

TAU CAPITAL PLC

**CONDENSED HALF-YEARLY REPORT AND UNAUDITED
CONDENSED COMPANY FINANCIAL STATEMENTS FOR
THE SIX MONTHS ENDED 30 JUNE 2016**

TAU CAPITAL PLC

Table of Contents	Page
Company Information	1
Chairman's Statement	2
Investment Advisor's Report	3
Condensed Company Statement of Comprehensive Income	4
Condensed Company Statement of Financial Position	5
Condensed Company Statement of Changes in Equity	6
Condensed Company Statement of Cash Flows	7
Condensed Notes to the Financial Statements	8-15

TAU CAPITAL PLC

Company Information

Directors (Non-Executive)

Philip Lambert* (Chairman)
Terence Mahony
Philip Scales*

*Independent Director

Registered Office

IOMA House
Hope Street
Douglas, IM1 1AP
Isle of Man

Nominated Adviser and Broker

Numis Securities Ltd
The London Stock Exchange
Building
10 Paternoster Square
London, EC4M 7LT
United Kingdom

Investment Advisor-Private Equity

Capital Gate Securities Limited
Trident Chambers
Road Town
Tortola
British Virgin Islands

Administrator and Registrar

FIM Capital Limited
IOMA House
Hope Street
Douglas IM1 1AP
Isle of Man

Independent Auditor

Deloitte LLP
The Old Courthouse
Athol Street
Douglas IM1 1LD
Isle of Man

UK Solicitors

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

Isle of Man Advocates

Cains Advocates Ltd
Fort Anne
South Quay
Douglas IM1 5PD
Isle of Man

CREST Service Provider and UK Transfer Agent

Computershare Investor
Services
(Channel Islands) Ltd
Queensway House
Hilgrove Street
St Helier JE1 1ES
Jersey

Chairman's Statement

Your Board continues to try and dispose of the one remaining investment, Stopharm LLC ("Stopharm"), in a way which best serves the interests of our shareholders as announced on 22 September 2016.

Although a sale to Capitalgate Securities Limited has not progressed, we understand that this still remains a possibility albeit the timing and the consideration are uncertain. The downturn in the Kazakhstan economy and, in particular, the material devaluation in the Tenge in 2015 has meant that transactions which might have taken place have been delayed. However, the financial performance of Stopharm is improving and is being helped by an apparent stabilising of the Tenge against the US Dollar. It is hoped that this stabilisation will continue and that it will be possible to sell Stopharm at an acceptable price.

In the meantime, the Board is holding discussions with other third parties and exploring other avenues for selling the asset and realising value for shareholders.

The Board is also in the process of further cutting the running costs of the Company.

Thank you again for your continuing support.

Philip Lambert
Chairman

29 September 2016

TAU CAPITAL PLC

Investment Advisor's Report

Private Equity Holdings held by the indirect subsidiaries of Tau Capital Plc

Indirect subsidiaries

Tau SPV 1 Cooperatief W.A.	% Ownership	Valuation
Stopharm LLP	40.35%	\$6 m

Stopharm LLP

Financial Results

During for the first 6 months of 2016 year, Stopharm LLP earned revenues of US\$64.7 million which was a slight increase compared to 2015 (annualized). See note 4(i) for further detail on Stopharm LLP.

	2015 Audited US\$000's	6 months to June 2016 US\$000's	Annualized forecast 2016 US\$000's
Revenue	109,730	64,758	129,500
EBITDA	3,010	2,273	4,500
Interest on loans	(2,277)	(1,312)	(2,620)
Corporate Tax	(249)	-	0
Net Profit/(loss)	227	961	1,922

The 6 months to June 2016 figures are based on the unaudited management accounts produced by Stopharm LLP. The US dollar amounts used above are based upon a Kazakhstan Tenge to US Dollar rate of 339.18 to 1. The comparative rate used for the 2015 Interims was 185.35 to 1.

The Tenge has shown signs of stabilising and at the date of signing the Statement of Financial Position the Tenge to US Dollar rate was 337.74.

TAU CAPITAL PLC

Condensed Company Statement of Comprehensive Income

	Note	For the six months ended 30 June 2016 (Unaudited) US\$	For the year ended 31 December 2015 (Audited) US\$	For the six months ended 30 June 2015 (Unaudited) US\$
Investment income				
Interest income		6	17	5
Dividend income			-	-
Net (loss) on financial assets and liabilities at fair value through profit or loss		(8,751)	(1,044,966)	(46,284)
Total operating (loss)		(8,745)	(1,044,949)	(46,279)
Expenses				
Operating expenses	8	(307,853)	(598,457)	(238,918)
(Loss) for the period/year:		(316,598)	(1,643,406)	(285,197)
Total comprehensive (loss) for the period/year attributable to shareholders		(316,598)	(1,643,406)	(285,197)
Basic and diluted (loss) per share	13	(\$0.01)	(\$0.03)	(\$0.01)

All results derive from continuing operations.

The accompanying notes on pages 8 to 15 are an integral part of these condensed financial statements.

TAU CAPITAL PLC

Condensed Company Statement of Financial Position

	Note	As at 30 June 2016 (Unaudited) US\$	As at 31 December 2015 (Audited) US\$	As at 30 June 2015 (Unaudited) US\$
Assets				
Cash		40,003	97,481	369,583
Debtors and prepayments		68,049	49,469	71,644
Loan to subsidiary	6	35,761	108,699	142,509
Investments in subsidiaries	4	7,600,997	7,609,748	8,608,430
Total assets		7,744,810	7,865,397	9,192,166
Liabilities				
Creditors and accruals		(107,852)	(103,857)	(72,417)
Loan from subsidiary	6	(192,016)	-	-
Total liabilities		(299,868)	(103,857)	(72,417)
Total net assets		7,444,942	7,761,540	9,119,749
Shareholders' equity				
Share capital	5	976,209	976,209	976,209
Distributable reserves		6,468,733	6,785,331	8,143,540
Total shareholders' equity		7,444,942	7,761,540	9,119,749
Net Asset Value per share		\$0.15	\$0.18	\$0.19

Approved by the Board of Directors and signed on its behalf by:

Philip Scales

Philip Lambert

29 September 2016

The accompanying notes on pages 8 to 15 are an integral part of these condensed financial statements.

TAU CAPITAL PLC

Condensed Company Statement of Changes in Equity for the six months ended 30 June 2016

	Share capital (Unaudited) US\$	Distributable reserves (Unaudited) US\$	Total (Unaudited) US\$
Balance at 31 December 2015	976,209	6,785,331	7,761,540
Total comprehensive (loss) for the period	-	(316,598)	(316,598)
Balance at 30 June 2016	976,209	6,468,733	7,444,942

Condensed Company Statement of Changes in Equity for the year ended 31 December 2015

	Share capital (Audited) US\$	Distributable reserves (Audited) US\$	Total (Audited) US\$
Balance at 31 December 2014	976,209	8,428,737	9,404,946
Total comprehensive (loss) for the year	-	(1,643,406)	(1,643,406)
Balance at 31 December 2015	976,209	6,785,331	7,761,540

Condensed Company Statement of Changes in Equity for the six months ended 30 June 2015

	Share capital (Unaudited) US\$	Distributable reserves (Unaudited) US\$	Total (Unaudited) US\$
Balance at 31 December 2014	976,209	8,428,737	9,404,946
Total comprehensive (loss) for the period	-	(285,197)	(285,197)
Balance at 30 June 2015	976,209	8,143,540	9,119,749

The accompanying notes on pages 8 to 15 are an integral part of these condensed financial statements.

TAU CAPITAL PLC

Condensed Company Statement of Cash Flows for the six months ended 30 June 2016

	For the six months ended 30 June 2016 (Unaudited) US\$	For the year ended 31 December 2015 (Audited) US\$	For the six months ended 30 June 2015 (Unaudited) US\$
Cash flows from operating activities			
(Loss) for the period/year	(316,598)	(1,643,406)	(285,197)
Adjustments to reconcile (loss) for the period/year to net cash provided by operating activities			
(Increase)/decrease in debtors and prepayments	(18,580)	1,345	(20,830)
Decrease in investments in subsidiaries	8,751	1,044,966	46,284
Increase/(decrease) in creditors and accruals	3,995	(21,794)	(53,234)
Decrease in loans to subsidiaries	264,954	886	-
Net cash (used in) operating activities	(57,478)	(618,003)	(312,977)
Cash flows from financing activities			
(Payment) for purchase of ordinary shares	-	-	-
(Payment)/proceeds from inter-company loan	-	-	(32,924)
Net cash (used in)/from financing activities	-	-	(32,924)
Net (decrease) in cash and cash equivalents	(57,478)	(618,003)	(345,901)
Cash and cash equivalents at the beginning of period/year	97,481	715,484	715,484
Cash and cash equivalents at the end of period/year	40,003	97,481	369,583
Supplementary disclosure of cash flow information			
Dividends received	-	-	-

The accompanying notes on pages 8 to 15 are an integral part of these condensed financial statements.

TAU CAPITAL PLC

Condensed Notes to the Financial Statements

1. General

Tau Capital plc (the “Company”) is a closed-ended investment fund incorporated and domiciled in the Isle of Man on 3 April 2007. The Company was incorporated under the Companies Acts 1931-2004. Following approval at the AGM held on 24 July 2012, the Company was re-registered under the Companies Act 2006 with number 008604V. The Company was originally established to allow investors the opportunity to realise returns through investing in both public and private businesses that are established in, operating in or have exposure to Kazakhstan. Although Kazakhstan focused, the Company also sought investment opportunities in the Kyrgyz Republic, Uzbekistan, Turkmenistan, Tajikistan, Mongolia and Russia (the “Investment Countries”). The Company is listed on the AIM (formerly the Alternative Investment Market) of the London Stock Exchange. The Company has no employees.

The Company’s investments are held by direct and indirect subsidiaries. Tau (Cayman) L.P., a direct subsidiary, holds one private investments as at the period end date (31 December 2015: one; 30 June 2015: one). Tau SPV 1 Cooperatief W.A., an indirect subsidiary, holds one private investment (31 December 2015: one; 30 June 2015: one)

The Group is currently implementing the investing policies agreed at the 2012 AGM and has not made any new investments during the period under review.

2. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with consolidated financial statements of the Company as at the year ended 31 December 2015.

The consolidated financial statements of the Company as at and for the year ended 31 December 2015 are available upon request from the Company’s registered office at IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP or at www.taucapitalplc.com.

3. Significant accounting Policies

The accounting policies applied in these interim financial statements are the same as those applied in the Company’s consolidated financial statements as at 31 December 2015.

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact to the Company.

4. Investments in Subsidiaries

Direct Subsidiaries

The Company holds the following investments in subsidiaries:

Name	Country of incorporation	Principal investment activity	Proportion of ownership interest
Tau (Cayman) L.P.	Cayman Islands	Investment holding	100%
Tau Cayman Ltd	Cayman Islands	Administration	100%

Indirect Subsidiaries

The subsidiary company Tau (Cayman) L.P. in turn holds the following investment in subsidiary:

Name	Country of incorporation	Principal investment activity	Proportion of ownership interest
Tau SPV 1 Cooperatief W.A.	The Netherlands	Investment holding	99%

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

4. Investments in Subsidiaries (continued)

The fair values of the subsidiaries of the Company at 30 June 2016, 31 December 2015 and 30 June 2015 were as follows:

	As at 30 June 2016 US\$	As at 31 December 2015 US\$	As at 30 June 2015 US\$
Tau (Cayman) L.P. (including its subsidiary TAU SPV 1 Cooperatief W.A.)	7,600,997	7,609,748	8,608,430
	7,600,997	7,609,748	8,608,430

The Company classifies investments in subsidiaries in accordance with IAS 39 - Financial Instruments: Recognition and Measurement and values its investments in subsidiaries in accordance with IFRS 13 – Fair Value Measurements (“IFRS 13”). IFRS 13 defines fair value and establishes a framework for measuring fair value.

Financial instruments included in each category are as follows:

- Level 1 - Quoted market price
- Level 2 - Market observable inputs
- Level 3 - Non-market observable inputs

The following tables show an analysis of financial instruments recorded at fair value, between those whose fair value is based on quoted market prices (level 1), those involving valuation techniques where all the model inputs are observable in the market (level 2) and those where the valuation technique involves the use of non-market observable inputs (level 3).

As at 30 June 2016, the breakdown was as follows:

	(Level 1) US\$	(Level 2) US\$	(Level 3) US\$	Total US\$
Financial Assets				
- Designated at fair value through profit or loss	-	-	7,600,997	7,600,997
	-	-	7,600,997	7,600,997

As at 31 December 2015, the breakdown was as follows:

	(Level 1) US\$	(Level 2) US\$	(Level 3) US\$	Total US\$
Financial Assets				
- Designated at fair value through profit or loss	-	-	7,609,748	7,609,748
	-	-	7,609,748	7,609,748

As at 30 June 2015, the breakdown was as follows:

	(Level 1) US\$	(Level 2) US\$	(Level 3) US\$	Total US\$
Financial Assets				
- Designated at fair value through profit or loss	-	-	8,608,430	8,608,430
	-	-	8,608,430	8,608,430

There were no transfers between level 1 and 2 in the period.

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

4. Investments in Subsidiaries (continued)

The following is a reconciliation of the movement in financial assets for which non-market observable inputs (level 3) were used to determine fair value as at 30 June 2016, 31 December 2015 and 30 June 2015:

	30 June 2016 US\$	31 December 2015 US\$	30 June 2015 US\$
Opening balance at beginning of period	7,609,748	8,654,714	8,654,714
Net unrealised (loss) on investments	(8,751)	(1,044,966)	(46,284)
Closing balance at end of period	7,600,997	7,609,748	8,608,430

Net realised and unrealised gains/(losses) on investments are recognised as investment income in the Statement of Comprehensive Income. There were no transfers out of level 3 during the period (31 December 2015: none, 30 June 2015: none).

Fair value of the Company's level 3 financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used).

Financial assets	Fair value as at 30 June 2016	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable inputs to fair value
Investment in subsidiary	100% investment in Tau (Cayman) L.P.: US\$7,600,997 (31 December 2015: US\$7,609,748, 30 June 2015: US\$8,608,430)	Level 3	Net realisable assets approach	Tau (Cayman) L.P. holds an investment in a subsidiary TAU SPV 1 Cooperatief W.A. ("Tau SPV 1") which is an indirect subsidiary of the Company. Tau SPV 1 also holds an investment in an unlisted private company valued at US\$6,000,000 as at 30 June 2016. The net assets are predominantly based on the valuation of an underlying private company investment, which is based on unobservable inputs as detailed below.	The higher the valuation of investments in unlisted private companies, the higher the fair value.

If the value of the unlisted private company investments held by Tau SPV 1 Cooperatief W.A., the subsidiary of Tau (Cayman) L.P. and indirect subsidiary of the Company, were 10 per cent higher/lower while all the other variables were held constant, the carrying amount of the investment held would increase/decrease by US\$600,000 (31 December 2015: US\$600,000, 30 June 2015: US\$700,000).

Tau Cayman Limited has no assets or liabilities and a fair value of US\$Nil (31 December 2015: US\$Nil, 30 June 2015: US\$Nil). A sensitivity to changes in assumptions has therefore not been prepared in respect of the investment in Tau Cayman Limited.

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

4. Investments in Subsidiaries (continued)

Tau (Cayman) L.P.

As noted above, the fair value of Tau (Cayman) L.P. is based on the net assets of Tau (Cayman) L.P. As at 30 June 2016, 31 December 2015 and 30 June 2015, the assets and liabilities of Tau (Cayman) L.P. were as follows:

	As at 30 June 2016 US\$	As at 31 December 2015 US\$	As at 30 June 2015 US\$
Cash	1,446,432	1,757,255	1,766,678
Debtors and prepayments	2,750	-	2,750
Financial assets at fair value through profit or loss	-	-	-
Investment in subsidiary	5,959,799	5,960,477	6,946,986
Loan to parent	192,016	-	-
Total assets	7,600,997	7,717,732	8,716,414
Accounts payable and accrued expenses	-	-	-
Loan from parent	-	(107,984)	(107,984)
Total liabilities	-	(107,984)	(107,984)
Total net assets	7,600,997	7,609,748	8,608,430

Tau SPV 1 Cooperatief W.A. – direct subsidiary of Tau (Cayman) L.P and indirect subsidiary of the Company

The fair value of Tau SPV 1 Cooperatief W.A. (“Tau SPV 1”) is based on the net asset of Tau SPV 1. As at 30 June 2016, 31 December 2015 and 30 June 2015, the assets and liabilities of Tau SPV 1 were as follows:

	As at 30 June 2016 US\$	As at 31 December 2015 US\$	As at 30 June 2015 US\$
Cash	10,576	891	8,949
Debtors and prepayments	-	-	-
Financial assets at fair value through profit or loss	6,000,000	6,000,000	7,000,000
Total assets	6,010,576	6,000,891	7,008,949
Accounts payable and accrued expenses	(15,016)	(21,699)	(16,930)
Loan to group company	-	(18,000)	-
Loan from parent	(35,761)	(715)	(45,033)
Total liabilities	(50,777)	(40,414)	(61,963)
Total net assets	5,959,799	5,960,477	6,946,986

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

4. Investments in Subsidiaries (continued)

At the period end, the Tau (Cayman) L.P.'s investment portfolio of financial assets at fair value through profit or loss held by the direct and indirect subsidiaries of the Company comprised one (31 December 2015: one; 30 June 2015: one) investments as follows:

			As at 30 June 2016	As at 31 December 2015	As at 30 June 2015
	Investment type	Note	US\$	US\$	US\$
Stopharm LLP	Private investment	(i)	6,000,000	6,000,000	7,000,000
Total			6,000,000	6,000,000	7,000,000

The Directors of the direct and indirect subsidiaries and the Company have valued private investments held by the direct and indirect subsidiaries of the Company on the advice of the Investments Advisor and using the guidance laid down in the International Private Equity and Venture Capital Valuation Guidelines (December 2012) ("IPEVCVG"). The following table gives information about the fair values of these financial assets and in particular, the valuation techniques and inputs, as at 30 June 2016.

Financial assets	Fair value as at 30 June 2016	Fair value hierarchy	Valuation techniques and key inputs
Private equity investments	40.35 per cent equity investment in Stopharm LLP engaged in wholesale pharmaceutical distribution: US\$6,000,000	Level 3	Indicative offer

(i) Stopharm LLP ("Stopharm")

Stopharm is a wholesale pharmaceuticals distributor operating in Kazakhstan. On 1 September 2010, the Group announced the closing of a US\$21.5 million investment in Stopharm comprising a 24.00% equity stake in Stopharm acquired for US\$12.8 million and a fully secured convertible bridge loan of US\$8.7 million provided to one of the shareholders of Stopharm with implied equity on conversion representing an additional 16.35% stake. The conversion into equity of this loan was subject to approval by the Anti-Monopoly Committee of the Republic of Kazakhstan which was received on 25 November 2011. The conversion subsequently took place on 27 December 2011.

The investment in Stopharm LLP has been valued at 30 June 2016 at US\$6,000,000 (31 December 2015: US\$6,000,000). The valuation is based on an enterprise value which is calculated on a multiple range of 6 to 16 times EBITDA. The value of US\$6,000,000 (30 June 2015: US\$7,000,000; valued on an indicative offer from a related party) has been estimated by the Directors of the indirect subsidiary following the opinions and advice of the Investment Advisor in the absence of readily available market values. The Directors of the Company agree with these estimates. Due to the uncertainty arising from the lack of comparable listed companies or recent transactions involving similar businesses on which to determine the multiple applied against earnings used as a basis for the valuation, the estimated values may differ materially from the value that would have been realised had a disposal of the private investment been made between a willing buyer and seller as at 30 June 2016, which in turn would have an impact on the valuation of the Company's investment in subsidiaries. It is not possible to qualify such uncertainties.

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

4. Investments in Subsidiaries (continued)

(i) Stopharm LLP (“Stopharm”) (continued)

On 14 November 2014, under the terms of a Members Contribution Agreement, Tau (Cayman) L.P. made an additional contribution in kind to the capital of Tau SPV 1 Cooperatief W.A. (“Tau SPV 1”) by way of a transfer of its participation interest equal to 40.35% of the charter capital of Stopharm LLP for a value of US\$7,000,000.

In relation to the investment held by Tau SPV 1 in Stopharm LLP, valued at US\$6,000,000, (31 December 2015: US\$6,000,000; 30 June 2015: US\$7,000,000) where the valuation of investment is dependent on non-market observable inputs, in this instance an indicative offer from a related party, a degree of judgement is required in estimating fair values. It is reasonably possible that outcomes within the next financial year that are different from the assumptions adopted by the Board of Directors of Tau SPV 1 and the Company could require a material adjustment to the carrying amount of the asset affected. Accordingly, the valuation of the underlying private investment is subject to significant inherent uncertainty. This in turn creates significant uncertainty in relation to the value of the Company’s investment in subsidiaries, as Tau (Cayman) L.P. owns Tau SPV 1.

5. Share Capital and Share Premium

The authorised share capital of the Company is £3,502,000 comprising 350,199,998 ordinary shares of £0.01 each and 2 founder shares of £0.01 each. The founder shares carry identical rights and privileges to the ordinary shares of the Company which includes a right to receive all dividends and other distributions declared, made or paid. The share capital of the Company has been allocated, called up and fully paid. The shares in issue as at 30 June 2016, 31 December 2015 and 30 June 2015 were as follows:

	Ordinary Shares in issue	Founder Shares in issue
As at 30 June 2016	48,984,680	2
As at 31 December 2015	48,984,680	2
As at 30 June 2015	48,984,680	2

6. Intercompany loan

As at 30 June 2016, the Company had loaned Tau (Cayman) L.P. an amount of US\$Nil (31 December 2015: US\$107,984, 30 June 2015: US\$142,509) for the payment of day to day expenses. The loan is interest free, unsecured and repayable on demand.

As at 30 June 2016, the Company received from Tau (Cayman) L.P. an amount of US\$300,000 (31 December 2015: US\$Nil, 30 June 2015: US\$Nil) for the payment of day to day expenses. The loan is interest free, unsecured and repayable on demand.

As at 30 June 2016, the Company had loaned Tau SPV 1 Cooperatief W.A. an amount of US\$35,046 (31 December 2015: US\$715, 30 June 2015: US\$34,525) for the payment of day to day expenses. The loan is interest free, unsecured and repayable on demand.

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

7. Related Party Items

Philip Scales, a Director of the Company as listed on page 1, is the managing director of FIM Capital Limited (formerly IOMA Fund and Investment Management Limited), the Administrator.

As at 30 June 2016, Philip Lambert, a Director of the Company, held 101,201 ordinary shares in the Company (31 December 2015, 101,201 and 30 June 2015, Philip Lambert held 101,201 ordinary shares).

As at 30 June 2016, Richard Horlick, a previous director of the Company who was retained after his retirement on 1 January 2014 to act in a consultancy capacity, held 12,684,221 ordinary shares (31 December 2015: 12,684,221 and June 2015: 12,684,221).

As at 30 June 2016, Terence Mahony, a Director of the Company, held 102,424 ordinary shares (31 December 2015: 102,424; 30 June 2015: 102,424).

As at 30 June 2016, 31 December 2015 and 30 June 2015, both Spencer House Capital Management LLP and Compass Asset Management Ltd held one founder share each.

8. Fees & Expenses

Directors' remuneration

Directors' remuneration for the period ended 30 June 2016 amounted to US\$42,800 (31 December 2015: US\$93,605; 30 June 2015: US\$47,329).

Administrator fees

The Administrator is entitled to receive a fixed fee of £35,000 for provision of administration services and US\$35,000 for provision of accounting services per annum payable quarterly in arrears.

The Administrator's fees for the period ended 30 June 2016 amounted to US\$47,076.34 (31 December 2015: US\$99,333; 30 June 2015: US\$50,033).

All investment management fees are borne by subsidiaries of the Company.

9. Exchange Rates

The following exchange rates were used to translate assets and liabilities into US dollars at 30 June 2016, 31 December 2015 and 30 June 2015:

	As at 30 June 2016	As at 31 December 2015	As at 30 June 2015
Euro	1.1107	1.0856	1.11470
Pound sterling	1.3316	1.4736	1.57125

TAU CAPITAL PLC

Condensed Notes to the Financial Statements (continued)

10. Distributions

Subject to the provisions of the Articles, the Company may by ordinary resolution, declare that out of profits available for distribution, in accordance with Isle of Man law, dividends be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board. There is no fixed date on which an entitlement to dividend arises.

No dividends were declared or paid during the periods/year ended 30 June 2016, 31 December 2015 or 30 June 2015.

11. Soft Commissions

During the period, the Investment Managers, Investment Advisors and connected persons have not entered into soft commission arrangements with brokers in respect of which certain goods and services used to support investment decision making were received.

12. Commitments and Contingent Liabilities

As at 30 June 2016, the Group has no commitments and contingent liabilities (31 December 2015: US\$Nil; 30 June 2015: US\$Nil).

13. (Loss) per Share

Basic and diluted loss per share is calculated by dividing the net profit or loss attributable to shareholders by the weighted average number of ordinary shares outstanding during the period/year.

	For the six months ended 30 June 2016	For the year ended 31 December 2015	For the six months ended 30 June 2015
Net (loss) attributable to shareholders	(US\$316,598)	(US\$1,643,406)	(US\$285,197)
Weighted average number of ordinary shares in issue	48,984,680	48,984,680	48,984,680
Basic (loss) per share	(\$0.01)	(\$0.03)	(\$0.01)

There is no difference between the fully diluted earnings per share and basic earnings per share.

14. Events After the Date of the Statement of Financial Position

There were no events occurring after the date of the Statement of Financial Position that would have a material impact on this interim report.