

APPENDIX 4D

Half Year Report for period ended 30 June 2018

To be read in conjunction with the Annual Financial Report for the year ended 31 December 2017

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

Results for announcement to the market

(All comparisons to half year ended 30 June 2017)

\$A'000

Income from continuing operations	Down	85.4%	to	59,563
Loss from continuing operations after tax for the period	Down (Increase in losses)	nm*	to	(15,494)
Loss after tax for the period	Down (Increase in losses)	nm*	to	(15,494)
Loss for the period attributable to ALX stapled security holders	Down (Increase in losses)	nm*	to	(15,494)
*nm stands for “not meaningful”				

Commentary on results

ALX’s statutory loss from operations after income tax for the period of \$15.5 million (June 2017: profit of \$437.6 million) includes income from operations of \$59.6 million (June 2017: \$408.9 million), operating expenses of \$144.1 million (June 2017: \$40.1 million), finance costs of \$58.9 million (June 2017: \$11.2 million), and ALX’s share of net profits of investments accounted for using the equity method of \$127.5 million (June 2017: \$81.7 million).

The loss after tax for the period represents ALX’s statutory result including the consolidation of Dulles Greenway’s results following the acquisition of the remaining 50% estimated economic interest of TRIP II on 16 May 2017. The loss of \$15.5 million includes 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 6.2% to \$429.1 million. Revenue weighted average traffic for the period ended 30 June 2018 increased 3.4% on the prior corresponding period whilst weighted average total revenue increased 5.6%. 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	N/A	N/A
Interim distribution ¹	12.0	N/A
2017:		
Final distribution ²	10.0	N/A
Interim distribution ³	10.0	N/A
1. Comprised an ordinary dividend of 12.0 cents per stapled security ("cps"). 2. Comprised an ordinary dividend of 10.0 cps. 3. Comprised a capital return of 9.8 cps and an ordinary dividend of 0.2 cps.		

Record date for determining entitlements to the 2018 dividend / distribution

2018:	
Final dividend / distribution	To be determined
Interim dividend / distribution	6 April 2018

Net tangible assets per security

	As at 30 June 2018	As at 30 June 2017
Net tangible asset backing per stapled security	A\$(0.22)	A\$(1.10)
Net asset backing per stapled security	A\$3.21	A\$2.83

At 30 June 2018, ALX is in a negative net tangible asset position due to the consolidation of the Dulles Greenway tolling concession being classified as an intangible asset. Prior to consolidation, ALX's investment in the Dulles Greenway tolling concession formed part of its investment in associate and was classified as a tangible asset.

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 Interim Financial Report for the period ended 30 June 2018 which can be found on our website <https://www.atlasarteria.com>.

Other information required by Listing Rule 4.2A

Other information requiring disclosure to comply with Listing Rule 4.2A is contained in the Atlas Arteria Interim Financial Report found on our website <https://www.atlasarteria.com>.