USI ®

USI GROUP HOLDINGS AG

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

USI ®

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CHAIRMAN'S STATEMENT

The Company is pleased to report its financial results for the six month period ended 30 September 2015 ("H1 2016").

The first half of the year has been a period of development albeit against a back drop of challenging markets. Our most notable progress has been the conditional acquisition of land in proximity to the East Coast Road ("ECR Property") near Chennai in eastern India in substitution for a parcel of real estate that the Company acquired as part of the Goldlink acquisition in 2013. The ECR Property, for which an international real estate valuation firm has placed a development value in excess of $90 million, has been conditionally acquired in exchange for the transfer of 4 million shares (valued at CHF 20 per share) previously issued to Goldlink's former owner and an investment by the Company of up to $8 million of cash. The ECR Property is presently designated as agricultural land and a change in land use ("CLU") is being obtained prior to the transfer of the unencumbered freehold interest and development rights to the Company. We expect the ECR Property to provide substantial development opportunities in the years ahead.

The Company continues to own four investment properties in Leipzig ("the Leipzig Properties") which were constructed in 1995 and leased until 31 March 2020 to the Free State of Saxony (Covenant strength AAA), which has the right to extend the lease for an additional period of 5 years. Annual rent payable under the lease is currently €9.4 million and is subject to periodic escalation. The Leipzig Properties generate net cash flow of approximately €5.5 million per annum, all of which is being used to amortise debt secured against them.

In the current environment, the Company is not planning to expand its trading activities but rather to increase its focus on securing additional land parcels in India and sourcing other investment opportunities there. I comment in more detail on our current activities below, after discussing our unaudited consolidated financial results for H1 2016.

FINANCIAL RESULTS

Total revenue included in the consolidated results for H1 2016 was $30.8 million compared to $8.1 million for the first six months of FY 2015 ("H1 2015"). Income for H1 2016 comprised gold trading income of $25.6 million (H1 2015 - $1.7 million) and rental income of $5.2 million (H1 2015 - $6.3 million).

The Company is reporting a net loss of $3.8 million for H1 2016 compared to a loss of $10.2 million for H1 2015. The net loss for H1 2016 is stated after a non-cash reduction in the fair value of the Leipzig Properties of $4.1 million (H1 2015 – $5.8 million) and administrative expenses of $1.9 million (H1 2015 - $3.9 million). Finance costs for H1 2016 were stated at $3.1 million (H1 2015 - $7.0 million) and included a positive movement in foreign exchange rates of $1.1 million (H1 2015 – nil).

Excluding non-cash items, the Company's loss for H1 2016 totalled $0.9 million (H1 2015 - $4.6 million).

Total assets are reported at $191.7 million at 30 September 2015 compared to $189.4 million at 31 March 2015. The Leipzig Properties were independently valued at €135.7 million ($152.5 million) at 30 September 2015 compared to €139.4 million ($151.2 million) at 31 March 2015. The net increase in value comprises $5.4 million in respect of positive movements in the US Dollar/Euro exchange rate offset by $4.1 million of reduction in the Leipzig Properties fair value. While there was a corresponding adverse movement on the recognition of Euro denominated debt of $3.5 million, overall the net positive movement on the foreign exchange translation reserve during H1 2016 was $0.8 million.

Current assets at 30 September 2015 were $15.9 million compared to $13.9 million at 31 March 2015. Current liabilities at 30 September 2015 were stated at $35.0 million compared to $9.8 million at 31 March 2015. The primary reason for the increase is the transfer of €15 million from long term to current borrowings in respect of subordinated debt (and accrued interest) secured against the Leipzig Properties which is due to be refinanced by 31 July 2016. Long term borrowings at 30 September 2015 were $109.7 million compared to $120.7 million at 31 March 2015. Provision for a gross dividend of $7.0 million was made at 30 September 2015, although I am pleased to note that 83% of this amount was satisfied through the delivery of treasury shares with only $1.2 million paid in cash.

As a result of the matters referred to above, total equity (prior to re-issuance of any treasury shares) decreased to $33.9 million at 30 September 2015 compared to $38.2 million at 31 March 2015. Although net assets at 30 September 2015 are stated after deducting $13.4 million in respect of treasury shares, total equity will increase by a similar amount once the Company exchanges those shares for cash or other assets in the days ahead.

In September 2015, the Company's shareholders approved the payment of a dividend of CHF 0.5 per share, the Company's first declared dividend since 2004. As mentioned above, 83% of shareholders elected to receive dividend shares valued at CHF 13.5o per share.

CURRENT ACTIVITIES

Land Development in India

Through the Goldlink acquisition, USI acquired development rights over 106.2 acres of land in Tamil Nadu, India, which independent appraisals valued at over $175 million at the time and in subsequent independent reports as of 31 December 2014 and 31 March 2015 respectively. As previously reported, the value of these properties can only be reflected on the Company's balance sheet in accordance with IFRS once all applicable governmental approvals have been obtained and certain restrictions relating to loans to previous owners have been removed. While it was hoped that these restrictions would be removed during FY 2015, the delay has persisted. As a result, the Company has wanted to locate alternative properties, and in this context, announced in May 2015 a conditional agreement to acquire 80 acres out of a possible 120 acres of land in proximity to the East Coast Road near Chennai. The Company has now conditionally acquired 94.5 acres of ECR Property and is negotiating to acquire other parcels of land in the same geographic region. It is hoped that the value of all the new properties will be reflected on the Company's balance sheet during the course of FY 2016.

Demand for residential and commercial real estate development in India remains high and all parcels of land under review have been earmarked for residential and related commercial uses. Large contiguous land tracts near urban centres are increasingly difficult to obtain in India, particularly with new land acquisition legislation, which has increased the cost and time required to consummate land purchases. Since 2007, property values in India have risen on average by 9% p.a. and residential properties near Chennai have risen on average by 20% p.a. It is believed that development properties comprising parcels of land near major urban centres in India represent a very good long-term store of value.

The Leipzig Properties

Rental income is being received from the Leipzig Properties without interruption in accordance with the terms of the lease: however, as reported earlier, the Company's independent valuer reduced the value of the Leipzig Properties to €135.7 million at 30 September 2015 from €139.4 million at 31 March 2015, primarily to reflect the shortening of the unexpired lease term. The Company expects to begin negotiations for an extension of the lease with the Government of Saxony in the months ahead.

Gold

The Group is engaged in the wholesale trading of gold bullion in Singapore. This business had been set to expand significantly in collaboration with large gold manufacturers and importers in India. However, in 2013 the Indian government imposed various restrictions on the import of gold into India in order to curb demand for foreign currency which had contributed to a diminution in the value of the Indian rupee. These measures included higher duties, increased costs of financing and limitations on amounts that could be imported into India based on a percentage of gold items exported. As a result, trading in gold was curtailed with official Indian gold imports falling dramatically. As a consequence of these Indian restrictions, the Group has focused on trading gold bullion solely within Singapore. Restrictions on Indian gold imports have been partially reduced since November 2014 and they are expected to be lessened further. As these restrictions are removed, the Company expects to commence direct gold trading to India.

Coal

In December 2014, your Board announced that one of its subsidiaries had agreed to make a working capital loan to an Indonesian company, PTSBB, which owns a producing coal mine in Indonesia. PTSBB has entered into an agreement to supply coal to an Indonesian subsidiary of a major international commodity trading company principally for export to India, which is one of the world's largest coal importers. Under the terms of the current working capital loan, which matures on 31 March 2018, USI receives interest on the loan at a rate of 10% per annum and a mine service fee of $3 per metric tonne of coal sold. Due, in part, to the fall in global commodity prices, demand for the Indonesian coal has fallen. As a consequence, coal production at PTSBB was halted in September and is not expected to re-start until February / March 2016. Revenue from the Company's investment in Indonesia was $0.3 million in H1 2016.

Overall, your Company is pleased with its progress to date in spite of weakness in global commodities markets and continued delays in bringing its real estate assets in India onto the Company's consolidated balance sheet. Efforts to acquire new parcels of land have been successful and are continuing to be pursued. We expect to report further progress in the not too distant future.

Respectfully submitted,

USI Group Holdings AG
Dr. Volkert Klaucke (Chairman)
Approved by the board: 22 December 2015

DIRECTORS

Mr. Ravi Singh (Group Chief Executive Officer)
Dr. Volkert Klaucke (Executive Chairman)
Dr. Doraiswamy Srinivas (Vice Chairman)
Mr. William Vanderfelt
Mr. David Quint

AUDITORS

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Switzerland

COMPANY SECRETARY

Dr. Doraiswamy Srinivas

ADVISOR

St James Investment Management Limited
33 Edith Cavell Street
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EXECUTIVE MANAGEMENT

Mr. Ravi Singh (Group Chief Executive Officer)
Dr. Volkert Klaucke (Chairman) (effective 30 July 2015)
Mr Hamsa Shadaksharappa (Corporate Development) – (left group 1 May 2015)

LEGAL ADVISORS (as to Swiss Law)

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GROUP MANAGEMENT

Mr Gokul Dixit (Corporate Finance)

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USI GROUP HOLDINGS AG
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	NOTE	Period to 30 September 2015 (unaudited) $	Period to 30 September 2014 (unaudited) $
Revenue	5	30,830,445	8,078,460
Cost of goods sold	6	(25,774,763)	(1,763,859)
Fair value loss on investment property	11	(4,092,948)	(5,774,704)
Administrative and marketing expenses	7	(1,928,840)	(3,894,594)
Profit on disposal of subsidiaries		-	-
Other income		201,019	-
Operating (loss)/profit		(765,087)	(3,354,697)
Finance income	8	166,761	83,117
Finance costs	9	(3,101,667)	(7,030,315)
Impairment of available for sale investments		(44,775)	134,287
(Loss)/profit before income tax expense		(3,744,768)	(10,167,608)
Income tax expense		(61,840)	-
(Loss)/profit for the period from continuing operations		(3,806,608)	(10,167,608)
Discontinued Operations			
Loss for the year from discontinued operations		-	(176,187)
(Loss)/profit for the period/year		(3,806,608)	(10,343,795)
Attributable to:			
Equity owners of the parent		(3,662,077)	(10,109,343)
Non-controlling interests		(144,531)	(234,452)
		$ per share	**$ per share**
Earnings per share from continuing and discontinued operations attributable to the owners during the period/year			
Basic earnings per share:			
From continuing operations		(0.280)	(0.658)
From discontinued operations		-	(0.012)
From profit for the period/year	10	(0.280)	(0.670)
Diluted earnings per share:			
From continuing operations		(0.280)	(0.658)
From discontinued operations		-	(0.012)
From profit for the period/year	10	(0.280)	(0.670)

The notes on pages 10 to 28 form part of these consolidated financial statements.

	Period to 30 September 2015 (unaudited) $	**Period to 30 September 2014 (unaudited) $**
Loss for the period/year	(3,806,608)	(10,343,795)
Other comprehensive income/(expense) for period/year		
Items that may be subsequently reclassified to profit or loss		
Share of associates cash flow hedges	-	7,789
Currency translation differences	836,703	(3,589,885)
Recycle of translation reserve on disposal of investment in associate	-	389,289
Other comprehensive income/(expense) for the period/year	836,703	(3,192,807)
Total comprehensive income/(expense) for the period/year	(2,969,905)	(13,536,602)
Attributable to:		
Equity owners of the parent	(2,825,374)	(13,302,150)
Non-controlling interests	(144,531)	(234,452)

The notes on pages 10 to 28 form part of these consolidated financial statements.

USI GROUP HOLDINGS AG
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2015

	NOTE	As at 30 September 2015 (unaudited) $	As at 31 March 2015 (audited) $
ASSETS			
Non-current assets			
Investment property	11	152,547,348	151,219,536
Development rights	12	18,844,202	19,905,815
Investments in associates		-	-
Investments – available for sale		122,467	174,628
Other receivables and prepayments	13	4,248,553	4,170,180
		175,762,570	175,470,159
Current assets			
Trade debtors		-	106,789
Other receivables and prepayments	13	14,263,878	11,092,974
Restricted cash	13	290,224	291,815
Deferred taxation		-	61,840
Cash and cash equivalents		1,382,200	2,332,669
		15,936,302	13,886,087
TOTAL ASSETS		191,698,872	189,356,246
EQUITY			
Capital and reserves			
Share capital	14	162,528,644	162,528,644
Share premium		109,054,845	109,054,845
Treasury shares	14	(13,373,745)	(19,384,291)
Equity component of convertible bond		710,792	710,792
Translation reserve		(3,086,095)	(3,913,879)
Accumulated losses		(224,683,762)	(213,658,815)
		31,150,679	35,337,296
Non-controlling interests		2,754,658	2,899,189
TOTAL EQUITY		33,905,337	38,236,485
LIABILITIES			
Non-current liabilities			
Borrowings	15	109,703,253	120,672,239
Other payable – related party	12	18,844,202	19,905,815
Accruals		-	717,058
		128,547,455	141,295,112
Current liabilities			
Trade creditors		1,475,062	-
Other payables		-	-
Dividends payable	16	1,216,712	-
Accruals		5,309,345	3,702,382
Borrowings	15	21,244,961	6,122,267
		29,246,080	9,824,649
TOTAL LIABILITIES		157,793,535	151,119,761
TOTAL EQUITY AND LIABILITIES		191,698,872	189,356,246

The notes on pages 10 to 28 form part of these consolidated financial statements.

USI GROUP HOLDINGS AG
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	Attributable to equity owners of the parent								
	Share Capital	**Share Premium**	**Treasury Shares**	**Cashflow Hedging Reserve**	**Equity Component of Convertible Bond**	**Translation Reserve**	**Accumulated Losses**	**Non-controlling interest**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
As at 1 April 2014	**162,528,644**	**109,143,512**	**(1,948,106)**	**(7,789)**	**683,905**	**4,366,268**	**(223,610,117)**	**2,925,882**	**54,082,199**
Loss for the period	-	-	-	-	-	-	(10,343,795)	-	(10,343,795)
Other comprehensive income									
Movement of AFS fair value reserve	-	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	-	(3,200,596)	-	-	(3,200,596)
Cash flow hedges, net of tax	-	-	-	7,789	-	-	-	-	7,789
Total comprehensive income	-	-	-	7,789	-	(3,200,596)	(10,343,795)	-	(13,536,602)
Non-controlling interest	-	-	-	-	-	-	-	(326,257)	(326,257)
As at 30 September 2014	**162,528,644**	**109,143,512**	**(1,948,106)**	**-**	**683,905**	**1,165,672**	**(233,953,912)**	**2,599,625**	**40,219,340**
Loss for the period	-	-	-	-	-	-	(179,810)	-	(179,810)
Costs associated with equity raise	-	(88,667)	-	-	-	-	-	-	(88,667)
Other comprehensive income									
Foreign currency translation - net	-	-	-	-	-	(5,079,551)	-	-	(5,079,551)
Cash flow hedges, net of tax	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(5,079,551)	(179,810)	-	(5,259,361)
Equity component of convertible bond	-	-	-	-	26,887	-	-	-	26,887
Non-controlling interest	-	-	-	-	-	-	-	299,564	299,564
Treasury share transaction	-	-	(18,300,313)	-	-	-	20,000,000	-	1,699,687
Sale of treasury shares	-	-	864,128	-	-	-	474,907	-	1,339,035
As at 31 March 2015 and 1 April 2015	**162,528,644**	**109,054,845**	**(19,384,291)**	**-**	**710,792**	**(3,913,879)**	**(213,658,815)**	**2,899,189**	**38,236,485**
Loss for the period	-	-	-	-	-	-	(3,806,608)	-	(3,806,608)
Other comprehensive income									
Foreign currency translation - net	-	-	8,919	-	-	827,784	-	-	836,703
Cash flow hedges, net of tax	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	8,919	-	-	827,784	(3,806,608)	-	(2,969,905)
Equity component of convertible bond	-	-	-	-	-	-			
Dividend payable	-	-	-	-	-	-	(6,997,508)	-	(6,997,508)
Treasury share transaction (Note 14)	-	-	6,001,627	-	-	-	(220,831)	-	5,780,796
Non-controlling interest	-	-	-	-	-	-	-	(144,531)	(144,531)
As at 30 September 2015	**162,528,644**	**109,054,845**	**(13,373,745)**	**-**	**710,792**	**(3,086,095)**	**(224,683,762)**	**2,754,658**	**33,905,337**

The notes on pages 10 to 28 form part of these consolidated financial statements.

USI GROUP HOLDINGS AG
INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	NOTE	Period to 30 September 2015 (unaudited)	Year ended 31 March 2015 (audited)
			$
Cash flow from operating activities		$	
Loss for the period/year		(3,806,608)	(10,523,605)
Adjustments for:			
- Net foreign exchange losses		(1,052,174)	4,542,269
- Interest income	8	(166,761)	(264,938)
- Interest expenses and other finance expenses	9	3,266,237	7,847,052
- Amortisation of debt issue costs	9	497,088	1,304,918
- Changes in fair value of investment property	11	4,092,948	3,072,190
- Loss on disposal/impairment of associate		-	595,938
- Impairment of available for sale assets		44,775	422,110
- Profit on disposal of subsidiaries		-	(1,773,731)
- Income tax expense		61,840	(61,840)
Changes in working capital			
- Trade creditors and other payables		1,475,062	22,600
- Receivables and prepayments		(541,930)	(1,076,431)
- Accruals		(19,403)	511,276
Cash generated by operations		3,851,074	4,617,808
Interest paid		(2,608,226)	(7,631,627)
Income tax paid		-	-
Net cash generated/(used) by operating activities		1,242,848	(3,013,819)
Cash flow from investing activities			
Change in restricted cash	13	1,591	273,183
Cash payments for potential acquisition of development rights		(2,359,043)	(882,388)
Issuance of convertible promissory note	13	-	(2,000,000)
Proceeds from sale of associated undertaking		-	8,204,328
Interest received		3,623	3,213
Net cash generated/(used) by investing activities		(2,353,829)	5,598,336
Cash flow from financing activities			
Proceeds from borrowings – net of costs	15	3,300,000	128,807,994
Repayment of borrowings		(3,096,518)	(131,825,132)
Proceeds from sale of treasury shares		-	1,269,740
Payments in relation to equity raise		-	(88,667)
Net cash generated/(used) by financing activities		203,482	(1,836,065)
Net (decrease)/increase in cash and cash equivalents		(907,499)	748,452
Movement in cash and cash equivalents			
Cash and cash equivalents at beginning of period/year		2,332,669	1,660,252
Net (decrease)/increase in cash and cash equivalents		(907,499)	748,452
Foreign currency translation adjustments		(42,970)	(76,035)
Cash and cash equivalents at end of period/year		1,382,200	2,332,669

The notes on pages 10 to 28 form part of these consolidated financial statements.

1. GENERAL INFORMATION

The Company's principal activity is that of an investment holding company. Following the business combination of 16 September 2013, the activities of the subsidiaries were diversified from solely that of investment property companies or intermediate financing and holding companies to also include the procurement and wholesale trading of gold bullion, including exports to India and Singapore; the import and sale of jewellery manufactured in India to markets in Asia and the Middle East; other investments in natural resources for importing to India and the ownership and development of real estate and infrastructure assets in India and Europe. The Group is not exposed to seasonal variation in its operations.

The Company is listed on the SIX Swiss Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these interim condensed consolidated financial statements have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of preparation

These interim condensed consolidated financial statements of the Group have been prepared in accordance with IAS 34 (Interim Financial Reporting). The same accounting and valuation principles have been applied to these financial statements as to those that are described on pages 14 to 34 of the 2015 annual report of USI Group Holdings AG. These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s most recent Annual Financial Statements pages 9 to 66, in respect of the period ended 31 March 2015 which have been prepared in accordance with IFRS. These interim condensed consolidated financial statements for the six months ended 30 September 2015 and the comparative figures are unaudited. The extracts from the Group’s Annual Financial Statements for the period ended 31 March 2015 represent an abbreviated version of the Group’s full accounts for that period, on which the Auditor’s issued an unqualified audit report. The interim condensed consolidated financial statements are reported in United States Dollars unless otherwise stated and are based on the interim accounts of the individual subsidiaries at 30 September 2015, 2014 and March 2015 which have been drawn up according to uniform Group accounting principles.

The interim condensed consolidated financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties, other financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results can differ from those estimates. Critical judgments made by management in the application of IFRS and key sources of estimation uncertainties were the same as those that applied to the consolidated financial statements for the year ended March 31, 2015.

Comparative information in the interim condensed consolidated financial statements has been adjusted in order to be consistent with the presentation of the current period and IFRS.

The Group has adopted the following, amendments to standards and annual improvements for the financial period ended 30 September 2015, which do not have significant impact on the consolidated financial statements.

Annual improvements 2010 – 2012 (effective 1 July 2014)
Annual improvements 2011 – 2013 (effective 1 July 2014)
Amendment to IAS 19 ‘Employee benefits’, on defined benefit plans (effective 1 July 2014)

3. FINANCIAL AND OTHER RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency and price risk, cash flow and fair value interest rate risk), credit risk and liquidity rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. However, at 30 September 2015, 30 September 2014 and 31 March 2015 no hedging instruments for the Group were outstanding.

Risk management is carried out by the advisor under policies approved by the Board of Directors. The Board identifies, evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2015. There have been no changes in the risk management department since year end or in any risk management policies.

a) Market risk

i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, Pound Sterling and Indian Rupee. Limited foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Operating entities have limited exposure to exchange risk outside their functional currencies.

The Group has investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations in Continental Europe are managed primarily through borrowings denominated in the relevant foreign currencies, although the directors monitor and permit currency exposure in this regard as an element of its financing strategy.

Historically the Group has not entered into currency hedging transactions in respect of the net assets of subsidiaries denominated in currencies other than US Dollars. The Group will review this policy from time to time.

ii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk, as the gross margin on the gold business is calculated using a market index rate plus a transaction margin.

The Group's investments in equity of other entities that are publicly traded are included on the Bombay Stock Exchange. During the period to 31 March 2015, an investment previously held and listed on the AIM market of the London Stock Exchange was disposed of thereby mitigating and price risk exposure of the Group.

3. FINANCIAL AND OTHER RISK MANAGEMENT

3.1 Financial risk factors (continued)

iii) Cash flow and fair value interest rate risk

The Group's interest-rate risk mainly arises from long-term borrowings, derivative financial instruments and to a limited extent, from cash and cash equivalents. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates and derivative financial instruments expose the Group to fair value interest-rate risk. Group policy is to maintain a significant percentage of its borrowings in fixed rate instruments. The Board regularly meet to review levels of fixed and variable borrowings and takes appropriate action as required.

b) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

c) Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders (if free cash is available for dividend declaration), return capital to shareholders, issue new shares or sell assets to reduce debt.

3.2 Fair value estimation

In the six months to 30 September 2015, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities. There were no transfers between levels of financial assets or liabilities.

Valuations of the investment properties were made at the end of each period/year by independent property consultants. The valuations are based on both the duration of the leases and the future cash flows and after due consideration of transaction activity in the market. The valuation techniques used to value financial instruments were unchanged from 31 March 2015.

4. FOREIGN EXCHANGE RATES

	Balance Sheet			Income and Cash Flow Statement (average)		
	As at 30 September 2015 $	As at 30 September 2014 $	As at 31 March 2015 $	Period ended 30 September 2015 $	Period ended 30 September 2014 $	Year ended 31 March 2015 $
GBP	0.6594	0.61580	0.6741	0.6492	0.59916	0.6210
SGD	1.4248	1.2748	1.3738	1.3663	1.25781	1.2881
INR	66.1313	61.5878	62.6044	64.0628	60.20676	61.1097
CHF	0.9723	0.95150	0.9643	0.9528	0.89874	0.9301
EUR	0.8894	0.78830	0.9216	0.9018	0.73780	0.7924

5. REVENUE

The revenue on the gold trading business is calculated using a market index rate plus a transaction margin. Rental income from investment properties is recognised based on the contractual rental agreement over the life of the lease term.

	Period ended 30 September 2015 Total segment revenue $	Period ended 30 September 2014 Total segment revenue $
Gold trading	25,610,729	1,729,202
Investment property rental	5,219,716	6,349,258
Total	30,830,445	8,078,460

The investment property rent is €9,411,676 (€9,411,676) per annum and the lease expiry date is March 2020.

6. COST OF GOODS SOLD

	Period ended 30 September 2015 $	Period ended 30 September 2014 $
Purchases	25,676,644	1,763,859
Direct consultancy costs	98,119	-
	25,774,763	1,763,859

Cost of goods sold represents the purchase of gold bullion and jewellery, and associated freight and insurance charges along with direct consultancy costs directly related to gold trading.

7. ADMINISTRATIVE EXPENSES

	Period ended 30 September 2015 $	Period ended 30 September 2014 $
Professional fees and other costs	755,131	1,302,713
Property rent and maintenance	438,966	116,118
Advisory fees	521,244	2,231,070
Marketing costs	-	-
Sundry expenses	133,499	96,719
Consultancy costs	80,000	147,974
	1,928,840	3,894,594

8. FINANCE INCOME

	Period ended 30 September 2015 $	Period ended 30 September 2014 $
Interest income	166,761	83,117
	166,761	83,117

Interest income in the period ended 30 September 2015 consists of $100,273 interest accrued on a $2 million promissory note to PT Sasangga Banua Banjar (see Note 13) and $66,488 interest accrued on a €2 million loan to Ridgemont Holdings Limited (see Note 13).

9. FINANCE COSTS

	Period ended 30 September 2015 $	Period ended 30 September 2014 $
Interest on notes	738,408	780,384
Interest on mortgages	2,527,829	3,540,781
Interest on trust receipts	-	122,034
Amortisation of debt issue costs	497,088	792,527
Other interest and borrowing expenses	390,516	1,794,589
Foreign exchange movements	(1,052,174)	-
	3,101,667	7,030,315

10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to equity owners of the parent by the weighted average number of ordinary shares outstanding during the period.

	Period ended 30 September 2015 $	Period ended 30 September 2014 $	Year ended 31 March 2015 $
Net profit attributable to equity owners of the parent:			
from continuing operations	(3,806,608)	(9,993,156)	(10,474,035)
from discontinued operations	-	(176,187)	(22,877)
	(3,806,608)	(10,109,343)	(10,496,912)
Weighted average number of ordinary shares outstanding	13,605,888	15,099,495	14,360,472
Basic earnings per share from continuing operations	(0.280)	(0.658)	(0.729)
Basic earnings per share from discontinued operations	-	(0.012)	(0.002)
Basic earnings per share from profit for the period/year	**(0.280)**	**(0.670)**	**(0.731)**
Diluted weighted average number of ordinary shares outstanding	15,058,388	16,551,995	15,812,972
Diluted earnings per share from continuing operations	(0.280)*	(0.658)*	(0.729)*
Diluted earnings per share from discontinued operations	-*	(0.012)*	(0.002)*
Diluted earnings per share from profit for the period/year	**(0.280)***	**(0.670)***	**(0.731)***

* determined to be anti-dilutive

In March 2014, a subsidiary of the Group amended the terms of its previously issued debt. The debt comprises CHF 42,040,000 of convertible bonds issued in September 2010 and due March 2019. As at 31 March 2015, Bonds in the aggregate principal amount of CHF 22,513,750 were held by third parties and the remainder by the Group. The Bonds have a principal amount of CHF 1,000, a cash coupon of 6.25% and a conversion price of CHF 15.50. The Bonds also include an option for the Group to convert the principal and accrued interest on the Bonds if the share price of the Company is greater than 125% of the conversion price and certain trading volume targets are met. The Bonds are convertible into registered shares of the Company.

Management has estimated that the maximum number of additional ordinary shares that could be issued at 30 September 2015 is 1,452,500 (March 2015 – 1,452,500, September 2014 – 1,452,500). If the diluted EPS calculation was performed as of 30 September 2015, then the resulting earnings per share would have been anti-dilutive.

The reduction in the weighted average number of shares as at 30 September 2015 is attributable to the increased number of shares held in treasury which occurred during the year ended 31 March 2015.

11. INVESTMENT PROPERTY

	30 September 2015 $	31 March 2015 $
Beginning of period/year	151,219,536	195,004,212
Net losses on fair value adjustment	(4,092,948)	(3,072,190)
Net change in fair value due to exchange differences	5,420,760	(40,712,486)
End of period/year	152,547,348	151,219,536

Gains and losses recorded in profit or loss for recurring fair value measurements categorised within Level 3 of the fair value hierarchy amount to $4,092,948 (March 2015 - $3,072,190) and are presented in the consolidated income statement.

The loss recognised subsequent to the reverse acquisition represents the decline in the value of the investment property after the transaction date.

On 21 December 2007, the Group acquired a 94.9% interest in a partnership which owns 4 investment properties in Leipzig, Germany. These were acquired for a purchase price of $228.3 million (€166 million) which, in part, was funded by senior debt of $166 million (€121 million). Bank borrowings of the Group are secured on investment property as outlined in Note 15.

Valuation of the investment properties was done as at 30 September 2015 by Botta Management AG, ("Botta") an independent Property Consultant. A discounted cash flow method was used to calculate market value assuming a 10 year calculation period and a terminal value. This resulted in a gross capital valuation of $152.5 million (€135.67 million) (March 2015 - $151.2 million (€139.36 million)).

Members of the Group have contractual obligations to perform certain repairs and maintenance on the investment properties in Leipzig. The lease period of the property expires in March 2020.

Country	Segment	Valuation (EUR/USD)	Valuation technique	Rental value (EUR/USD)	Discount rate %	Capitalisation rate for terminal value
Germany	Investments in Government tenanted properties	135,670,000/ 152,547,348	Discounted cash flow	9,411,676/ 10,582,489	3.80%	5.00%

The fire insurance value is set at $110.5 million (€98.28 million) as at 30 September 2015.

Included in property rent, maintenance and office expenses as detailed in Note 7 are repairs of $190,830 in respect of investment properties generating rental income. There were no repairs and maintenance costs incurred in respect of investment properties that did not generate rental income.

12. DEVELOPMENT RIGHTS

	30 September 2015	31 March 2015
Cost:	**$**	**$**
Beginning of the period/year	19,905,815	21,343,772
Effect of foreign currency changes	(1,061,613)	(934,664)
Decrease in fair value of future earnings	-	(503,293)
End of period/year	18,844,202	19,905,815

Development rights

In July 2013, Royal acquired Praiseworth Infra Private Limited ("Praiseworth") and Bright Natural Infra Private Limited ("Bright Natural"). These entities owned real estate development rights. The entities were purchased at the valuation of the development rights.

Valuation methodology

The valuation methodology used is acquisition cost of the development rights plus 3% of future earning referenced to net present value of the development rights as determined by independent third party valuers.

As at 30 September 2015 $18,844,202 (March 2015 - $19,905,815) remains payable to the former owners of Praiseworth and Bright Natural.

In May 2015, the Board of the Company announced that it had entered into a conditional agreement to acquire and develop 80 acres of contiguous land in proximity to the East Coast Road ("ECR") near Chennai, India (the "ECR Property"). This is part of a transaction to acquire up to a total of 120 contiguous acres in that area. An international real estate valuation firm has placed a development value on the ECR Property at more than $90 million. The Company has now conditionally acquired 94.5 acres of ECR Property This transaction will be financed with 4 million USI shares (valued for the purpose at CHF 20 each) and an investment by the Company of around $8 million of cash in order to acquire and develop the unencumbered freehold ownership. As at 30 September 2015, $3,240,538 has been paid in respect of this investment and is shown under third party current receivables (See Note 13). The ECR Property is presently designated as agricultural land and a change in land use approval ("CLU") will need to be obtained prior to the transfer of the 100% freehold ownership and development rights in the ECR Property to a newly formed special purpose vehicle wholly owned by USI. The Company will only recognise value for the ECR Property in the consolidated balance sheet once it has freehold ownership of the land and development rights.

12. DEVELOPMENT RIGHTS (CONTINUED)

The 4 million USI shares which are required to finance the ECR Property transaction will be made available from shares issued by USI in September of 2013 as part of USI's acquisition of Goldlink. As a result, no further shares of the Company will be issued at this time.

13. OTHER RECEIVABLES AND PREPAYMENTS

	30 September 2015 $	31 March 2015 $
Non-current		
Other receivables and prepayments – related party	2,248,553	2,170,180
Other receivables and prepayments – third party	2,000,000	2,000,000
	4,248,553	4,170,180
Current		
Other receivables and prepayments – third party	6,283,713	3,177,187
Other receivables and prepayments – related party	7,980,165	7,915,787
	14,263,878	11,092,974
Restricted cash	290,224	291,815
Total current	14,554,102	11,384,789

Included in third party current receivables and prepayments is a trading balance of $1,889,912 with a third party (March 2015 - $1,341,455) which represents an advance payment for gold bullion. Other third party receivables include payment made to third parties in advance of potential development right acquisitions of $3,240,538 (March 2015 - $882,388), cumulative receivables for the PTSBB loan and coal income debtors mentioned above of $723,149, sundry prepayments of $355,449 and VAT receivable of $74,665. The development rights payments referred to above relate to a conditional agreement the Company has entered into in May 2015 to acquire and develop 80 acres of land in Chennai, India (See Note 12). $2,358,150 was paid in the period ended 30 September 2015.

Included in current related party receivables is accrued interest of $1,221,024 relating to the loan to Ridgemont Holdings Limited. Also included is a debtor of $6,382,368 from Infinite resultant from a disposal transaction in the previous fiscal year. Under an agreement dated 19 September 2015, this receivable was assumed by BARS Resources Limited, a company registered in the British Virgin Islands. The balance is expected to be settled by a return of the Company's shares in fiscal year 2016.

Included under restricted cash is $290,224 (March 2015 - $291,815) pledged to banks as security against credit facilities.

14. SHARE CAPITAL

	30 September 2015 $	31 March 2015 $
Authorised, allotted, called up and fully paid:		
Equity interests:		
15,115,164 Ordinary shares of CHF 10.00 each	162,528,644	162,528,644

On 16 September 2013 the shareholders of both the Company and Goldlink approved the reverse acquisition between the two groups.

The completion of the reverse acquisition resulted in the listing on the SIX Swiss Exchange of 14,129,866 newly issued and registered shares with a nominal value of CHF 10.00 each of the Company. Of the new shares, 11,241,463 shares were pursuant to a reverse acquisition of Goldlink and the balance of 2,888,403 arose from the conversion of mandatorily convertible notes and liabilities. As part of the transaction, a par value reduction was also executed, reducing the historical par value of CHF 68.85 to CHF 10.00.

Authorised share capital

Pursuant to an authorization in Article 3c of the Company's articles of incorporation (the "Articles"), the board of directors may increase the share capital in the amount of up to CHF 75,575,820 until 16 September 2016 through the issuance of up to 7,557,582 fully paid in additional registered shares with a nominal value of CHF 10 each. An increase in partial amounts is permitted.

Conditional share capital

According to Article 3a of the Articles, the share capital may be increased by a maximum amount of CHF 15,115,160 through the issuance of up to 1,511,516 fully paid registered shares with a nominal value of CHF 10 each through the exercise of option rights granted to members of the board of directors or the management and to advisors of the company or its subsidiaries. Furthermore, pursuant to Article 3b of the Articles the share capital may be increased by a maximum amount of CHF 60,460,660 through the issuance of up to 6,046,066 fully paid registered shares with a nominal value of CHF 10 each through the exercise of conversion rights, warrant rights or option rights which have been or will be granted to bondholders or other creditors of the Company or its subsidiaries.

As at 30 September 2015, adjustment has been made to reflect the transfer of 416,301 USI shares held in treasury to those eligible shareholders that elected to receive shares in lieu of dividend entitlement as outlined in Note 16. The value of the share transfer was $6,001,627 and resulted in a loss on transfer of $220,831.

As at 30 September 2015, the Group held 1,092,975 treasury shares (31 March 2015 - 1,509,276 shares).

Treasury Shares

Treasury Shares	Sept 2015 Shares	Mar 2015 Shares	Sept 2015 $	Mar 2015 $
	1,092,975	1,509,276	13,373,745	19,384,291

15. BORROWINGS

	30 September 2015 $	31 March 2015 $
Non-current		
Bonds	22,150,251	22,227,432
Facilities	76,179,970	90,489,606
Other loans	11,373,032	7,955,201
	109,703,253	120,672,239
Current		
Facilities	21,244,961	6,122,267
Other loans	-	-
Total current borrowings	21,244,961	6,122,267
Total borrowings	130,948,214	126,794,506

Total borrowings are secured by the assets of the Group. There are various pledges and covenants included in the loan agreements of the Group which are regularly reviewed and tested to ensure compliance.

Facilities

The Leipzig Properties (refer to Note 11) were acquired by the Partnership for €166 million in 2008 and were financed by the Partnership, USI Germany Limited and USI Leipzig Limited borrowing €121 million from a syndicate of senior lenders (the “Syndicate”).

The Facilities were due for repayment on 30 October 2010 and despite numerous attempts by the USI Group's advisors and management between 2010 and 2012, USI Group and its appointed refinancing agents were not able to obtain alternative financing. As a consequence, USI Group negotiated several extensions. This loan was guaranteed by the Partnership which has granted USIGH III a second charge over the Leipzig Properties in support of €12.5 million of intra group funding. This second charge is fully subordinated to the rights of the holders of the Facilities.

On 17 May 2013, USI announced that the USI Group had entered into a Standstill Agreement (the "Standstill") relating to the Facilities which provides it with the opportunity to complete a satisfactory refinancing before 31 December 2014.

On 10 September 2014, the Group successfully completed the refinancing of the facility. The refinancing consists of a senior loan, junior loan and subordinated loan.

Pursuant to the senior loan, €50 million has been provided on an interest only basis until March 2020 at a fixed interest rate of 5% p.a.; under the junior loan €31 million has been provided on a fully amortising basis for the same period with interest payable at a fixed rate of 3% p.a. and under the subordinated loan €15 million has been provided by a member of the old lending syndicate, with interest accruing at a compounding fixed rate of 8% p.a. which is payable at maturity in March 2030. The USI Group has agreed to acquire, or procure the acquisition by a third party of, the subordinated loan on or before 31 July 2016 at a premium of between 0 per cent and 9 per cent of the principal amount and accrued interest, depending on the time of acquisition (As at 30 September 2015 this is shown under current liabilities).

15. BORROWINGS (CONTINUED)

The refinancing included the assignment of an existing first priority land charge on the Leipzig Properties as security along with the assignment of rental and insurance claims relating to the property and a pledge over all bank accounts. Also, the Group issued a 'Cost Overrun Guarantee' governed by German law for the benefit of certain lenders under the loan agreements entered into by the Partnership as borrower, to secure the coverage (by payment of the necessary funds to the borrower) of a possible excess of certain costs in connection with the Leipzig Properties over a specified maximum yearly sum, subject to a maximum amount of liability of EUR 5 million.

Other Loans

Other Loans consist of four loans to the Group from GSGIL. The loans are for €3 million which was drawn down in April 2014, has a repayment date of 31 December 2017, $2.5 million which was drawn down in two parts, in October 2014 and November 2014, and is repayable on 30 September 2016, $3.0 million which was drawn down in two parts, in February and May 2015 and is repayable on 31 March 2017 and $2.5 million which was drawn down in three parts in May and September 2015 and is also repayable on 31 March 2017. All four loans attract interest at 6.25%.

16. DIVIDENDS

At the Company's Annual General Meeting of 15 September 2015, it was resolved that the Company will pay a dividend out of legal reserves from capital contributions of CHF 0.50 per share of the Company payable in cash, or at the election of the shareholder, in additional shares of the Company (sourced from treasury shares). Eligible shareholders may elect to receive one additional share per CHF 13.50 of the respective dividend entitlement. The record date of this payment was 21 September with a payment/delivery date of 23 October 2015 (See Note 19). As approximately 83% of eligible shareholders elected to receive shares (see Note 19), provision has been made as at 30 September 2015 only for those shareholders receiving cash payments, this totals $1,216,712. An adjustment to treasury shares has been made to reflect those shareholders electing to receive shares (see Note 14).

17. RELATED PARTY TRANSACTIONS

i) Ashishkumar Chhajed was the majority beneficial owner of the Group's issued share capital up to 7 August 2015, when 4 million shares were transferred to a non-related party, as described in Note 12. Subsequent to this date the Group had no majority beneficial owner. Ashishkumar Chhajed is also the majority beneficial owner of Infinite Group Holdings Limited ("Infinite").

(ii) David Quint and Dr. Doraiswamy Srinivas are Directors and shareholders of RP&C International Inc. (RP&C) and Directors of the Group. The RP&C Group owned 371,208 shares in the Company (2.46% of the issued ordinary share capital) as at 30 September 2015. Ridgemont Holdings Limited ("Ridgemont") is a wholly owned subsidiary of the RP&C Group. At 30 September 2015, Ridgemont owned the minority interest shown on the balance sheet (5.1% of the property owning Partnership). As at 30 September 2015, the Group had a loan outstanding from Ridgemont of $2,248,553 (€2,000,000), and accrued interest of $1,221,024. Interest of $66,534 (€60,000) has been accrued in the period on this balance. The principal amount of the loan is due in May 2018. Interest is charged at the rate of 6% per annum.

17. RELATED PARTY TRANSACTIONS (CONTINUED)

St James Investment Management Limited ("SJIM") received advisory fees of $521,244 in the period ended 30 September 2015 ($1,311,911 in the year ended 31 March 2015) SJIM is ultimately owned by RP&C. RP&C earned transactional fees of $nil in the period ended 30 September 2015 ($1,750,000 in the year ended 31 March 2015).

As at 30 September 2015, the Group had accruals due to the RP&C Group of $2,008,540 ($1,686,763 as at 31 March 2015).

(iii) Green Street Global Investment Limited ("GSGIL") is a 100% owned subsidiary of Arundel Group Services Limited ("Arundel"). David Quint and Dr. Doraiswamy Srinivas were shareholders of Arundel until 4 December 2014. At 30 September 2015, Arundel and GSGIL owned 624,828 of the Company's shares which represented 4.13% of the total issued shares (as at 31 March 2015 – 765,159 shares – 5.1%).

In March 2014, GSGIL provided $2 million towards subscription of CHF 2 million of Bonds issued by the Group as described in Note 15. At 31 March 2014, GSGIL owed $260,431 to complete the full subscription proceeds. The Group received these funds in May 2014. During the period ended 30 September 2015, GSGIL advanced loans to the Group as described in Note 15.

(iv) At 31 March 2015, Infinite owed the Group $6,382,368 in relation to the disposal of Maxiwin, Beaufort Overseas and Fortune which were disposed of in October 2014. Under an agreement dated 19 September 2015, this receivable was assumed by BARS Resources Limited ("BARS"), a non-related company registered in the British Virgin Islands (See Note 15). Mr Ravi Singh was a Director of Infinite at 30 September 2015, 31 March 2015 and 31 March 2014. On the 8 May 2015, the entire issued share capital of Royal Ventures Limited was sold to Infinite for $1.

(v) Up to 2 October 2014, the Group owned 2.1 % of the issued ordinary shares of Surana Corporation Limited ("SCL"). As at 31 March 2014 the Group had outstanding amount of trade creditors payables related to the purchase of gold bullion and jewellery from SCL. The total balance due was subject to a set-off agreement on 31 March 2014. As at 31 March 2015, the Group had payables due to SCL of $nil (as at 31 March 2014 $48,140,517).

(vi) Surana Mines and Minerals Limited is a subsidiary of Surana Industries Limited ("SIL"). At 30 September 2015, the USI Group owned 2.0% of the ordinary shares of SIL. The amount payable as at 30 September 2014 relates to funds advanced to Royal Venture Pte Limited ("Royal") to acquire Maxiwin, Beaufort and Fortune and for funds advanced to Goldlink United Limited to purchase Royal. These amounts were settled as part of the disposal of these companies during the year ended 31 March 2015. As at 30 September 2015, the Group had other creditors due to SIL of $nil.

The following directors' and executive management fees were recognised in 2015 and 2014.

	Period Ended 30 September 2015 $	Period Ended 30 September 2014 $	Period Ended 31 March 2015 $
Dr. Volkert Klaucke	9,463	33,380	32,211
Mr Ravi Singh	5,000	-	5,000
Mr. William Vanderfelt	15,749	16,690	32,255
Mr. David Quint+	15,749	16,690	32,255
Dr. Doraiswamy Srinivas+	15,749	16,690	32,255

17. RELATED PARTY TRANSACTIONS (CONTINUED)

The above directors' fees are for the period 1 April 2015 to 30 September 2015 inclusive.

+ Payable to RP&C

The following fees for executive management were recognised in 2015 and 2014.

	Period Ended 30 September 2015 $	Period Ended 30 September 2014 $	Period Ended 31 March 2015 $
Dr. Volkert Klaucke	22,033	-	75,000
Mr Ravi Singh	120,000	-	120,000
Mr G Dixit	75,000	75,000	150,000
Mr H Shadaksharappa	5,000	75,000	180,000

The above executive management fees are for the period 1 April 2015 to 30 September 2015 are related to short term benefits.

18. SEGMENT INFORMATION

	Development Rights	Gold Trading	Investments in Government Tenanted Property	Investments in Associated Undertakings	Reconciling Central Items	Total
	$	$	$	$	$	$
Period ended 30 September 2015						
Revenue (Note 5)	-	25,610,729	5,219,716	-	-	30,830,445
Net loss on fair value movement on investment property (Note 11)	-	-	(4,092,948)	-	-	(4,092,948)
Loss on sale of associates	-	-	-	-	-	-
Negative goodwill	-	-	-	-	-	-
Loss after tax	**(15,088)**	**(320,831)**	**(2,242,629)**	**-**	**(1,228,060)**	**(3,806,608)**
As at 30 September 2015						
Assets						
Investment property (Note 11)	-	-	152,547,348	-	-	152,547,348
Development rights (Note 12)	18,844,202	-	-	-	-	18,844,202
Advance payments for development rights (Note 13)	3,241,431	-	-	-	-	3,241,431
Other receivables (Argor trading balance) (Note 13)	-	1,899,912	-	-	-	1,899,912
Restricted cash (Note 13)	-	-	290,224	-	-	290,224
Cash and cash equivalents	139,142	31,149	-	-	1,211,909	1,382,200
Segment assets for reportable segments	**22,224,775**	**1,931,061**	**152,837,572**	**-**	**1,211,909**	**178,205,317**
Liabilities						
Total borrowings (Note 15)	-	-	97,424,931	-	33,523,553	130,948,484
Trade creditors	-	1,475,062	-	-	-	1,475,062
Other payables	18,844,202	-	-	-	-	18,844,202
Segment liabilities for reportable segments	**18,844,202**	**1,475,062**	**97,424,931**	**-**	**32,523,553**	**151,267,748**

All revenue derived from Investments in Government Tenanted Property is derived from one external customer in Germany. Revenue from gold trading is derived from a number of external customers. The column Reconciling Central Costs represents expenses, assets and liabilities that relate to the Group and cannot be separately allocated between segments.

18. SEGMENT INFORMATION (Continued)	**Development Rights**	**Gold Trading**	**Investments in Government Tenanted Property**	**Investments in Associated Undertakings**	**Reconciling Central Costs**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Period ended 30 September 2014						
Revenue (Note 5)	-	1,729,202	6,349,258	-	-	8,078,460
Net loss on fair value movement on investment property (Note 11)	-	-	(5,774,704)	-	-	(5,774,704)
Loss on sale of associates	-	-	-	(176,187)	-	(176,187)
Negative goodwill	-	-	-	-	-	-
Loss after tax	**-**	**(139,956)**	**(4,354,961)**	**(176,187)**	**(5,672,691)**	**(10,343,795)**
As at 30 September 2014						
Assets						
Investment property (Note 11)	-	-	174,446,250	-	-	174,446,250
Development rights (Note 12)	20,745,992	-	-	-	-	20,745,992
Investments in associates	-	-	-	-	-	-
Trade debtors (Note 13)	-	16,432,218	-	-	-	16,432,218
Restricted cash (Note 13)	-	-	464,344	-	-	464,344
Cash and cash equivalents	511	269,024	1,017,886	-	4,556,320	5,843,741
Segment assets for reportable segments	**20,746,503**	**16,701,242**	**175,928,480**	**-**	**4,556,320**	**217,932,545**
Liabilities						
Total borrowings (Note 15)	-	-	116,232,197	-	26,417,629	142,649,826
Trade creditors	-	2,087,309	-	-	-	2,087,309
Other payables	20,745,992	-	-	-	-	20,745,992
Segment liabilities for reportable segments	**20,745,992**	**2,087,309**	**116,232,197**	**-**	**26,417,629**	**165,483,127**

All revenue derived from Investments in Government Tenanted Property is derived from one external customer in Germany. Revenue from gold trading is derived from a number of external customers. The column Reconciling Central Costs represents expenses, assets and liabilities that relate to the Group and cannot be separately allocated between segments.

18. SEGMENT INFORMATION (Continued)	Development Rights	Gold Trading	Investments in Government Tenanted Property	Investments in Associated Undertakings	Reconciling Central Costs	Total
	$	$	$	$	$	$
Period ended 31 March 2015						
Revenue (Note 5)	-	35,922,985	11,948,123	-	-	47,871,108
Net loss on fair value movement on investment property (Note 11)	-	-	(3,072,190)	-	-	(3,072,190)
Profit on sale of subsidiaries	-	-	-	-	1,773,731	1,773,731
Negative goodwill	-	-	-	-	-	-
(Loss)/profit after tax	**(665)**	**(543,199)**	**348,148**	**(22,887)**	**(10,305,012)**	**(10,523,605)**
As at 30 September 2015						
Assets						
Investment property (Note 11)	-	-	151,219,536	-	-	151,219,536
Development rights (Note 12)	19,905,815	-	-	-	-	19,905,815
Other receivables (Argor trading balance) (Note 13)	-	1,341,455	-	-	-	1,341,455
Trade debtors	-	106,789	-	-	-	106,789
Restricted cash (Note 13)	-	-	291,815	-	-	291,815
Cash and cash equivalents	610,606	32,144	-	-	1,689,919	2,332,669
Segment assets for reportable segments	**20,516,421**	**1,480,388**	**151,511,351**	**-**	**1,689,919**	**175,198,079**
Liabilities						
Total borrowings (Note 15)	-	-	96,611,873	-	30,182,633	126,794,506
Other payables	19,905,815	-	-	-	-	19,905,815
Segment liabilities for reportable segments	**19,905,815**	**-**	**96,611,873**	**-**	**30,182,633**	**146,700,321**

All revenue derived from Investments in Government Tenanted Property is derived from one external customer in Germany. Revenue from gold trading is derived from a number of external customers. The column Reconciling Central Costs represents expenses, assets and liabilities that relate to the Group and cannot be separately allocated between segments.

18. SEGMENT INFORMATION (CONTINUED)

Reportable segments' assets are reconciled to total assets as follows:

Period ended	30 September 2015 $	30 September 2014 $	31 March 2015 $
Total reportable segment assets	178,205,317	217,932,545	175,198,079
Available for sale investments	122,467	903,039	174,628
Deferred taxation	-	-	61,840
Receivables and prepayments (Note 13)	13,371,088	8,968,547	13,921,699
Total assets per balance sheet	191,698,872	227,804,131	189,356,246

Reportable segments' liabilities are reconciled to total liabilities as follows:

Period ended	30 September 2015 $	30 September 2014 $	31 March 2015 $
Total reportable segment liabilities	151,267,748	165,483,037	146,700,321
Accruals	5,309,075	6,014,390	4,419,440
Other payables (Dividends payable) (Note 16)	1,216,712	16,087,274	-
Total liabilities per balance sheet	157,793,535	187,584,701	151,119,761

19. SUBSEQUENT EVENTS

As outlined in Note 16, the Company approved on 15 September 2015 the payment of a dividend of CHF 0.5 per share payable in cash or, at the election of the shareholder, in additional shares on the company. This was paid on 23 October 2015, holders of 11,240,124 USI shares (representing approximately 83% of eligible shares) elected to receive additional shares of USI at a rate of 1 share per CHF 13.50 of dividend entitlement. As a result, USI transferred to such shareholders 416,301 USI shares (valued at CHF 5,834,753 ($6,001,627) from those held in treasury. The remaining shareholders elected to receive cash, which totalled CHF 1,182,882 ($1,216,712)

20. BOARD APPROVAL

The consolidated financial statements on pages 6 to 28 are subject to approval and have been authorised by the board of directors on 22 December 2015 and were signed on its behalf by:

Dr. Volkert Klaucke Chairman	Dr. Doraiswamy Srinivas Vice Chairman
Date: 22 December 2015	Date: 22 December 2015