

MIDWAY LIMITED

(ASX: MWY)

ASX and Media Release

Midway Limited Announces 2017 Full Year Results

28 August, 2017 – Geelong, Australia – Midway Limited (ASX: MWY), Australia's largest woodfibre processor and exporter, today announced full year results for the 12-month period ended 30 June 2017 – its first full year results as an ASX listed company.

Midway's full year 2017 pro forma financial results were in line with prospectus forecasts, achieving sales of \$209.2 million and EBITDA of \$28.4 million. Pro forma NPAT of \$17.3 million exceeded the prospectus forecast by 5.3 per cent.

The statutory accounts show a reduction in sales and profit numbers on a previous corresponding period basis but this reflects lower revenue and profit from log sales and higher stumpage costs following the sale of the tree crop in February 2016 as outlined in the prospectus.

On the back of the solid 2017 full year results, the Midway Board has agreed to pay a fully franked final dividend of \$0.09 cents per share, taking the full year dividend payment to \$0.18 cents per share fully franked. The dividend will be paid on 09 October 2017.

Midway Chief Executive, Tony Price, said: "We are very pleased to report full year results in line with our prospectus forecasts, wrapping up an exciting first year as a publicly listed company on the Australian Stock Exchange."

"We have now demonstrated our ability to deliver on our prospectus forecasts and continue to progress well against our strategic plans and objectives for the future growth of the business for our shareholders."

Mr Price said the full year results was driven by better dry fibre content across all operations, as well as improved US dollar FOB sales and a favourable foreign exchange rates during the year.

"We were very pleased with our performance in Geelong and in South West Fibre (SWF) which offset difficult trading conditions facing Queensland Commodity Exports (QCE) including weaker softwood markets and adverse weather effects of Cyclone Debbie on our initial hardwood harvest in northern NSW," he said.

"Throughout the year, we have focused on making progress against our growth strategy by securing long-term log supply through replanting on some of our land portfolio and accessing additional supply through negotiations with key suppliers."

"We have also continued to focus on our key trading partners, especially with pulp and paper producers in China and Japan, to ensure long term relationships between our businesses."

Outlook

Mr Price was positive about the outlook for Midway in FY18: "We expect strong export demand, particularly in China, and constrained global supply for high quality hardwood woodfibre to underpin a positive price outlook."

"We will continue to closely manage key value drivers including, ship chartering costs, foreign exchange exposures, softwood and hardwood log supply and plantation and woodfibre production costs," he said.

"We will also assess bolt-on opportunities to acquire businesses in key forestry areas, both in Australia and overseas as part of a disciplined approach to capital management that aims to maximise shareholder value."

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About Midway Limited

Midway Limited is a leading Australian forestry company with headquarters in Geelong, with majority shareholdings in South West Fibre Pty Ltd (SWF) based in the Green Triangle, and Queensland Commodity Exports Pty Ltd (QCE) based in Brisbane. Founded in 1980, Midway is primarily involved in the production and export of high quality wood fibre to producers of pulp, paper and associated products in the Asian region. For further information, visit www.midwaylimited.com.au/.