

QUBE HOLDINGS LIMITED

(ABN 14 149 723 053)

APPENDIX 4E Full Year Report 30 June 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 year ended 30 June 2018.

	FY 2018 \$'m	FY 2017 \$'m	Movement
Revenue from ordinary activities	1,770.1	1,512.8	17%
EBITDA ¹	413.2	253.3	63%
Profit from ordinary activities after tax attributable to members	199.3	77.3	158%
Net profit after tax attributable to members	199.3	77.3	158%
Interim dividend cents per share (fully franked)	2.7	2.7	-
Final dividend cents per share (fully franked)	2.8	2.8	-
Special dividend cents per share (fully franked)	2.0	-	N/A
Basic Earnings per share (cents per share)	12.5	5.4	131%
Diluted Earnings per share (cents per share)	12.4	5.3	134%

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

Underlying Information*

Qube delivered a pleasing financial performance for the year ended 30 June 2018.

Underlying information	FY 2018 \$'m	FY 2017 \$'m	Movement
Underlying Revenue	1,650.7	1,513.7	9%
Underlying EBITDA	269.2	261.5	3%
Underlying EBITA	164.8	159.1	4%
Underlying net profit for the year attributable to members	106.8	102.2	5%
Underlying net profit for the period attributable to members pre-amortisation	122.8	115.9	6%
Underlying diluted earnings per share (cents per share)	6.7	7.0	(4%)
Underlying diluted earnings per share pre-amortisation (cents per share)	7.7	8.0	(4%)
Full year dividend per share (cents per share) ¹	7.5	5.5	36%

¹Includes a special dividend of 2.0 cents per share

* 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 2018 and the prior comparable period is presented below:

	FY 2018	FY 2017
	\$'m	\$'m
Revenue from external customers	1,770.1	1,512.8
Intercompany transactions	45.7	23.3
Fair value adjustments	(163.2)	(22.4)
Other adjustments	(1.9)	-
Underlying revenue	1,650.7	1,513.7
Net profit before income tax	286.8	104.7
Share of loss/(profit) of equity accounted investments	(4.6)	22.6
Net finance cost	15.0	12.6
Depreciation & amortisation	116.0	113.4
EBITDA	413.2	253.3
Impairment losses on investments in associates	9.3	18.3
Impairment of property, plant and equipment	-	8.1
Share based payment expense adjustments	3.4	-
Fair value gains (net)	(163.2)	(22.4)
Acquisition related costs	4.5	1.9
Other	2.0	2.3
Underlying EBITDA	269.2	261.5
Depreciation	(104.4)	(102.4)
Underlying EBITA	164.8	159.1
Amortisation	(11.6)	(11.0)
Underlying EBIT	153.2	148.1
Underlying net Interest expense	(11.2)	(15.0)
Share of (loss)/profit of equity accounted investments	4.6	(22.6)
Underlying adjustments to equity accounted investments:		
Stamp duty	-	26.0
Other non-recurring transaction & restructure costs	3.6	9.2
Prima facia tax adjustment	(1.1)	(3.6)
Underlying share of profit/(loss) of equity accounted investments	7.1	9.0
Underlying net profit before income tax	149.1	142.1
Underlying Income tax expense	(42.6)	(39.9)
Underlying net profit for the year	106.5	102.2
Underlying non-controlling interests	0.3	-
Underlying net profit after tax attributable to members	106.8	102.2
Underlying net profit after income tax attributable to members pre-amortisation¹	122.8	115.9
Underlying diluted earnings per share (cps)	6.7	7.0
Underlying diluted earnings per share pre-amortisation (cps)	7.7	8.0

¹ 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.

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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	19 September 2018
Special dividend – fully franked	2.0	19 September 2018
Total dividends	4.8	
Payment date	19 October 2018	

Qube paid a fully franked interim dividend of 2.7 cents per share for the half year ended 31 December 2017 on 5 April 2018. A fully franked final dividend of 2.8 cents per share for the year ended 30 June 2017 was paid on 12 October 2017.

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 19 October 2018. 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 20 September 2018.

The DRP will not apply to the special dividend payable on 19 October 2018.

Net Tangible Asset Backing per Share

The net tangible asset backing per share is \$1.19 (2017:\$1.14 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 2018 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.