CLEANAWAY

Making a sustainable future possible

FY17 Results Presentation

For the twelve months ended 30 June 2017

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Brendan Gill – CFO

ASX: CWY

23 August 2017

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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.
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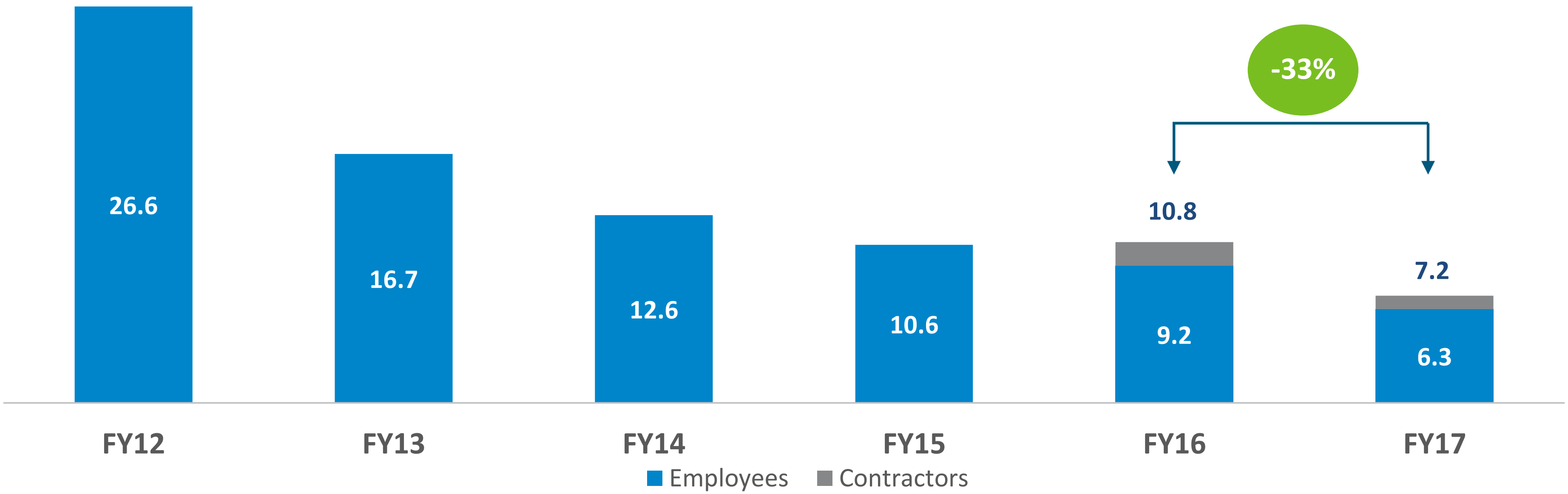
Agenda

Safety and Environmental – Our objective is Goal Zero

Total Recordable Injury Frequency Rate*

**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 continue to be deployed.

Safety performance remains a key performance measure in short term incentive calculations for all management personnel.

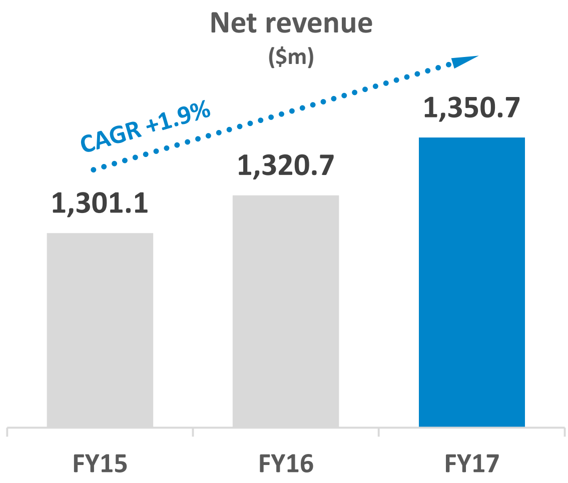
No major environmental breaches were reported during the period.

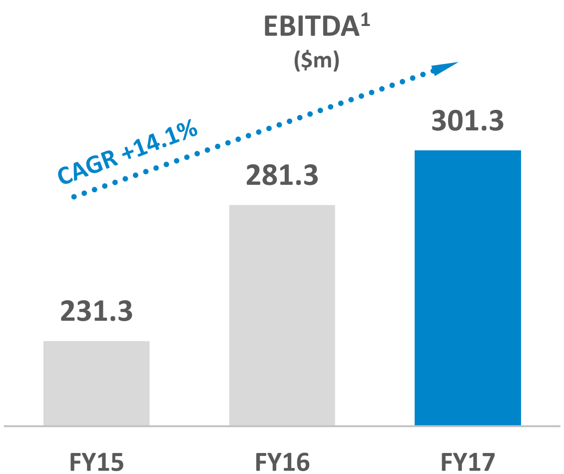
External contractors are now added to measurements in our objective of Goal Zero.

Notes:
- Comparative periods have been adjusted to exclude divested businesses.

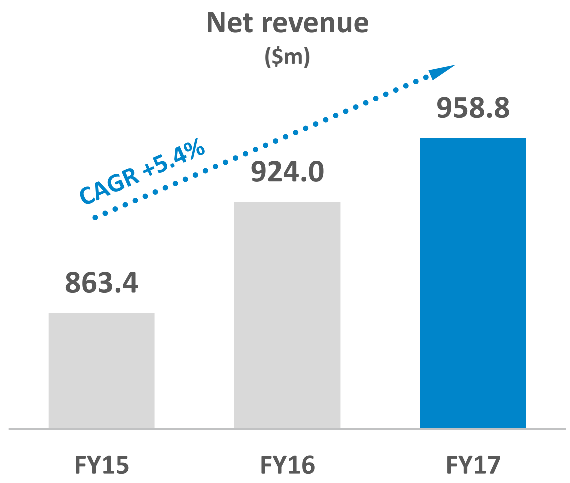
Group – Improving Performance

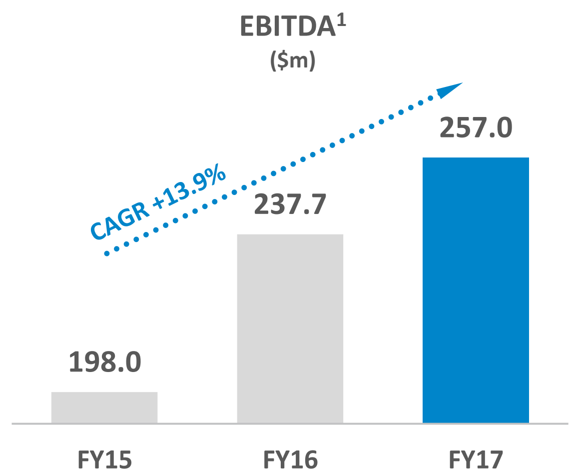
Total Cleanaway



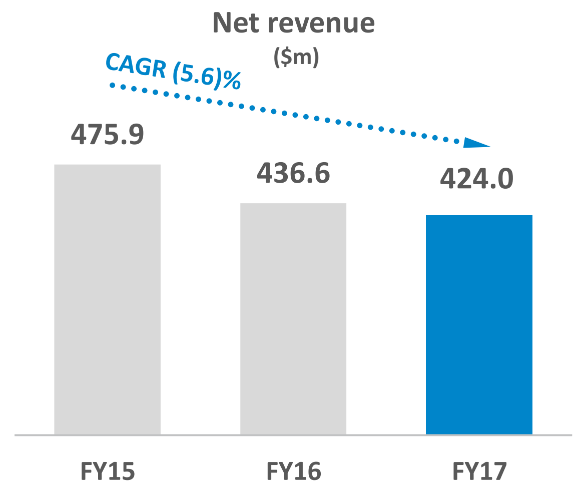


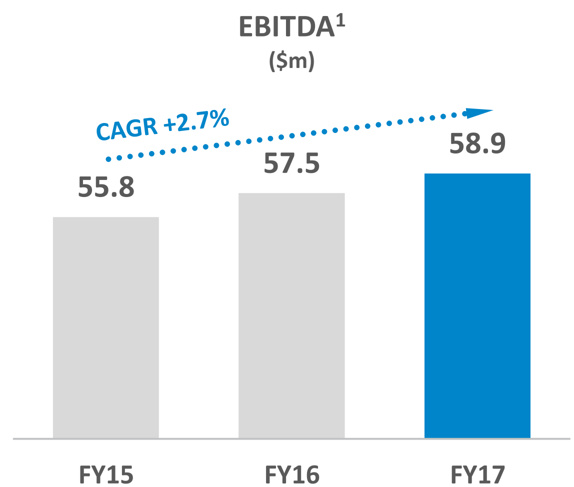
Solids





Liquids & Industrial Services





Notes:
1: Underlying

Group FY17 Performance Overview

$ million	Underlying Results FY16	Underlying Results FY17	Underlying Results Growth		Statutory Results FY16	Statutory Results FY17	Statutory Results Growth
Gross Revenue[1]	1,455.1	**1,454.4**	–		1,455.1	**1,454.4**	–
Net Revenue[1]	1,320.7	**1,350.7**	**2.3%**	▲	1,320.7	**1,350.7**	**2.3%**
EBITDA[2,3]	281.3	**301.3**	**7.1%**	▲	257.1	**314.0**	**22.1%**
EBITDA Margin	*21.3%*	***22.3%***	***100bps***	▲	*19.5%*	***23.2%***	***370bps***
EBIT	122.6	**142.9**	**16.6%**	▲	96.1	**143.1**	**48.9%**
EBIT Margin	*9.3%*	***10.6%***	***130bps***	▲	*7.3%*	***10.6%***	***330bps***
NPAT	63.3	**77.5**	**22.4%**	▲	44.8	**72.5**	**61.8%**
EPS (basic cents per share)	4.0	**4.9**	**22.5%**	▲	2.8	**4.6**	**64.3%**

	FY16	FY17	Growth	
Total dividends per share (cents)	1.7	**2.1**	**23.5%**	▲
Cash from operating activities[4]	190.7	**189.6**	**(0.6)%**	▼
Free cash flow[5]	50.7	**62.7**	**23.7%**	▲

Notes:
1: YoY negative impact on Gross and Net Revenue (Gross revenue less landfill levies) of $40.3 million and $8.8 million respectively from transition to closure of Erskine Park landfill
2: YoY EBITDA negatively impacted by $3.6 million from transition to closure of Erskine Park landfill
3. Improvement achieved with one less working day in FY17 compared to FY16
4: Cash from operating activities lower due mainly to tax payments of $8.6 million in FY17 versus a refund of $7.4 million in FY16
5: Free cash flow defined as cash from operating activities excluding interest and tax less capital expenditure

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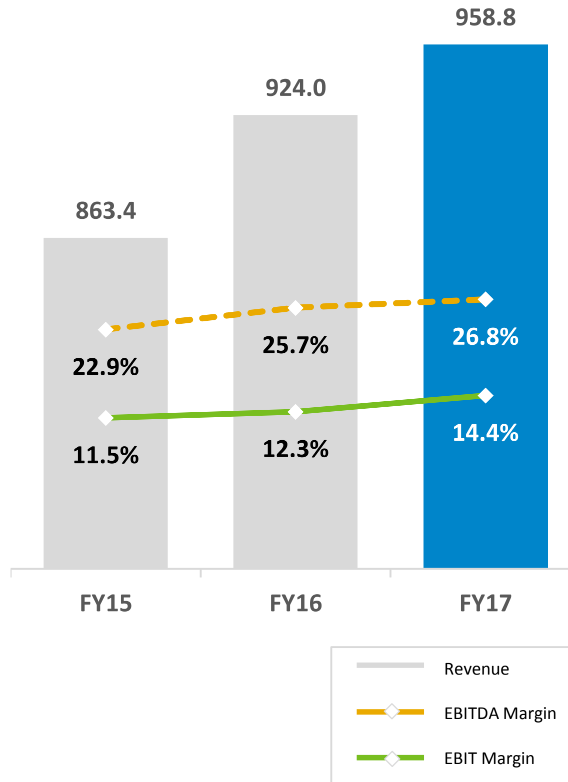
Total Solids Performance

$ million	1H16	2H16	Total FY16	1H17	2H17	Total FY17	2H17 v 2H16	FY17 v FY16
	FY16[1]			FY17[1]			% Change	
Net revenue[2]	464.5	459.5	924.0	479.4	479.4	**958.8**	4.3%	**3.8%**
EBITDA	117.5	120.2	237.7	128.7	128.3	**257.0**	6.7%	**8.1%**
EBITDA Margin	*25.3%*	*26.2%*	*25.7%*	*26.8%*	*26.8%*	***26.8%***	*60bp*	***110bp***
EBIT	55.5	58.1	113.6	64.8	72.8	**137.6**	25.3%	**21.1%**
EBIT Margin	*11.9%*	*12.6%*	*12.3%*	*13.5%*	*15.2%*	***14.4%***	*260bp*	***210bp***



- Revenue and earnings growth across collections and post collections
- Operating leverage leading to both quantity and quality of earnings
- Accelerating half on corresponding half revenue improvement
- Maintaining strong cost disciplines across the business, productivity improvements still work in progress
- Improvement with one less working day in FY17 vs FY16

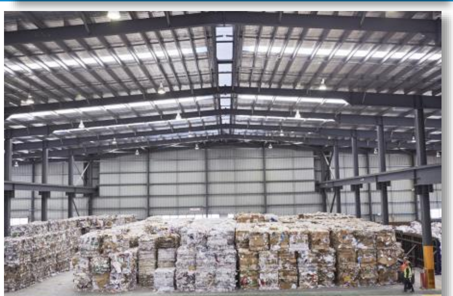
Notes:
1: Underlying results. Refer to slide 15 for details of underlying adjustments
2: Net revenue excludes landfill levies collected of $103.7 million in FY17 and $134.4 million in FY16

Solids – Collections

Cleanaway has the largest solid waste services fleet and widest network across Australia

Largest network of collections vehicles operating from more than 100 depots across Australia

Largest collector of municipal waste in Australia servicing 90+ municipal councils

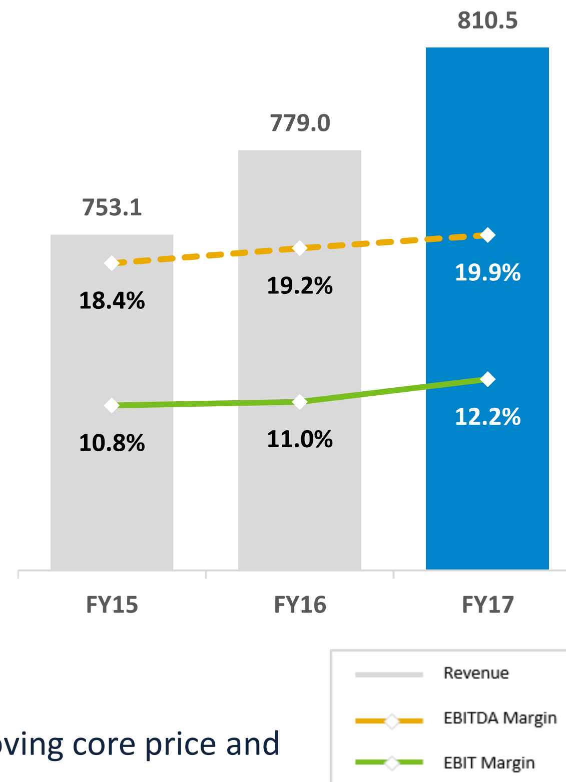


Extensive and growing network of resource recovery facilities in all mainland states of Australia

Southern Hemisphere's most advanced recycling facility opened in Perth in May 2017

Solids – Collections Performance

$ million	1H16	2H16	Total FY16	1H17	2H17	Total FY17	2H17 v 2H16	FY17 v FY16
	FY16[1]			FY17[1]			% Change	
Net revenue	393.3	385.7	779.0	404.0	406.5	**810.5**	5.4%	**4.0%**
EBITDA	74.1	75.7	149.8	81.0	79.9	**160.9**	5.5%	**7.4%**
EBITDA Margin	*18.8%*	*19.6%*	*19.2%*	*20.0%*	*19.7%*	***19.9%***	*10bp*	***70bp***
EBIT	43.6	42.1	85.7	49.8	49.0	**98.8**	16.4%	**15.3%**
EBIT Margin	*11.1%*	*10.9%*	*11.0%*	*12.3%*	*12.1%*	***12.2%***	*120bp*	***120bp***



- Further profit margin improvements
- Volume growth across all major solid waste collection categories
- Pricing remains under pressure in metropolitan markets and continuing focus on improving core price and yield remains a priority
- Customer churn rates improving though focus continues on customer service and operational improvements
- Investing in a number of recycling facilities across the country
- Major new C&I and Municipal contracts expected to underpin continued revenue growth in 2H18 and FY19

Notes:
1: Underlying results. Refer to slide 15 for details of underlying adjustments

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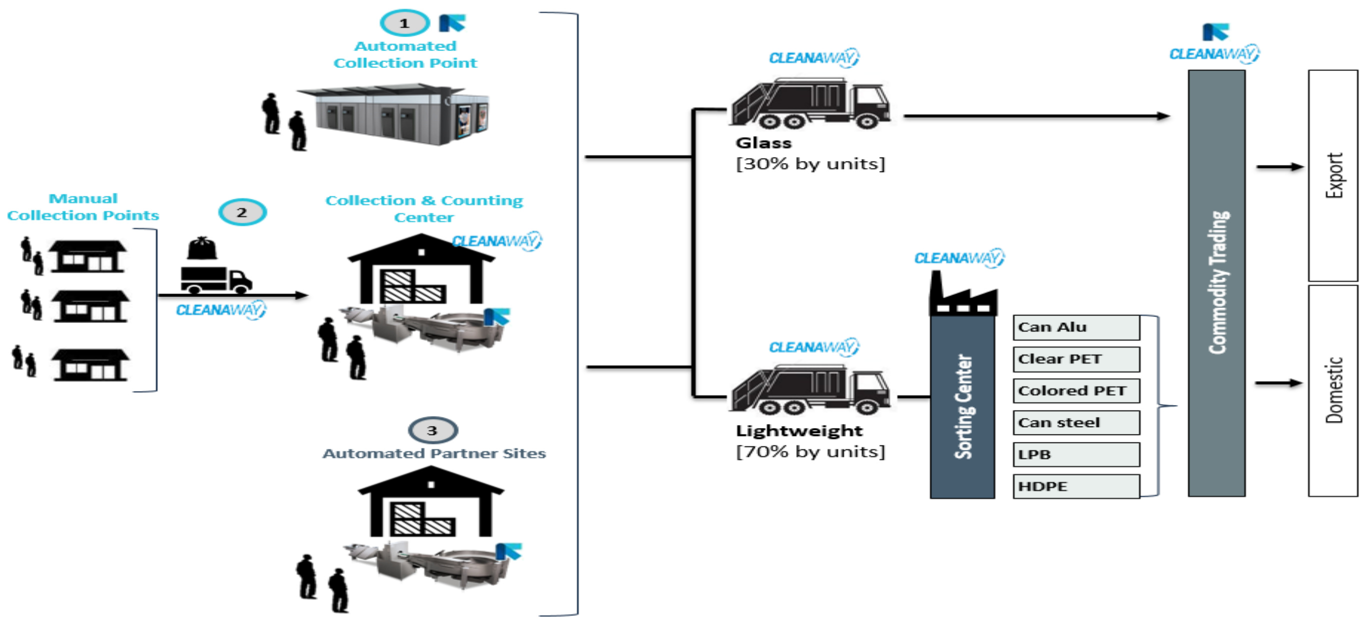
Container Deposit Scheme, New South Wales

Cleanaway in joint venture with TOMRA has been awarded the role of network operator for the NSW Container Deposit Scheme

- Joint venture partner is TOMRA Systems ASA (listed on the Oslo Stock Exchange), world leader in reverse vending machines
- Scheme scheduled to commence on 1 December 2017
- Joint venture will be the network operator for a period of five years, plus a potential option for an additional four years
- Joint venture will pay the respective joint venture partners for services performed as per the illustration below. Profits of the joint venture will then be equity accounted by Cleanaway



Solids – Post Collections

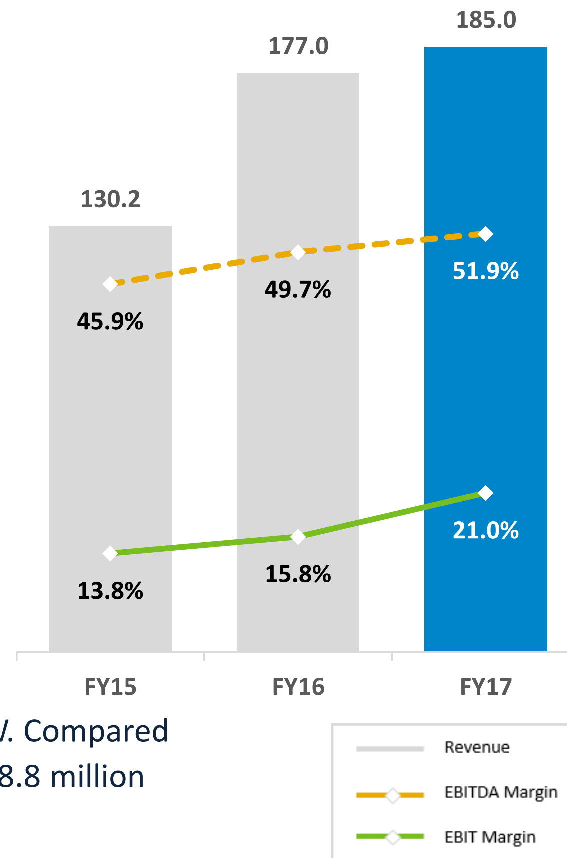
Cleanaway has one of the strongest post collections asset bases in Australia

Growing network of transfer stations across the country – New South East Melbourne Transfer Station opened in May 2017

Landfill assets located across Australia generating over 120 million m^3 of landfill gas which is converted into 90 million kWh of renewable energy, enough to power over 18,000 homes annually

Solids – Post Collections Performance

$ million	1H16	2H16	Total FY16	1H17	2H17	Total FY17	2H17 v 2H16	FY17 v FY16
	FY16[1]			FY17[1]			% Change	
Gross revenue	166.4	145.0	311.4	145.7	143.0	**288.7**	(1.4)%	**(7.3)%**
Net revenue[2]	89.3	87.7	177.0	93.6	91.4	**185.0**	4.2%	**4.5%**
EBITDA	43.4	44.5	87.9	47.7	48.4	**96.1**	8.8%	**9.3%**
EBITDA Margin	*48.6%*	*50.7%*	*49.7%*	*51.0%*	*53.0%*	***51.9%***	*230bp*	***220bp***
EBIT	11.9	16.0	27.9	15.0	23.8	**38.8**	48.8%	**39.1%**
EBIT Margin	*13.3%*	*18.2%*	*15.8%*	*16.0%*	*26.0%*	***21.0%***	*780bp*	***520bp***



- Results improvement achieved after taking into consideration impact of Erskine Park NSW. Compared to previous corresponding period impact was Gross revenue $40.3 million, net revenue $8.8 million and EBITDA $3.6 million
- Landfill volumes up across the country
- Depreciation and amortisation expense benefited from partial closure of Clayton landfills
- As planned, new transfer station in South East Melbourne completed and fully operational
- Brisbane City Council resource recovery contract commencing on 1 July 2018
- Construction of new transfer station at Erskine Park, Sydney scheduled for completion in 2H18

Notes:
1: Underlying results. Refer to slide 15 for details of underlying adjustments
2: Excludes landfill levies collected

Liquids & Industrial Services

Cleanaway is the largest hydrocarbons recycling business in Australia and a leader in the overall liquids and industrial services market

Collecting and processing ~130 million litres of mineral oil, offsetting Australia's annual requirements for oil by 900,000 barrels

Collecting and processing over 550 million litres of hazardous and non-hazardous liquids

Providing a wide range of environmentally focussed industrial services across the country

Rutherford Refinery

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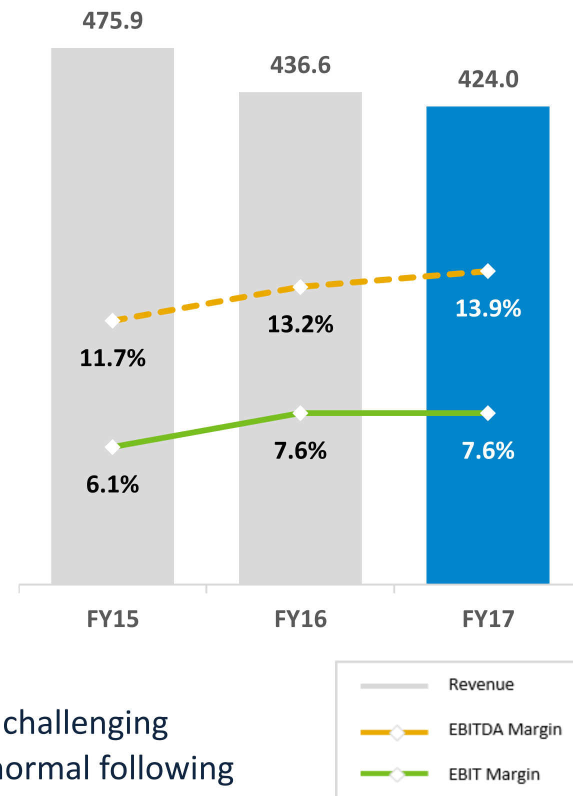
Liquids & Industrial Services Performance

$ million	FY16[1] 1H16	FY16[1] 2H16	FY16[1] Total FY16	FY17[1] 1H17	FY17[1] 2H17	FY17[1] Total FY17	% Change 2H17 v 2H16	% Change FY17 v FY16
Net revenue	224.5	212.1	436.6	208.0	216.0	**424.0**	1.8%	**(2.9)%**
EBITDA	26.8	30.7	57.5	28.8	30.1	**58.9**	(2.0)%	**2.4%**
EBITDA Margin	*11.9%*	*14.5%*	*13.2%*	*13.8%*	*13.9%*	***13.9%***	*(60)bp*	***70bp***
EBIT	14.7	18.3	33.0	15.1	17.0	**32.1**	(7.1)%	**(2.7)%**
EBIT Margin	*6.5%*	*8.6%*	*7.6%*	*7.3%*	*7.9%*	***7.6%***	*(70)bp*	***No change***



- Revenue decline stabilising – 2H17 above 2H16 and 1H17
- First half on half improvement in 7 years, although overall market conditions remain challenging
- Stronger performance from Hydrocarbons in 2H17 as production levels returned to normal following plant upgrades and subsequent shutdowns in 1H17
- Achieved Category 1 status for re-refined waste oil following upgrades to Sydney refinery. Upgrade to Brisbane refinery completed
- Hazardous liquids volumes have shown a slight improvement but pricing remains competitive
- Improving performance of this segment remains an area of focus in FY18

Notes:
1: Underlying results. Refer to slide 15 for details of underlying adjustments

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Statutory EBITDA Reconciliation to Underlying EBITDA

$ million	FY17
Statutory EBITDA	**314.0**
Pre-tax adjustments:	
Restructuring costs	**6.6**
Rebranding costs	**3.8**
Acquisition costs	**2.4**
Remediation and rectification	**(3.5)**
Gain on sale of properties	**(22.0)**
Total Underlying Adjustments to EBITDA	**(12.7)**
Underlying EBITDA	**301.3**

Total Underlying Adjustments relating to Depreciation, Amortisation and Impairments	**12.5**
Total Underlying Adjustments relating to Net finance costs	**0.3**
Total Underlying Adjustments relating to Income Tax	**4.9**

Cash Flow

$ million	FY16	FY17
Underlying EBITDA	**281.3**	**301.3**
Cash flow of underlying adjustments	(18.8)	(12.5)
Less: Non-cash share of profits from associates	(1.3)	(1.2)
Less: Other non-cash items	(4.1)	0.7
Payments for rectification and remediation of landfills	(45.1)	(42.5)
Other changes in working capital	(7.8)	(27.8)
Net interest paid	(20.9)	(19.8)
Tax paid	7.4	(8.6)
Net Cash from operating activities	**190.7**	**189.6**
Capital expenditure	(153.5)	(155.3)
Payments towards purchase of businesses[1]	(16.1)	(31.7)
Net proceeds from sale of property, plant & equipment	4.2	2.4
Dividends/distributions received from associates	2.6	0.8
Net Cash used in investing activities	**(162.8)**	**(183.8)**
Proceeds from borrowings	21.0	72.0
Payment of borrowing costs/repayment of debt facilities	(16.6)	(59.3)
Payment of ordinary dividend	(21.0)	(23.6)
Net Cash used in financing activities	**(16.6)**	**(10.9)**
Net (decrease)/increase in cash and cash equivalents	**11.3**	**(5.1)**
Opening Cash	37.0	48.3
Closing Cash	**48.3**	**43.2**
Ratio of operating cash flows to underlying EBITDA	95.8%	91.0%
Net Debt	311.1	327.0

- Ratio of cash flow from operating activities to underlying EBITDA 91% (pcp: 96%)[2]
- Free cash flow up 23.7% to $62.7 million[3]
- Cash from operating activities down 0.6% due mainly to commencement of tax payments in 2H17 versus tax refunds in FY16

Group Debt	FY16	FY17
Net Debt ($m)	311.1	327.0
Net Debt/EBITDA	1.11x	1.09x

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

Balance Sheet

$ million	30 June 2016	31 Dec 2016	30 June 2017
ASSETS			
Cash and cash equivalents	48.3	44.5	**43.2**
Trade and other receivables	224.3	246.2	**247.9**
Inventories	16.7	15.7	**11.1**
Property, plant and equipment	897.1	898.9	**936.5**
Assets held for sale	8.8	15.3	**8.8**
Intangible assets	1,568.0	1,584.9	**1,585.3**
Other assets	146.6	144.5	**124.8**
Total Assets	2,909.8	2,950.0	**2,957.6**
LIABILITIES			
Trade and other payables	178.8	190.0	**177.6**
Landfill remediation provision	374.1	334.5	**332.8**
Borrowings	359.4	370.6	**370.2**
Deferred settlement liability	79.9	80.2	**80.6**
Liabilities held for sale	—	27.9	**—**
Other liabilities	136.1	148.3	**171.4**
Total Liabilities	1,128.3	1,151.5	**1,132.6**
Net Assets	1,781.5	1,798.5	**1,825.0**

- Landfill remediation provision reduction from June 2016 primarily reflects the sale of two closed landfills and remediation and rectification payments made during the year offset by the unwinding of the discount
- Deferred settlement liability mainly represents annual fixed payments relating to the Melbourne Regional Landfill discounted to present value

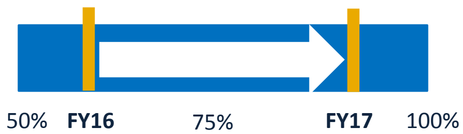
Strategy is underpinned by five key pillars

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 *for Excellence*
Increasing focus on customers and customer service to achieve stronger growth	A fit for purpose organisation with unrelenting focus on productivity and cost	Pursuing effective and disciplined capital management	Ensuring transparency and accountability across the organisation	Ensuring our elements of competitive advantage are best in class
External			Internal	

Customer for Growth

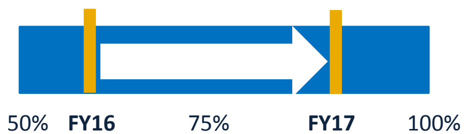
Initiatives producing results

Target market verticals



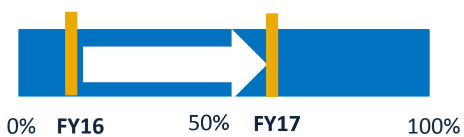
- Sales structures by market verticals fully operational
- Go to Market approach improved in Solids, further improvement needed in Liquids & Industrial Services. Further investment in sales force in L&IS segment
- FY18 focus remains on increasing sales productivity across the board

Organic volume growth



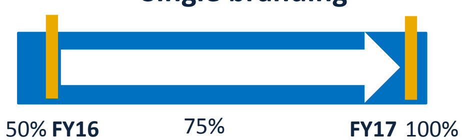
- Major Commercial & Industrial contract wins including Chevron and Coles
- Municipal contract wins include Hills Shire and Central Coast in NSW and Noosa Shire in QLD
- Container Deposit Scheme contract in NSW in Joint Venture with TOMRA commencing 1 December 2017
- Strategic Brisbane City Council Post Collections contract commencing on 1 July 2018

Inorganic growth



- $23.5 million spent on four bolt on acquisitions
- $2.5 million on the acquisition of minority interest in the Rutherford refinery
- Further small to medium sized acquisitions identified for FY18

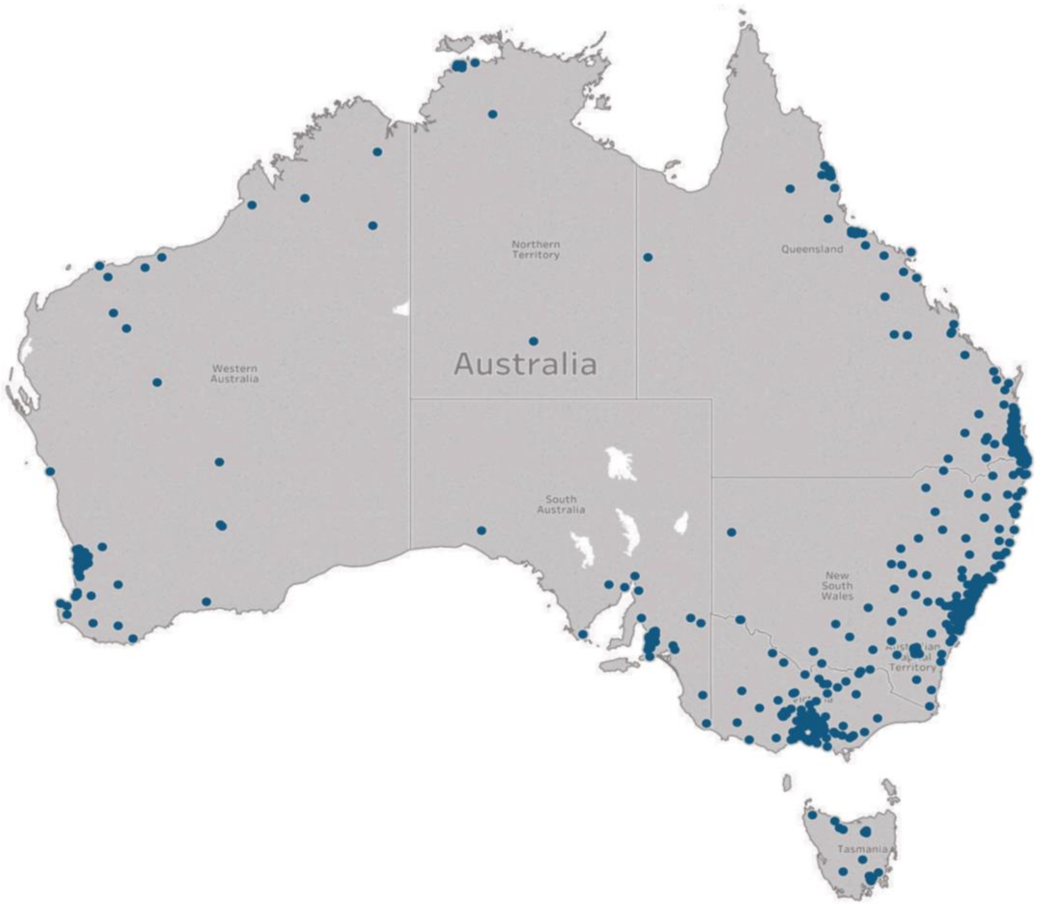
Single branding



- $3.8 million costs incurred in FY17
- Approximately $3.0 million in total to be incurred in FY18
- Branding will be completed by December 2017, six months ahead of schedule and on budget

Coles waste management contract

The Coles total waste management contract will deliver scale and efficiency (route density) from servicing over 2,500 sites across Coles' network of businesses



- 800 Supermarkets
- 712 Coles Express
- 896 Liquor outlets
- 89 Hotels
- 12 Distribution Centres
- 32 Other sites

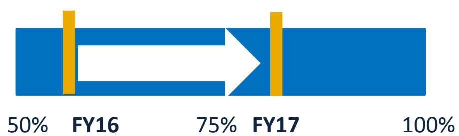
Continuous Improvement for Cost

$30 million pa in permanent cost reductions have been achieved

Fit for purpose organisation

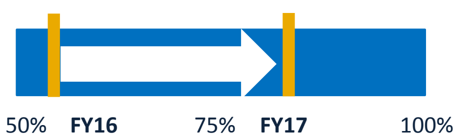
- 1ERP platform completed
- Corporate office and operational decision making in line with operating model
- Collaborative way of working between areas improved as numerous management layers removed in line with Operating Model and Go to Market
- Cost and efficiency opportunities will always continue to be identified

Procurement led cost reduction



- Negotiations continue with suppliers across all areas of discretionary spending
- New procure to pay process installed, full deployment still work in progress
- FY18 area of focus

Productivity agenda



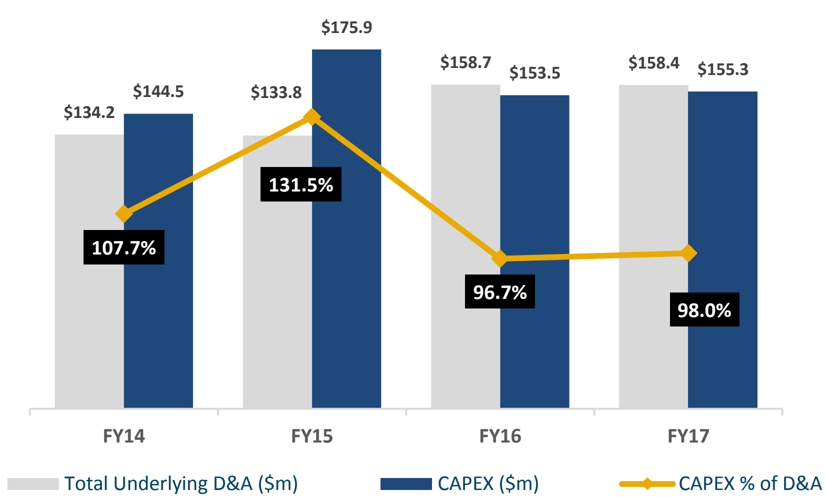
- Fleet utilisation and maintenance improvements
- FY18 focus on workshops and rigor around non fleet assets
- Workforce planning to reduce the level of high cost agency labour
- Rationalisation of branches and depots with less then expected returns to continue

Capital for Cash – Capital Expenditure and Landfill Remediation

Capital Expenditure

- Ongoing disciplined approach to cash and capital expenditure management
- Capital expenditure spending below depreciation and amortisation
- FY17 capital spending included two major Footprint 2025 projects – Perth Material Recycling Facility and Melbourne Transfer Station

Capital expenditure v D&A expense



Landfill Remediation

- Expenditure in FY17 of $42.5 million in line with expectations
- Sold two closed landfills in FY17:
  - Generated a pre-tax profit of $22 million
  - Statutory Profit comprises release of rectification and remediation provisions partially offset by the book value of site assets transferred to the buyer
  - Will reduce future spending on rectification and remediation by approximately $20 million
- Forecast spending as previously confirmed:
  - FY18 to FY20 approximately $45 million per annum
  - FY21 to FY24 approximately $20 million per annum, which will be the normal run rate going forward

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Capital for Cash – Funding Framework aligned with Capital Outlay

Syndicate Banks

Working Capital & Term Loan Facilities

- Core banking facilities
- Unsecured – $600m committed facility
- Existing USPP of A$54m to be repaid in December 2017 generating net interest cost savings in FY18 of ~$2.0m (annual savings ~$4.0m)

Our long-term banking partners

- Extendable 1, 4 & 5 year facilities
- Multi-option (general purpose loans, trade finance, acquisitions)

CEFC
CLEAN ENERGY FINANCE CORP

Green Term Loan Facility

- $90m term loan for clean energy and resource recovery investments
- Funding immediately available
- Unsecured – consistent with existing syndicate banking terms

Making a sustainable future possible

- Supports resource recovery investment as part of our Footprint 2025 investment
- 8 year fixed rate funding

Finance Leases

Finance Lease Facilities

- Provides diversity of capital sources and preserves unsecured funding
- Fixed rate funding provides contract return certainty and line of sight at tendering
- Linked to government contracts

Good capital and cash management

- Increases free cash flow
- Up to 8 years of funding matched to contract fleet values

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Capital for Cash – Capital Allocation

Utilisation of our strong balance sheet and funding framework to finance growth will provide a better outcome for shareholders through improved free cash flow

- Disciplined approach to capital allocation and expenditure will continue – spending cash in the right places
- Cash capital expenditure in FY18 will be between 80% and 85% of depreciation and amortisation expense of approximately $165-170 million
- Leasing finance will be utilised for government related contracts such as Container Deposit Scheme, Brisbane City Council plus new and renewed Municipal contracts
- Free cash flow will increase

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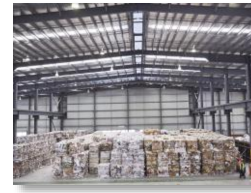
Cleanaway Footprint 2025
Prized infrastructure assets completed in FY17 or in construction stage

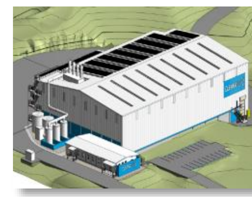
New material recycling facility constructed and transfer station acquired

3 transfer stations and resource recovery facilities following acquisition of SA Waste in July 2017



New paper recycling facility and transfer station acquired

Engineering upgrade to oil recycling facility improving product quality



New transfer station and material recycling facility.
Scheduled completion 2H18

Ownership of 100% of base oil recycling facility in Rutherford and engineering upgrade at Wetherill Park refinery to now produce Category 1 base oil

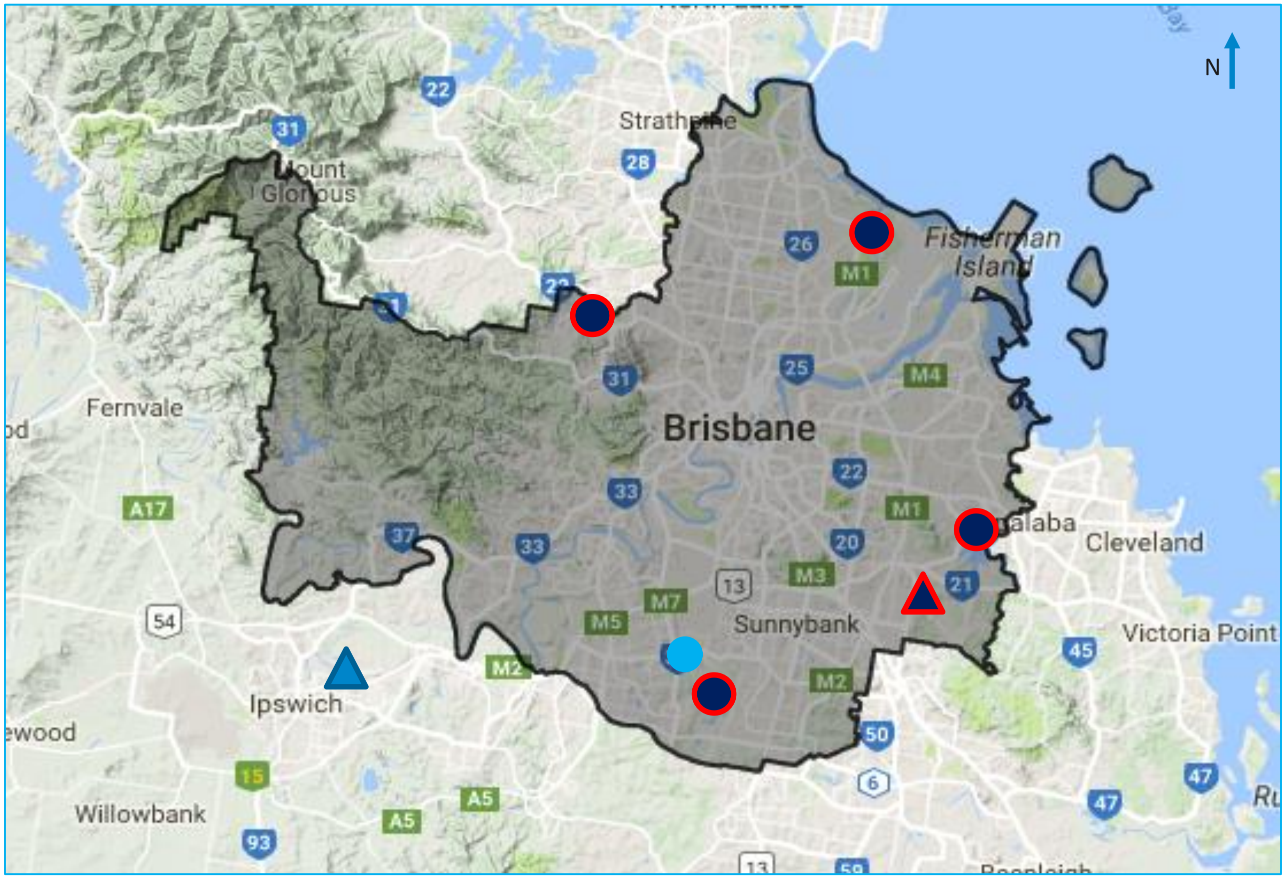
New transfer station in South East Melbourne

Double electricity generating capacity at MRL

Planning permit for MRL to 2046

Cleanaway Footprint 2025
Brisbane City Council Post Collection Contract

- Access to strategic assets in South East Queensland
- Resource Recovery Innovation Alliance agreement with BCC for 10 years with options that extend to 16 years in total
- Operation of BCC's four Resource Recovery Centres and operation of Brisbane landfill



Resource Recovery Centres

Landfill

BCC

Cleanaway

Priorities and FY18 Outlook

Priorities

- Continue progress in Solids and improve Liquids & Industrial Services revenue and earnings performance
- Foster a culture of premium customer service and continuous improvement
- Focus on pricing performance – both core price and yield
- Improve operational effectiveness, productivity and asset utilisation to improve gross margin
- Continue the progress we are making on all strategic initiatives

FY18 Outlook

- Recent major contract wins will establish a firm base for revenue growth in our Solids business however we still anticipate flat market conditions in the Liquids & Industrial Services businesses
- The cost controls we have in place and the further initiatives being implemented across the Company should result in both the Solids and Liquids & Industrial Services segments increasing operational earnings in FY18 in line with current market expectations

Appendices

Segment Performance Summary

$ million	Net Revenue[1]			Underlying EBITDA			Underlying EBIT		
Segments	**FY16**	**FY17**	**Growth**	**FY16**	**FY17**	**Growth**	**FY16**	**FY17**	**Growth**
Solids – Collections	779.0	**810.5**	**4.0%**	149.8	**160.9**	**7.4%**	85.7	**98.8**	**15.3%**
Solids – Post Collections	177.0	**185.0**	**4.5%**	87.9	**96.1**	**9.3%**	27.9	**38.8**	**39.1%**
Intra-segment sales	(32.0)	**(36.7)**	**n/a**	—	—	—	—	**—**	—
Total Solids	924.0	**958.8**	**3.8%**	237.7	**257.0**	**8.1%**	113.6	**137.6**	**21.1%**
Liquids & Industrial Services	436.6	**424.0**	**(2.9)%**	57.5	**58.9**	**2.4%**	33.0	**32.1**	**(2.7)%**
Equity accounted investments	—	—	—	1.3	**1.2**	(7.7)%	1.3	**1.2**	(7.7)%
Corporate & Other	0.4	**0.2**	**(50.0)%**	(15.2)	**(15.8)**	**(3.9)%**	(25.3)	**(28.0)**	**(10.7)%**
Inter-segment sales	(40.3)	**(32.3)**	**n/a**	—	—	—	—	—	—
Total Cleanaway Group	1,320.7	**1,350.7**	**2.3%** ▲	281.3	**301.3**	**7.1%** ▲	122.6	**142.9**	**16.6%** ▲

Notes:
1: Net revenue excludes landfill levies collected of $103.7 million in FY17 and $134.4 million in FY16

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Group Income Statement – Statutory and Underlying Results

$ million	Statutory Results			Underlying Adjustments		Underlying Results		
	FY16	FY17	Growth	FY16	FY17	FY16	FY17	Growth
Sales revenue external and other revenue (Gross Revenue)	1,455.1	**1,454.4**	*No change*	—	—	1,455.1	**1,454.4**	*No change*
Share of profits in equity accounted investments	1.3	**1.2**	(7.7)%	—	—	1.3	**1.2**	(7.7)%
Expenses (net of other income)	(1,199.3)	**(1,141.6)**	4.8%	24.2	(12.7)	(1,175.1)	**(1,154.3)**	1.8%
Total EBITDA	257.1	**314.0**	22.1%	24.2	(12.7)	281.3	**301.3**	7.1%
Depreciation and amortisation	(160.8)	**(165.9)**	(3.2)%	2.1	7.5	(158.7)	**(158.4)**	0.2%
Impairments and revaluation of land and buildings	(0.2)	**(5.0)**	n/a	0.2	5.0	—	—	—
Total EBIT	96.1	**143.1**	48.9%	26.5	(0.2)	122.6	**142.9**	16.6%
Net cash interest expense	(19.2)	**(18.4)**	4.2%	—	—	(19.2)	**(18.4)**	4.2%
Non-cash finance costs	(15.3)	**(15.4)**	(0.7)%	—	—	(15.3)	**(15.4)**	(0.7)%
Changes in fair value of derivatives and USPP borrowings	—	**(0.3)**	n/a	—	0.3	—	—	—
Profit before income tax	61.6	**109.0**	76.9%	26.5	0.1	88.1	**109.1**	23.8%
Income tax (expense)/benefit	(18.5)	**(36.5)**	(97.3)%	(8.0)	4.9	(26.5)	**(31.6)**	(19.2)%
Profit after income tax	43.1	**72.5**	68.2%	18.5	5.0	61.6	**77.5**	25.8%
Non-controlling interest	(1.7)	—	n/a	—	—	(1.7)	—	n/a
Attributable profit after income tax	44.8	**72.5**	61.8%	18.5	5.0	63.3	**77.5**	22.4%
Weighted average number of shares	1,583.2	**1,590.3**	(0.4)%	—	—	1,583.2	**1,590.3**	(0.4)%
Basic earnings per share (cents)	2.8	**4.6**	64.3%	1.2	0.3	4.0	**4.9**	22.5%

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Capital Structure – Net Finance Costs

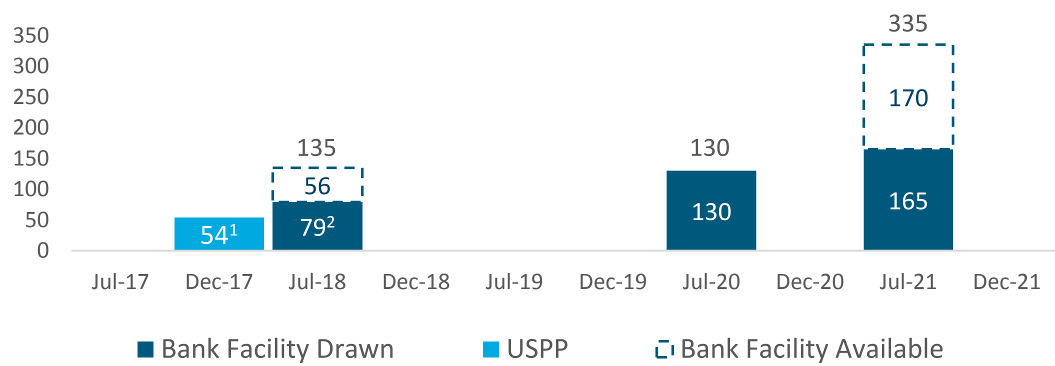
$ million	Statutory FY16	Statutory FY17	Underlying FY16	Underlying FY17
Cash interest expense				
Bank interest	11.2	**10.0**	11.2	**10.0**
Commitment and Guarantee fees	2.6	**2.7**	2.6	**2.7**
USPP Notes	6.1	**6.1**	6.1	**6.1**
Interest received	(0.7)	**(0.4)**	(0.7)	**(0.4)**
Net cash interest expense	19.2	**18.4**	19.2	**18.4**
Non-cash finance costs				
Amortisation of borrowing costs	1.3	**0.5**	1.3	**0.5**
Unwinding of discount on landfill remediation provision	8.1	**9.0**	8.1	**9.0**
Unwinding of discount on MRL fixed payments	5.9	**5.9**	5.9	**5.9**
Total non-cash finance costs	15.3	**15.4**	15.3	**15.4**
Changes in fair value				
Foreign currency exchange (gain)/loss on USPP borrowings	2.3	**(2.3)**	—	—
Change in fair value of derivatives related to USPP borrowings	(2.3)	**2.6**	—	—
Total changes in fair value	—	**0.3**	—	—
Total net finance costs	34.5	**34.1**	34.5	**33.8**

Capital Structure – Debt

$ million	30 Jun 16	31 Dec 16	30 Jun 17
Current interest bearing liabilities	0.8	66.6	**62.4**
Non-current interest bearing liabilities	358.6	304.0	**307.8**
Gross Debt	359.4	370.6	**370.2**
Cash and cash equivalents	(48.3)	(44.5)	**(43.2)**
Net Debt	311.1	326.1	**327.0**
Gearing ratio	14.9%	15.3%	**15.2%**

- Net debt to underlying EBITDA ratio 1.09x (30 June 2016: 1.11x)
- At 30 June 2017 the Group had $230 million of headroom under existing banking facilities
- Average debt maturity at 30 June 2017 is 3.4 years (30 June 2016: 3.5 years)
- Increase in current borrowings relates to the USPP notes which mature in December 2017. The Group has sufficient unutilised debt facilities available to repay the USPP notes

Committed Funding Facilities Maturity Profile ($m)



Notes:
1: Actual hedged amount to be repaid
2: Drawn amount represents outstanding bank guarantees and cash advance of $14.0m

Reconciliation of Divisional Results to Statutory Segment Disclosures

$ million	Solids Collections	Solids Post Collections	Eliminations – Solids	Total Solids	Total Liquids & Ind Serv	Equity Accounted Investments	Corporate & Other	Eliminations – Group	GROUP
Revenue									
Sales of goods and services	796.6	238.3	—	1,034.9	384.2	—	—	—	1,419.1
PSO benefits	—	—	—	—	16.6	—	—	—	16.6
Other revenue	6.8	9.2	—	16.0	2.5	—	0.2	—	18.7
Internal sales	7.1	41.2	(36.7)	11.6	20.7	—	—	(32.3)	—
Gross Revenue	**810.5**	**288.7**	**(36.7)**	**1,062.5**	**424.0**	**—**	**0.2**	**(32.3)**	**1,454.4**
Underlying EBITDA	**160.9**	**96.1**	**—**	**257.0**	**58.9**	**1.2**	**(15.8)**	**—**	**301.3**
Depreciation and amortisation	(62.1)	(57.3)	—	(119.4)	(26.8)	—	(12.2)	—	(158.4)
Underlying EBIT	**98.8**	**38.8**	**—**	**137.6**	**32.1**	**1.2**	**(28.0)**	**—**	**142.9**

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