APPENDIX 4D – Half year report

IDT Australia Limited
ASX Half Year report - 31 December 2015

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Results for Announcement to the Market

Periods
Report for the half year ended 31 December 2015
Previous corresponding period is the financial year ended 30 June 2015, and the half year ended 31 December 2014

				$'000
Revenue from ordinary activities	Up	5%	to	6,450
Profit/(loss) from ordinary activities after tax attributable to members	Up (*)	15%	to	(3,538)
Net profit/(loss) for the period attributable to members	Up (*)	15%	to	(3,538)

(*) increase in loss

There are no **dividends** proposed or declared for the period.

Results Commentary

The financial information provided in the Appendix 4D should be read in conjunction with the half-year financial statements and Directors' report, prepared in accordance with Australian Accounting Standards.

Highlights :

- Revenues of $6.5 million compared with $6.1 million for the corresponding period last year
- The company generated a loss after tax of $3.5 million compared to $3.1 million last year. Cost increases were incurred ahead of rising revenues as the company builds physical and human capacity to support strong revenue increases from our organic business in the next half year, particularly at Boronia
- With this strong growth in business the Company aims for a profitable second half
- Completed a successful $8 million capital raising through private placement to sophisticated and institutional investors and a Share Purchase Plan offered to existing shareholders. Funds will be used to support our growth strategy.

IDT's contract manufacturing and drug development has historically been, and continues to be, a seasonal business. The percentage of revenue and EBIT earned in the first half compared to the second half of this financial year is broadly in line with budget and expectations.

Progress in the development and deployment of IDT's proprietary specialty generic drug portfolio continues, with no change to the guidance around a launch or re-launch of some initial products through the course of the next financial year. These earlier product launches are likely to include IDT versions of temozolomide, doxazosin, pindolol and leucovorin. As previously announced, the US distributors of these products are, North Carolina based Libertas Pharma Inc, a subsidiary of Mayne Pharma Ltd, for temozolomide and Minnesota based ANI Pharma Inc for the remainder of the products mentioned.

Redevelopment and expansion of IDT's solid oral dose form facility was completed during the current reporting period, resulting in a higher level of manufacturing segregation and regulatory compliance, as well as an increase in tableting capability and capacity.

Redevelopment of CMAX's new site is progressing on time, with the planned relocation to the new 50 bed residential facility still on track for May 2016. Once complete, this facility will be the newest, largest and best equipped clinical trial facility in Australia.

Other Appendix 4D Information

Net Tangible Assets per Security

	2015	2014
Net tangible asset per security as at 31 December	11¢	11¢

Controlled entities acquired or disposed of

Nil

Associates and Joint Venture entities

Nil

Discontinuing operations

Nil

Foreign Accounting standards

Not applicable

Audit

The financial report has been independently reviewed. The financial report is not subject to a qualified independent review statement or an emphasis of matter. The independent audit review report is attached to the financial statements.