

APPENDIX 4E

Preliminary Final Report

Year ended 31 December 2018

Name of entity: **Atlas Arteria (“ALX”)**

Results for announcement to the market

(All comparisons to year ended 31 December 2017)

\$A'000

Income from continuing operations	Down	69.1%	To	145,987
Profit from continuing operations after tax for the year	Down	88.5%	to	59,852
Profit after tax for the year	Down	88.5%	to	59,852
Profit for the year attributable to ALX stapled security holders	Down	88.5%	to	59,852

Commentary on results

ALX's statutory profit from operations after income tax for the year of \$59.9 million (December 2017: profit of \$519.6 million) includes income from operations of \$146.0 million (December 2017: \$473.0 million), operating expenses of \$222.5 million (December 2017: \$104.3 million), finance costs of \$108.9 million (December 2016: \$53.8 million), and ALX's share of net profits of investments accounted for using the equity method of \$246.1 million (December 2017: profit of \$188.0 million). Additionally, current year profits do not include the one-off gain on revaluation of ALX's original investment in Dulles Greenway in the prior year of \$375.6 million.

Profit after tax for the year represents ALX's statutory result including the consolidation of Dulles Greenway's post acquisition results following the acquisition of the remaining 50% estimated economic interest on 16 May 2017 and Warnow Tunnel's post acquisition results following the acquisition of the remaining 30% interest on 20 September 2018. Operating expenses of \$222.5 million include a final performance fee expense of \$70.6 million. The total performance fee payable at 30 June 2018 was \$115.3 million of which \$90.3 million was applied to a subscription for new ALX securities and \$25.0 million was settled in cash in July 2018.

ALX also separately provides supplementary information including its proportionate EBITDA result from its portfolio of toll road assets. On a like for like basis, proportionate EBITDA increased by 4.8% to \$869.4 million. Revenue weighted average traffic for the year ended 31 December 2018 increased 1.5% on the prior corresponding period whilst weighted average total revenue increased 4.1%. For a reconciliation of the statutory result to the proportionate EBITDA result, please refer to ALX's Management Information Report.

Dividends/Distributions	Cents per security	Franked amount per security
2018:		
Final distribution ¹	12.0	N/A
Interim distribution ²	12.0	N/A
2017:		
Final distribution ³	10.0	N/A
Interim distribution ⁴	10.0	N/A
1. Comprised a capital return of 11.3 cents per stapled security ("cps") and an ordinary dividend of 0.7 cps. 2. Comprised an ordinary dividend of 12.0 cps. 3. Comprised an ordinary dividend of 10.0 cps. 4. Comprised a capital return of 9.8 cps and an ordinary dividend of 0.2 cps.		

Record date for determining entitlements to the 2019 dividend / distribution

2019:	
Final dividend / distribution	To be determined
Interim dividend / distribution	To be determined

Net tangible assets per security

	As at 31 December 2018	As at 31 December 2017
Net tangible asset backing per stapled security	A\$(0.40)	A\$(0.07)
Net asset backing per stapled security	A\$3.41	A\$3.23

At 31 December 2018, ALX is in a negative net tangible asset position due to the consolidation of Dulles Greenway's and Warnow Tunnel's tolling concessions being classified as intangible assets. Prior to consolidation, ALX's investments in Dulles Greenway's and Warnow Tunnel's tolling concessions formed part of its investments in associates and were classified as tangible assets.

The above calculations do not reflect the fair value of ALX's portfolio of assets.

Financial information

This report is based on the audited Atlas Arteria Financial Report for the year ended 31 December 2018 which can be found on our website www.atlasarteria.com.

Other information required by Listing Rule 4.3A

Other information requiring disclosure to comply with Listing Rule 4.3A is contained in the Atlas Arteria Financial Report found on our website www.atlasarteria.com.