

5 September 2018

NSX Profit and Dividend Announcement

STL delivers \$25.7 million net profit

Sugar Terminals Limited (STL, NSX:SUG) today released its results for the 2018 financial year, announcing a strong underlying profit and solid outcomes across a range of measures after the first year of operation under the Company's new business model.

Key results

- Three-year storage and handling agreements executed with six raw sugar marketers, with options to extend
- Seamless transition to the new, multi-customer operating environment
- Three-year business strategy established, along with a new purpose and values
- Commenced \$17 million project to re-roof the two sheds at the Bundaberg terminal
- NPAT of \$25.7 million, 9.8% improvement on FY17

<i>Financial indicators</i>	<i>FY18</i>	<i>FY17</i>
Net profit after tax	\$25.7 million	\$23.4 million
Return on total assets ⁽¹⁾	7.1%	6.7%
Capital expenditure	\$14.1 million	\$12.8 million
Share price	\$0.92	\$0.86
Dividends	\$23.4 million	\$22.7 million
Dividends per share	6.5 cents	6.3 cents

⁽¹⁾Full year NPAT as a percentage of total assets as at 30 June

Commentary

STL Chairman Mark Gray said the results establish a great platform for the future.

“This was STL’s first year as a customer-focused infrastructure services provider. Among the many encouraging results, it is particularly pleasing to see customers signal their confidence in the business by transitioning from the initial one-year storage and handling agreements to three-year agreements,” he said.

Mr Gray said STL’s financial performance for the year was boosted by increased non-sugar income and the elimination of one-off costs incurred in 2017 to implement the new model. It delivers on STL's ongoing ambition to achieve stable, reliable and sustainable returns to our investors, whilst maintaining responsible cost control for customers.

Our purpose is to be a sustainable, globally competitive provider of storage and handling solutions for bulk sugar and other commodities.



Mr Gray expressed confidence in STL's outlook given the strong foundations in place.

"By working closely with our customers and our operations contractor, STL has delivered stability and certainty for the industry. Our focus now is to continue to meet the market's need for competitive, high quality storage and handling solutions," he said.

STL's Annual Report for FY18 is available at www.sugarterminals.com.au.

Dividend announcement

At its Board meeting today, Directors resolved that a dividend of \$12.24 million (3.4 cents per share), fully franked on tax paid at 30%, will be paid on 28 September 2018 to shareholders whose names are recorded on the register on 13 September 2018.

Enquiries:

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