Sietel LIMITED
ACN 004 217 734 Incorporated in Victoria

28 May 2018

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

Dear Sirs,

Re: Announcement to the market

In accordance with Australian Stock Exchange (ASX) Listing Rule 4.2A, Sietel Limited has attached its Half Year Report and Appendix 4D for the half year period ended 31 March 2018.

Yours sincerely
Sietel Limited

Richard Rees
Managing Director

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

Appendix 4D

Half-year report

Period ending 31 March 2018

Name of entity

SIETEL LIMITED

ABN or equivalent company reference	Half yearly *(tick)*	Preliminary final *(tick)*	Financial year ended ('current period')
75 004 217 734	✓		**31 MARCH, 2018**

Results for announcement to the market

$A'000

Revenues from ordinary activities	Up	2%	to	3,843
Profit (loss) from ordinary activities after tax attributable to members	Up	3%	to	664
Net profit (loss) for the period attributable to members	Up	3%	to	664

Dividends (distributions)	Amount per security	Franked amount per security
Ordinary		
Final dividend	N/A	NIL
Interim dividend	N/A	NIL
Previous corresponding period	N/A	NIL
Preference		
Paid 5 Jan 2018 (Record date: 2 Jan 2018)	5 ¢	NIL

Record date for determining entitlements to the dividend.

Ordinary – N/A
Preference – 2 January 2018

A brief explanation of any of the figures reported above necessary to enable the figures to be understood.

The directors are pleased to announce an operating profit for half year ended 31 March 2018 of $664,133.

Ratios and Other Measures

	Current period	Previous Corresponding Period
Profit before tax / revenue Consolidated profit (loss) from ordinary activities before tax as a percentage of revenue	16.13%	18.06%
Profit after tax / +equity interests Consolidated net profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	1.01%	1.00%

Earnings per security (EPS)

$$\text{Basic EPS} = \frac{\text{Profit/loss for the period}}{\text{No. Of ordinary securities}} = \frac{664{,}133}{8{,}007{,}479} = 8.29¢$$

$$\text{Diluted EPS} = \frac{\text{Profit/loss for the period}}{\text{No. Of ordinary securities + Preference securities}} = \frac{664{,}133}{8{,}007{,}479+75{,}000} = 8.22¢$$

NTA backing	Current period	Previous Corresponding Period
Net tangible asset backing per +ordinary security	822 CENTS	805 CENTS

SIETEL LIMITED

ACN 004 217 734

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 MARCH 2018

SIETEL LIMITED

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SIETEL LIMITED
DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 MARCH 2018

The directors of the Company in office at the date of this report are:
Delwyn Garland Rees, Geoffrey Lloyd Rees and Richard Rees.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2017 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2018 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

REVIEW OF OPERATIONS

All investment properties owned by the Chief Entity have been tenanted for the half year.

Cook’s Body Works Pty Ltd, continued to occupy one of the Chief Entity's properties in the Moorabbin area.

Cook’s Body Works Pty Ltd has continued to experience varied results with fluctuating demand for its product, thereby hindered profitability.

Cook's management have worked on expansion of the customer base and product offering to improve sale and margin performance of the business.

The Company's management assisted by the non-executive directors have reviewed various investment options in the real estate, listed equities, direct investment and product development markets over the half year with the objective of improving the medium to long term performance of the group.

The directors continue to review the balances of investment fund allocation between cash equivalents and longer term investments such as listed equities, real estate and operating businesses via subsidiary companies with the objective of achieving long term profitable performance, but realising current gains as opportunities arise.

The subsidiary AAA has continued to design and develop products for manufacture by third party offshore manufacturers and commence small scale importation and distribution of a very limited range of domestic gas water heaters and BBQ’s into the Australian market.

The Cylinder Company operated in line with budget during the half year.

DIRECTORS' REPORT (cont.)

OPERATING RESULTS

The consolidated profit of the Consolidated Entity, after providing for an income tax revenue of $44,369 (2017 $30,923 tax expense), amounted to $664,133 (2017 $646,281).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Consolidated Entity during this period.

DIRECTORS' INTEREST IN ORDINARY SHARES AS AT 31 MARCH 2018

Director	Ordinary Shares in name of Director Mar-18	Ordinary Shares in name of Director Sep-17	Ordinary shares in which Directors may have relevant interest Mar-18	Ordinary shares in which Directors may have relevant interest Sep-17
D. G. Rees	66,211	66,211	5,310,694	5,310,694
R. Rees	529,239	529,239	6,112,339	6,112,339
G. Rees	2,000	2,000	4,594,063	4,594,063

DIRECTORS' MEETINGS

During the financial half-year the attendance at Directors' meetings was as follows:

	Meetings held	Meetings attended
D.G. Rees	3	3
R. Rees	3	2
G. L. Rees	3	3

DIRECTORS' REPORT (cont.)

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half-year ended 31 March 2018 is included on page 9 of the Interim Financial Report.

This report is signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Board

Mr. G. L. Rees
Director

Mr. R. Rees
Director

Moorabbin, 28 May, 2018

Nexia Australia

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SIETEL LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 March 2018 there have been:

a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and

b. no contraventions of any applicable code of professional conduct in relation to the review.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Geoff S. Parker
Director

Dated this 28th day of May 2018

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SIETEL LIMITED
CONSOLIDATED INTERIM STATEMENT
OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 MARCH 2018

	Half-Year Ended 31 March 2018 $	Half-Year Ended 31 March 2017 $
Revenues from ordinary activities	3,843,105	3,749,619
Expenses from ordinary activities	(3,223,341)	(3,072,415)
Finance costs	-	-
Profit (loss) from ordinary activities before income tax expense	**619,764**	**677,204**
Income tax (expense)/revenue relating to ordinary activities	44,369	(30,923)
Profit (loss) from ordinary activities after income tax expense	**664,133**	**646,281**
Other Comprehensive Income		
Items that may be reclassified subsequently to profit or loss		
Gain (loss) on available for sale investments taken to equity	308,912	2,714,126
Deferred tax on (gain) loss on investments available for sale	50,609	(602,325)
Total other comprehensive income	**359,521**	**2,111,801**
Total Comprehensive Income for the period	**1,023,654**	**2,758,082**
Earnings per share (EPS)		
Basic EPS (cents per share)	8.29	8.07
Diluted EPS (cents per share)	8.22	8.00
Profit for the period attributable to:		
Non-controlling interest	-	(1,890)
Owners of the Parent	664,133	648,171
	664,133	**646,281**
Total comprehensive income for the period attributable to:		
Non-controlling interest	-	(1,890)
Owners of the Parent	1,023,654	2,759,972

	1,023,654	**2,758,082**

SIETEL LIMITED
CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	As At 31-Mar-18 $	As At 30-Sep-17 $
Current Assets		
Cash and cash equivalents	4,767,644	7,508,887
Trade and other receivables	622,927	666,182
Inventories	432,254	335,996
Other current assets	305,156	333,184
Current tax receivables	166,757	-
Total Current Assets	**6,294,738**	**8,844,249**
Non-Current Assets		
Financial assets	32,120,299	30,429,101
Property, plant and equipment	2,912,374	2,717,023
Investment property	26,809,607	25,392,509
Deferred tax assets	793,352	763,637
Total Non-Current Assets	**62,635,632**	**59,302,270**
Total Assets	**68,930,370**	**68,146,519**
Current Liabilities		
Trade and other payables	474,869	541,036
Financial liabilities	311,298	318,677
Provisions	1,022,556	1,058,456
Current tax liabilities	-	70,319
Total Current Liabilities	**1,808,723**	**1,988,488**
Non-Current Liabilities		
Deferred tax liabilities	1,267,057	1,323,345
Total Non-Current Liabilities	**1,267,057**	**1,323,345**
Total Liabilities	**3,075,780**	**3,311,833**
Net Assets	**65,854,590**	**64,834,686**
Equity		
Issued capital	4,257,129	4,257,129
Reserves	5,328,168	4,968,647
Retained earnings	56,269,293	55,608,910
Total Shareholders' Equity	**65,854,590**	**64,834,686**

SIETEL LIMITED
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MARCH 2018

Economic Entity	Issued Capital	Reserves	Retained Earnings	Non-Controlling Interest (NCI)	Total Equity
Balance at 1 October 2016	4,257,129	3,330,450	54,192,843	(65,352)	61,715,070
Net profit (loss) for the period	-	-	648,171	(1,890)	646,281
Other comprehensive income	-	2,111,801	-	-	2,111,801
Dividends paid	-	-	(3,750)	-	(3,750)
Balance at 31 March 2017	4,257,129	5,442,251	54,837,264	(67,242)	64,469,403
Balance at 1 October 2017	4,257,129	4,968,647	55,608,910	-	64,834,686
Net profit (loss) for the period	-	-	664,133	-	664,133
Other comprehensive income	-	359,521	-	-	359,521
Dividends paid	-	-	(3,750)	-	(3,750)
Balance at 31 March 2018	4,257,129	5,328,168	56,269,293	-	65,854,590

SIETEL LIMITED
CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MARCH 2018

	Half-Year Ended 31 March 2018 $	Half-Year Ended 31 March 2017 $
Cash flows from Operating Activities		
Receipts from customers	3,137,324	3,452,227
Payment to suppliers & employees	(2,566,305)	(2,165,135)
Income tax paid	(228,101)	(277,442)
Interest received	96,090	92,478
Dividends received	622,241	499,931
Borrowing costs	-	-
Net cash provided by (used in) operating activities	**1,061,249**	**1,602,059**
Cash flows from Investing Activities		
Proceeds from sale of property, plant & equipment	3,500	-
Proceeds from sale of investment properties	-	-
Proceeds from sale of financial assets	117,191	-
Payment for property, plant & equipment	(412,775)	(25,038)
Payment for investment properties	(1,914,969)	(8,492)
Payment for financial assets	(1,591,689)	(789,451)
Net cash provided by (used in) investing activities	**(3,798,742)**	**(822,981)**
Cash flows from Financing Activities		
Proceeds from borrowings	-	-
Dividends paid	(3,750)	(3,750)
Net cash provided by (used in) financing activities	**(3,750)**	**(3,750)**
Net increase (decrease) in cash flows	(2,741,243)	775,328
Cash at beginning of period	7,508,887	7,903,817
Cash at end of period	**4,767,644**	**8,679,145**

SIETEL LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MARCH 2018

1. Summary of Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of this half-year financial report are the same accounting policies and methods of computations as those applied in the most recent annual financial report, unless otherwise stated.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2017 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2018 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

Basis of Preparation of Half-Year Report

This general purpose interim financial report for the half-year ended 31 March 2018 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and operating, financing and investing activities of the consolidated entity as the full financial report.

2. Dividends Paid

Half Year Ended 31 March 2018

Class	Date Paid	Amount Per Security	Total
Ordinary – 8,007,479 shares	N/A	N/A	N/A
Preference – 75,000 shares	5 January 2018	5 ¢	$3,750

Half Year Ended 31 March 2017

Class	Date Paid	Amount Per Security	Total
Ordinary – 8,007,479 shares	N/A	N/A	N/A
Preference – 75,000 shares	6 January 2017	5 ¢	$3,750

SIETEL LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MARCH 2018

3. Controlled Entities and Segment Reporting

(a) Entities controlled by ultimate parent entity Sietel Ltd and contribution to Consolidated Profit(Loss)

Name of Controlled Entity of Sietel Limited	Beneficially Owned by Sietel Ltd		Contribution to consolidated operating Profit/(loss) after income tax attributable to members of the chief entity		Investment by Sietel Ltd at cost	
	2018 %	2017 %	2018 $	2017 $	2018 $	2017 $
Continuing operations						
Cooks Body Works Pty Ltd[1]	100	100	(309,600)	(144,036)	290,000	290,000
The Cylinder Co Pty Ltd[1]	100	100	(6,975)	(258,737)	60	60
ABN 17 006 852 820 Pty Ltd[1]	100	100	(1,738)	(569)	481,713	481,713
Alliance Appliances Australia P/L[1]	100	80	(102,897)	(9,452)	237,000	235,000
Sietel Limited[1]	N/A	N/A	1,085,343	1,059,075	-	-
Total			664,133	646,281	1,008,773	1,006,773

[1]Companies incorporated in Australia.

(b) Segment Reporting

	Revenue		Results		Assets		Liabilities		Depreciation	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000	2018 $'000	2017 $'000	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Continuing operations										
Investments	2,637	2,392	1,084	1,059	66,057	65,903	2,706	3,159	619	603
Operations	1,206	1,358	(420)	(413)	2,873	2,190	370	464	56	14
TOTAL	3,843	3,750	664	646	68,930	68,093	3,076	3,623	675	617

4. Related Party Transactions

The Group has had no material or unusual related party transactions during the half-year ended 31 March 2018. Arrangements with related parties continue to be in place and transactions for the half-year to 31 March 2018 are similar in nature to those for the year ended 30 September 2017.

Full details of the Group's related party transactions for the year ended 30 September 2017 can be found in the Group's 2017 Annual Report.

5. Subsequent Events

No other matter or circumstance has arisen since 31 March 2018 that has significantly affected or may significantly affect the operating results or state of affairs of the company in the near future.

SIETEL LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MARCH 2018

6. Movement in Reserves

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

	Half Year Ended 31 March 2018	Year Ended 31 March 2017
New impairment	122,916	299,574
Impairment Loss/(Gain)	**122,916**	**299,574**
Gain transferred to equity	668,056	1,648,659
Less Reversal from equity	(801,478)	(243,234)
Add Reversal of impairment	525,731	711,554
Less Re-Impair previous impairment reversals	(32,788)	(5,178)
Net gain/(loss) on available for sale financial assets	**359,521**	**2,111,801**

Gains transferred to equity are net of income tax at the rate of 27.5% (2017: 27.5%), impairment reversed to equity are at the gross values.

7. Capital Commitments

	Half Year Ended 31 March 2018	Year Ended 30 Sept 2017
Capital Commitments		
- Less than 1 year	-	-
- Longer than 1 years, not longer than 5 years		
OneVentures Innovation and Growth Fund II	131,800	203,089
OneVentures Nominees Vaxxas Bare Trust - B	107,102	81,584
OneVentures Fund	579,923	605,786
- Longer than 5 years	-	-
	818,825	**890,459**

SIETEL LIMITED
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 MARCH 2018

In the Directors' opinion:

a) The attached financial statements and notes thereto comply with Accounting Standard AASB134 Interim Financial Reporting;

b) The attached financial statements and notes thereto comply with *Corporations Act 2001* on Interim Financial Reporting;

c) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;

d) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed, in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors

Mr. G.L. Rees
Director

Mr. R. Rees
Director

Moorabbin,
28 May 2018

Nexia Australia

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SIETEL LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Sietel Limited, which comprises the condensed consolidated statement of financial position as at 31 March 2018, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 March 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Sietel Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* has been provided to the directors of Sietel Limited.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sietel Limited is not in accordance with the *Corporations Act 2001* including:

a. giving a true and fair view of the consolidated entity's financial position as at 31 March 2018 and of its performance for the half-year ended on that date; and

b. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Nexia Melbourne Audit Pty Ltd
Melbourne

Geoff S. Parker
Director

Dated this 28th day of May 2018