

QUBE HOLDINGS LIMITED

(ABN 14 149 723 053)

APPENDIX 4E Full Year Report 30 June 2020**Results for Announcement to the Market**

Set out below are the statutory results for Qube Holdings Limited (Qube) and its controlled entities for the year ended 30 June 2020.

Statutory Information	FY 2020 \$'m	FY 2019 \$'m	Movement
Revenue from ordinary activities	1,902.0	1,838.9	3%
EBITDA ^{1,2}	429.5	425.7	1%
Profit from ordinary activities after tax attributable to members	87.5	196.6	-56%
Net profit after tax attributable to members	87.5	196.6	-56%
Interim dividend cents per share (fully franked)	2.9	2.8	4%
Final dividend cents per share (fully franked)	2.3	2.9	-21%
Special dividend cents per share (fully franked)	-	1.0	n/a
Basic Earnings per share (cents per share)	5.2	12.1	-57%
Diluted Earnings per share (cents per share)	5.2	12.0	-57%

¹ EBITDA is statutory net profit before tax adjusted to remove share of profit of associates, net finance costs, depreciation and amortisation.

² The FY 2020 EBITDA benefited by the introduction of AASB 16 whereby lease payments of \$101.8 million are excluded from EBITDA and additional depreciation and interest expenses recognised instead which has the effect of reducing net profit after tax (but not EBITDA).

Underlying information*	FY 2020 \$'m	FY 2019 \$'m	Movement
Underlying Revenue	1,883.6	1,728.6	9%
Underlying EBITDA	290.9	289.3	1%
Underlying EBITA	160.3	180.5	-11%
Underlying net profit for the year attributable to members	104.2	123.2	-15%
Underlying net profit for the period attributable to members pre-amortisation	121.2	139.2	-13%
Underlying diluted earnings per share (cents per share)	6.2	7.6	-18%
Underlying diluted earnings per share pre-amortisation (cents per share)	7.2	8.5	-15%
Full year dividend per share (cents per share) ³	5.2	6.7	-22%

³ FY19 includes a special dividend of 1.0 cent per share

*** Underlying Information**

Further commentary on the performance of Qube and its operating businesses is set out in the financial statements and ASX announcement issued with this Appendix 4E.

* The underlying information excludes certain non-cash and non-recurring items in order to more accurately reflect the underlying financial performance of Qube. References to 'underlying' information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review.

A reconciliation of the statutory results to the underlying results for the year ended 30 June 2020 and the prior comparable period is presented below:

	2020	2019
	\$'m	\$'m
Revenue and other income	1,902.0	1,838.9
Intercompany trading	41.5	45.2
Fair value losses/(gains)	(45.1)	(155.5)
Quattro acquisition bargain purchase gain	(15.8)	-
AASB 16 leasing adjustments	1.0	-
Underlying revenue	1,883.6	1,728.6
Net profit before income tax	130.5	284.0
Share of equity accounted investments loss/(profit)	7.1	(11.0)
Net finance cost	65.0	32.7
Depreciation & amortisation	226.9	120.0
EBITDA	429.5	425.7
Impairment of investment in associate	6.9	14.0
Quattro acquisition		
- Impairment of equity accounted investment	11.2	-
- Bargain purchase gain	(14.7)	-
Fair value losses/(gains)	(45.1)	(155.5)
AASB 16 leasing adjustments	(101.8)	-
Share based payment expense adjustments	-	1.5
Acquisition costs	3.4	1.3
Other	1.5	2.3
Underlying EBITDA	290.9	289.3
Depreciation	(130.6)	(108.8)
Underlying EBITA	160.3	180.5
Amortisation	(12.1)	(11.2)
Underlying EBIT	148.2	169.3
Underlying interest expense (net)	(17.4)	(12.9)
Share of (loss)/profit of equity accounted investments	(7.1)	11.0
Underlying adjustments to equity accounted investments:		
AASB 16 leasing adjustments	15.4	-
Underlying adjustments - other	3.4	1.8
Underlying share of profit/(loss) of equity accounted investments	11.7	12.8
Underlying net profit before income tax	142.5	169.2
Income tax expense	(39.2)	(46.9)
Underlying net profit for the year	103.3	122.3
Underlying non-controlling interests	0.9	0.9
Underlying net profit after tax attributable to members	104.2	123.2
Underlying net profit after income tax attributable to members pre-amortisation	121.2	139.2
Diluted underlying earnings per share (cents per share)	6.2	7.6
Diluted underlying earnings per share pre amortisation (cents per share)	7.2	8.5

¹ Underlying net profit after tax pre-amortisation, includes an adjustment for Qube's proportionate share of Patrick amortisation expense net of tax.

The table above has been extracted from note 2 of the financial statements but is un-audited.

Underlying information is determined as follows:

Underlying revenues and expenses are statutory revenues and expenses adjusted to exclude certain non-cash and non-recurring items in order to more accurately reflect the underlying performance of Qube. Income tax expense is based on a prima-facie 30% tax charge on profit before tax and associates.

Dividend Information

	Amount (cents per share)	Record Date
Final dividend - fully franked	2.3	21 September 2020
Payment date	21 October 2020	

Qube paid a fully franked interim dividend of 2.9 cents per share per share for the half year ended 31 December 2019 on 7 April 2020. A fully franked final dividend of 2.9 cents per share for the year ended 30 June 2019 was paid on 18 October 2019.

Dividend Reinvestment Plan

Qube operates a dividend reinvestment plan (DRP) that enables shareholders to elect to reinvest all, or a portion of, their dividends into additional shares in Qube. The DRP is available for the final dividend payable on 21 October 2020. Shares will be issued at a discount of 2.5 per cent to the volume weighted average market price of shares sold on the ASX over the 10 trading days commencing on 23 September 2020. Lodgement of the election notice for participation in the DRP is due by 5:00pm on 22 September 2020.

Net Tangible Asset Backing per Share

The net tangible asset backing per share is \$1.29 (2019: \$1.21 per share).

Additional Information

Additional Appendix 4E disclosures can be found in the notes to the Financial Report.

This Appendix 4E report is based on the 30 June 2020 Financial Report which has been subject to an audit by PwC, with an unqualified opinion.