

QUBE HOLDINGS LIMITED

(ABN 14 149 723 053)

APPENDIX 4E Full Year Report 30 June 2017

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 year ended 30 June 2017.

	FY 2017 \$'m	FY 2016 \$'m	Movement
Revenue from ordinary activities	1,512.8	1,332.5	14%
EBITDA ¹	253.3	249.1	2%
Profit from ordinary activities after tax attributable to members	77.3	82.0	(6%)
Net profit after tax attributable to members	77.3	82.0	(6%)
Interim dividend cents per share (fully franked)	2.7	2.7	-
Final dividend cents per share (fully franked)	2.8	2.8	-
Basic Earnings per share (cents per share) ²	5.4	7.2 ²	(26%)
Diluted Earnings per share (cents per share) ²	5.3	7.2 ²	(26%)

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

²Adjusted for entitlement offer completed in June 2017.

Underlying Information*

Qube delivered a pleasing financial performance for the year ended 30 June 2017.

Underlying information	FY 2017 \$'m	FY 2016 \$'m	Movement
Underlying Revenue	1,513.7	1,319.7	15%
Underlying EBITDA	261.5	246.3	6%
Underlying EBITA	159.1	153.7	4%
Underlying net profit for the year attributable to members	102.2	86.5	18%
Underlying net profit for the period attributable to members pre- amortisation	115.9	92.8	25%
Underlying diluted earnings per share (cents per share)	7.0	7.6 ³	(8%)
Underlying diluted earnings per share pre-amortisation (cents per share)	8.0	8.1 ³	(1%)
Full year dividend per share (cents per share)	5.5	5.5	-

³ Adjusted for entitlement offer completed in June 2017.

* 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 and its operating businesses is set out in the financial statements and ASX announcement issued with this Appendix 4E.

A reconciliation of the statutory results to the underlying results for the year ended 30 June 2017 and the prior comparable period is presented below:

	FY 2017	FY 2016
	\$'m	\$'m
Revenue from external customers	1,512.8	1,332.5
Intercompany transactions	23.3	-
Fair value adjustments	(22.4)	(12.8)
Underlying revenue	1,513.7	1,319.7
Net profit before income tax	104.7	128.1
Share of loss/(profit) of equity accounted investments	22.6	(12.6)
Net finance cost	12.6	32.1
Depreciation & amortisation	113.4	101.5
EBITDA	253.3	249.1
Impairment losses on investments in associates	18.3	21.3
Impairment of property, plant and equipment	8.1	-
Impairment reversal, property, plant and equipment	-	(17.6)
Non-recurring restructure costs	-	2.9
Fair value gains (net)	(22.4)	(12.8)
Stamp duty	1.9	-
Other	2.3	3.3
Underlying EBITDA	261.5	246.3
Depreciation	(102.4)	(92.6)
Underlying EBITA	159.1	153.7
Amortisation	(11.0)	(8.9)
Underlying EBIT	148.1	144.8
Underlying Interest expense (net)	(15.0)	(32.1)
Share of (loss)/profit of equity accounted investments	(22.6)	14.1
Underlying adjustments to equity accounted investments:		
Stamp duty	26.0	-
Other non-recurring transaction & restructure costs	9.2	-
Tax expense on above items	(3.6)	-
Underlying share of profit/(loss) of equity accounted investments	9.0	14.1
Underlying net profit before income tax	142.1	126.8
Underlying Income tax expense	(39.9)	(33.8)
Underlying net profit for the year	102.2	93.0
Underlying non-controlling interests	-	(6.5)
Underlying net profit after tax attributable to members	102.2	86.5
Underlying net profit after income tax attributable to members pre-amortisation²	115.9	92.8
Underlying diluted earnings per share (cps)	7.0	7.6 ¹
Underlying diluted earnings per share pre-amortisation (cps)	8.0	8.1 ¹

¹ Adjusted for entitlement offer completed in June 2017.

² Underlying net profit/(loss) 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.

* 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 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	2.8	12 September 2017
Payment date	12 October 2017	

Qube paid a fully franked interim dividend of 2.7 cents per share for the half year ended 31 December 2016 on 6 April 2017. A fully franked final dividend of 2.8 cents per share for the year ended 30 June 2016 was paid on 7 October 2016.

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 6 October 2017. Shares will be issued at 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 with no discount applied. Lodgement of the election notice for participation in the DRP is due by 5:00pm on 13 September 2017.

Net Tangible Asset Backing per Share

The net tangible asset backing per share is \$1.14 (2016:\$1.01 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 2017 Financial Report which has been subject to an audit by PwC, with an unqualified opinion.

* 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.