Qube Holdings Limited

Investor Presentation

FY 17 Interim Results

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ABN 14 149 723 053

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Return to Earnings Growth

Delivered Underlying NPAT Growth

- Underlying NPAT of $62.1 million, an increase of around 19%
- Statutory NPAT of $47.8 million, a decrease of around 2%
- Underlying earnings growth in both operating divisions
- Initial contribution and long term outlook from Patrick acquisition in line with internal expectations
- Strong cashflow generation supports continued investment in growth

Completed Strategic Acquisitions

- Completed several acquisitions during the period that further enhance the quality and growth outlook of Qube's operations:
  - Patrick (50%) – completed 18 August (with Brookfield acquiring the other 50%)
  - AAT (50%) – completed 30 November, increasing Qube's ownership to 100%
  - Moorebank (MIPT) (33%) – completed 23 December, increasing Qube's ownership to 100%

Undertook Funding Initiatives to Support Growth

- Completed a $306 million placement to CPPIB to support the acquisition of Patrick
- Completed a $305 million 7 year ASX listed Subordinated Note issue to provide additional liquidity, diversify Qube's funding sources and extend the tenor of its debt facilities
- At 31 December 2016, Qube's leverage was around 30% and available cash and undrawn debt facilities were around $406 million – providing Qube with significant capacity to fund continued growth

H1 – FY 17 Divisional Highlights Logistics

QUBE

Financial	• Underlying revenue growth of 5% to $328.8 million • Underlying EBITA growth of 9% to $36.7 million • Continued margin improvement with EBITDA margin increasing from 15.7% to 16.1%
Operational	• Increased volumes nationally reflecting improved volumes from existing customer base as well as market share gains • Rail volumes benefitted from modal shift and increased grain volumes • Margins benefitted from cost focus, and scale benefits from Qube's previous investment in facilities
Capex	• Total net capex of around $21 million of which around $18 million is growth related • Growth capex in period mainly comprised new locomotives and wagons to support continued growth in rail activities
Outlook	• Expect similar conditions in H2 (with continuation of traditional business seasonality towards stronger H1)

H1 – FY 17 Divisional Highlights Ports & Bulk

Financial	• Underlying revenue growth of 7% to $363.7 million • Underlying EBITA growth of 4% to $35.0 million • Margin decline over pcp mainly reflects reduction in higher margin project work, low utilisation of oil and gas related facilities and impact of CML mine mothballing
Operational	• Strong contribution from forestry activities and bulk commodities • Market share maintained in key markets with no significant customer losses • Increased contribution from past contract wins in ports and bulk activities • Oil and gas activities remain subdued
Capex	• Total net capex of around $22 million of which around $12 million was growth related • Growth capex underpinned by new contracts
Outlook	• Expect similar conditions in H2

H1 – FY 17 Divisional Highlights Strategic Assets

Financial

- Underlying revenue declined to $11.7 million from $37.1 million
- Underlying EBITA declined to $2.9 million from $31.6 million
- Revenue and earnings decline mainly reflects impact of the lease surrender with the Moorebank tenant that was finalised in December 2015 to enable the Moorebank project to commence

Moorebank

- Acquired Aurizon's Moorebank interests on 23 December 2016
- Modest rental income from 5 tenants on site during H1 (prior year included 5.5 months rental income plus a $23 million contribution from lease surrender payment)
- Pleased with engagement from potential tenants – expect initial agreements within 6-9 months
- Fee income to increase from February following achievement of financial close in January 2017

Minto

- Generated stable rental income although expected to temporarily reduce as tenant has vacated part of the site in December 2016
- Increased income expected in FY 18 and beyond as a result of 2 new proposed leases being finalised

AAT

- Consolidated in Strategic Assets results from 1 December 2016
- Solid contribution reflecting increased non-automotive volumes which offset some weakness in automotive vehicles

H1 – FY 17 Divisional Highlights Patrick

Financial	• Contribution for around 4.5 months from 18 August 2016 • Underlying EBITDA for this period of around $83.3 million (100%) • Qube's total underlying NPAT contribution from Patrick was around $12.8 million ($15.3 million pre-amortisation) comprising interest income and share of profit from associates
Operational	• Solid progress with synergy targets, with benefits to flow to earnings from FY 18 (ahead of expectations) • 4 year EA negotiated and agreed with the Maritime Union of Australia – implemented by end of Feb • Secured new volumes to partly offset impact of A3 contract loss
Capex	• Undertaking detailed analysis of rail terminal automation project • Port Botany pavement development to enhance efficiency of landside logistics interface
Outlook	• Opportunities to secure additional volume although market conditions remain competitive • Earnings in H2 to be impacted by full period impact of net volume loss in H1 partly offset by cost reductions and improved operational efficiency

H1 – FY 17 Associates (ex Patrick)

QUBE

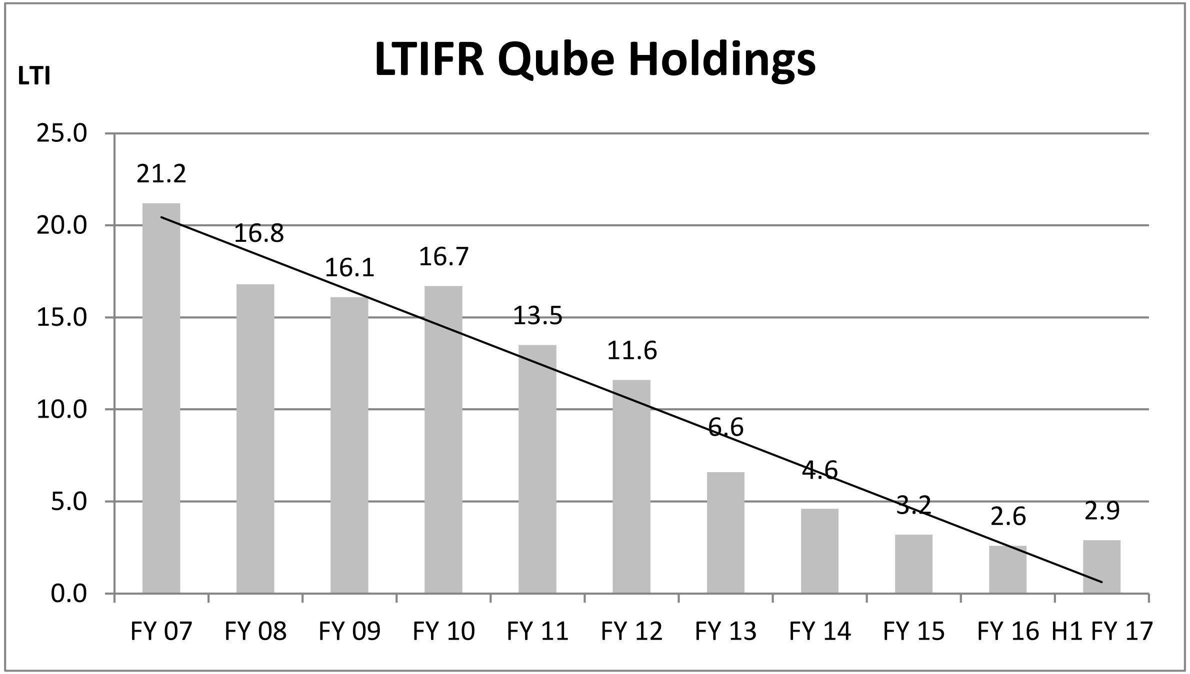
Financial	• NPAT contribution of $2.4 million, down 54% reflecting: • $1.3 million loss from new PEL JV • Lower contribution from AAT (only 5 months and impact of transition out of Melbourne) • Weaker trading from Prixcar (unexpected) and NSS (in line with expectations)
NSS	• Continuation of subdued activities and competitive market • Focus on further cost reductions
Prixcar	• Weaker result on lower revenue and higher costs • Secured new Nissan contract which will offset loss of Ford contract • Focus on further cost reductions and operational improvements

H1 – FY 17 Associates (ex Patrick)

QUBE

PEL	• New JV formed with “K” Line to ship cargo directly from Singapore to Dampier (rather than via Fremantle) • Based on results to date, JV has been mothballed but can restart quickly if demand emerges
Quattro	• Increased grain railed to the facility for storage during H1 • Higher volumes and earnings expected in H2
TQ Holdings	• Planning approval received for Port Kembla fuel terminal • Assessing multiple strategic and/or partnering options for development and operation of fuel terminal • Other related benefits for Qube including Moorebank fuel terminal and supply agreements

Continued Focus on Safety



LTIFR – Lost Time Injury Frequency Rate

- Small deterioration in performance in H1
- Targeted risk reduction programmes in place to reduce the LTIFR
- Includes critical risk reviews and further control implementation to prevent an incident or mitigate its impact

H1 – FY 17 Financial Analysis






Key Financial Outcomes
Statutory Results

	H1 - FY 17 ($m)	H1 - FY 16 ($m)	Change From Prior Corresponding Period (%)
Revenue	755.0	689.5	9.5%
EBITDA	137.1	135.8	1.0%
EBITA	87.1	90.4	(3.7%)
EBIT	82.6	85.9	(3.8%)
Net Finance Costs	(4.5)	(13.9)	67.6%
Share of Profit of Associates	(22.7)	5.2	N/A
Profit After Tax	47.8	55.7	(14.2%)
Non-Controlling Interest	-	(6.7)	N/A
Profit After Tax Attributable to Shareholders	47.8	49.0	(2.4%)
Profit After Tax Attributable to Shareholders Pre-Amortisation*	53.4	52.2	2.3%
Diluted Earnings Per Share (cents)	3.5	4.6	(23.9%)
Diluted Earnings Per Share Pre-Amortisation (cents)*	3.9	4.9	(20.4%)
Interim Dividend Per Share (cents)	2.7	2.7	-
EBITDA Margin (%)	18.2%	19.7%	(1.5%)
EBITA Margin (%)	11.5%	13.1%	(1.6%)

* Adjusted for Qube's amortisation and Qube's share of Patrick's amortisation.

- Qube's statutory earnings impacted by:
  - Stamp duty costs associated with Patrick and AAT acquisitions (-$26.3 million NPAT impact)
  - Net non-recurring Patrick transaction and restructure costs (-$5.2 million NPAT impact)
  - Partly offset by reduction in tax expense resulting from receipt of franked dividends and related loss from Asciano shareholding (+$16.0 million NPAT impact)
- Other than these items, statutory and underlying results were broadly comparable (Refer Appendix 1 for reconciliation)

Key Financial Outcomes

Underlying Results

	H1 - FY 17 ($m)	H1 - FY 16 ($m)	Change From Prior Corresponding Period (%)
Revenue	757.8	689.5	9.9%
EBITDA	137.8	138.7	(0.6%)
EBITA	87.8	93.3	(5.9%)
EBIT	83.3	88.8	(6.2%)
Net Finance Costs	(6.8)	(12.0)	43.3%
Share of Profit of Associates	8.5	5.2	63.5%
Profit After Tax	62.1	58.9	5.4%
Non-Controlling Interest	-	(6.7)	N/A
Profit After Tax Attributable to Shareholders	62.1	52.2	19.0%
Profit After Tax Attributable to Shareholders Pre-Amortisation	67.7	55.4	22.2%
Diluted Earnings Per Share (cents)	4.6	4.9	(6.1%)
Diluted Earnings Per Share Pre-Amortisation (cents)	5.0	5.2	(3.8%)
Interim Dividend Per Share (cents)	2.7	2.7	-
EBITDA Margin (%)	18.2%	20.1%	(1.9%)
EBITA Margin (%)	11.6%	13.5%	(1.9%)

- Qube's NPAT growth in H1 – FY 17 is mainly due to improved earnings in both operating divisions, an initial contribution from Patrick as well as the net contribution from Qube's pre-bid Asciano shareholding
- The decline in EBITDA / EBIT reflects the inclusion in the prior period of $23.2 million from the Moorebank lease surrender payment which was necessary for the Moorebank project development to commence
- Qube's EPS(A) reflects the dilutionary impact of FY 16 and FY 17 capital raisings (with only partial period earnings contribution)

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 are 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.

Key Financial Outcomes

Segment Breakdown

H1 - FY 17	Logistics ($m)	Ports & Bulk ($m)	Strategic Assets ($m)	Corporate and Other ($m)	Patrick ($m)	Total ($m)	H1 - FY 16 ($m)	Change (%)
Statutory								
Revenue	328.8	363.7	8.9	53.6	-	**755.0**	689.5	**9.5%**
EBITDA	53.0	70.3	0.5	13.3	-	**137.1**	135.8	**1.0%**
EBITA	36.7	37.4	(0.2)	13.2	-	**87.1**	90.4	**(3.7%)**
EBIT	35.3	34.5	(0.4)	13.2	-	**82.6**	85.9	**(3.8%)**
NPAT	24.0	26.2	(1.3)	17.3	(18.4)	**47.8**	49.0	**(2.4%)**
Underlying								
Revenue	328.8	363.7	11.7	53.6	-	**757.8**	689.5	**9.9%**
EBITDA	53.0	67.9	3.6	13.3	-	**137.8**	138.7	**(0.6%)**
EBITA	36.7	35.0	2.9	13.2	-	**87.8**	93.3	**(5.9%)**
EBIT	35.3	32.1	2.7	13.2	-	**83.3**	88.8	**(6.2%)**
NPAT	24.9	24.3	2.1	(2.0)	12.8	**62.1**	52.2	**19.0%**

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Logistics Division
Underlying Results

	H1 - FY 17 ($m) Underlying	H1 - FY 16 ($m) Underlying	Change From Prior Corresponding Period (%)
Revenue	328.8	313.5	4.9%
EBITDA	53.0	49.2	7.7%
Depreciation	(16.3)	(15.5)	(5.2%)
EBITA	36.7	33.7	8.9%
Amortisation	(1.4)	(1.4)	-
EBIT	35.3	32.3	9.3%
Share of Profit of Associates	-	-	N/A
EBITDA Margin (%)	16.1%	15.7%	0.4%
EBITA Margin (%)	11.2%	10.7%	0.5%

- Improved volumes from existing customer base and market share gains
- Benefit from modal shift to rail (containers) and increased grain volumes (bulk)
- Past investment in facilities, equipment and warehousing to build scale having positive impact on margins

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Ports & Bulk Division

Underlying Results

	H1 - FY 17 ($m) Underlying	H1 - FY 16 ($m) Underlying	Change From Prior Corresponding Period (%)
Revenue	363.7	338.8	7.3%
EBITDA	67.9	63.6	6.8%
Depreciation	(32.9)	(29.8)	(10.4%)
EBITA	35.0	33.8	3.6%
Amortisation	(2.9)	(2.9)	-
EBIT	32.1	30.9	3.9%
Share of Profit of Associates	2.3	5.8	(60.3%)
EBITDA Margin (%)	18.7%	18.8%	(0.1%)
EBITA Margin (%)	9.6%	10.0%	(0.4%)

- Significant improvement in commodity markets benefitting volumes
- Results reflects low levels of project cargo and continued weakness in oil and gas activities
- Pleasing margin performance given business mix and reduced high margin project work

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Strategic Assets Division

Underlying Results

	H1 - FY 17 ($m) Underlying	H1 - FY 16 ($m) Underlying	Change From Prior Corresponding Period (%)
Revenue	11.7	37.1	(68.5%)
EBITDA	3.6	31.6	(88.6%)
Depreciation	(0.7)	-	N/A
EBITA	2.9	31.6	(90.8%)
Amortisation	(0.2)	(0.2)	-
EBIT	2.7	31.4	(91.4%)
Share of Profit of Associates	0.1	(0.6)	N/A
Non-Controlling Interest	-	(6.7)	N/A
EBITDA Margin (%)	30.8%	85.2%	(54.4%)
EBITA Margin (%)	24.8%	85.2%	(60.4%)

- Modest income from leasing existing warehousing and managing design works for MIC
- Result includes one months' contribution from AAT
- Earnings from management of capital works on behalf of MIC to increase in H2 following financial close occurring on 24 January 2017
- Leases being finalised for additional tenants for Minto Properties (to commence from FY 18)
- Minimal earnings contribution from Moorebank, Quattro and TQ expected in FY 17

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Patrick

Underlying Results

Period from completion (18 August) to 31 December	H1 - FY 17 ($m)	H1 - FY 16 ($m)	Change From Prior Corresponding Period (%)
	Underlying	Underlying	
100%			
Revenue	217.6		
EBITDA	83.3		
Depreciation	(26.5)		
EBITA	56.8		
Amortisation	(7.1)		
EBIT	49.7		
Interest Expense (Net) - External	(12.9)		
Interest Expense Shareholders	(19.4)		
NPAT	12.2		
NPATA	17.1		
EBITDA Margin (%)	38.3%		
EBITA Margin (%)	26.1%		
EBIT Margin (%)	22.8%		
Qube (50%)			
Qube Share of NPAT	6.1		
Qube Share of NPATA	8.6		
Interest Income from Patrick (Post Tax)	6.7		
Total Qube NPAT from Patrick	**12.8**		
Total Qube NPATA from Patrick	**15.3**		

- Financials reflect period from acquisition on 18 August 2016 to 31 December 2016. There is no comparable information for the prior corresponding period given the business operated under a different ownership and operational structure
- Secured new volumes and improved operational efficiency to partly offset impact of A3 contract loss (from November 2016)
- Solid progress with synergy targets, with benefits to flow to earnings from FY 18 (above initial expectations)
- Opportunities to secure additional volume although market conditions remain competitive

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Associates

Underlying Results

Share of Associates' Underlying NPAT	H1 - FY 17 ($m)	H1 - FY 16 ($m)	Change From Prior Corresponding Period (%)
Patrick*	6.1		N/A
AAT	3.2	4.5	(28.9%)
NSS	0.7	1.3	(46.2%)
Prixcar	(0.3)	-	N/A
PEL	(1.3)		N/A
Quattro	0.1	(0.1)	N/A
TQ	-	(0.5)	N/A
Total	**8.5**	**5.2**	**63.5%**

* The Patrick NPAT contribution above excludes interest received by Qube on shareholder loans provided to Patrick.

- AAT ceased to be an Associate from 1 December 2016 and has been consolidated in the Strategic Assets division from that date
- NSS result in line with expectations
- Prixcar secured Nissan contract to offset loss of Ford contract (impact mainly from H2) but disappointing revenue and cost performance in the period
- PEL JV has ceased – no material earnings impact expected in H2
- Quattro impacted by low grain volumes in H1 but expected to improve in H2
- No material contribution expected from Quattro or TQ to Qube's FY 17 earnings

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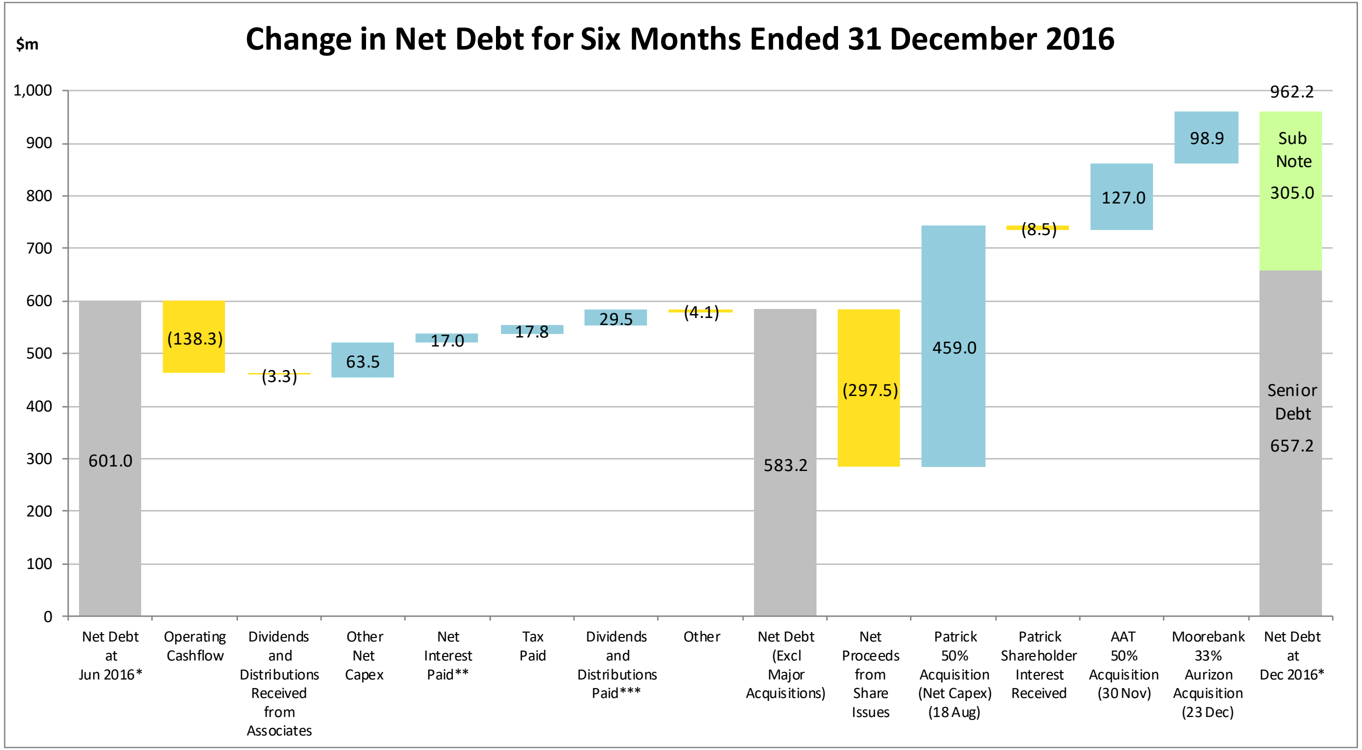
Cashflow and Funding

H1 – FY 17 Overview	• Businesses continued to generate strong operating cashflow • Several funding initiatives completed in the period to support growth
Capex	• Total net capex of around $748 million (net of sale of Asciano shareholding for around $508 million) • Main net capex was on completing the three strategic acquisitions for around $685 million • Additional growth capex on equipment and locomotives to support new contracts and Moorebank development
Leverage	• Leverage at around 30%, at the bottom end of Qube's target range of 30-40% • Maintain significant headroom to covenants
Funding Capacity	• At 31 December 2016, Qube had cash and undrawn debt facilities of around $406 million • Assessing options to further diversify and extend the tenor of Qube's funding

Cashflow and Funding



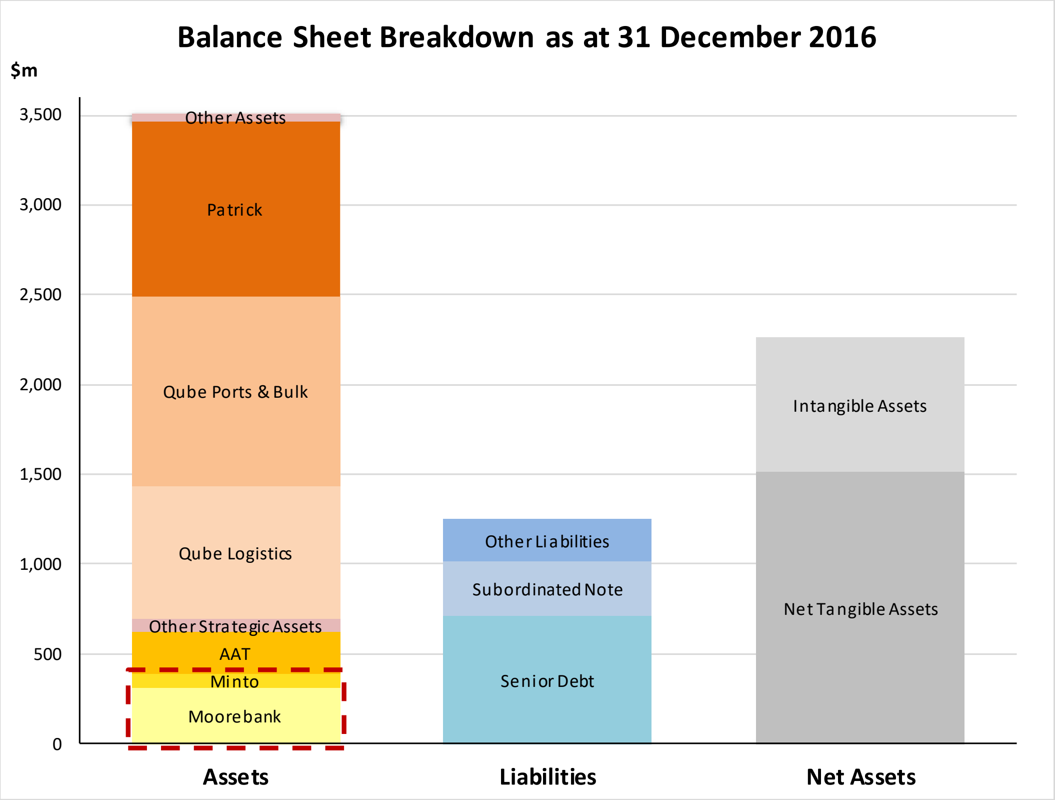
- Total net debt increased as a result of the Patrick, AAT and Moorebank acquisitions completed during the period
- These acquisitions did not contribute materially to Qube's earnings (EBITDA) in the period
- Qube's strong cashflow fully funded its growth capex (ex-major acquisitions), dividends and other financial commitments during the period
- Qube retains significant headroom to its covenants

* Net debt excludes borrowing costs of $4.6m at June 2016 and $9.5m at December 2016.

** Excludes interest income from Patrick shareholder loans.

*** Dividends paid are net of the dividend reinvestment plan.

Balance Sheet Strength



- Qube has a strong net asset position supported by tangible quality assets in strategic locations
- Qube continues to adopt a conservative approach to its balance sheet having regards to the quality of its assets, diversity of its business and strong cashflow generation
- Qube has two wholly owned, strategic, valuable property assets in Moorebank and Minto with a combined book value of around $383 million that are expected to generate attractive financial returns in the future when fully developed and operational
- Qube has a number of options available regarding the development funding and future ownership of these assets.
- Qube will adopt an approach that maximises long term value for Qube's shareholders whilst maintaining a prudent approach to its capital structure

Balance Sheet

As at	31 Dec 2016 ($m)	30 Jun 2016 ($m)	Change ($m)
Cash and Equivalents	74.7	76.6	(1.9)
Receivables	251.1	203.7	47.4
Available-for-sale Financial Assets	-	543.7	(543.7)
Other Current Assets	14.3	4.9	9.4
Total Current Assets	**340.1**	**828.9**	**(488.8)**
Investment in Associates	783.2	225.8	557.4
Property Plant and Equipment	896.6	828.3	68.3
Investment Property	383.4	367.7	15.7
Intangible Assets	751.2	630.7	120.5
Loans and receivables	344.4	-	344.4
Other Non-Current Assets	10.6	10.2	0.4
Total Non-Current Assets	**3,169.4**	**2,062.7**	**1,106.7**
Total Assets	**3,509.5**	**2,891.6**	**617.9**
Trade and Other Payables	142.4	100.1	42.3
Borrowings	4.1	159.4	(155.3)
Provisions	66.1	65.0	1.1
Other Current Liabilities	0.3	0.7	(0.4)
Total Current Liabilities	**212.9**	**325.2**	**(112.3)**
Borrowings	1,023.3	513.6	509.7
Other Non-Current Liabilities	12.1	15.5	(3.4)
Total Non-Current Liabilities	**1,035.4**	**529.1**	**506.3**
Total Liabilities	**1,248.3**	**854.3**	**394.0**
Net Assets	**2,261.2**	**2,037.3**	**223.9**
Non-Controlling Interests	-	(98.2)	98.2
Net Assets Attributable to Qube	**2,261.2**	**1,939.1**	**322.1**
Net Debt*	**952.7**	**596.4**	**356.3**
Net Debt / (Net Debt + Equity)	29.6%	23.5%	6.1%

* Figures are net of borrowing costs.

- Balance sheet composition reflects completion of Patrick, AAT and MIPT acquisitions in the period
- Increased debt and equity to fund these acquisitions
- Leverage remains at the bottom end of Qube's long term target range (30-40%)
- Qube retains significant liquidity to fund its continued growth capex

H1 – FY 17 Summary and Outlook

QUBE

Solid Financial Performance	• Diversified operations supported solid earnings and cashflow • Growth in underlying earnings in both operating divisions and Qube's NPAT / NPATA • Interim dividend maintained at 2.7 cents (fully franked)
Completed Strategic Acquisitions	• Completed three important acquisitions that substantially improved the quality of Qube's asset base and support long term earnings growth • Key priority will be to continue to implement the business plans that underpinned these acquisitions to deliver the expected growth
Enhanced Funding Position	• Completed placement to CPPIB to ensure Qube maintained a prudent capital structure post Qube's acquisition of 50% of Patrick • Subordinated Note issue successfully completed to provide additional liquidity, diversify Qube's funding sources and extend the tenor of its debt
Outlook	• Expect underlying earnings growth in both operating divisions • Expect increased underlying earnings (NPAT) in FY 17 • No change to continued competitive pressures expected across the business

Questions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Appendix 1
Reconciliation of H1 – FY 17
Statutory Results to Underlying Results

H1 - FY 17	Logistics ($m)	Ports & Bulk ($m)	Strategic Assets ($m)	Corporate and Other ($m)	Patrick ($m)	Consolidated ($m)
Net profit / (loss) before income tax	**45.1**	**36.1**	**(0.2)**	**(0.5)**	**(25.1)**	**55.4**
Share of (profit) / loss of associates	-	(2.3)	(0.1)	-	25.1	**22.7**
Net finance cost / (income)	(9.8)	0.7	(0.1)	13.7	-	**4.5**
Depreciation and amortisation	17.7	35.8	0.9	0.1	-	**54.5**
EBITDA	**53.0**	**70.3**	**0.5**	**13.3**	**-**	**137.1**
Stamp duty	-	-	0.3	-	-	**0.3**
Restructure costs	-	0.4	-	-	-	**0.4**
Other	-	(2.8)	2.8	-	-	**-**
Underlying EBITDA	**53.0**	**67.9**	**3.6**	**13.3**	**-**	**137.8**
Depreciation	(16.3)	(32.9)	(0.7)	(0.1)	-	**(50.0)**
Underlying EBITA	**36.7**	**35.0**	**2.9**	**13.2**	**-**	**87.8**
Amortisation	(1.4)	(2.9)	(0.2)	-	-	**(4.5)**
Underlying EBIT	**35.3**	**32.1**	**2.7**	**13.2**	**-**	**83.3**
Underlying net Interest income / (expense)	0.2	(0.7)	0.1	(16.0)	9.6	**(6.8)**
Share of profit / (loss) of associates	-	2.3	0.1	-	(25.1)	**(22.7)**
Underlying adjustments:						
Stamp duty	-	-	-	-	26.0	**26.0**
One-off transition costs	-	-	-	-	4.4	**4.4**
Other non recurring restructure costs	-	-	-	-	0.8	**0.8**
Underlying share of profit / (loss) of associates	-	2.3	0.1	-	6.1	**8.5**
Underlying net profit / (loss) before income tax	**35.5**	**33.7**	**2.9**	**(2.8)**	**15.7**	**85.0**

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 are 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.

Appendix 2
Reconciliation of H1 – FY 16
Statutory Results to Underlying Results

H1 - FY 16	Logistics ($m)	Ports & Bulk ($m)	Strategic Assets ($m)	Corporate and Other ($m)	Consolidated ($m)
Net profit / (loss) before income tax	**32.5**	**35.9**	**30.9**	**(22.1)**	**77.2**
Share of (profit) / loss of associates	-	(5.8)	0.6	-	**(5.2)**
Net finance cost / (income)	(0.2)	0.8	(0.1)	13.4	**13.9**
Depreciation and amortisation	16.9	32.7	0.2	0.1	**49.9**
EBITDA	**49.2**	**63.6**	**31.6**	**(8.6)**	**135.8**
Asciano Ports Business acquisition related advisor costs	-	-	-	2.8	**2.8**
Moorebank STI (FY 15 deferred component)	-	-	-	0.1	**0.1**
Underlying EBITDA	**49.2**	**63.6**	**31.6**	**(5.7)**	**138.7**
Depreciation	(15.5)	(29.8)	-	(0.1)	**(45.4)**
Underlying EBITA	**33.7**	**33.8**	**31.6**	**(5.8)**	**93.3**
Amortisation	(1.4)	(2.9)	(0.2)	-	**(4.5)**
Underlying EBIT	**32.3**	**30.9**	**31.4**	**(5.8)**	**88.8**
Net finance cost excluding derivatives	0.2	(0.8)	0.1	(14.3)	**(14.8)**
Asciano Ports business acquisition related finance costs	-	-	-	2.8	**2.8**
Underlying net finance cost	0.2	(0.8)	0.1	(11.5)	**(12.0)**
Underlying share of profit / (loss) of associates	-	5.8	(0.6)	-	**5.2**
Underlying net profit / (loss) before income tax	**32.5**	**35.9**	**30.9**	**(17.3)**	**82.0**

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 are 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.

Appendix 3
Explanation of Underlying Information

- Underlying revenues and expenses are statutory revenues and expenses adjusted to exclude certain non-cash and non-recurring items such as fair value adjustments on investment properties, cost of legacy incentive schemes and impairments to reflect core earnings. Income tax expense is based on a prima-facie 30% tax charge on profit before tax and associates

- References to ‘underlying’ information are 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