

Qube Holdings Limited
(ABN 14 149 723 053)
APPENDIX 4D Half Year Report 31 December 2018
Results for Announcement to the Market

Statutory Information

Set out below are the statutory results for Qube Holdings Limited (Qube) and its controlled entities for the half year ended 31 December 2018.

	Dec 2018 \$m	Dec 2017 \$m	Movement %
Revenue from ordinary activities and other income	837.0	797.2	5.0%
EBITDA ¹	147.9	128.4	15.2%
Profit from ordinary activities after tax attributable to members	61.5	45.2	36.1%
Net profit for the period attributable to members	61.5	45.2	36.1%
Net profit for the period attributable to member pre-amortisation ²	69.5	53.1	30.9%
Basic earnings per share (cents per share)	3.8c	2.8c	35.7%
Diluted earnings per share (cents per share)	3.8c	2.8c	35.7%
Interim dividend per share (fully franked)	2.8c	2.7c	3.7%
Special dividend per share (fully franked)	1.0c	-	N/A
Diluted weighted average shares on issue (m)	1,605.4	1,603.7	0.1%

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

²Net profit/(loss) after tax pre-amortisation, includes and adjustment for Qube's proportionate share of Patrick amortisation net of tax.

Underlying Information*

Qube reported a solid result for the half year ended 31 December 2018.

	Dec 2018 \$m	Dec 2017 \$m	Movement %
Underlying information			
Underlying Revenue	859.5	811.9	5.9%
Underlying EBITDA	147.9	134.3	10.1%
Underlying EBITA	93.6	83.8	11.7%
Underlying net profit for the period attributable to members	64.6	53.7	20.3%
Underlying net profit for the period attributable to members pre- amortisation	72.6	61.6	17.9%
Underlying diluted earnings per share (cents per share)	4.0c	3.4c	17.6%
Underlying diluted earnings per share pre - amortisation (cents per share)	4.5c	3.8c	18.4%
Diluted weighted average shares on issue (m)	1,605.4	1,603.7	0.1%

* 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.

Underlying Information (continued)*

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

A reconciliation of the statutory results to the underlying results for the half year ended 31 December 2018 is presented below:

	Dec 2018	Dec 2017
	\$m	\$m
Revenue from external customers	837.0	797.2
Intercompany transactions	22.5	22.4
Fair value adjustments	-	(5.8)
Other adjustments	-	(1.9)
Underlying revenue	859.5	811.9
Net profit before income tax	85.6	66.8
Share of profit of equity accounted investments	(7.0)	(3.0)
Net finance cost	9.4	8.0
Depreciation and amortisation	59.9	56.6
EBITDA	147.9	128.4
Fair value gain on investment property	-	(5.8)
Impairment of investment in associate	-	6.0
Other adjustments (net)	-	5.7
Underlying EBITDA	147.9	134.3
Depreciation	(54.3)	(50.5)
Underlying EBITA	93.6	83.8
Amortisation	(5.6)	(6.1)
Underlying EBIT	88.0	77.7
Underlying net finance cost	(6.3)	(5.2)
Underlying share of profit of equity accounted investments	7.0	3.0
Underlying net profit before income tax	88.7	75.5
Underlying income tax expense	(24.5)	(21.8)
Underlying net profit for the half year	64.2	53.7
Underlying non-controlling interests	0.4	-
Underlying net profit after income tax attributable to members	64.6	53.7
Underlying net profit after income tax attributable to members pre-amortisation^A	72.6	61.6
	Cents	Cents
Underlying diluted earnings per share	4.0	3.4
Underlying diluted earnings per share pre-amortisation	4.5	3.8

^A Underlying net profit/(loss) after tax pre-amortisation, includes an adjustment for Qube's proportionate share of Patrick amortisation 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

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Dividend Information

	Amount (cents per share)	Record Date
Interim dividend - fully franked	2.8	7 March 2019
Special dividend - fully franked	1.0	7 March 2019
Payment date	4 April 2019	

Qube paid a fully franked interim dividend of 2.7 cents per share for the six months ended 31 December 2017 on 5 April 2018. A fully franked final dividend of 2.8 cents per share and a fully franked special dividend of 2.0 cents per share for the year ended 30 June 2018 was paid on 19 October 2018.

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 interim dividend payable on 4 April 2019. Shares will be issued at a discount of Nil% to the volume weighted average market price of shares sold on the ASX over the 10 trading days immediately following the record date for payment of the dividend and will rank equally with existing ordinary shares on issue. Lodgement of the election notice for participation in the DRP is due by 5:00pm on 8 March 2019.

The DRP will not apply to the special dividend payable on 4 April 2019.

Net Tangible Assets per Share

The net tangible assets per share are \$1.18 per share (Dec 2017:\$1.12 per share).

Additional Information

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

This Appendix 4D report is based on the 31 December 2018 Interim Financial Report which has been subject to a review by PricewaterhouseCoopers.

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