

29 August 2017

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Dear Shareholder

The Company has today released its results for the 2016/17 financial year. This Annual Report is now accessible on our website www.ctilogistics.com. The Statutory Annual Report to shareholders, with the addition of the Company's Corporate Governance Statement, Chairman's Report and Shareholder Information, will also be available on our website shortly. Printed copies will be mailed to those shareholders who requested them.

Revenue from operations was up 2.5% to \$154,421,823. Reported profit before tax for the year was \$7,787,575, including the profit on sale of the Malaga properties of \$2,870,260 and an increase in the deferred contingent payment of \$289,895 related to the acquisition of GMK Logistics. The profit before tax excluding these two adjustments is \$5,207,210, up 20.2% on a comparable basis with the previous year. The reported net profit after tax is \$6,069,920 which represents earnings per share of 8.82 cents. EBITDA for the year excluding the Malaga properties and the deferred contingent payment was \$15,168,736, up 6.5% on the previous year. Operating cash flow increased to \$17.6m, from \$9.9m in the previous year.

The profit for the year, plus the proceeds from the placement of 3.2million new ordinary shares in May 2017, resulted in

- *the group's net assets increasing by 9.2% over the previous year, and
- *a reduction of interest bearing debt by \$15.5million.

The directors have declared a dividend of 1.75 cents per share fully franked, to bring the total dividend for the year to 3.5 cents. The dividend is payable on 15 November 2017.

The Dividend Reinvestment Plan and the Bonus Share Plan remain in place. If you wish to take your dividends in shares rather than cash and you are not already a participant in either of these Plans, you may wish to join the Plan most suitable to your circumstances, by visiting the Computershare website www.investorcentre.com/au and following the relevant prompts. Shares in the Plans will be issued at a discount of 2.5% to the volume weighted average market price calculated over all shares sold on the ASX on the five business days subsequent to and inclusive of the ex-dividend date, 1 November 2017. Please note that if you wish to continue to receive your dividend in cash, you simply do nothing.

Finally, please note that going forwards the Company will

- *continue to explore opportunities for the acquisition of businesses both nationally and within Western Australia in fields related to or compatible with the group's existing core operations
- *continue to deliver on cost savings and productivity improvement measures to counter market driven margin compression
- *maintain a stable financial platform from which to grow the Company in the future
- *maintain a strong focus on safety
- *continue to invest in improving and developing the Company's financial and operational systems.

Yours faithfully



David Watson
EXECUTIVE CHAIRMAN