



ASX RELEASE

2019 Financial Year Results

Best full year profit before non regular items in Company history

17 September 2019

KEY HIGHLIGHTS

- Revenue of \$1,306 million, up 21% on the prior corresponding period (PCP)
- Profit before tax and non regular items totals \$384 million (up 3% on PCP)
- Net cash generated from operating activities of \$510 million (before interest, tax and acquisition costs)
- EBITDA before non regular items of \$517 million (up 11% on PCP)
- NPAT before non regular items of \$268 million (up 3% on PCP)
- NPAT after non regular items of \$211 million (up 41% on PCP)
- Fully franked final dividend of 9.0 cents per share
- New Acland Stage 3 granted Environmental Authority
- Finalised acquisition of additional 40% interest in Bengalla.

New Hope Corporation has recorded its best full year profit before non regular items in the Company's history, generating revenue of \$1,306 million from operations, up 21% on the prior corresponding period.

The result comes on the back of an increased share of coal sales from the Bengalla Joint Venture.

The Directors have declared a fully franked final dividend of 9.0 cents per share, up 13% on the 8.0 cents per share final dividend paid last year. This takes full year dividends to 17.0 cents per share, up 21% on 2018.

The record date for the final dividend is 22 October 2019 and the dividend will be paid to shareholders on 5 November 2019.

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Managing Director of New Hope Group, Shane Stephan said the result for 2019 was outstanding given the Company is yet to have a full year trading under the new Bengalla Joint Venture arrangement.

The acquisition of an additional 40% stake in Bengalla during the 2019 financial year, combined with an increase in Bengalla's production rate to 10 million tonnes per annum, provides an enlarged profitable and sustainable asset base for the group.

Mr Stephan said the Company had proven that, through strong financial management, strategic acquisitions and investments and a focus on low cost operations, it was able to continue to generate sustainable long term returns for shareholders.

The New Acland Coal Mine Stage 3 Project continues to be in abeyance as the Company waits for final approvals. Despite being granted its Environmental Authority in March 2019, the project still requires Mining Leases, and Associated Water Licence.

As a result of further delays in receiving these approvals since year end the Company is making up to 150 workers redundant at the New Acland Coal Mine. The Company remains focused on securing all necessary approvals for Acland Stage 3 to target continuity of operations and employment for the workforce and contractors who rely upon the operation to support their families.

Work will continue on the Company's development assets at Burton, Lenton and the North Surat, with the Burton coking coal project being the most prospective short term development opportunity. Final approvals will be sought for the Lenton project, with exploration and feasibility planning ongoing for the North Surat group of projects.

Coal markets have been and are likely to remain volatile in the near term however demand for high quality thermal coal remains strong across Asia. For most Asian countries thermal coal will continue to be a significant component of their energy mix for many years to come, underpinned by continued investment in new coal fired power stations.

With a suite of quality assets and strong balance sheet, the Company remains well positioned to retain its position as one of Australia's leading coal producers.

RECONCILIATION OF NET PROFIT BEFORE AND AFTER TAX AND BEFORE AND AFTER NON REGULAR ITEMS

	2019	Restated*
	\$000	2018
		\$000
Profit before income tax (before non regular items)	384,287	373,207
Insurance proceeds from shiploader	2,370	-
Gain / (loss) on discontinued operation	220	(53,801)
Onerous contract and related expenses	(21,675)	(14,976)
Acquisition costs expensed	(47,729)	-
Establishment costs on guarantee facility	(4,367)	-
West Moreton redundancies	(5,116)	-
Impairment of coal exploration and evaluation assets	-	(91,475)
Reversal of impairment of coal to liquids facility assets	-	857
Profit before income tax (after non regular items)	307,990	213,812
Profit after income tax (before non regular items)	268,487	261,245
Insurance proceeds from shiploader	1,659	-
Gain / (loss) on discontinued operation	220	(37,831)
Onerous contract and related expenses	(19,666)	(10,483)
Acquisition costs expensed	(33,410)	-
Establishment costs on guarantee facility	(3,057)	-
West Moreton redundancies	(3,581)	-
Impairment of coal exploration and evaluation assets	-	(64,033)
Reversal of impairment of coal to liquids facility assets	-	600
Profit after income tax (after non regular items)	210,652	149,498

* Comparative figures have been restated to present the impacts of the current year discontinued operations as set out in note 24 to the financial statements.

(ends)

For more information, please contact:

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