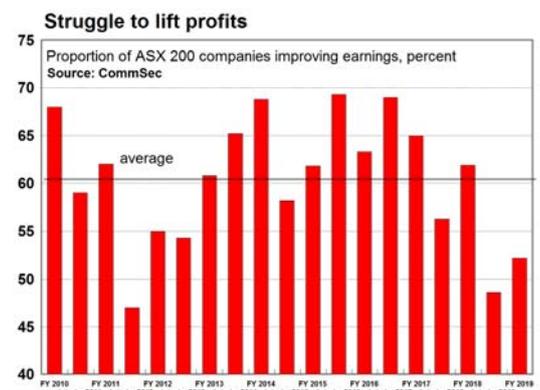
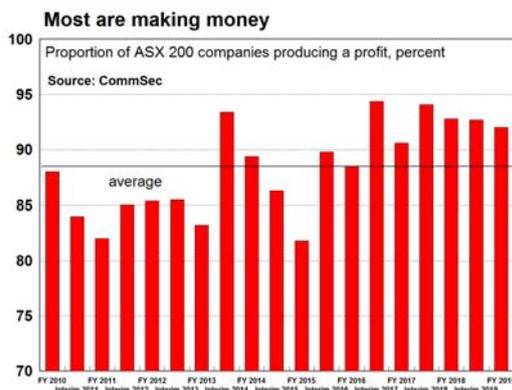


## Earnings Season: Successfully navigating a tough year Corporate Profit Reporting Season (Final figures)

- Each ‘earnings season’ or ‘profit-reporting season’ CommSec tracks all the earnings results of ASX 200 companies to obtain a comprehensive picture of the aggregate health of Corporate Australia.
- Overall, 138 of the ASX200 index group reported full-year results while 31 companies with a December 31 reporting date issued half-year (interim) results.
- Broadly, companies have struggled. Companies are still reporting profits – 92 per cent of companies that reported full year results did report a profit, above the average of 88 per cent over the past decade. But only 52.2 of companies were able to lift profits. Aggregate statutory profits are up – a gain of 17 per cent. But if BHP and Wesfarmers are excluded, profits rose by 1.2 per cent – a better reflection of the year.
- Despite the tough conditions, companies are issuing dividends. The 88.4 per cent of full-year reporting companies that elected to pay a dividend was above the average of 86 per cent over the 19 reporting seasons covered.
- And in further good news, nine companies elected to pay special dividends to shareholders. Aggregate dividends of full-year reporting companies lifted by 4.9 per cent.

### The Profit Reporting Season

- Every six months CommSec tracks the earnings of Australia’s largest listed companies. Some analysts track whether companies have met broker expectations. That tells you little about the financial performance of companies. And unfortunately for many companies only a few brokers ‘cover’ all the stocks.
- Other analysts just track the earnings of those companies they ‘cover’ – the companies that they have detailed information on. CommSec includes all ASX 200 companies in its macro (big picture) assessment of the reporting season.
- Overall, investors have reason to be pleased with the performance of Corporate Australia. Arguably business conditions in the past year – especially the first half of 2019 – have been the toughest faced by companies in a decade. The China-US trade war has continued with the lack of agreement serving to cap investment and



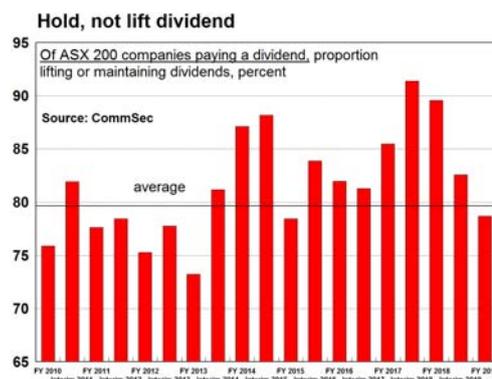
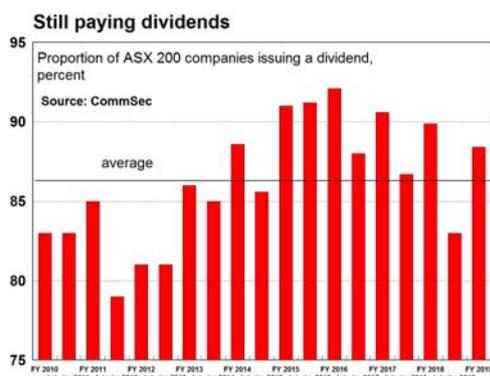
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**Ryan Felsman, Senior Economist; Twitter: @CommSec**

employment by companies across the globe. The UK exit from the European Union (Brexit) has been delayed, creating more business uncertainty. Fears of US recession have added to negative global environment.

- Closer to home, uncertainty about the outcome of the Federal Election crimped economic momentum, especially in the first half of 2019 (Bapcor). Sluggish wage growth constrained consumer spending together with lower home prices in Sydney and Melbourne.
- But quite remarkably, companies are still making money. In fact 92 per cent of the companies that have reported annual results, reported a statutory profit (net profit after tax). That is near below the record highs of 94 per cent recorded in ‘interim’ results seasons of February 2017 and February 2018 but above the 88.4 per cent average. Still, only 52.2 per cent of companies lifted profits compared with a year ago. That is still better than the 48.6 per cent result in the ‘interim’ reporting season in February.
- Aggregate statutory earnings lifted by 17 per cent on a year ago, but once BHP and Wesfarmers are excluded, profits are up just 1.2 per cent on the year. The 88.4 per cent of companies that issued a dividend is above longer-term averages despite flat cash levels and despite growth of expenses outpacing sales.
- Some of the themes of the season:
  - Share prices of companies were volatile on the day of their earnings announcement. But the spread of companies recording a lift in its share price has almost completely matched those recording a share price fall. That is, ‘ups’ matched ‘downs’.
  - Costs or expenses continue to lift, as has been the case for over a year (Qantas, Coles, Woolworths, Whitehaven Coal). Growth of cost of sales/expenses exceeded that of sales/revenues. Higher wage bills and energy costs were specifically noted.
  - Housing construction and development companies have reported challenging conditions with supply adjusting to weaker demand. (Sunland, Finbar, Stockland). Noticeably the office and industrial market has remained strong (Dexus, GPT, Mirvac, Charter Hall).
  - The experience of consumer-dependent companies has proved more mixed than conventional wisdom. Those companies that have adjusted strategy and listened to consumers have done well. This includes retailers like JB Hi-Fi and shopping centre owners like Scentre. Big box retailer, Aventus, has also weathered the fluky retail conditions. Vicinity Centres believe that not enough of the good news is being priced in.

**The statistics: Full-year reporting companies**

- CommSec has analysed the results from the ASX 200 companies that reported earnings for the year to June or half-year to December. Traditionally brokers or analysts focus on smaller subsets of results. And some merely focus on just whether companies have met or fallen short of “market expectations”.
- In the ASX200 index group, 138 companies with a June 30 reporting date issued full-year results while 31 companies with a December 31 reporting date issued half-year results.
- Some of the key results for full-year (FY) reporting companies:
  - In aggregate, **revenues** lifted by 6.0 per cent on a year ago to \$609.6 billion; **expenses** increased by 6.8 per cent to \$507.7 billion; **profits** have lifted by 17.0 per cent to \$63.7 billion; **dividends** lifted by 4.9 per cent but **cash** fell by 0.1 per cent in recognition of the tough business conditions and desire to pay dividends.
  - The lift in dividends was influenced by special dividends by a number of companies including ASX, Coles Group and Medibank Private. Excluding these companies, aggregate dividend payments fell by 0.6 per cent.
  - Excluding BHP and Wesfarmers, profits rose by 1.2 per cent. While ‘underlying’ results may show a different picture, BHP reported a 90.4 per cent rise in statutory profit with Wesfarmers reporting a 360 per cent lift.
  - Profits of BHP, Telstra, Wesfarmers, Woolworths and CBA accounted for 44 per cent of all full-year profits.

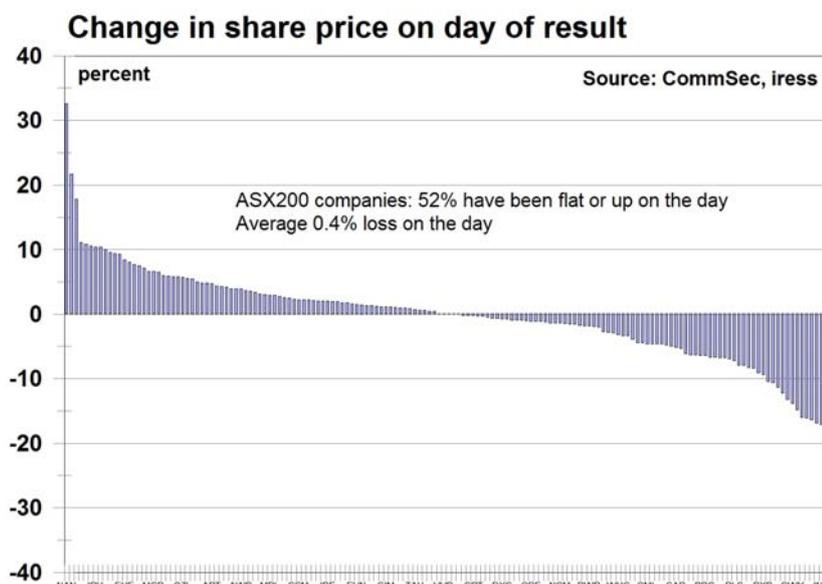


The following points relate to those companies that reported full-year results (FY reporting companies).

- **On revenues**, 79 per cent reported increases and 21 per cent reported declines.
- **On expenses**, 82 per cent reported increases and 18 per cent reported declines.
- **On profits**, 92.0 per cent reported a profit.
- Only 52.2 per cent reported a **lift in profit** (long-term average 61.5 per cent).
- **Of those reporting a profit**, 55.9 per cent have lifted profits and 44.1 per cent have reported a decline.
- In terms of dividends, 88.4 per cent **issued a dividend** and 11.6 per cent didn't.
- **Of those reporting a dividend**, 54.9 per cent lifted the dividend, 21.3 per cent cut dividends and 23.8 per cent left dividends unchanged.
- **On cash holdings**, 58 per cent lifted **cash holdings** over the year and 42 per cent cut cash levels.
- **Cash holdings of both full-year and half-year reporting companies** stood at \$110.7 billion as at June 30, (full-year companies, down 0.1 per cent on a year ago to \$83.4 billion).

### The trends

- Surveys conducted over 2018/19 have generally indicated tougher business conditions. The NAB business conditions index hit record (21-year) highs in April 2018 but conditions have significantly softened in the period since. This hasn't been confined to Australia – business surveys across the globe have softened since the second quarter of 2018.
- Companies are still making money. The 92 per cent of companies that reported a statutory profit for the year to June above the average of 88.4 per cent recorded over 19 profit seasons.
- But the fact is that fewer companies were able to lift profits. In fact only 52.2 per cent of all companies managed to lift profits compared with a year ago. Certainly the 'comp' was harder – the comparison with a year ago. That was a time when business surveys were recording the best operating conditions for over 20 years.
- The even split between those lifting and cutting profits also lines up with the mixed results of company share price performances on the day of reporting earnings. The first day change in share price is useful for picking up various elements – whether results have met expectations; outlook statements; capital management initiatives; and judgements by investors on whether recent share price performances have been justified in light of the new information.
- Revenues rose in aggregate by 6.0 per cent – faster than the nominal growth of the economy (real growth near 2.5 per cent and inflation of 1.5 per cent). But the cost of sales and expenses rose even more on a year ago – closer to 6.8 per cent. A number of companies reported increases in the cost of doing business. Firms have been employing more staff and wage growth over the year was higher than a year ago (albeit only modestly). The cost of materials and transport costs also lifted over 2018/19, especially fuel prices (Qantas). A weaker Aussie dollar also added to the cost of imported materials (Adairs).
- Companies are still keen to pay dividends. In fact the 88.4 per cent of companies that elected to pay a dividend is above the longer-term average (86.3 per cent).

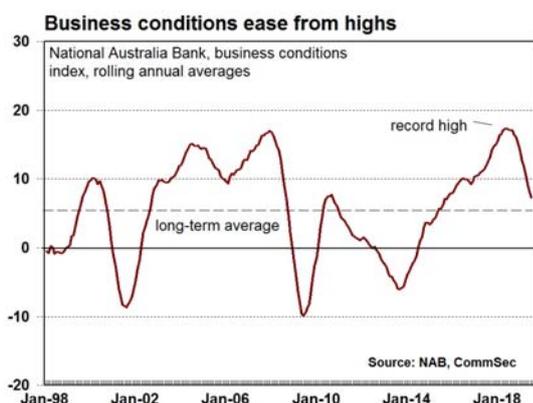


- Aggregate dividends are up 4.9 per cent over the year, but they were up almost 14 per cent on a year in the 2017/18 financial year. Some companies reported 'special' dividends, but the prevalence was not markedly greater than in the previous reporting season.
- Of companies paying a dividend, the 54.9 per cent that elected to lift dividends was the smallest proportion in around six years. The trend was actually in favour of companies keeping dividends stable – the 23.8 per cent of companies was just down from 24.3 per cent in February (interim results) which was a 6-year high.
- The tougher business environment meant it was harder to lift dividends and also to lift cash levels. In aggregate, cash holdings were broadly flat (-0.2 per cent), but there were more companies electing to lift cash levels (58 per cent) than those trimming cash levels (42 per cent).

### What are the implications for interest rates and investors?

- Challenges remain for Aussie companies, although most of the challenges reflect global factors. The US-China trade war rages on. Brexit hasn't been solved. BHP, Brambles, Iluka, Amcor and Worley have noted global risks. But Amcor believes it's in a strong position to weather the uncertainties.
- Investors are fretting that an inverse yield curve in the US (shorter-term rates above longer-term yields) could lead to recession. Having said that, the US economy remains in good shape with 2 per cent plus economic growth, sub 2 per cent 'core' inflation and a sub 4 per cent jobless rate.
- At home, the election is out of the road. Home prices are now rising in Sydney and Melbourne. The Reserve Bank has cut interest rates twice and is prepared to cut rates further. And the federal budget is balanced, opening the door for fiscal stimulus if required. While housing demand is expected to lift, Stockland, Sunland, Fletcher Building and even Bingo are cautious about the outlook.
- Super Retail Group, Woolworths, Dominos, Bapcor are amongst those noting a pickup in the economy in the past six weeks.
- Certainly there is a bevy of infrastructure projects either underway or poised to get underway in the next few years. These projects will support engineering and construction firms and mining service companies.
- The lower Australian dollar has supported miners and other companies reporting results in US dollars. And the Aussie dollar is expected to hover in a US65-70 cent range over most of the current financial year.
- Despite all the challenges, Australian company balance sheets remain solidly in the black. And the Australian sharemarket managed to hit record highs at the end of July.
- Using traditional valuation tools, such as the price-earnings ratio (share prices to company earnings), the Australian sharemarket may seem 'dear' at 17 times earnings. But with interest rates at generational lows, and home prices up only modestly (with more supply to come), investors are asking what is a 'fair' or 'normal' PE ratio?
- The major uncertainty is how or when the US-China trade war will be resolved. Still, high quality and lower-priced Australian goods are attractive for US and Chinese buyers as well as buyers in other parts of the world. The lower Aussie dollar is certain helpful at a time of relatively high commodity prices. Notably the gold price continues to hover near record highs in Australian dollar terms.
- We expect the All Ordinaries to be in a range of 6,700-7,000 by the end of 2019, with the range for the ASX 200 between 6,600-6,900 points.

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## S&amp;P/ASX200, Year to June 2019 reporting companies

| Security | Description          | Sub-Industry                                     | NET PROFIT  |             |        | Final Dividend |               | Cash Balance     |                  |
|----------|----------------------|--|-------------|-------------|--------|----------------|---------------|------------------|------------------|
|          |                      |  | 2019<br>\$M | 2018<br>\$M | %      | 2019<br>cents  | 2018<br>cents | June 2019<br>\$M | June 2018<br>\$M |
| A2M      | The A2 Milk Company  | Packaged Foods & Meats - 30202030                | 287.7       | 195.7       | 47.0   | 0.0            | 0.0           | 464.8            | 340.5            |
| ABP      | Abacus Property Grp. | Diversified REITs - 60101010                     | 194.4       | 247.0       | -21.3  | 9.3            | 9.0           | 89.0             | 103.3            |
| AGL      | AGL Energy Limited.  | Multi-Utilities - 55103010                       | 905.0       | 1582.0      | -42.8  | 64.0           | 63.0          | 115.0            | 463.0            |
| ALG      | Ardentleisuregrpltd  | Leisure Facilities - 25301030                    | -60.9       | -90.7       | 32.9   | 0.0            | 0.0           | 92.3             | 16.5             |
| ALU      | Altium Limited*      | Application Software - 45103010                  | 52.9        | 37.5        | 41.1   | 18.0           | 14.0          | 80.5             | 52.5             |
| AMC      | Amcor PLC*           | Paper Packaging - 15103020                       | 430.2       | 575.2       | -25.2  | 12.00          | nc            | 601.6            | 620.8            |
| ANN      | Ansell Limited*      | Health Care Supplies - 35101020                  | 113.1       | 486.2       | -76.7  | 26.0           | 25.0          | 397.5            | 589.8            |
| AOG      | Aveo Group           | Real Estate Development - 60102030               | -220.7      | 366.2       | -160.3 | 4.50           | 9.00          | 53.3             | 71.0             |
| APA      | APA Group            | Gas Utilities - 55102010                         | 288.0       | 264.8       | 8.8    | 25.5           | 24.0          | 354.9            | 100.6            |
| APT      | Afterpay Touch       | Data Processing & Outsourced Services - 45102020 | -43.8       | -9.0        | -387.7 | 0.00           | 0.00          | 231.5            | 32.6             |
| ARB      | ARB Corporation.     | Auto Parts & Equipment - 25101010                | 57.1        | 51.0        | 12.1   | 21.0           | 19.5          | 8.5              | 9.2              |
| ASB      | Austal Limited       | Aerospace & Defense - 20101010                   | 61.4        | 37.5        | 63.5   | 3.00           | 3.00          | 275.7            | 162.0            |
| ASL      | Ausdrill Limited     | Diversified Metals & Mining - 15104020           | 182.3       | 61.1        | 198.6  | 3.50           | 3.50          | 223.5            | 137.3            |
| ASX      | ASX Limited          | Financial Exchanges & Data - 40203040            | 492.0       | 445.1       | 10.5   | 243.4          | 109.1         | 333.1            | 377.2            |
| AZJ      | Aurizon Holdings Ltd | Railroads - 20304010                             | 476.5       | 483.0       | -1.3   | 13.1           | 12.4          | 25.2             | 34.8             |
| BAL      | Bellamy's Australia  | Packaged Foods & Meats - 30202030                | 21.7        | 42.8        | -49.4  | 0.00           | 0.00          | 112.4            | 87.6             |
| BAP      | Bapcor Limited       | Distributors - 25501010                          | 96.5        | 94.3        | 2.3    | 9.5            | 8.5           | 47.6             | 50.2             |
| BEN      | Bendigo and Adelaide | Regional Banks - 40101015                        | 376.8       | 434.5       | -13.3  | 35.0           | 35.0          | 922.0            | 1067.9           |
| BGA      | Bega Cheese Ltd      | Packaged Foods & Meats - 30202030                | 11.8        | 28.8        | -58.9  | 5.50           | 5.50          | 28.8             | 21.7             |
| BHP      | BHP Group Limited    | Diversified Metals & Mining - 15104020           | 9185.0      | 4823.0      | 90.4   | 78.0           | 63.0          | 15593.0          | 15813.0          |
| BIN      | Bingo Industries Ltd | Environmental & Facilities Services - 20201050   | 22.3        | 38.0        | -41.4  | 2.0            | 2.0           | 39.2             | 21.4             |
| BKL      | Blackmores Limited   | Personal Products - 30302010                     | 53.4        | 69.2        | -22.8  | 70.0           | 155.0         | 24.5             | 36.5             |
| BLD      | Boral Limited        | Construction Materials - 15102010                | 272.4       | 441.0       | -38.2  | 13.50          | 14.00         | 207.2            | 74.3             |
| BPT      | Beach Energy Limited | Oil & Gas Exploration & Production - 10102020    | 577.3       | 198.8       | 190.4  | 1.0            | 1.0           | 171.9            | 311.2            |
| BRG      | Breville Group Ltd   | Household Appliances - 25201040                  | 67.4        | 58.5        | 15.2   | 18.5           | 16.5          | 57.1             | 103.3            |
| BSL      | BlueScope Steel Ltd  | Steel - 15104050                                 | 1010.1      | 1628.6      | -38.0  | 8.0            | 8.0           | 1643.4           | 943.0            |
| BVS      | Bravura Solution Ltd | Application Software - 45103010                  | 32.8        | 27.0        | 21.4   | 4.8            | 4.5           | 194.8            | 36.9             |
| BWP      | BWP Trust            | Retail REITs - 60101070                          | 169.4       | 183.1       | -7.5   | 10.7           | 9.0           | 17.9             | 14.2             |
| BXB      | Brambles Limited*    | Diversified Support Services - 20201070          | 1467.7      | 692.7       | 111.9  | 14.5           | 14.5          | 1690.4           | 171.3            |
| CAR      | Carsales.Com Ltd.    | Interactive Media & Services - 50203010          | 85.6        | 187.9       | -54.4  | 25.0           | 23.7          | 94.4             | 65.1             |
| CBA      | Commonwealth Bank.   | Diversified Banks - 40101010                     | 8571.0      | 9329.0      | -8.1   | 231.0          | 231.0         | 17010.0          | 23005.0          |
| CCP      | Credit Corp Group    | Consumer Finance - 40202010                      | 70.3        | 64.3        | 9.3    | 36.0           | 36.0          | 22.7             | 16.0             |
| CGF      | Challenger Limited   | Other Diversified Financial Services - 40201020  | 310.7       | 323.8       | -4.0   | 18.0           | 18.0          | 791.9            | 839.0            |
| CHC      | Charter Hall Group   | Diversified REITs - 60101010                     | 236.8       | 251.2       | -5.7   | 17.2           | 16.2          | 113.9            | 94.9             |
| CLW      | Chtr H Lwr           | Diversified REITs - 60101010                     | 69.6        | 83.3        | -16.5  | 7.1            | 6.8           | 6.4              | 5.5              |
| CMW      | Cromwell Prop        | Office REITs - 60101040                          | 159.9       | 204.1       | -21.7  | 1.81           | 2.09          | 101.6            | 204.6            |
| CNU      | Chorus Limited+      | Alternative Carriers - 50101010                  | 53.0        | 85.0        | -37.6  | 13.50          | 13.00         | 273.0            | 50.0             |
| COE      | Cooper Energy Ltd    | Oil & Gas Exploration & Production - 10102020    | -12.1       | 27.0        | -144.6 | 0.0            | 0.0           | 164.3            | 236.9            |
| COH      | Cochlear Limited     | Health Care Equipment - 35101010                 | 276.7       | 245.8       | 12.6   | 175.0          | 160.0         | 78.6             | 61.5             |
| COL      | Coles Group          | Hypermarkets & Super Centers - 30101040          | 1434.7      | 1578.8      | -9.1   | 35.5           | 0.0           | 940.4            | 556.0            |
| CPU      | Computershare Ltd    | Data Processing & Outsourced Services - 45102020 | 419.0       | 308.3       | 35.9   | 23.0           | 21.0          | 561.3            | 534.7            |
| CQR      | Charter Hall Retail  | Retail REITs - 60101070                          | 53.1        | 146.4       | -63.7  | 14.5           | 14.2          | 4.8              | 61.4             |
| CSL      | CSL Limited*         | Biotechnology - 35201010                         | 1918.7      | 1728.9      | 11.0   | 100.0          | 93.0          | 657.8            | 812.7            |
| CTD      | Corp Travel Limited  | Hotels, Resorts & Cruise Lines - 25301020        | 89.5        | 80.6        | 11.0   | 22.0           | 21.0          | 138.8            | 84.3             |
| CUV      | Clinuvel Pharmaceut. | Biotechnology - 35201010                         | 18.1        | 13.2        | 37.1   | 2.50           | 2.00          | 54.3             | 36.2             |
| CWN      | Crown Resorts Ltd    | Casinos & Gaming - 25301010                      | 402.9       | 573.2       | -29.7  | 30.0           | 30.0          | 1126.0           | 1844.6           |

\* USD; + NZD

## S&amp;P/ASX200, Year to June 2019 reporting companies

|          |                      |  | NET PROFIT |         |         | Final Dividend |       | Cash Balance |           |
|----------|----------------------|--|------------|---------|---------|----------------|-------|--------------|-----------|
|          |                      |  | 2019       | 2018    | %       | 2019           | 2018  | June 2019    | June 2018 |
| Security | Description          | Sub-Industry                                     | \$M        | \$M     | %       | cents          | cents | \$M          | \$M       |
| CWV      | Cleanaway Waste Ltd  | Environmental & Facilities Services - 20201050   | 123.2      | 103.3   | 19.3    | 1.9            | 1.4   | 56.2         | 52.0      |
| DHG      | Domain Holdings Aus  | Interactive Media & Services - 50203010          | -135.2     | -2.7    | -4817.4 | 4.0            | 4.0   | 49.3         | 60.8      |
| DMP      | Domino Pizza Enterpr | Restaurants - 25301040                           | 114.4      | 121.7   | -6.0    | 52.8           | 49.7  | 101.4        | 76.0      |
| DOW      | Downer EDI Limited   | Diversified Support Services - 20201070          | 276.3      | 71.1    | 288.6   | 14.0           | 14.0  | 710.7        | 606.2     |
| DXS      | Dexus                | Office REITs - 60101040                          | 76.1       | 94.2    | -19.3   | 23.0           | 24.1  | 1.2          | 1.0       |
| EHE      | Estia Health Ltd     | Health Care Facilities - 35102020                | 41.3       | 41.2    | 0.3     | 7.8            | 8.0   | 14.6         | 11.2      |
| EHL      | Emeco Holdings       | Trading Companies & Distributors - 20107010      | 34.0       | 11.4    | 198.5   | 0.0            | 0.0   | 36.2         | 171.4     |
| EVN      | Evolution Mining Ltd | Gold - 15104030                                  | 218.2      | 263.4   | -17.2   | 6.0            | 4.0   | 335.2        | 323.2     |
| FBU      | Fletcher Building+   | Construction Materials - 15102010                | 164.0      | -190.0  | 186.3   | 15.0           | 0.0   | 1372.0       | 665.0     |
| FLT      | Flight Centre Travel | Hotels, Resorts & Cruise Lines - 25301020        | 264.2      | 264.8   | -0.2    | 98.0           | 107.0 | 1172.3       | 1273.0    |
| FMG      | Fortescue Metals Grp | Steel - 15104050                                 | 3187.0     | 878.0   | 263.0   | 24.00          | 12.00 | 1874.0       | 863.0     |
| GMG      | Goodman Group        | Industrial REITs - 60101020                      | 1627.9     | 1102.8  | 47.6    | 15.0           | 14.3  | 1607.1       | 2406.8    |
| GOZ      | Growthpoint Property | Diversified REITs - 60101010                     | 375.3      | 357.8   | 4.9     | 11.6           | 11.2  | 30.2         | 31.5      |
| GUD      | G.U.D. Holdings      | Auto Parts & Equipment - 25101010                | 59.6       | 101.8   | -41.5   | 31.0           | 28.0  | 28.9         | 50.6      |
| GWA      | GWA Group Ltd        | Building Products - 20102010                     | 95.0       | 54.3    | 75.0    | 9.5            | 9.5   | 39.6         | 27.9      |
| HLS      | Healix               | Health Care Services - 35102015                  | 55.9       | 4.1     | 1263.4  | 3.4            | 5.5   | 119.7        | 84.0      |
| HUB      | HUB24 Ltd            | Investment Banking & Brokerage - 40203020        | 7.2        | 7.4     | -2.9    | 2.60           | 3.50  | 18.5         | 17.0      |
| HVN      | Harvey Norman        | General Merchandise Stores - 25503020            | 409.0      | 380.1   | 7.6     | 21.00          | 18.00 | 185.8        | 125.5     |
| IAG      | Insurance Australia  | Property & Casualty Insurance - 40301040         | 1173.0     | 1001.0  | 17.2    | 20.0           | 20.0  | 1698.0       | 1345.0    |
| IEL      | Idp Education Ltd    | Education Services - 25302010                    | 66.3       | 51.5    | 28.8    | 7.5            | 6.5   | 56.1         | 48.8      |
| IFL      | IOOF Holdings Ltd    | Asset Management & Custody Banks - 40203010      | 33.4       | 93.6    | -64.3   | 19.00          | 27.00 | 97.4         | 125.6     |
| IGO      | Independence Group   | Diversified Metals & Mining - 15104020           | 76.1       | 52.7    | 44.4    | 8.00           | 2.00  | 348.2        | 138.7     |
| ING      | Inghams Group        | Packaged Foods & Meats - 30202030                | 126.2      | 114.6   | 10.1    | 10.50          | 11.60 | 134.5        | 273.7     |
| IPH      | IPH Limited          | Research & Consulting Services - 20202020        | 53.1       | 40.7    | 30.6    | 11.0           | 11.0  | 35.3         | 26.2      |
| JBH      | JB Hi-Fi Limited     | Computer & Electronics Retail - 25504020         | 249.8      | 233.2   | 7.1     | 51.0           | 46.0  | 119.2        | 72.0      |
| LLC      | Lendlease Group      | Diversified Real Estate Activities - 60102010    | 467.0      | 794.0   | -41.2   | 30.0           | 25.0  | 1290.0       | 1177.0    |
| LNK      | Link Admin Hldg      | Data Processing & Outsourced Services - 45102020 | 320.2      | 143.6   | 123.0   | 12.50          | 13.50 | 560.2        | 265.5     |
| LYC      | Lynas Corporation    | Diversified Metals & Mining - 15104020           | 80.0       | 53.1    | 50.7    | 0.00           | 0.00  | 89.7         | 42.3      |
| MFG      | Magellan Fin Grp Ltd | Asset Management & Custody Banks - 40203010      | 376.9      | 211.8   | 78.0    | 111.4          | 90.0  | 198.2        | 169.1     |
| MGR      | Minvac Group         | Diversified REITs - 60101010                     | 1019.0     | 1089.0  | -6.4    | 6.3            | 6.0   | 134.0        | 221.0     |
| MIN      | Mineral Resources.   | Diversified Metals & Mining - 15104020           | 236.0      | 390.2   | -39.5   | 31.00          | 40.00 | 265.4        | 240.4     |
| MMS      | McMillan Shakespeare | Human Resource & Employment Services - 20202010  | 63.8       | 49.8    | 28.1    | 40.00          | 40.00 | 137.8        | 99.7      |
| MND      | Monadelphous Group   | Construction & Engineering - 20103010            | 52.1       | 72.3    | -27.9   | 23.00          | 32.00 | 164.0        | 208.8     |
| MPL      | Medibank Private Ltd | Life & Health Insurance - 40301020               | 458.7      | 445.1   | 3.1     | 9.90           | 7.20  | 470.1        | 594.6     |
| MYX      | Mayne Pharma Ltd     | Pharmaceuticals - 35202010                       | -283.8     | -134.3  | -111.3  | 0.00           | 0.00  | 89.0         | 87.3      |
| NAN      | Nanosonics Limited   | Health Care Supplies - 35101020                  | 13.6       | 5.8     | 136.5   | 0.00           | 0.00  | 72.2         | 69.4      |
| NCM      | Newcrest Mining      | Gold - 15104030                                  | 558.0      | 209.0   | 167.0   | 14.5           | 11.0  | 1600.0       | 953.0     |
| NEA      | Nearmap Ltd          | Research & Consulting Services - 20202020        | -14.9      | -11.0   | -35.4   | 0.0            | 0.0   | 75.9         | 17.5      |
| NEC      | Nine Entertainment   | Broadcasting - 50201020                          | 233.9      | 209.7   | 11.5    | 5.0            | 5.0   | 256.1        | 36.4      |
| NHF      | NIB Holdings Limited | Life & Health Insurance - 40301020               | 149.3      | 133.5   | 11.8    | 13.0           | 11.0  | 163.3        | 191.1     |
| NSR      | National Storage     | Specialized REITs - 60101080                     | 144.8      | 145.8   | -0.6    | 5.10           | 4.90  | 178.8        | 21.3      |
| NST      | Northern Star        | Gold - 15104030                                  | 154.7      | 194.1   | -20.3   | 7.50           | 5.00  | 266.2        | 443.0     |
| NWH      | NRW Holdings Limited | Construction & Engineering - 20103010            | 32.3       | 42.2    | -23.5   | 2.0            | 2.0   | 65.0         | 58.8      |
| NWS      | News Corp.*          | Publishing - 50201040                            | 155.0      | -1516.0 | 110.2   | 10.3           | 9.9   | 1643.0       | 2034.0    |
| NXT      | Nextdc Limited       | Internet Services & Infrastructure - 45102030    | -9.8       | 6.6     | -247.9  | 0.00           | 0.00  | 399.0        | 418.0     |
| ORA      | Orora Limited        | Paper Packaging - 15103020                       | 161.2      | 212.2   | -24.0   | 6.5            | 6.5   | 70.3         | 87.6      |
| ORE      | Orocobre Limited*    | Diversified Metals & Mining - 15104020           | 54.6       | 1.9     | 2743.0  | 0.0            | 0.0   | 279.8        | 316.7     |
| ORG      | Origin Energy        | Integrated Oil & Gas - 10102010                  | 1214.0     | 221.0   | 449.3   | 15.0           | 0.0   | 1546.0       | 150.0     |
| PGH      | Pact Group Hldgs Ltd | Metal & Glass Containers - 15103010              | -289.6     | 74.5    | -488.8  | 0.0            | 11.5  | 50.0         | 68.0      |
| PLS      | Pilbara Min Ltd      | Diversified Metals & Mining - 15104020           | -28.9      | -19.4   | -49.0   | 0.00           | 0.00  | 63.6         | 120.0     |
| PNI      | Pinnacle Investment  | Asset Management & Custody Banks - 40203010      | 30.5       | 23.5    | 30.1    | 9.3            | 7.0   | 26.7         | 9.3       |
| PPT      | Perpetual Limited    | Asset Management & Custody Banks - 40203010      | 115.9      | 140.2   | -17.3   | 125.0          | 140.0 | 299.6        | 320.2     |
| PTM      | Platinum Asset       | Asset Management & Custody Banks - 40203010      | 158.3      | 191.6   | -17.4   | 14.0           | 16.0  | 112.9        | 163.8     |

\* USD; + NZD

## S&amp;P/ASX200, Year to June 2019 reporting companies

| Security | Description          | Sub-Industry                                     | NET PROFIT |        |           | Final Dividend |        | Cash Balance |           |
|----------|----------------------|--|------------|--------|-----------|----------------|--------|--------------|-----------|
|          |                      |  | 2019       | 2018   | %         | 2019           | 2018   | June 2019    | June 2018 |
|          |                      |  | \$M        | \$M    |           | cents          | cents  | \$M          | \$M       |
| QAN      | Qantas Airways       | Airlines - 20302010                              | 891.0      | 953.0  | -6.5      | 13.0           | 10.0   | 2157.0       | 1694.0    |
| QUB      | Qube Holdings Ltd    | Marine Ports & Services - 20305030               | 195.7      | 199.0  | -1.7      | 2.9            | 4.8    | 139.9        | 103.9     |
| REA      | REA Group            | Interactive Media & Services - 50203010          | 105.3      | 253.1  | -58.4     | 63.0           | 62.0   | 137.9        | 115.8     |
| RHC      | Ramsay Health Care   | Health Care Facilities - 35102020                | 572.4      | 411.2  | 39.2      | 91.50          | 86.50  | 745.5        | 770.6     |
| RMD      | ResMed Inc.*         | Health Care Equipment - 35101010                 | 404.6      | 315.6  | 28.2      | 148.0          | 140.0  | 147.1        | 188.7     |
| RRL      | Regis Resources      | Gold - 15104030                                  | 163.2      | 174.2  | -6.4      | 8.0            | 8.0    | 188.7        | 181.1     |
| RWC      | Reliance Worldwide   | Building Products - 20102010                     | 133.0      | 66.0   | 101.6     | 5.00           | 3.00   | 69.3         | 274.3     |
| S32      | South32 Limited*     | Diversified Metals & Mining - 15104020           | 389.0      | 1332.0 | -70.8     | 2.8            | 6.2    | 1406.0       | 2970.0    |
| SAR      | Saracen Mineral      | Gold - 15104030                                  | 92.5       | 75.6   | 22.4      | 0.0            | 0.0    | 118.7        | 99.8      |
| SBM      | St Barbara Limited   | Gold - 15104030                                  | 144.2      | 227.0  | -36.5     | 4.0            | 8.0    | 880.2        | 226.4     |
| SCP      | SCA Property Group   | Retail REITs - 60101070                          | 109.6      | 175.2  | -37.4     | 7.5            | 7.1    | 4.2          | 3.7       |
| SDF      | Steadfast Group Ltd  | Insurance Brokers - 40301010                     | 121.8      | 90.4   | 34.8      | 5.3            | 4.7    | 540.2        | 387.6     |
| SEK      | Seek Limited         | Human Resource & Employment Services - 20202010  | 198.4      | 90.0   | 120.4     | 22.0           | 22.0   | 382.9        | 361.7     |
| SFR      | Sandfire Resources   | Copper - 15104025                                | 104.0      | 120.8  | -13.9     | 16.00          | 19.00  | 247.4        | 243.4     |
| SGM      | Sims Metal Mgmt Ltd  | Steel - 15104050                                 | 152.6      | 203.5  | -25.0     | 19.0           | 30.0   | 382.9        | 339.1     |
| SGP      | Stockland            | Diversified REITs - 60101010                     | 311.0      | 1025.0 | -69.7     | 14.1           | 13.5   | 140.0        | 333.0     |
| SGR      | The Star Ent Grp     | Casinos & Gaming - 25301010                      | 198.0      | 148.1  | 33.7      | 10.0           | 13.0   | 114.3        | 110.3     |
| SHL      | Sonic Healthcare     | Health Care Services - 35102015                  | 549.7      | 475.6  | 15.6      | 51.0           | 49.0   | 736.6        | 313.3     |
| SKC      | Skycity Ent Grp Ltd+ | Casinos & Gaming - 25301010                      | 144.6      | 169.5  | -14.7     | 10.0           | 10.0   | 41.6         | 76.0      |
| SPK      | Spark New Zealand+   | Integrated Telecommunication Services - 50101020 | 409.0      | 365.0  | 12.1      | 12.5           | 12.5   | 54.0         | 55.0      |
| SSM      | Service Stream       | Construction & Engineering - 20103010            | 49.9       | 41.1   | 21.3      | 5.5            | 4.5    | 70.8         | 73.7      |
| SUL      | Super Ret Rep Ltd    | Specialty Stores - 25504040                      | 139.2      | 127.3  | 9.3       | 28.5           | 27.5   | 7.5          | 15.2      |
| SUN      | Suncorp Group Ltd    | Property & Casualty Insurance - 40301040         | 195.0      | 172.0  | 13.4      | 44.0           | 48.0   | 1232.0       | 1491.0    |
| SVW      | Seven Group Holdings | Trading Companies & Distributors - 20107010      | 219.2      | 415.6  | -47.3     | 21.0           | 21.0   | 78.1         | 104.6     |
| SXL      | Sthn Cross Media     | Broadcasting - 50201020                          | -91.4      | 0.1    | -111557.3 | 4.0            | 4.0    | 32.4         | 56.1      |
| TAH      | TABCORP Holdings Ltd | Casinos & Gaming - 25301010                      | 362.5      | 28.7   | 1163.1    | 11.0           | 10.0   | 463.0        | 352.7     |
| TCL      | Transurban Group     | Highways & Railtracks - 20305020                 | 170.0      | 468.0  | -63.7     | 30.0           | 28.0   | 1630.0       | 1130.0    |
| TGR      | Tassal Group Limited | Packaged Foods & Meats - 30202030                | 58.4       | 57.3   | 2.0       | 9.0            | 8.0    | 24.6         | 23.8      |
| TLS      | Telstra Corporation. | Integrated Telecommunication Services - 50101020 | 2149.0     | 3557.0 | -39.6     | 8.0            | 11.0   | 604.0        | 620.0     |
| TWE      | Treasury Wine Estate | Distillers & Vintners - 30201020                 | 419.5      | 360.3  | 16.4      | 20.0           | 17.0   | 401.8        | 89.4      |
| VCX      | Vicinity Centres     | Retail REITs - 60101070                          | 346.1      | 1218.7 | -71.6     | 8.0            | 8.2    | 34.9         | 42.1      |
| VOC      | Vocus Group Ltd      | Integrated Telecommunication Services - 50101020 | 34.0       | 61.0   | -44.3     | 0.0            | 0.0    | 87.2         | 57.9      |
| WEB      | Webjet Limited       | Internet & Direct Marketing Retail - 25502020    | 60.3       | 41.5   | 45.3      | 13.5           | 12.0   | 211.4        | 190.8     |
| WES      | Wesfarmers Limited   | General Merchandise Stores - 25503020            | 5510.0     | 1197.0 | 360.3     | 78.00          | 120.00 | 795.0        | 683.0     |
| WHC      | Whitehaven Coal      | Coal & Consumable Fuels - 10102050               | 527.9      | 524.5  | 0.6       | 30.0           | 27.0   | 119.5        | 111.8     |
| WOR      | WorleyParsons Ltd    | Oil & Gas Equipment & Services - 10101020        | 164.0      | 75.7   | 116.6     | 15.0           | 15.0   | 491.8        | 277.9     |
| WOW      | Woolworths Group Ltd | Food Retail - 30101030                           | 2759.0     | 1795.0 | 53.7      | 57.00          | 50.00  | 1066.0       | 1277.0    |
| WSA      | Western Areas Ltd    | Diversified Metals & Mining - 15104020           | 14.2       | 11.8   | 19.9      | 2.0            | 2.0    | 144.3        | 151.6     |
| WTC      | Wisetech Global Ltd  | Application Software - 45103010                  | 54.1       | 40.8   | 32.6      | 2.0            | 1.7    | 260.1        | 121.8     |

\* USD; + NZD

## S&amp;P/ASX200, Half-year to June 2019 reporting companies

| Security | Description            | Sub-Industry                                    | NET PROFIT |        |          |
|----------|------------------------|---|------------|--------|----------|
|          |                        |   | 2019       | 2018   | %        |
|          |                        |   | \$M        | \$M    |          |
| ABC      | Adelaide Brighton      | Construction Materials - 15102010               | -17.9      | 84.5   | -121.2   |
| ALX      | Atlas Arteria          | Highways & Railtracks - 20305020                | -87.5      | -15.5  | -465.0   |
| AMP      | AMP Limited            | Other Diversified Financial Services - 40201020 | -2273.0    | 128.0  | -1875.8  |
| APX      | Appen Limited          | IT Consulting & Other Services - 45102010       | 18.6       | 14.0   | 32.5     |
| AWC      | Alumina Limited        | Aluminum - 15104010                             | 210.9      | 286.4  | -26.4    |
| CCL      | Coca-Cola Amatil       | Soft Drinks - 30201030                          | 176.3      | 165.5  | 6.5      |
| CGC      | Costa Group            | Agricultural Products - 30202010                | 43.0       | 43.4   | -0.8     |
| CIM      | Cimic Group Ltd        | Construction & Engineering - 20103010           | 366.7      | 362.8  | 1.1      |
| CTX      | Caltex Australia       | Oil & Gas Refining & Marketing - 10102030       | 156.1      | 383.2  | -59.3    |
| GEM      | G8 Education Limited   | Education Services - 25302010                   | 19.0       | 23.7   | -20.0    |
| GPT      | GPT Group              | Diversified REITs - 60101010                    | 352.6      | 728.5  | -51.6    |
| GXY      | Galaxy Resources*      | Diversified Metals & Mining - 15104020          | -171.9     | 11.5   | -1595.1  |
| ILU      | Iluka Resources        | Diversified Metals & Mining - 15104020          | 137.2      | 126.1  | 8.8      |
| IRE      | IRESS Limited          | Application Software - 45103010                 | 30.4       | 32.0   | -5.3     |
| IVC      | InvoCare Limited       | Specialized Consumer Services - 25302020        | 41.1       | 20.9   | 96.8     |
| JHG      | Janus Henderson*       | Asset Management & Custody Banks - 40203010     | 203.5      | 305.8  | -33.5    |
| OML      | Ooh!Media Limited      | Advertising - 50201010                          | 0.5        | 9.2    | -94.6    |
| OSH      | Oil Search Ltd*        | Oil & Gas Exploration & Production - 10102020   | 161.9      | 79.2   | 104.6    |
| OZL      | OZ Minerals            | Copper - 15104025                               | 43.9       | 127.8  | -65.6    |
| QBE      | QBE Insurance Group*   | Property & Casualty Insurance - 40301040        | 463.0      | 353.0  | 31.2     |
| RIO      | Rio Tinto Limited*     | Diversified Metals & Mining - 15104020          | 4130.0     | 4380.0 | -5.7     |
| RSG      | Resolute Mining        | Gold - 15104030                                 | 38.9       | 39.4   | -1.4     |
| SCG      | Scentre Grp            | Retail REITs - 60101070                         | 744.0      | 1467.7 | -49.3    |
| SDA      | Speedcast Int Ltd*     | Alternative Carriers - 50101010                 | -175.5     | 0.5    | -35200.0 |
| SIQ      | Smartgrp Corporation   | Diversified Support Services - 20201070         | 30.9       | 29.0   | 6.2      |
| STO      | Santos Ltd             | Oil & Gas Exploration & Production - 10102020   | 388.0      | 104.0  | 273.1    |
| SYD      | SYD Airport            | Airport Services - 20305010                     | 17.3       | 173.2  | -90.0    |
| URW      | Unibailrodawestfield++ | Retail REITs - 60101070                         | 1177.9     | 751.9  | 56.7     |
| VEA      | Viva Energy Group      | Oil & Gas Refining & Marketing - 10102030       | 69.5       | 144.6  | -51.9    |
| VVR      | Viva Energy REIT       | Retail REITs - 60101070                         | 56.9       | 59.6   | -4.5     |
| WPL      | Woodside Petroleum*    | Oil & Gas Exploration & Production - 10102020   | 426        | 593    | -28.2    |

\* USD; + NZD; ++ Euro

| Interim Dividend |       | Cash Balance |           |
|------------------|-------|--------------|-----------|
| 2019             | 2018  | June 2019    | June 2018 |
| cents            | cents | \$M          | \$M       |
| 0.00             | 13.00 | 59.8         | 94.7      |
| na               | 12.00 | 151.0        | 156.0     |
| 0.0              | 10.0  | 7364.0       | 6814.0    |
| 4.00             | 4.00  | 70.8         | 23.6      |
| 4.4              | 8.6   | 33.0         | 37.9      |
| 25.0             | 21.0  | 856.5        | 849.2     |
| 3.5              | 5.0   | 50.4         | 60.4      |
| 71.0             | 70.0  | 2002.7       | 2180.9    |
| 32.00            | 57.00 | -1.1         | 34.2      |
| 4.75             | 4.50  | 45.2         | 31.5      |
| 13.1             | 12.6  | 56.3         | 47.9      |
| 0.00             | 0.00  | 176.3        | 45.1      |
| 5.0              | 10.0  | 50.0         | 81.1      |
| 16.0             | 16.0  | 29.2         | 20.0      |
| 17.5             | 17.5  | 12.1         | 11.4      |
| 36.0             | 36.0  | 731.0        | 703.8     |
| 3.50             | 3.50  | 39.3         | 9.5       |
| 5.0              | 2.0   | 538.3        | 412.1     |
| 8.00             | 8.00  | 185.5        | 493.4     |
| 25.0             | 22.0  | 678.0        | 511.0     |
| 212.0            | 127.0 | 6988.0       | 5994.0    |
| 0.00             | 2.00  | 49.6         | 4.8       |
| 11.3             | 11.1  | 693.6        | 200.8     |
| 0.00             | 2.40  | 54.6         | 50.2      |
| 21.5             | 20.5  | 79.7         | 92.3      |
| 6.0              | 3.5   | 1215.0       | 1492.0    |
| 19.5             | 18.5  | 604.6        | 529.7     |
| 30.2             | 29.7  | 1297.1       | 575.4     |
| 2.10             | 0.00  | 77.5         | 130.4     |
| 7.2              | 7.0   | 21.8         | 33.8      |
| 36               | 53    | 3037.0       | 1133.0    |