been audited or reviewed, and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 Engagements to Review Financial Statements), or an equivalent standard

The figures have not been audited or reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

The Group has adopted mostly the same accounting policies and methods of computation in these financial statements as those used in preparing the most recently audited financial statements for the financial year ended 30 June 2014.

In addition, the Group also adopted various revisions to the Singapore Financial Reporting Standards ("FRS"), which became effective beginning 1 July 2014, if applicable.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect, of the changes.

The adoption of the said revisions has no significant impact to these financial statements.

6 Earnings per ordinary shares of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year after deducting any provision for preference dividends.

	Group	
	1/7/2014 to 31/12/2014	**1/7/2013 to 31/12/2013**
		Restated
Loss attributable to shareholders for the financial period (AUD'000)	(2,874)	(1,458)
Weighted average number of ordinary shares	249,469,521	249,469,521
Earnings per ordinary share (AUD cents)		
- Basic and fully diluted basis	(1.15)	(0.58)

It was stated in the Company's prospectus dated 12 May 2004 that certain employees of the Company are eligible to participate in the Company's employee share option scheme. As at the date of this announcement, no share options have been granted to any employee and the scheme has expired on 29 March 2014. As such, the fully diluted earnings per ordinary share are the same as the basic earnings per ordinary share.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year

	Group		Company	
	31/12/2014	**30/6/2014**	**31/12/2014**	**30/6/2014**
Net asset value per ordinary shares based on issued capital (excluding treasury shares) at the end of the financial year (AUD cents)	16.24	17.41	10.57	10.71

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the revenue, costs, and earnings of the group for the current financial period reported on, including (where applicable), seasonable or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Profit and Loss Statement

The Group's performance continued to be overshadowed by the local economy, with the decline in world oil prices, slowdown of the Eurozone economies and key economic partners to Australia experiencing growth weaker than expected.

For the period ended 31 December 2014 ("HY2015"), the Group registered a net loss of AUD2.89 million as compared to a net loss of AUD1.47 million for corresponding period last year ("HY2014"). This mainly resulted from the recognition of a loss on disposal of business ("TGD Willowvale") of AUD1.28 million as part of the rationalisation strategy adopted by the Group in disposing its loss making units and to regain its focus on core assets. The group performance is skewed by the full recognition of finance costs and depreciation expenses from the expansion works in the casino of AUD1.85 million while the corresponding revenue has not materialised in the first year of operation. This placed further pressure to the Group's bottom line in this reporting period.

In this reporting period, the Group recorded a total revenue of AUD26.28 million as compared to revenue of AUD27.22 million in the corresponding period. Despite an improvement in revenue from existing core assets, the net decline was mainly due to the one month consolidation of revenue from the disposed business of TGD Willowvale .

The Group's land-based hotel and casino operations in Alice Springs, Northern Territory ("NT") remains profitable and contributed 84.7% or AUD22.27 million (HY2014: 78.4% or AUD21.34 million) of the total revenue.

The revenue derived from the Group's spa and wellness business declined to AUD3.99 million in HY2015 from AUD4.87 million in HY2014. The drop is mainly attributable to one month consolidation of revenue from the successful completion of the disposal of TGD Willowvale.

Total operating expenses of the Group declined by 2.1% or AUD0.55 million to AUD25.56 million in HY2015 as compared to HY2014. These augurs well with the Group's cost plans and the Group shall continue to advocate a balance strategy to focus on costs control, constantly reassessing its debts level and strive to improve operational efficiencies at all level. Depreciation expenses remained approximately the same as the previous reporting period at AUD 3.34 million.

Finance costs increased by 2.5% or AUD0.07 million to AUD2.91 million in HY2015 from AUD2.84 million in HY2014. Additional finance costs of AUD1.29 million were incurred on new loans drawdown to finance the expansion development in the casino operations, which will drive the Group's long term future growth.

Income tax of the Group was purely attributable to the land-based hotel and casino operations. The Group continues with its prudent view by not recognising its deferred tax income on tax loss subsidiaries.

Balance Sheet Review

As at 31 December 2014, the Group recorded an increase in the total assets by AUD3.59 million to AUD173.24 million from AUD169.65 million as at 30 June 2014, due to the expansion work in the casino. Whilst, net assets declined to AUD40.53 million from AUD43.43 million as at 31 December 2014.

The net current liabilities reduced to AUD11.83 million as at 31 December 2014, from AUD12.04 million as at 30 June 2014. The fluctuations on net current liabilities of the Group were mainly due to property development costs, financed partially by long-term borrowings.

The negative working capital recorded by the Group during the period under review was mainly due to the cash nature of the Group's core casino operating business, where capital expenditures were being partially funded by short-term payables.

Cash flow Review

For the period under review, the Group generated a net positive cash inflow from operating activities of AUD2.22 million, as compared to a net negative cash outflow of AUD8.25 million in the same period last year. This is mainly due to the prompt collection of its receivables balances.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable, as no forecast or prospect statement has been previously disclosed.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With measures taken by the Reserve Bank of Australia to spur domestic demand growth by cutting interest rate in the current deteriorating Australian economy, 2015 will continue to be a demanding year for the Group.

The expansion and refurbishment work on the Group's land-based casino is now fully completed and the enlarged premises now offered an integrated and family-friendly oriented centre of entertainment with separate and distinct entrance to hotel, casino and convention centre.

With the renewed facilities and facelifts, the Group is now focused on increasing visitation through its continued commitment to provide top-quality services and launches of various new promotional initiatives. At the same time, the Group emphasizes on cost efficiencies and rationalization strategies to garner savings without compromising quality in the current subdued environment. The Group strives to stay abreast of the latest developments in the casino industry to maintain its stronghold as the city of entertainment in Alice Springs, NT.

On the spa and wellness front, the Group concentrates to build its premium brand name, "The Golden Door", by developing a more applicable range of products and services to meet the needs and expectations of its customers and maintain its market share in the competitive environment. The Group has now tapped into the "Corporate Wellness" segment, which has witnessed robust growth in recent years due to the increasing focus on health and appearances by the corporate group in major companies, organisation and institutions.

The Group's maiden property development in Malaysia is near completion, with all units sold except for those units caveated as "bumiputera" lots. The Board believes that the property arm will yield positive results and contributes to the Group's overall performance in the future.

Moving forward, on a cautious note, the Group is committed to review and manage its business approach and strategies at an effective pulse that would work effectively and efficiently within the present difficult market conditions.

11 Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial year reported on?

None.

(b) Corresponding period of the immediately preceeding financial year

Any dividend declared for the corresponding period immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared.

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Negative assurance confirmation on half year financial results pursuant to Rule 705(5) of the Listing Manual

We, Dato' Jaya J B Tan (Executive Chairman) and Dato' Kamal Y P Tan (Director), being two directors of the Company, do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the six months ended 31 December 2014 to be false or misleading in any material respect. A statement signed by us is on record.

BY ORDER OF THE BOARD
DATO' JAYA J B TAN
Executive Chairman
13 February 2015

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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