

SEVEN GROUP HOLDINGS (SVW)

22 AUGUST 2018

RESULTS	Full Year 2018	Full Year 2017	CHANGE
Revenue (\$m)	3,207.9	2,283.3	+41%
Product sales revenue (\$m)	109.8	92.27	+19%
WesTrac EBIT (\$m)	202.7	164.3	+23%
Underlying EBIT (\$m)	496.9	297.2	+67%*
Profit (\$m)	413.9	44.5	+830%
Underlying Net Profit (\$m)	330.6	213.7	+54.7%
Final Dividend (\$)	0.21	0.20	+5%

Seven Group Holdings Limited (SVW) transformation on track with underlying net profit up 54%

- Investment and equipment management group, Seven Group Holdings Limited (SVW)** underlying net profit increased by 54.7% over the year beating the markets and SVW's own guidance given to the market back in June. Over the last 12 months, SVW's transformation program has swung into full gear, with the sale of WesTrac China, the acquisition of Coates Hire, and increased investment in Beach Energy which Seven Group now owns 25.6%. In media, Seven Group is still the largest shareholder in Seven West Media (SWM).
- This report included many significant items reflecting non-recurrent items that arose during the year, totalling \$83 million after tax, as well as impacting the groups underlying net profit after tax, including the \$10 million profit contribution of WesTrac China for the year and significant items related to a \$74 million net gain on the sale of WesTrac China.
- Beach Energy and SGH Energy** recorded increased output and value from the dynamics of the East Coast gas market and thanks to the increase in oil and gas prices, it helped to deliver an increase of \$45 million. **WesTrac**, the only authorised dealer of Caterpillar equipment in NSW, Western Australia and the ACT, achieved 23% growth in EBIT, Mining parts demand continues to be solid, but the biggest growth generation came from equipment sales to the construction sector in WA and NSW. **Coates Hire** earnings lifted by 21% thanks to strong growth in the Aussie infrastructure investment pipeline. SVW said "Time utilisation was up, average hire values increased, and the business is benefitting from numerous initiatives undertaken by management to drive operational efficiency."
- SVW owns 41% of **Seven West Media**, the share of Net profit after tax from SWM fell to \$58.04 million while its other media investments helped its media profile list a slight increase in earnings to \$72.6 million. Seven Group confirmed guidance for the FY19 EBIT growth of approximately 25% above FY18 underlying EBIT on a continuing operations basis. Today SVW announced an offer to convert TELYS4 shares to ordinary shares at \$92.50 a share, which is subject to a TELYS4 shareholder vote. SVW said it will pay a final dividend of \$0.21 on the 8th of October 18.

*against FY17 pro-forma 32% or on a continuing operations basis, underlying EBIT was up 67%

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