CLEANAWAY

Making a sustainable future possible

FY18 Full Year Results

For the twelve months ended 30 June 2018

Vik Bansal – CEO and Managing Director
Brendan Gill – CFO

22 August 2018

ASX: CWY

Cleanaway – Making a sustainable future possible

- ✓ Diversified exposure to Australia's growing waste market
- ✓ Leading player in each of our operating segments of Solids, Liquid Waste & Health and Industrial Services
- ✓ Owner of an irreplaceable and largest network of prized infrastructure assets across the country
- ✓ Acquired a leading position in the attractive hazardous and medical waste sector with recent acquisition of Toxfree
- ✓ Creating significant value for shareholders through the synergies of combining the Cleanaway and Toxfree business.
- ✓ Strong cash conversion and increasing free cashflow
- ✓ Delivering organic growth and focused margin improvement across our operating segments
- ✓ Systematic implementation of our Footprint 2025 strategy

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- All amounts are in Australian dollars unless otherwise stated. A number of figures in the tables and charts in the presentation pages have been rounded to one decimal place. Percentages (%) have been calculated on actual whole figures.
- Underlying earnings are categorised as non-IFRS financial information and therefore have been presented in compliance with ASIC Regulatory Guide 230 – Disclosing non-IFRS information, issued in December 2011. Refer to CWY's Directors' Report for the definition of "Underlying earnings". The term EBITDA represents earnings before interest, income tax, and depreciation, amortisation and impairments and the term EBIT represents earnings before interest and income tax expense.
- This presentation has not been subject to review or audit.

Agenda

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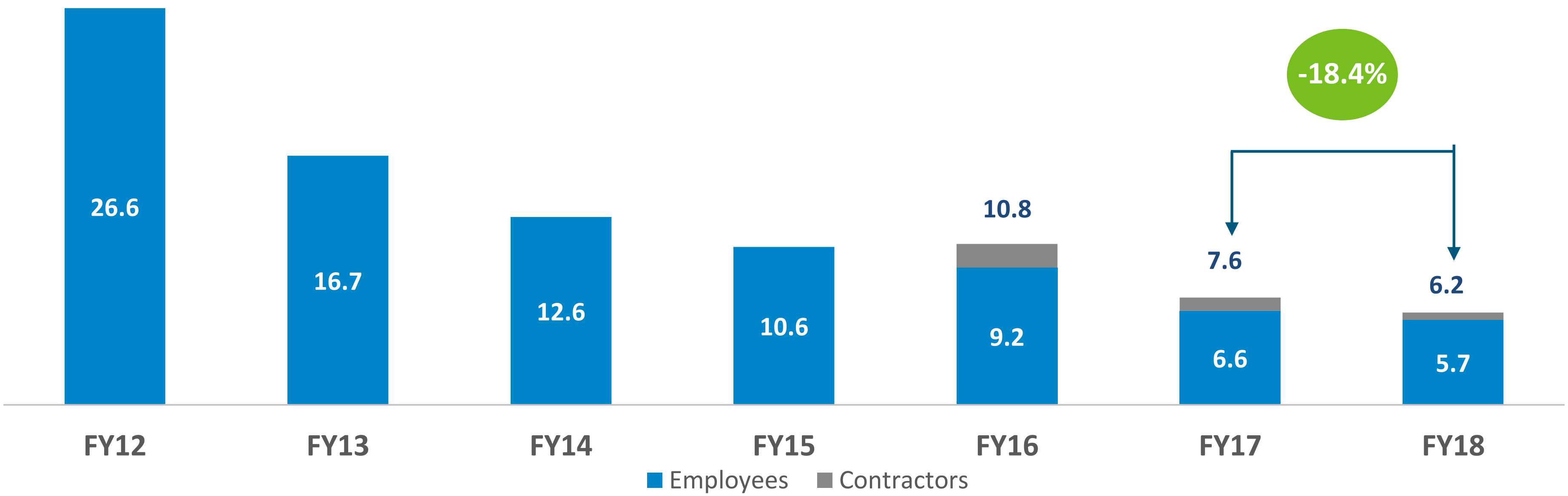
Safety and Environmental – Our objective is Goal Zero

Total Recordable Injury Frequency Rate[1]

From FY12 to FY15 Total Recordable Injury Frequency Rate was for employees only. From FY16 onwards statistics include both employees and contractors.



Total recordable injury frequency rate continues to decline as safety initiatives are further deployed.

Safety performance remains a key performance measure for all management's short term incentive starting from CEO down to site management

No major environmental incidents were reported during FY18

Note 1: Comparative periods have been adjusted to exclude divested businesses.

FY18 Group Financial Performance Overview

$ million	Group Underlying Results FY17	Group Underlying Results FY18	Group Underlying Results Growth	Group Statutory Results FY17	Group Statutory Results FY18	Group Statutory Results Growth
Gross Revenue	1,454.4	1,714.3	**17.9%**	1,454.4	1,714.3	**17.9%**
Net Revenue	1,350.7	1,564.9	**15.9%**	1,350.7	1,564.9	**15.9%**
EBITDA	301.3	339.7	**12.7%**	314.0	323.1	**2.9%**
EBITDA Margin	*22.3%*	*21.7%*	***(60)bps***	*23.2%*	*20.6%*	***(260)bps***
EBIT	142.9	166.4	**16.4%**	143.1	149.3	**4.3%**
EBIT Margin	*10.6%*	*10.6%*	–	*10.6%*	*9.5%*	***(110)bps***
NPAT	77.5	97.8	**26.2%**	72.5	103.3	**42.5%**
EPS (basic cents per share) [1]	4.7	5.3	**12.8%**	4.4	5.6	**27.3%**

	FY17	FY18	Growth
Final dividend per share (cents)	1.1	1.4	**27.3%**
Cash from operating activities ($m)	189.6	221.2	**16.7%**
Cash conversion ratio	91.0%	94.8%	**380bps**
Free cash flow ($m)	62.7	117.0	**86.6%**

- Continuously improving result across majority of metrics
- Margin contraction due to:
  - Once off $2.8 million bad debt write-offs
  - Impact of China National Sword
  - Once off ramp-up costs associated with major new contracts

Note 1: EPS reflects equity raising in December 2017/January 2018 for the acquisition of Toxfree. Toxfree contribution to the FY18 result was for a 7 week period only. Refer to slide 35 for adjusted EPS calculations

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FY18 Group Financial Performance Overview (continued….)

Underlying results – CWY & TOX ($ million)

	FY17	FY18				
	CWY	CWY	CWY Growth	TOX (7 weeks in FY18)	Total	Total Growth (incl. Tox)
Gross Revenue	1,454.4	1,646.7	**13.2%**	70.7	1,714.3[1]	**17.9%**
Net Revenue	1,350.7	1,497.3	**10.9%**	70.7	1,564.9[1]	**15.9%**
EBITDA	301.3	327.0	**8.5%**	12.7	339.7	**12.7%**
EBITDA Margin	22.3%	21.8%	***(50)bps***	18.0%	*21.7%*	***(60)bps***
EBIT	142.9	160.3	**12.2%**	6.1	166.4	**16.4%**
EBIT Margin	10.6%	10.7%	***10bps***	8.6%	*10.6%*	–
NPAT	77.5	94.0	**21.3%**	3.8	97.8	**26.2%**
EPS (basic cents per share)[2]	4.7	n/a	**n/a**	n/a	5.3	**12.8%**

Notes 1: Excludes inter-segment sales. 2: EPS adjusted for the bonus element of the equity raising in December 2017/January 2018 for the acquisition of Toxfree. Toxfree contribution to the FY18 result was for a 7 week period only. Refer to slide 35 for adjusted EPS calculations

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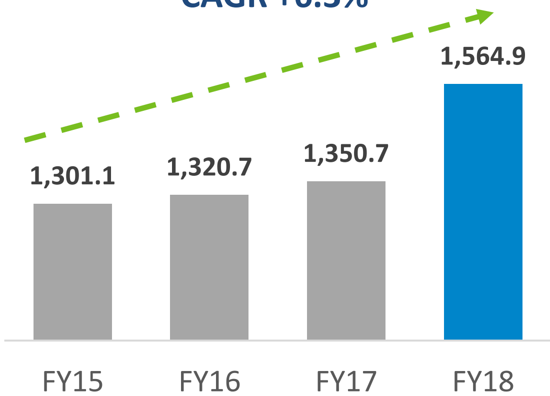
Sustained earnings growth

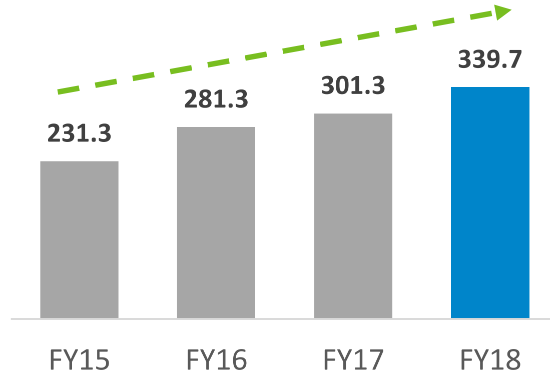
Net Revenue ($m)

CAGR +6.3%



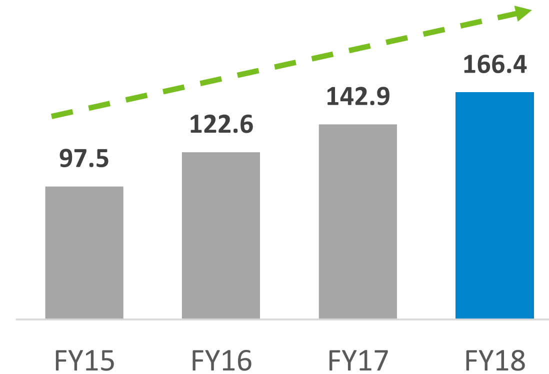
EBITDA[1] ($m)

CAGR +13.7%



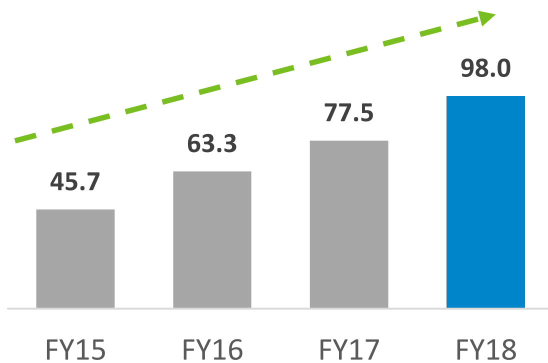
EBIT[1] ($m)

CAGR +19.5%



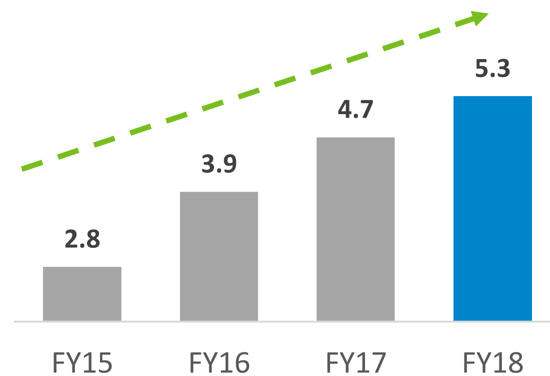
NPAT[1] ($m)

CAGR +28.9%



Earnings Per Share[1,2] (cents)

CAGR +23.7%

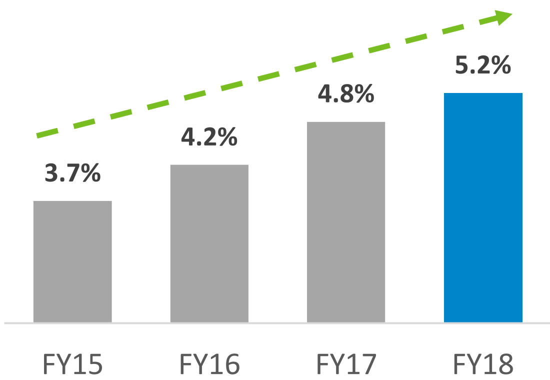


Notes 1: Underlying results. 2: Adjusted for the bonus element of the entitlement offer. Excluding the equity raising, EPS in FY18 is 5.9 cents

Driving increased cash flows and shareholders returns

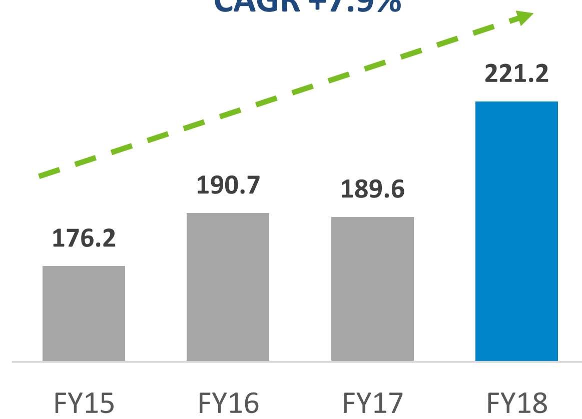
Return on Invested Capital[1] (%)

CAGR +12.0%



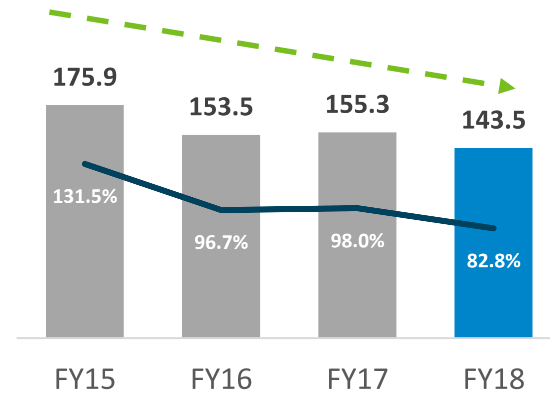
Operating Cash Flow ($m)

CAGR +7.9%



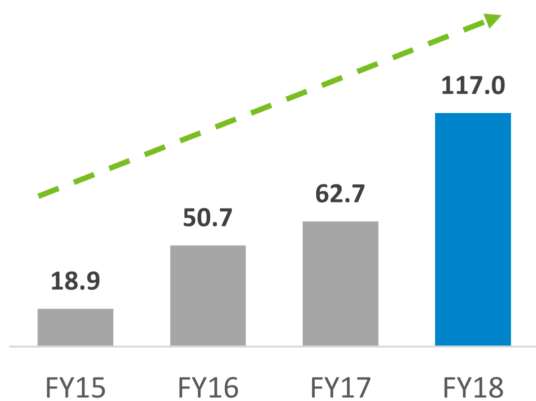
Cash Capex ($m) and % of D&A

~85% of D&A



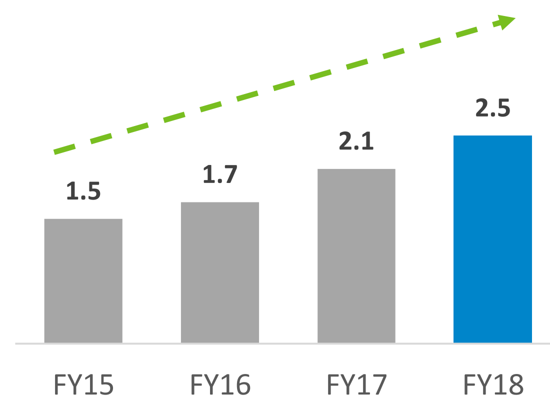
Free Cash flow ($m)

CAGR +83.7%



Dividends Per Share (cents)

CAGR +18.6%



Note 1: Return on Invested Capital calculated as tax effected EBIT divided by average net assets plus net debt (excluding Toxfree).

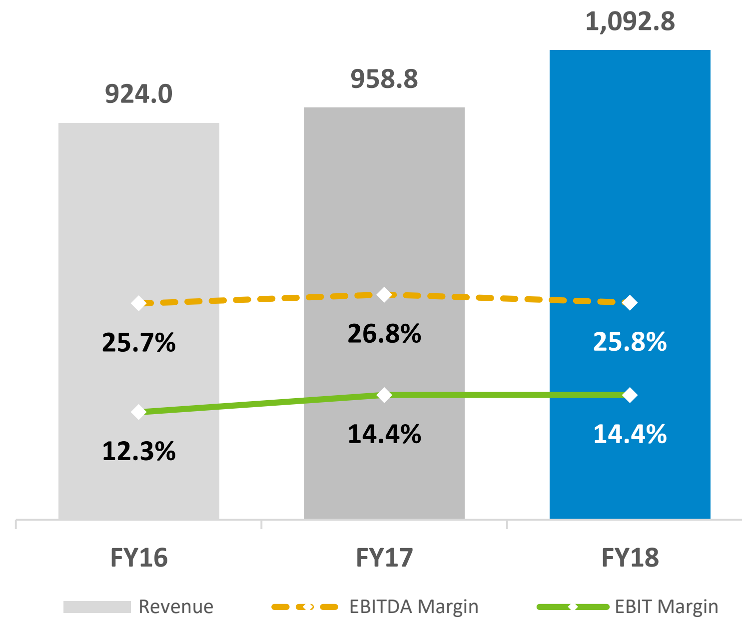
FY18 Cleanaway Division Performance Summary

$ million	Net Revenue[1] FY17	Net Revenue[1] FY18	Net Revenue[1] Growth	EBITDA[2] FY17	EBITDA[2] FY18	EBITDA[2] Growth	EBIT[2] FY17	EBIT[2] FY18	EBIT[2] Growth
Solids – Collections	810.5	**907.9**	**12.0%** ↑	160.9	**165.5**	**2.9%** ↑	98.8	**100.8**	**2.0%** ↑
Solids – Post Collections	185.0	**232.8**	**25.8%** ↑	96.1	**116.6**	**21.3%** ↑	38.8	**56.4**	**45.4%** ↑
Liquids & Industrial Services	424.0	**440.2**	**3.8%** ↑	58.9	**63.0**	**7.0%** ↑	32.1	**35.5**	**10.6%** ↑
Corporate and Other[3]	0.2	**–**	**–**	(14.6)	**(18.1)**	**24.0%** ↓	(26.8)	**(32.4)**	**20.9%** ↓

Notes 1: Net revenue excludes landfill levies collected. 2: Underlying results. Refer to slide 16 for details of underlying adjustments. 3: Corporate and other impacted by the $2.8 million in bad debt write-offs.

Cleanaway Total Solids Performance

$ million	FY17	FY18	% change FY18 v FY17
Net revenue[1]	958.8	**1,092.8**	**14.0%**
EBITDA	257.0	**282.1**	**9.8%**
EBITDA Margin	*26.8%*	***25.8%***	***(100)bps***
EBIT	137.6	**157.2**	**14.2%**
EBIT Margin	*14.4%*	***14.4%***	–



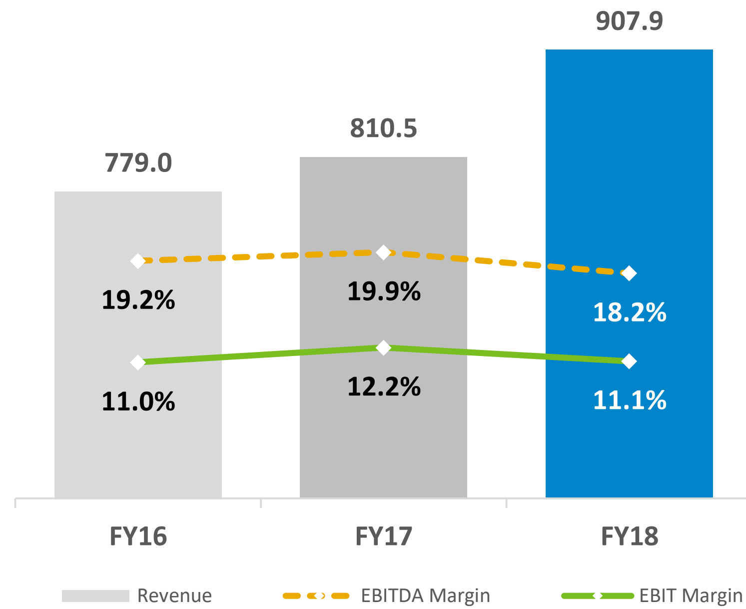
- Revenue growth driven by both volume and price improvements across Collections and Post Collections
- Quality of earnings impacted by China National Sword policy & ramp-up costs associated with major new contracts
- Reduction in depreciation and amortisation as a percentage of net revenue as the transition away from older Melbourne landfills continues
- Maintained cost disciplines across the business
- Toxfree Solids business adds footprint & customer access in Queensland and North West Western Australia

Notes:

1: Net revenue excludes landfill levies collected of $149.4 million in FY18 and $103.7 million in FY17

Cleanaway Solids – Collections Performance

$ million	FY17	FY18	% change FY18 v FY17
Net revenue	810.5	**907.9**	**12.0%**
EBITDA	160.9	**165.5**	**2.9%**
EBITDA Margin	*19.9%*	***18.2%***	***(170)bps***
EBIT	98.8	**100.8**	**2.0%**
EBIT Margin	*12.2%*	***11.1%***	***(110)bps***

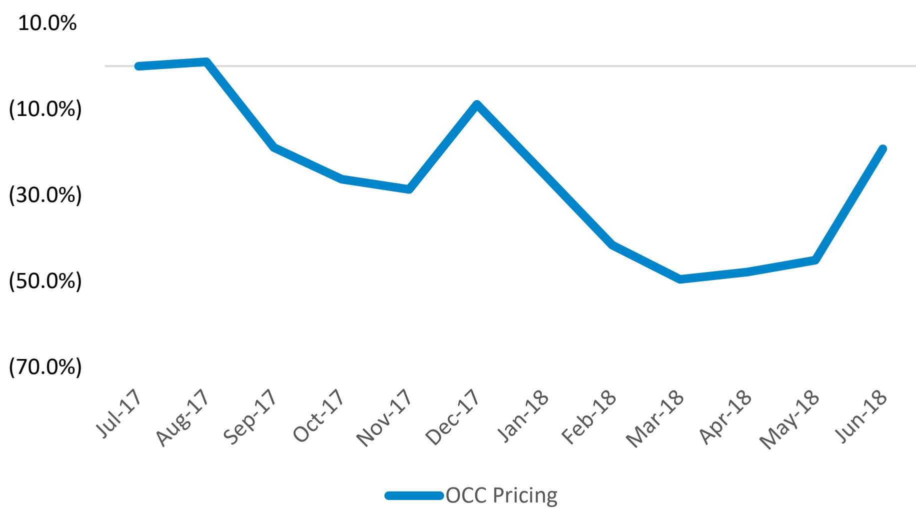


- Double digit organic revenue growth driven by both volume increases and improved pricing performance
- Quality of earnings impacted by lower recycling earnings and ramp-up costs associated with major new contracts
- Good quality revenue growth remains a priority – leveraging customer service
- Further operational improvements to improve margins via cost
- Our Cleanaview proprietary in-cab system deployed for new Municipal contracts and delivering benefits
- Major new C&I and Municipal contracts expected to underpin continued revenue growth into FY19

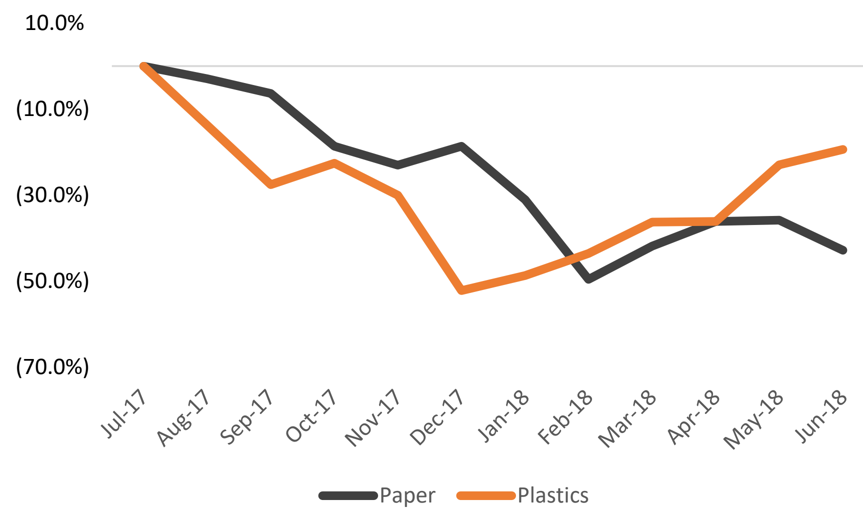
National Sword Policy and Recycling

- Change to China National Sword policy reshaped global markets for recycled commodities
- With less exposure to lower quality residential recyclables our pricing has recently improved on a majority of volumes
- The outlook for recycled plastic exports is under watch as more Asian countries have restricted imports
- Government support packages have eased some council issues and should stimulate investment in domestic recycling
- Changing government attitudes across Asia drive the need for investment in more domestic recycling solutions
- We continue to work with customers to improve the quality of recyclables collected to maintain diversion levels

Average Cardboard Pricing FY18
Indexed to 30 June 2017

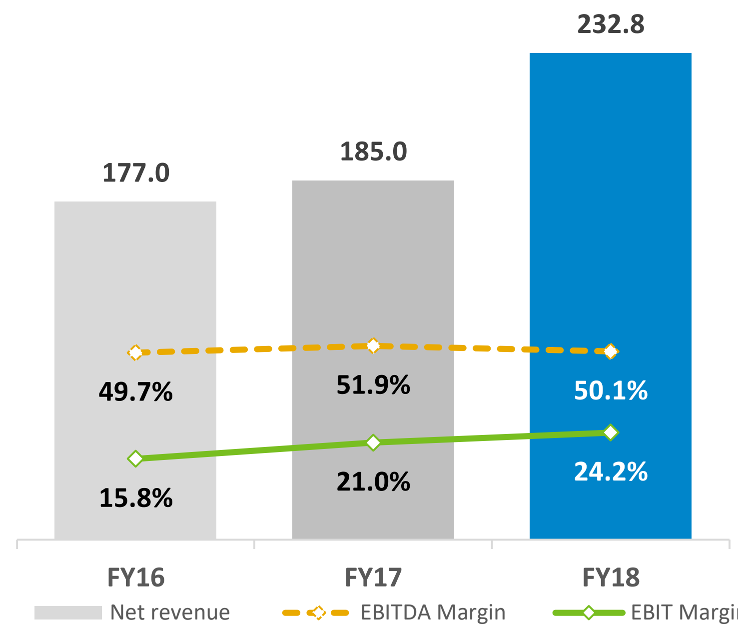


Average Paper and Plastics Pricing FY18
Indexed to 30 June 2017



Solids – Post Collections Performance

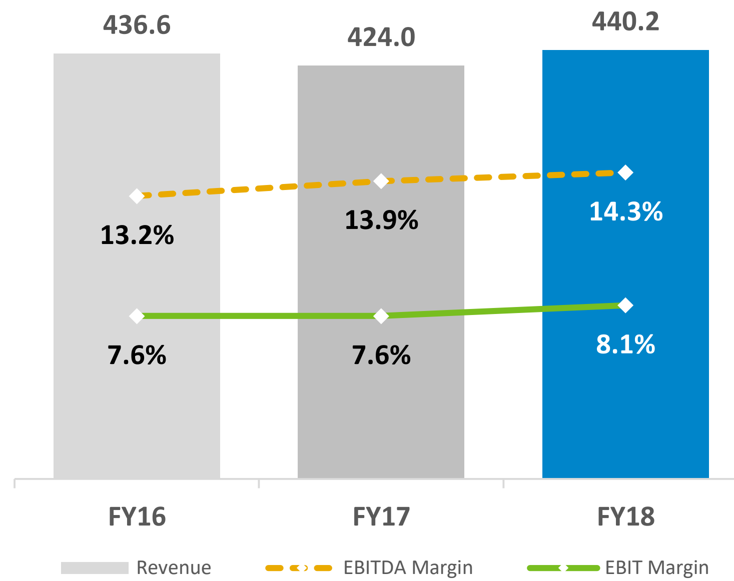
$ million	FY17	FY18	% change FY18 v FY17
Gross Revenue	288.7	**382.2**	**32.4%**
Net revenue (excl. landfill levies)	185.0	**232.8**	**25.8%**
EBITDA	96.1	**116.6**	**21.3%**
EBITDA Margin	*51.9%*	***50.1%***	***(180)bps***
EBIT	38.8	**56.4**	**45.4%**
EBIT Margin	*21.0%*	***24.2%***	***320bps***



- Landfill volumes increased, especially along the East Coast
- Additional 4MW of electricity generation capacity installed at our Melbourne Regional landfill in October 2017
- Depreciation and amortisation expense will remain variable until December 2018 until all Clayton landfills are closed
- Brisbane City Council post collections contract commenced on 1 July 2018
- Construction of a new transfer station and resource recovery facility at Erskine Park, Sydney scheduled for completion in 1H19 as planned

Cleanaway Liquids & Industrial Services Performance

$ million	FY17	FY18	% change FY18 v FY17
Net revenue	424.0	**440.2**	**3.8%**
EBITDA	58.9	**63.0**	**7.0%**
EBITDA Margin	*13.9%*	***14.3%***	***40bps***
EBIT	32.1	**35.5**	**10.6%**
EBIT Margin	*7.6%*	***8.1%***	***50bps***



- Continued improved performance across key metrics
- Revenue and earnings driven by increased volumes of hazardous and packaged waste, stronger performance in contracted Industrial Services markets and hydrocarbons business unit
- We remain positive about achieving medium to long term growth
- Further improvements to the sales function implemented to increase volumes
- Focus to grow Industrial Services business with increased pipeline of infrastructure work
- Integration of Toxfree will increase momentum and deliver sustained improvements in performance

FY18 Statutory to Underlying Profit Reconciliation

$ million	EBIT	Interest expense	Tax expense	NPAT
Underlying result	**166.4**	**(30.5)**	**(38.1)**	**97.8**
Cleanaway rebranding costs	(2.5)	—	0.8	(1.7)
Acquisition costs mainly related to Toxfree	(16.6)	(1.6)	1.6	(16.6)
Gain on sale of properties	2.2	—	(1.6)	0.6
Write back of tax provision related to New Zealand Inland Revenue review	—	—	5.0	5.0
Reduction in income tax expense related to depreciation deductions on landfills	—	0.7	17.7	18.4
Other	(0.2)	(0.1)	0.1	(0.2)
Total Underlying Items	**(17.1)**	**(1.0)**	**23.6**	**5.5**
Statutory result	**149.3**	**(31.5)**	**(14.5)**	**103.3**

- Rebranding program completed in December 2017, six months ahead of schedule and on budget
- Gain on sale of properties includes write back of remediation and rectification provision relating to sale of closed landfill site

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Capital Structure – Debt

$ million	30 Jun 17	31 Dec 17	30 Jun 18
Current borrowings	62.4	–	**–**
Non-current borrowings	307.8	7.8	**623.5**
Finance leases	–	31.2	**101.7**
Gross Debt	370.2	39.0	**725.2**
Cash and cash equivalents	(43.2)	(183.3)	**(52.0)**
Net Debt / (Cash) per Balance Sheet	327.0	(144.3)	**673.2**
Gearing ratio	15.2%	16.3%[2]	**21.3%**
Net Debt to underlying EBITDA ratio	1.09x	1.17x[2]	**1.64x[1]**

- $101.7 million in finance leases following the award of new government contracts and Toxfree leases as part of the acquisition (30 June 2017: $Nil)
- At 30 June 2018 the Group had $279.8 million of headroom under existing banking facilities
- Average debt maturity at 30 June 2018 is 4.2 years (30 June 2017: 3.4 years)
- USPP notes matured in December 2017. Unutilised debt facilities were used to repay the USPP notes.

Notes: 1: The net debt to underlying EBITDA ratio of 1.64x assumes a full twelve month contribution from Toxfree for FY18.
2: Gearing ratio and Net Debt to underlying EBITDA ratio at 31 December 2017 excludes equity raising conducted in December 2017

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Balance Sheet

$ million	30 June 2017	31 Dec 2017	**30 June 2018**
ASSETS			
Cash and cash equivalents	43.2	183.3	**52.0**
Trade and other receivables	247.9	261.1	**369.5**
Inventories	11.1	13.1	**21.0**
Property, plant and equipment	936.5	971.6	**1,200.2**
Assets held for sale	8.8	14.6	**8.8**
Intangible assets	1,585.3	1,590.9	**2,279.0**
Other assets	124.8	123.2	**98.3**
Total Assets	2,957.6	3,157.8	**4,028.8**
LIABILITIES			
Trade and other payables	177.6	206.3	**246.2**
Remediation and rectification provisions	332.8	300.7	**309.2**
Interest bearing liabilities	370.2	39.0	**725.2**
Deferred settlement liability	80.6	81.6	**81.6**
Liabilities held for sale	—	5.4	**—**
Other liabilities	171.4	158.8	**178.5**
Total Liabilities	1,132.6	791.8	**1,540.7**
Net Assets	1,825.0	2,366.0	**2,488.1**

- Landfill remediation provision reduction from June 2017 reflects payments made, updated assumptions and the sale of a closed landfill site in Victoria. These were offset by an increase in the provision for new cells constructed, the unwinding of the discount and the $18.3 million provision from Toxfree

- Deferred settlement liability mainly represents annual fixed payments relating to the Melbourne Regional Landfill discounted to present value

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Cash Flow

$ million	FY17	FY18
Underlying EBITDA	301.3	**339.7**
Cash flow of underlying adjustments	(12.5)	**(24.5)**
Other non cash items	(0.5)	**2.0**
Payments for rectification and remediation of landfills	(42.5)	**(37.0)**
Other changes in working capital	(27.8)	**(19.7)**
Net interest paid	(19.8)	**(14.3)**
Tax paid	(8.6)	**(25.0)**
Net Cash from operating activities	189.6	**221.2**
Capital expenditure	(155.3)	**(143.5)**
Payments towards purchase of businesses[1]	(31.7)	**(582.3)**
Payment of special dividend to Toxfree shareholders	–	**(113.5)**
Other investing cash flows	3.2	**0.7**
Net Cash used in investing activities	(183.8)	**(838.6)**
Proceeds from borrowings	72.0	**885.0**
Repayment of borrowings net of settlement of derivatives	(58.7)	**(819.7)**
Payment of debt and equity raising costs	(0.6)	**(23.3)**
Payment of dividends	(23.6)	**(33.0)**
Proceeds from issue of ordinary shares	–	**590.4**
Net Cash from/(used in) financing activities	(10.9)	**599.4**
Net (decrease)/increase in cash and cash equivalents	(5.1)	**(18.0)**
Opening Cash	48.3	**43.2**
Cash Acquired	–	**26.8**
Closing Cash	43.2	**52.0**

- Net cash from operating activities increased 16.7% compared to last year
- Ratio of cash flow from operating activities to underlying EBITDA 94.8% (30 June 2017: 91.0%)[2]
- Free cash flow up 86.6% to $117.0 million[3]

Notes:
1: Includes MRL fixed payments
2: Calculated as net cash from operating activities before remediation of landfills, underlying adjustments, net interest and tax divided by underlying EBITDA before share of profits from equity accounted investments
3: Free cash flow defined as net cash from operating activities excluding interest and tax less capital expenditure

Acquisition of Toxfree

Acquisition summary

- Cleanaway announced on 11 December 2017 the proposed acquisition of Toxfree via a recommended scheme of arrangement for $3.425 per share, less the special dividend paid by Toxfree of $0.58 per share
- Integration will take two years and will deliver $35 million in synergies
- On 10 May 2018, court approval received for the acquisition with completion on 25 May 2018

Toxfree is a strategically compelling acquisition

- Toxfree is an acquisition which is in country, in sector and in our operating space
- Affirms Cleanaway's leadership in each of our operating segments by enhancing our existing capabilities
- Accelerates the implementation of our Footprint 2025 strategy
- Avoids significant capital spend in our Liquids & Industrial Services segment
- The acquisition is EPS accretive, Free Cash Flow accretive and meets Return on Invested Capital criteria

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Toxfree FY18 full year results[1]

	For the 12 months ended 30 June 2018		
	Statutory	Underlying adjustments	Underlying
Net revenue	**495.5**	**—**	**495.5**
EBITDA	**56.6**	**26.1**	**82.7**
EBITDA Margin	***11.4%***	***n/a***	***16.7%***
EBIT	**8.8**	**26.1**	**34.9**
EBIT Margin	***1.8%***	***n/a***	***7.0%***

- The FY18 results for Toxfree were in line with the business case for the acquisition
- Underlying adjustments comprise predominately advisory fees relating to the acquisition and restructuring costs incurred by Toxfree management prior to acquisition

Note 1: Toxfree contribution to the FY18 result was for a 7 week period only

Toxfree Integration is on track

To achieve the $35 million in synergies over the next two years the integration will be managed through six major categories

Segment and Business Units Alignment to Operating Model & Fit for Purpose Organization Design of each sub set.

Go to Market Harmonisation

Operating Model and Organisation Design

Property and Infrastructure Footprint

Group Procurement

Company Wide Processes and Systems

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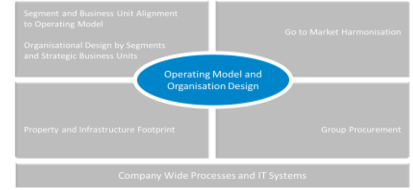
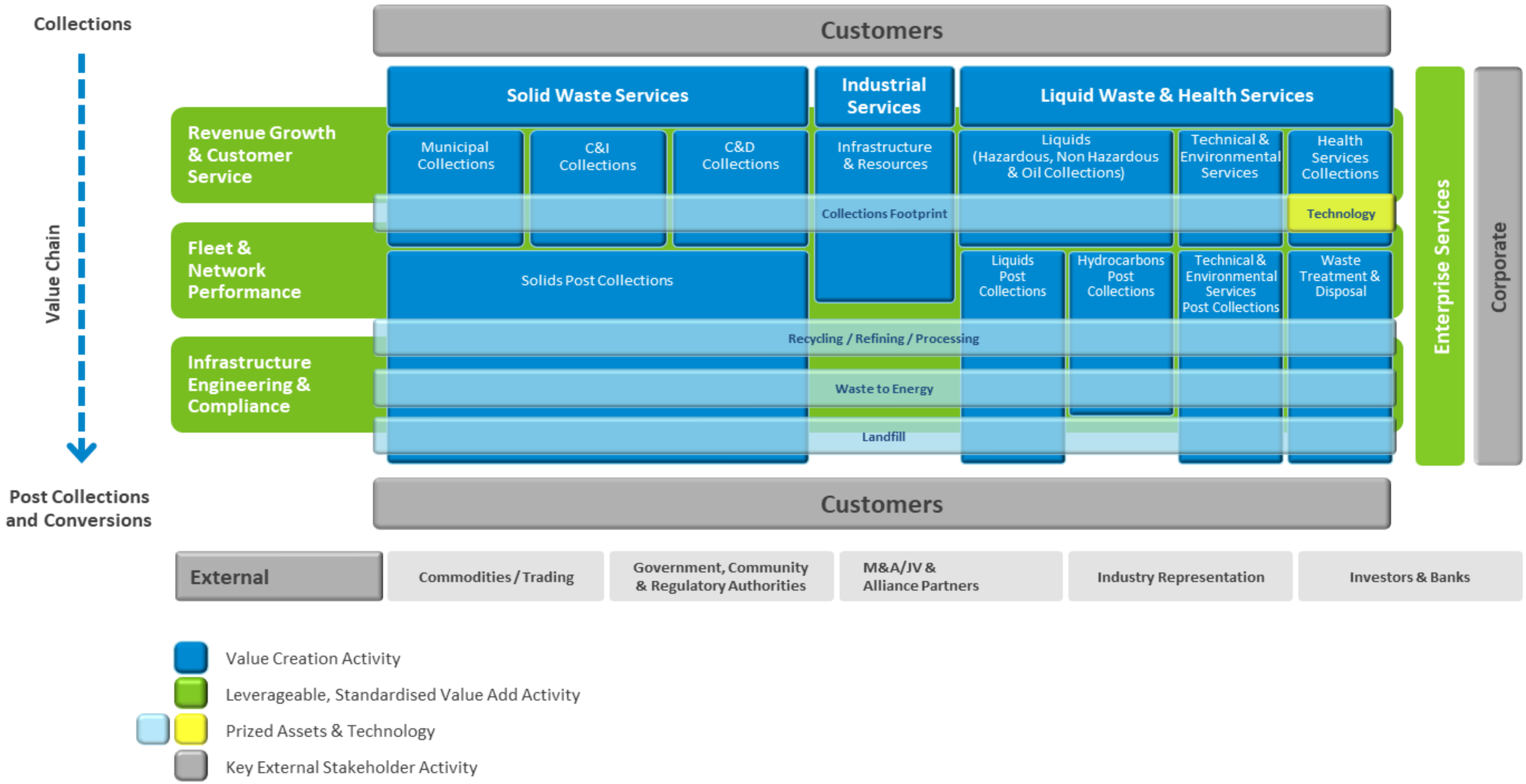
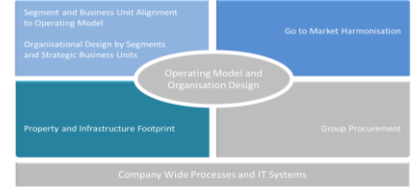
The Cleanaway operating model sets the foundation for all integration activities

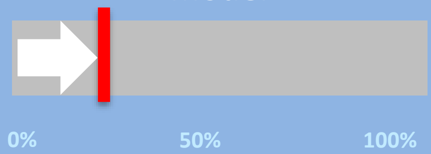






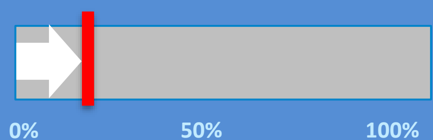
Toxfree integration (continued…..)

Segment and business unit alignment to operating model



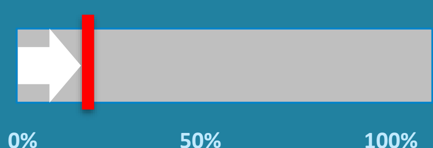
- Aligning strategic business units to waste streams, service offers and assets for example Liquids and Technical & Environment Services
- Aligned Industrial Services to the markets - Infrastructure and Resources

Go to market harmonisation



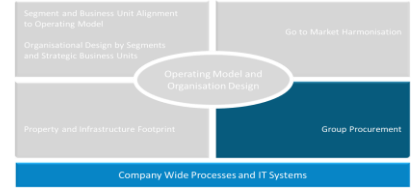
- Health Services to offer competitive total waste management solutions to health sector
- Internalisation of waste and services across the enterprise

Property and infrastructure footprint

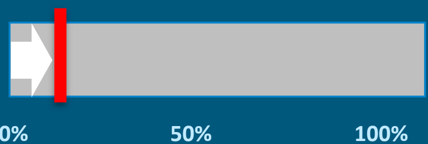


- Reviewing sites for both Cleanaway and Toxfree for possible consolidation where applicable
- Infrastructure prized assets to be extended and retained or moved for better ownership.

Toxfree integration (continued…..)

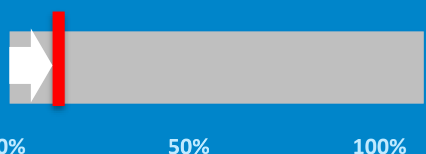


Group procurement



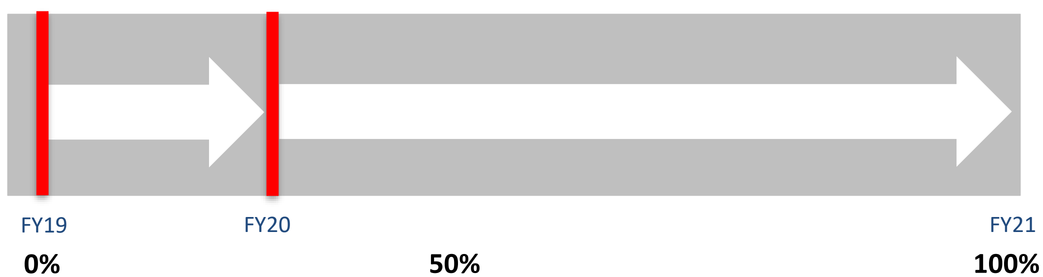
- Key spend categories identified
- Two major areas of focus:
  - Utilise improved purchasing power across entire group
  - Mobilise targeted campaigns to negotiate improved pricing

Company wide processes and IT Systems



- Stabilised and connected IT and telephony systems
- Developing program to rationalise infrastructure and applications across combined business
- Aligning key systems and processes to Operating Model
- Preparing organisation for future digitisation

$35 million synergy reconfirmed



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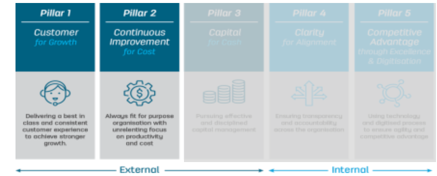
Operational focus remains underpinned by five key pillars

Pillar 1	Pillar 2	Pillar 3	Pillar 4	Pillar 5
Customer *for Growth*	Continuous Improvement *for Cost*	Capital *for Cash*	Clarity *for Alignment*	Competitive Advantage *through Excellence & Digitisation*
Delivering a best in class and consistent customer experience to achieve stronger growth.	Always fit for purpose organisation with unrelenting focus on productivity and cost	Pursuing effective and disciplined capital management	Ensuring transparency and accountability across the organisation	Using technology and digitised process to ensure agility and competitive advantage
External			Internal	

Customer for Growth and Continuous Improvement for Cost



Customer for Growth

Organic volume growth

- Major contract wins such as Chevron, Coles, Hills Shire, Noosa Council and NSW Container Deposit Scheme mobilised during the year.
- The Central Coast Municipal Council contract commenced on 1 February 2018
- Brisbane City Council Post Collections contract commenced on 1 July 2018

Inorganic growth

- Controlling 50% interest in ResourceCo facility in Sydney

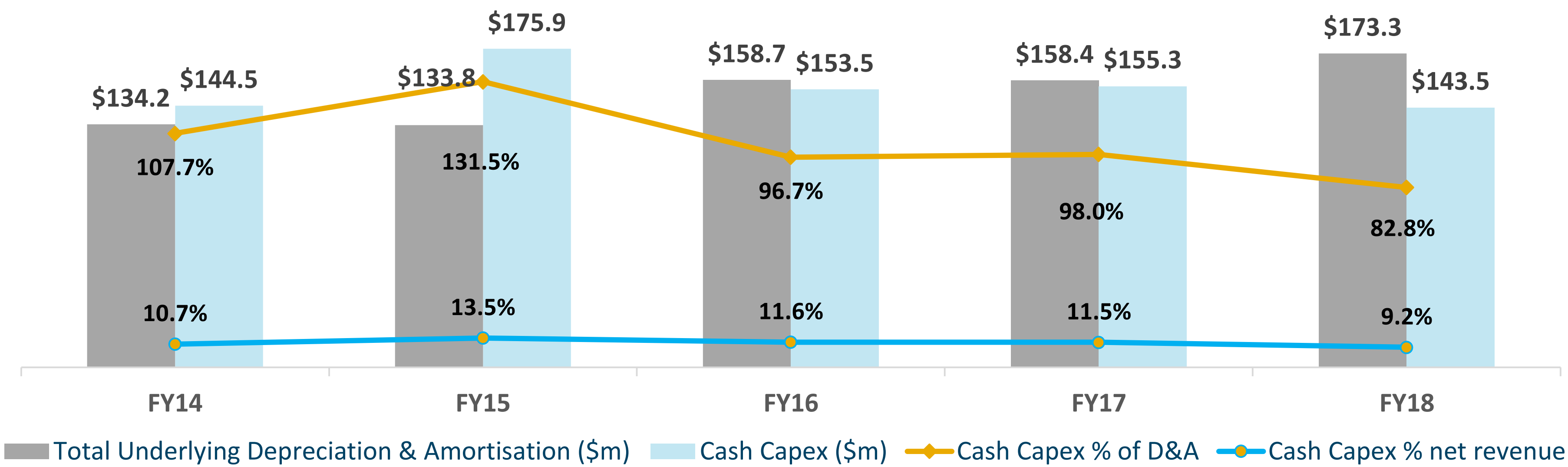
Continuous Improvement for Cost

Cost efficiencies

- Cost and efficiency opportunities continue to be identified along with integrations
- Ongoing work on fleet utilisation and work shops improvements
- Our Cleanaview proprietary in-cab system to be rolled out
- Rationalisation of branches and depots with less than expected returns to continue

Capital for Cash – Capital Discipline to continue

- Cash capital expenditure[1] in FY18 includes spending on equipment for major new non-government contracts won in 2H17 such as Coles and Chevron
- Leasing finance utilised in FY18 of $95.6 million for government related contracts such as NSW Container Deposit Scheme, Brisbane City Council plus new/renewed Municipal contracts
- Cash capital expenditure[1] in FY19 will be between 85% and 90% of D&A of $210-215 million (excluding ~$12 million relating to amortisation of customer intangibles and licences from the acquisition of Toxfree)
- Additional finance leases will be utilized in FY19 for new and renewed government related contracts as and when they are awarded.

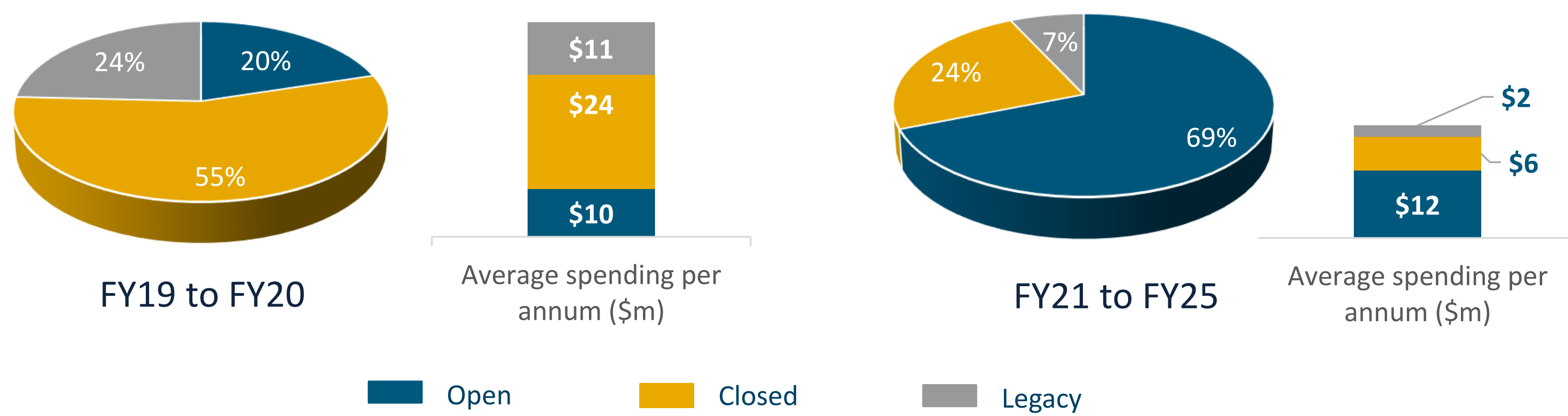


Note 1: Refers to capital expenditure as per cash flow statement

Capital for Cash – Reconfirming Landfill Remediation

- Sale of closed landfill site in Victoria reduced the Landfill Remediation provision by $5.4 million
- Expenditure in FY18 of $37.0 million in line with expectations
- No change to forecast spending previously advised:
  - FY19 and FY20 ~$45 million per annum
  - FY21 to FY25 ~$20 million per annum and reducing to an average of ~$10 million per annum thereafter

Forecast Landfill Rectification and Remediation Spending



Notes:

1: Legacy spending represents rectification costs identified following reviews conducted by management and landfill consultants in 2014

2: Closed spending represents remediation costs where the site is no longer receiving waste and has reached final capacity or management have elected not to continue further development or operations

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Cleanaway Footprint 2025 continues – Optimizing Waste Value Chain

Collections

- Operational efficiency
- Strong market share position by region leading to route density
- Margin improvement
- Customer churn management

Resource recovery

- Access to strategic resource recovery facilities
- Scale of collections
- Agile optimisation of materials flow
- Ability to adapt to a changing regulatory outlook

Landfill/alternative waste disposal

- Well located prized assets
- Long term planning and reinvestment based on supply/demand
- Optimisation of flows between landfill/alternative waste disposal and resource recovery

Investing in the right 'package' of assets for us to compete effectively and extract maximum returns across the value chain

Footprint 2025 – Optimising NSW Solids Post Collections Footprint

Container Deposit Scheme Sorting Line

- Currently has over 660 collection points in operation across New South Wales
- Approximately 600 million containers to date have been collected
- New sorting line being commissioned

Transfer Station and Resource Recovery

- Under construction in Erskine Park, western Sydney
- Western most transfer station in Sydney, located in a growth area
- Licensed to handle 300,000 tonnes per annum of putrescible waste
- Provides a source of feedstock for ResourceCo

ResourceCo Refuse Derived Fuel Facility

- Licenced to receive up to 250,000 tonnes of dry C&I waste per annum
- Converted into Process Engineered Fuels used in commercial applications
- Fills a key gap in post collections footprint in Sydney

New sorting line being commissioned for CDS

Transfer station under construction in Sydney

ResourceCo facility in Sydney

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Priorities and FY19 Outlook

Priorities

- Integration of Toxfree
- Improving margins through continuing good quality top line growth and ongoing cost discipline
- Increase free cash flow
- Further improving customer service to increase customer satisfaction leading to improved volumes and margins

FY19 Outlook

In addition to the full 12-month FY18 contribution from the recently acquired Toxfree businesses, we remain confident that all three of our new operating segments:

- Solid Waste Services
- Liquid Waste & Health Services
- Industrial Services

will report improved earnings in FY19

Questions

Appendices

Adjusted EPS Calculations

The following earnings per share calculation adjusts for the impact of the equity raising undertaken in December 2017 and January 2018 to partially fund the acquisition of Toxfree

Adjusted EPS calculation	FY17	FY18
Net underlying profit attributable to members of the parent entity excluding underlying adjustments	$77.5m	$98.0m
Interest earned from proceeds received from equity raising, net of tax	–	$(4.2)m
Net underlying profit attributable to members of the parent entity excluding underlying adjustments and impact of equity raising	$77.5m	$93.8m
Reported WANOS[1] for basic earnings per share	1,639,473,055	1,843,122,437
Less impact of equity raising on reported WANOS[1]	(49,155,124)	(246,819,202)
WANOS[1] for basic earnings per share excluding impact of equity raising	1,590,317,931	1,596,303,235
Basic earnings per share (excluding underlying adjustments)	4.7 cents	5.3 cents
Basic earnings per share (excluding underlying adjustments and impact of equity raising)	4.9 cents	5.9 cents

Note 1: Weighted Average Number Of Shares

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Group Income Statement – Statutory and Underlying Results

$ million	Statutory Results			Underlying Adjustments		Underlying Results		
	FY17	FY18	Growth	FY17	FY18	FY17	FY18	Growth
Sales revenue external and other revenue (Gross Revenue)	1,454.4	**1,714.3**	***17.9%***	—	—	1,454.4	**1,714.3**	***17.9%***
Share of profits in equity accounted investments	1.2	**(0.1)**	***(108.3)%***	—	—	1.2	**(0.1)**	***(108.3)%***
Expenses (net of other income)	(1,141.6)	**(1,391.1)**	***(21.9)%***	(12.7)	**16.6**	(1,154.3)	**(1,374.5)**	***(19.1)%***
Total EBITDA	314.0	**323.1**	***2.9%***	(12.7)	**16.6**	301.3	**339.7**	***12.7%***
Depreciation and amortisation	(165.9)	**(173.6)**	***(4.6)%***	7.5	0.3	(158.4)	**(173.3)**	***(9.4%)***
Impairments and revaluation of land and buildings	(5.0)	**(0.2)**	n/a	5.0	0.2	—	—	—
Total EBIT	143.1	**149.3**	***4.3%***	(0.2)	**17.1**	142.9	**166.4**	***16.4%***
Net cash interest expense	(18.4)	**(13.9)**	***24.5%***	—	(0.2)	(18.4)	**(14.1)**	***23.4%***
Non-cash finance costs	(15.4)	**(17.5)**	***(13.6)%***	—	1.1	(15.4)	**(16.4)**	***(6.5)%***
Changes in fair value of derivatives and USPP borrowings	(0.3)	**(0.1)**	n/a	0.3	0.1	—	—	**n/a**
Profit before income tax	109.0	**117.8**	***8.1%***	0.1	**18.1**	109.1	**135.9**	***24.6%***
Income tax expense	(36.5)	**(14.5)**	***60.3%***	4.9	**(23.6)**	(31.6)	**(38.1)**	***(20.6)%***
Attributable profit after income tax	72.5	**103.3**	***42.5%***	5.0	**(5.5)**	77.5	**97.8**	***26.2%***
Weighted average number of shares[1]	1,639.5	**1,843.1**				1,639.5	**1,843.1**	
Basic earnings per share (cents)[1]	4.4	**5.6**	***27.3%***	0.3	**(0.3)**	4.7	**5.3**	***12.8%***

Note 1: Adjusted for bonus element of entitlement offer

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FY18 Segment Performance Summary

$ million	Net Revenue[1]			EBITDA[2]			EBIT[2]		
Segments	**FY17**	**FY18**	**Growth**	**FY17**	**FY18**	**Growth**	**FY17**	**FY18**	**Growth**
Solids – Collections	810.5	**907.9**	**12.0%**	160.9	**165.5**	**2.9%**	98.8	**100.8**	**2.0%**
Solids – Post Collections	185.0	**232.8**	**25.8%**	96.1	**116.6**	**21.3%**	38.8	**56.4**	**45.4%**
Intra-segment sales	(36.7)	**(47.9)**	**n/a**	—	**—**	**—**	—	**—**	**—**
Total Solids	958.8	**1,092.8**	**14.0%**	257.0	**282.1**	**9.8%**	137.6	**157.2**	**14.2%**
Liquids & Industrial Services	424.0	**440.2**	**3.8%**	58.9	**63.0**	**7.0%**	32.1	**35.5**	**10.6%**
Toxfree	—	**70.7**	**—**	—	**12.7**	**—**	—	**6.1**	**—**
Equity accounted investments	—	**—**	**—**	1.2	**(0.1)**	**n/a**	1.2	**(0.1)**	**n/a**
Corporate & Other	0.2	**—**	**—**	(15.8)	**(18.0)**	**(13.9)%**	(28.0)	**(32.3)**	**(15.4)%**
Inter-segment sales	(32.3)	**(38.8)**	**n/a**	—	**—**	**—**	—	**—**	**—**
Total Cleanaway Group	1,350.7	**1,564.9**	**15.9%**	301.3	**339.7**	**12.7%**	142.9	**166.4**	**16.4%**

Notes 1: Net revenue excludes landfill levies collected of $149.4 million in FY18 and $103.7 million in FY17
2: Underlying results. Refer to slide 16 for details of underlying adjustments

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Net Finance Costs

$ million	Statutory FY17	Statutory FY18	Underlying FY17	Underlying FY18
Cash interest expense				
Bank interest and finance leases	10.0	**9.1**	10.0	**8.6**
Commitment and Guarantee fees	2.7	**5.3**	2.7	**5.3**
USPP Notes	6.1	**2.5**	6.1	**2.5**
Interest received	(0.4)	**(3.0)**	(0.4)	**(2.3)**
Net cash interest expense	18.4	**13.9**	18.4	**14.1**
Non-cash finance costs				
Amortisation of borrowing costs	0.5	**2.4**	0.5	**1.3**
Unwinding of discount on landfill remediation provision	9.0	**7.7**	9.0	**7.7**
Unwinding of discount on MRL fixed payments	5.9	**7.4**	5.9	**7.4**
Total non-cash finance costs	15.4	**17.5**	15.4	**16.4**
Changes in fair value				
Foreign currency exchange loss/(gain) on USPP borrowings	(2.3)	**0.5**	—	**—**
Change in fair value of derivatives related to USPP borrowings	2.6	**(0.4)**	—	**—**
Total changes in fair value	0.3	**0.1**	—	**—**
Total net finance costs	34.1	**31.5**	33.8	**30.5**

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