Cleanaway Waste Management Limited

Australia's leading total waste management services company

FY16 Results Presentation

For the twelve months ended 30 June 2016

19 August 2016

Vik Bansal
CEO and Managing Director

Brendan Gill
Chief Financial Officer

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Making a sustainable future possible

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- All amounts are in Australian dollars unless otherwise stated. A number of figures in the tables and charts in the presentation pages have been rounded to one decimal place. Percentages (%) have been calculated on actual whole figures.
- Underlying earnings are categorised as non-IFRS financial information and therefore have been presented in compliance with ASIC Regulatory Guide 230 – Disclosing non-IFRS information, issued in December 2011. Refer to CWY's Directors' Report for the definition of "Underlying earnings". The term EBITDA represents earnings before interest, income tax, and depreciation and amortisation expense and the term EBIT represents earnings before interest and income tax expense.
- This presentation has not been subject to review or audit.

2016 – Building a Solid Foundation

Our Mission - To make a sustainable future possible.

Why we exist

Our Cleanaway Way

How we achieve our mission

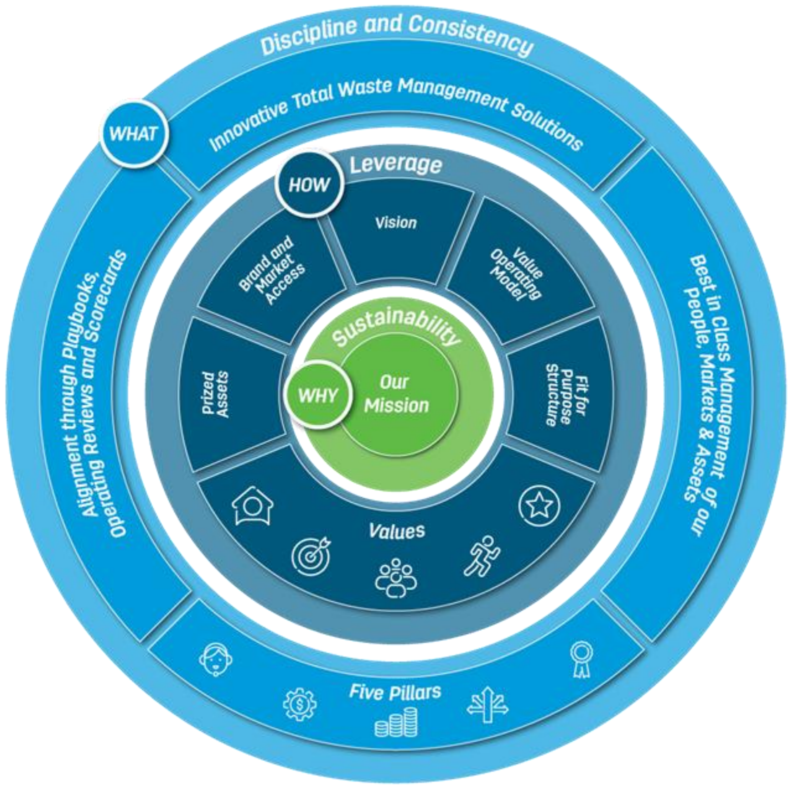
Our Narrative – *Who we are*

We passionately believe in sustainability.

I believe in why we exist, what we do and how we do it – we are CLEANAWAY and we make a difference.

Our Values – *How we behave*

- Home Safe
- Own It
- Team Before Self
- Agile
- Proud



Our Vision – *Where we are headed*

Cleanaway is a market leader in Total Waste Management, Industrial & Environmental Services.

We leverage our expertise, assets and infrastructure to deliver on all our commitments.

We are an employer of choice and we generate superior value and sustainable solutions for our customers, community and shareholders.

Our Five Pillars – *Our strategic focus*

- **Customer** *for Growth*
- **Continuous Improvement** *for Cost*
- **Capital** *for Cash*
- **Clarity** *for Alignment*
- **Competitive Advantage** *for Excellence*

Agenda

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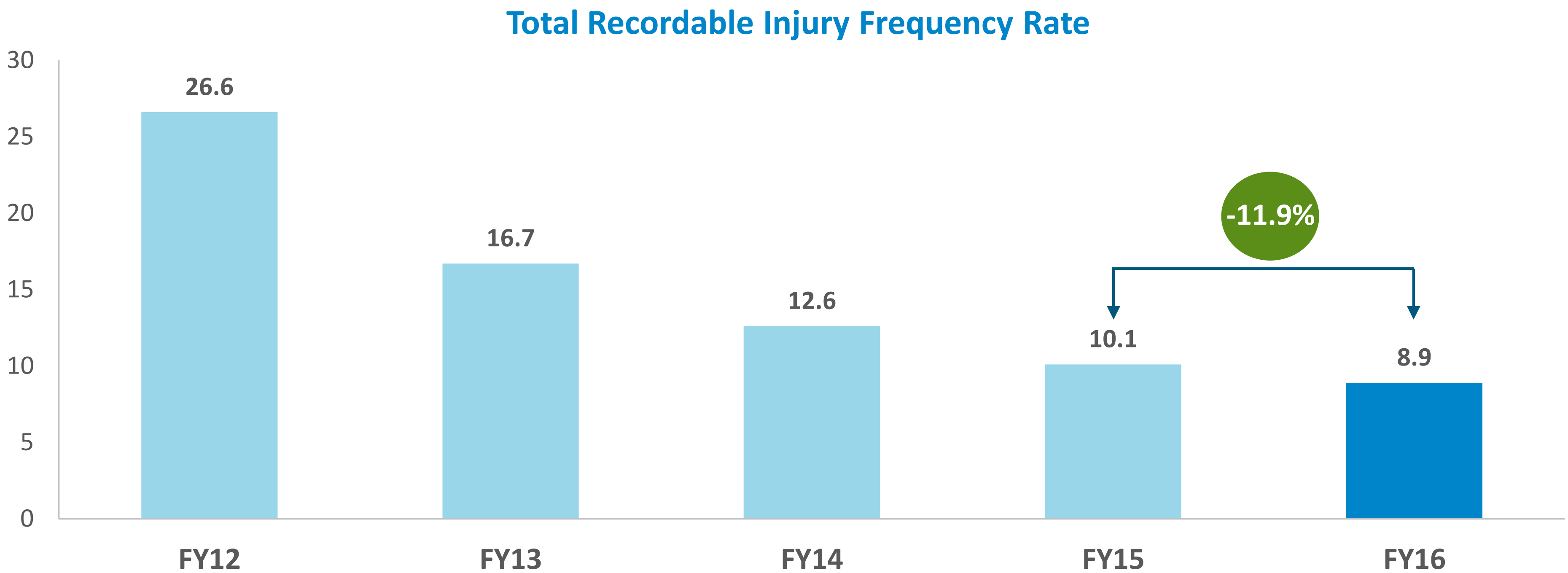
Safety and Environmental – Our objective is Goal Zero



Note – comparative periods have been adjusted to exclude divested businesses
Numbers restated from those originally published to ensure comparability over time

Total recordable injury frequency rate continues to decline

Safety performance a key performance measure in Short Term Incentive calculations for all management personnel

No major environmental breaches reported during the period

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FY16 Financial Overview

		Underlying Results $ millions		
		FY16	FY15	change
Financial – Underlying	• REVENUE	**1,455.1**	1,384.9	**5.1%**
	• EBITDA	**281.3**	231.3	**21.6%**
	• EBIT	**122.6**	97.5	**25.7%**
	• Profit after income tax attributable to ordinary equity holders	**63.3**	45.7	**38.5%**
	• Basic earnings per share (cents)	**4.0**	2.9	**37.9%**

Cash Flow

- Operating cash flow $190.7 million, an increase of 8.2%
- Free cash flow[1] of $50.7 million, an increase of 168.3%
- Net debt $311.1 million. Net Debt/EBITDA ratio 1.11x compared to 1.36x last year

Dividend

- Fully franked final dividend of 0.9 cents per share (pcp 0.8 cents per share) payable to shareholders on 7 October 2016
- Dividend Reinvestment Plan in operation
- Total annual dividend for FY16 of 1.7 cents per share (pcp 1.5 cents per share)

Financial – Statutory

- Sales revenue of $1,455.1 million
- EBITDA of $256.9 million, up 96.3%
- EBIT of $96.1 million compared to a loss of $3.9 million
- NPAT attributable to ordinary equity holders of $44.8 million compared to a loss of $23.6 million
- Basic earnings per share 2.8 cents

Note 1: Free cash flow defined as operating cash flow excluding interest and tax less capital expenditure

FY16 Underlying Performance Summary by Segment

Segments	Revenue			Underlying EBITDA			Underlying EBIT		
	FY16	FY15	% change	FY16	FY15	% change	FY16	FY15	% change
Solids – Collections	**778.1**	755.8	**3.0%**	**149.8**	138.2	**8.4%**	**85.7**	81.0	**5.8%**
Solids – Post Collections	**252.0**	170.7	**47.6%**	**87.9**	59.8	**47.0%**	**27.9**	18.0	**55.0%**
Total Solids	**1,030.1**	926.5	**11.2%**	**237.7**	198.0	**20.0%**	**113.6**	99.0	**14.7%**
Liquids & Industrial Services	**407.0**	445.9	**(8.7)%**	**57.5**	55.8	**3.0%**	**33.0**	28.9	**14.2%**
Associates	**—**	—	**—**	**1.3**	1.4	**(7.1)%**	**1.3**	1.4	**(7.1)%**
Corporate & Other	**18.0**	12.5	**44.0%**	**(15.2)**	(23.9)	**36.4%**	**(25.3)**	(31.8)	**20.4%**
Total Cleanaway Group	**1,455.1**	1,384.9	**5.1%**	**281.3**	231.3	**21.6%**	**122.6**	97.5	**25.7%**

FY16 Underlying Performance Summary – Margins

Segments	Revenue		Underlying EBITDA Margin %		Underlying EBIT Margin %	
	FY16	FY15	FY16	FY15	FY16	FY15
Total Solids (incl. landfill levies)	**1,030.1**	926.5	**23.1%**	21.4%	**11.0%**	10.7%
Total Solids (excl. landfill levies)	**895.7**	842.7	**26.5%**	23.5%	**12.7%**	11.7%
Liquids & Industrial Services	**407.0**	445.9	**14.1%**	12.5%	**8.1%**	6.5%
Total Cleanaway Group (incl. landfill levies)[1]	**1,455.1**	1,384.9	**19.3%**	16.7%	**8.4%**	7.0%
Total Cleanaway Group (excl. landfill levies)[1]	**1,320.7**	1,301.1	**21.3%**	17.8%	**9.3%**	7.5%

Note 1: Total Cleanaway Group includes Corporate & Other revenue

Solids – Collections

Cleanaway has the largest solid waste services fleet and widest network across Australia

Largest network of collections vehicles operating from more than 100 depots in Australia

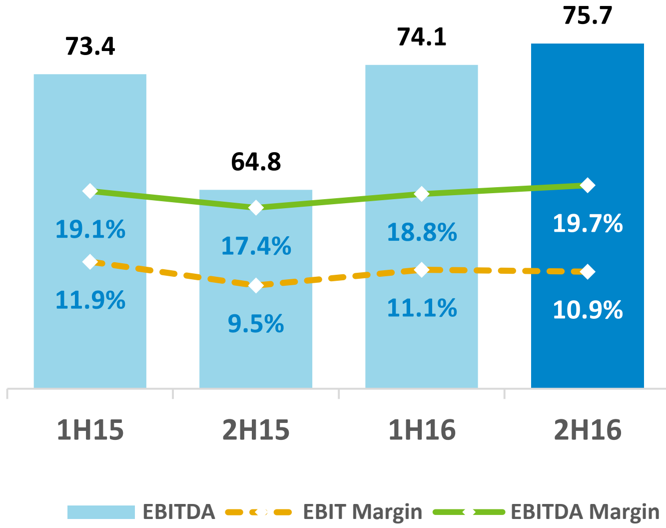
Servicing 90+ municipal councils across the country

New 75,000 tonnes per annum resource recovery centre opened in Brisbane

Solids – Collections Underlying Results

Key Finance Measures

$ million	FY16 Total	FY16 2H16	FY16 1H16	FY15 Total	FY15 2H15	FY15 1H15	Comparison % changes FY16 v FY15	2H16 v 1H16	2H16 v 2H15
Net external revenue	**778.1**	384.9	393.2	755.8	372.0	383.8	**3.0%**	(2.1)%	3.5%
EBITDA	**149.8**	75.7	74.1	138.2	64.8	73.4	**8.4%**	2.2%	16.8%
EBITDA Margin	***19.3%***	*19.7%*	*18.8%*	*18.3%*	*17.4%*	*19.1%*			
EBIT	**85.7**	42.1	43.6	81.0	35.5	45.5	**5.8%**	(3.4)%	18.6%
EBIT Margin	***11.0%***	*10.9%*	*11.1%*	*10.7%*	*9.5%*	*11.9%*			



Key Points

- Margin improvement
- Volume growth across most collection categories compared to last year
- Growth initiatives starting to convert into increased revenues:
  - Early signs of improvement in customer churn rate
- Sales productivity continues to remain an opportunity across the country
- Focus on customer service and operational improvements which are key to further growth
- New resource recovery facility opened in Brisbane and a new resource recovery facility under construction in Perth

Solids – Post Collections

Cleanaway has one of the strongest post collections asset bases in Australia

Growing network of transfer stations across the country

Landfill assets located in every mainland state of Australia generating over 120 million m^3 of landfill gas which is converted into 121m kWh of renewable energy. Enough to power over 30,000 homes annually

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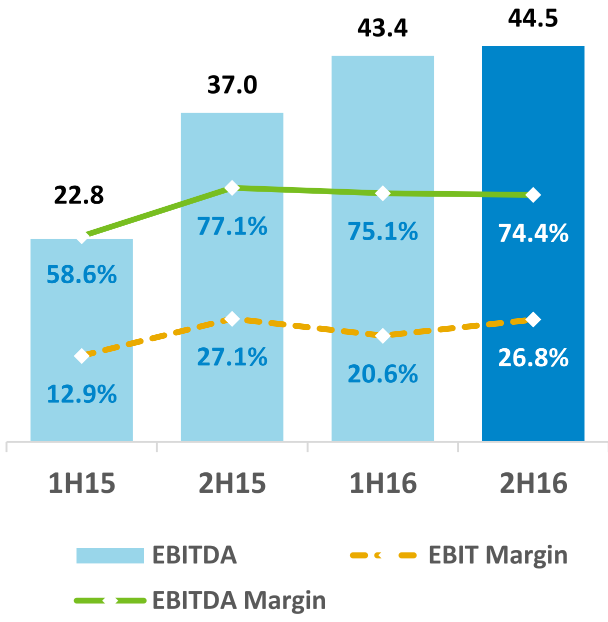
Solids – Post Collections Underlying Results

Key Finance Measures

$ million	FY16			FY15			Comparison % changes		
	Total	2H16	1H16	Total	2H15	1H15	FY16 v FY15	2H16 v 1H16	2H16 v 2H15
Gross external revenue	**252.0**	117.1	134.9	170.7	98.2	72.5	**47.6%**	(13.2)%	19.2%
Less levies and carbon tax	**(134.4)**	(57.3)	(77.1)	(83.8)	(50.2)	(33.6)	**(60.4)%**	25.7%	(14.1)%
Net external revenue	**117.6**	59.8	57.8	86.9	48.0	38.9	**35.3%**	3.5%	24.6%
EBITDA	**87.9**	44.5	43.4	59.8	37.0	22.8	**47.0%**	2.5%	20.3%
EBITDA Margin[1]	***74.7%***	*74.4%*	*75.1%*	*68.8%*	*77.1%*	*58.6%*			
EBIT	**27.9**	16.0	11.9	18.0	13.0	5.0	**55.0%**	34.5%	23.1%
EBIT Margin[1]	***23.7%***	*26.8%*	*20.6%*	*20.7%*	*27.1%*	*12.9%*			



Key Points

- Landfill volumes increased compared to last year
- Melbourne Regional Landfill (MRL) acquisition performing well. Landfill extension application submitted
- Bio gas expansion at MRL to be undertaken during FY17
- Erskine Park (NSW) landfill to close Q4FY17
- All Clayton landfills now expected to close towards the end of 2017 resulting in:
  - Establishment of new transfer station in South East Melbourne
  - Post Collections EBIT to increase following closure of Clayton landfills

Notes: 1. Margins represent % to net external revenue

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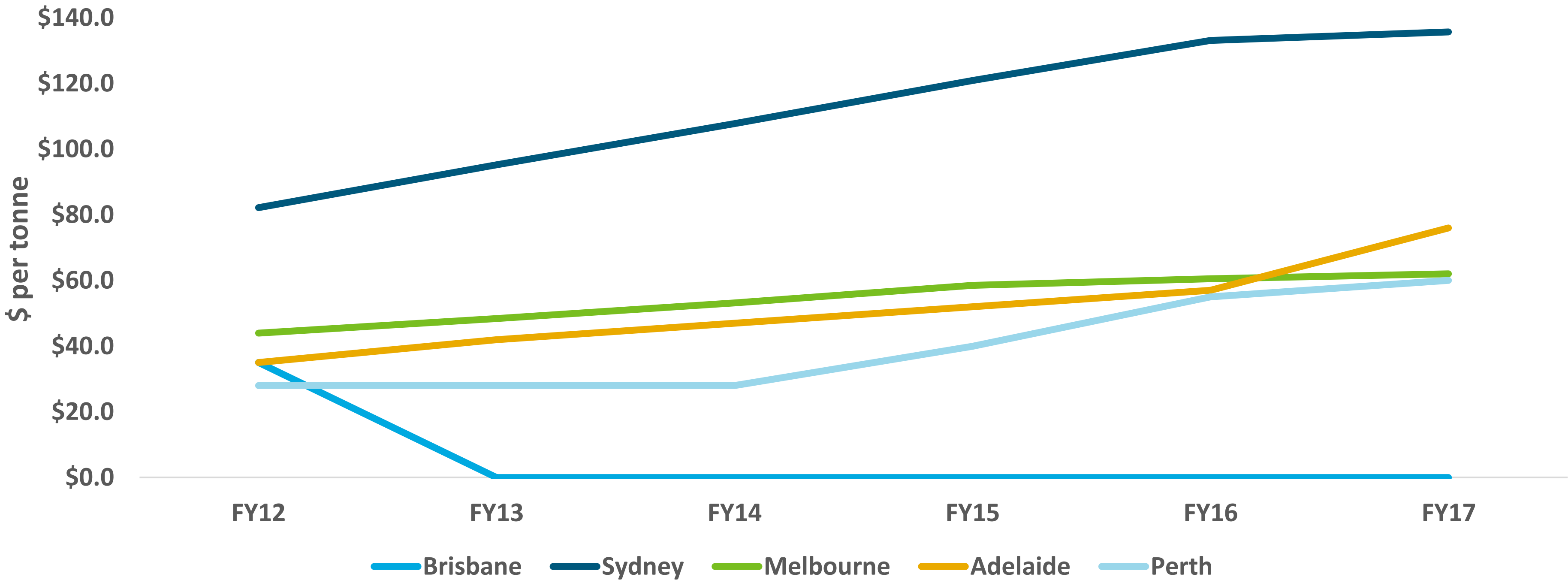
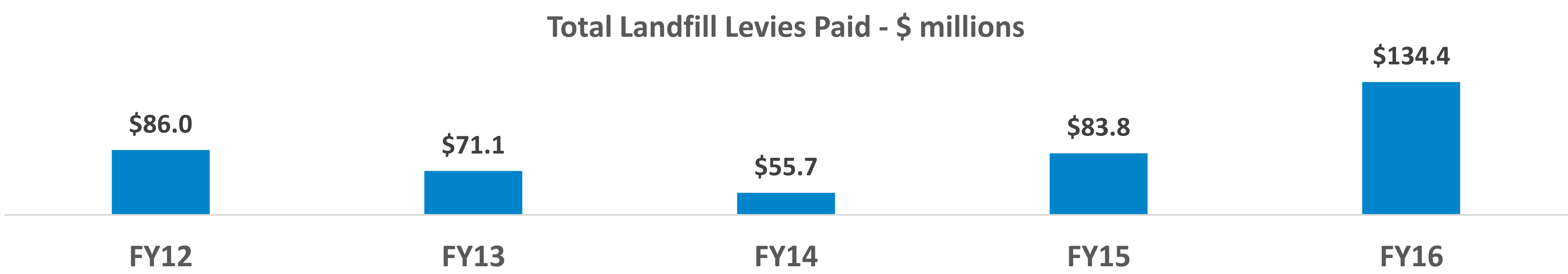
Australian Landfill Levies



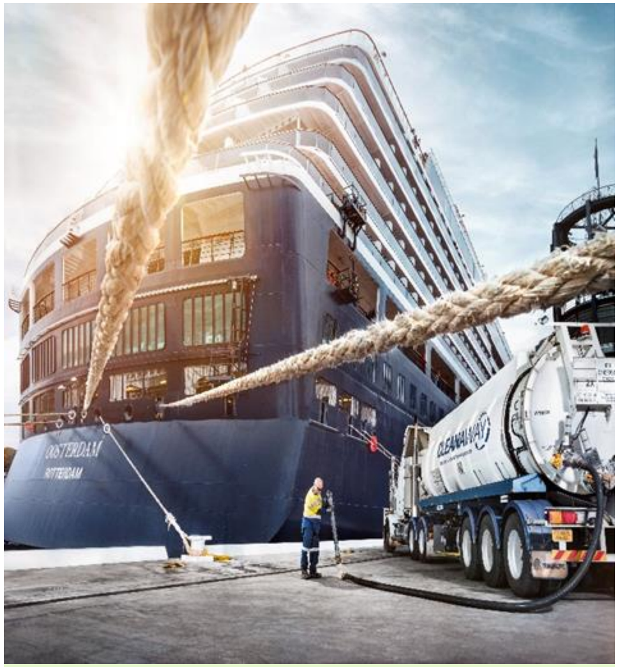


Note: Graph represents levies for waste disposed of in landfills at the metropolitan rate as prescribed by individual state EPA's. States where the levy applies also have different regional landfill levy rates

Liquids and Industrial Services

Cleanaway is the largest hydrocarbons recycling business in Australia and a leader in the overall liquids and industrial services market

Collecting and processing 130 million litres of mineral oil, offsetting Australia's annual requirements for oil by 900,000 barrels



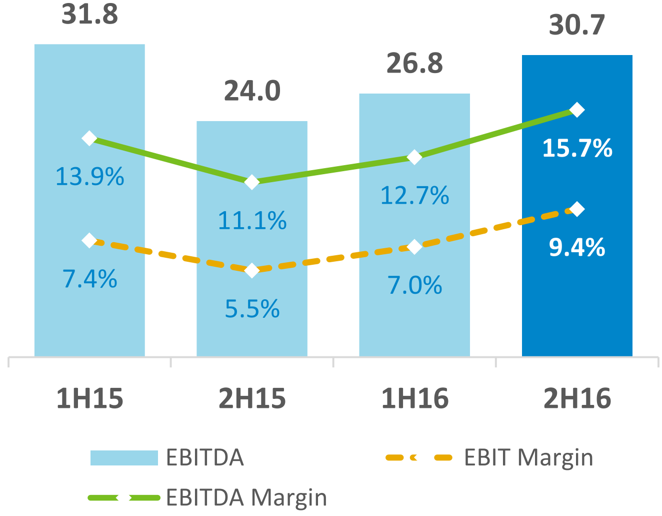
Collecting and processing over 600 million litres of hazardous and non-hazardous liquids

Proving a wide range of environmentally focussed industrial services across the country

Liquids and Industrial Services Underlying Results

Key Finance Measures

A$ million	FY16			FY15			Comparison % changes		
	Total	2H16	1H16	Total	2H15	1H15	FY16 v FY15	2H16 v 1H16	2H16 v 2H15
Net external revenue	**407.0**	195.6	211.4	445.9	216.8	229.1	**(8.7)%**	(7.5)%	(9.8)%
EBITDA	**57.5**	30.7	26.8	55.8	24.0	31.8	**3.0%**	14.6%	27.9%
EBITDA Margin	***14.1%***	*15.7%*	*12.7%*	*12.5%*	*11.1%*	*13.9%*			
EBIT	**33.0**	18.3	14.7	28.9	11.9	17.0	**14.2%**	24.5%	53.8%
EBIT Margin	***8.1%***	*9.4%*	*7.0%*	*6.5%*	*5.5%*	*7.4%*			



Key Points

- 2H16 earnings results driven by improvement in cost management and margin improvement
- Oil price volatility continues to impact revenues although volume remains steady
- Volumes up in Non Hazardous liquids but declined in Hazardous liquids. Pricing under stress due to competitive pressures
- Successful tender for Paintback scheme – contract over five years to collect more than 45,000 tonnes of waste paint
- Industrial Services impacted by difficult trading conditions however recent contract wins such as Rio Tinto Yarwun showing encouraging signs

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Group Income Statement – Statutory and Underlying Results

$ million	Statutory Results		Underlying Adjustments		Underlying Results		
	FY16	FY15	FY16	FY15	FY16	FY15	change
Sales revenue external and other revenue	**1,455.1**	1,384.9	—	—	**1,455.1**	1,384.9	**5.1%**
Share of profits in continuing associates	**1.3**	1.4	—	—	**1.3**	1.4	(7.1)%
Expenses (net of other income)	**(1,199.5)**	(1,255.4)	**24.4**	100.4	**(1,175.1)**	(1,155.0)	(1.7)%
Total EBITDA	**256.9**	130.9	**24.4**	100.4	**281.3**	231.3	**21.6%**
Depreciation and amortisation	**(160.8)**	(134.8)	**2.1**	1.0	**(158.7)**	(133.8)	(18.6)%
Total EBIT	**96.1**	(3.9)	**26.5**	101.4	**122.6**	97.5	**25.7%**
Net cash interest expense	**(19.2)**	(13.1)	—	—	**(19.2)**	(13.1)	(46.6)%
Non-cash finance costs	**(15.3)**	(14.9)	—	—	**(15.3)**	(14.9)	(2.7)%
Changes in fair value of derivatives	—	0.9	—	(0.9)	—	—	—
Profit/(Loss) before income tax	**61.6**	(31.0)	**26.5**	100.5	**88.1**	69.5	26.8%
Income tax (expense)/benefit	**(18.5)**	7.4	**(8.0)**	(23.0)	**(26.5)**	(15.6)	(69.9)%
Profit/(Loss) before gain on sale of divestments and after income tax	**43.1**	(23.6)	**18.5**	77.5	**61.6**	53.9	14.3%
Gain on sale from disposal of NZ business after items transferred from reserves and income tax	—	8.2	—	(8.2)	—	—	—
Profit/(Loss) from continuing and discontinued operations after income tax	**43.1**	(15.4)	**18.5**	69.3	**61.6**	53.9	14.3%
Non-controlling interest	**(1.7)**	0.6	—	—	**(1.7)**	0.6	NA
Profit/(Loss) after income tax and minorities	**44.8**	(16.0)	**18.5**	69.3	**63.3**	53.3	18.8%
SPS distribution	—	7.6	—	—	—	7.6	NA
Profit/(Loss) after income tax attributable to ordinary equity holders	**44.8**	(23.6)	**18.5**	69.3	**63.3**	45.7	**38.5%**
Weighted average number of shares	**1,583.2**	1,579.7			**1,583.2**	1,579.7	
Basic earnings per share (cents)	**2.8**	(1.5)			**4.0**	2.9	**37.9%**

Note: Blue shaded area indicates IFRS disclosures in Financial Statements. Refer to 30 June 2016 Directors' Report for explanations of Underlying Adjustments and definitions.

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Cash Flow

Key Finance Measures

$ million	FY16	FY15
Receipts from customers	**1,602.2**	1,518.6
Payments to suppliers and employees	**(1,334.1)**	(1,284.7)
Remediation of landfills	**(45.1)**	(14.9)
Underlying adjustments	**(18.8)**	(24.2)
Net interest paid	**(20.9)**	(9.7)
Income taxes (paid)/received	**7.4**	(8.9)
Cash from Operating Activities	**190.7**	176.2
Capital expenditure	**(153.5)**	(175.9)
Payments for purchase of businesses[1]	**(16.1)**	(163.7)
Net proceeds from asset and investment sales	**4.2**	15.6
Dividends received from associates	**2.6**	1.4
Cash from Investing Activities	**(162.8)**	(322.6)
Proceeds from borrowings	**21.0**	320.0
Net repayment of borrowings	**(16.6)**	(34.3)
Payment of ordinary dividend	**(21.0)**	(34.8)
Distributions and redemptions of SPS	—	(257.6)
Cash from Financing Activities	**(16.6)**	(6.7)
Net Increase / (Decrease) in Cash and Cash Equivalents	**11.3**	(153.1)

Key Points

- Ratio of cash flow from operating activities to underlying EBITDA 95.3% (pcp: 101.1%)[2]
- Net cash interest paid reflects increase in debt levels due to acquisition of Melbourne Regional Landfill and redemption of the $250 million Step-Up Preference Securities
- Income taxes received represent a refund of instalments paid relating to FY15. Tax payments recommence in FY17
- Free cash flow up 168.3% to $50.7 million

Notes: 1: Payment for purchase of businesses includes MRL fixed payments
2: Calculated as cash from operating activities before remediation of landfills, underlying adjustments, net interest and tax divided by underlying EBITDA

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Balance Sheet

Key Finance Measures

$ million	30 June 16	31 Dec 15	30 June 15
Assets			
Cash and cash equivalents	**48.3**	35.3	37.0
Trade and other receivables	**224.3**	230.5	227.1
Inventories	**16.7**	16.2	16.8
Property, plant and equipment	**897.1**	871.4	860.4
Assets held for sale	**8.8**	6.6	6.6
Intangible assets	**1,544.0**	1,540.9	1,539.7
Other assets	**170.6**	183.1	182.1
Total Assets	**2,909.8**	2,884.0	2,869.7
Liabilities			
Trade and other payables	**178.8**	165.3	178.8
Landfill remediation provision	**374.1**	379.1	385.5
Borrowings	**359.4**	360.4	351.7
Deferred settlement liability	**79.9**	85.5	89.5
Other liabilities	**136.1**	125.9	109.5
Total Liabilities	**1,128.3**	1,116.2	1,115.0
Net Assets	**1,781.5**	1,767.8	1,754.7

Key Points

- Deferred settlement liability represents annual fixed payments relating to the Melbourne Regional Landfill discounted to present value. Fixed payment in FY17 will approximate $5 million.
- Landfill remediation provision movement reflects:
  - Remediation and rectification payments made
  - The unwinding of the discount rate
  - Increase in the provision relating to new landfill cells constructed during the year
  - Changes in present value estimates of future cash flows and changes in assumptions
- Net Debt/Underlying EBITDA 1.11x (pcp: 1.36x)

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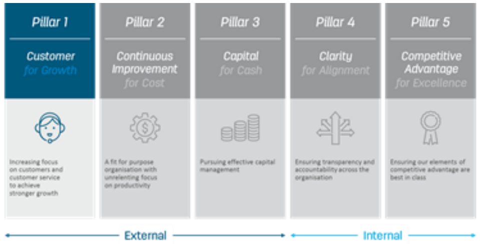
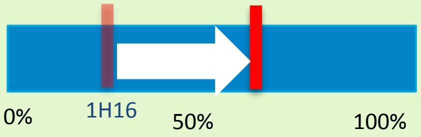
Update on Strategic Initiatives
Customer for Growth



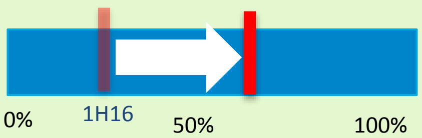
The rollout of the Growth initiatives is accelerating

Target Market Verticals



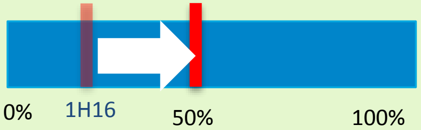
- New National, Mid Market and SMS sales structures operational
- Greater alignment between Solids and Liquids & Industrial Services sales process allowing greater leverage

Organic Volume Growth



- Save desk and telesales fully operational with customer churn rates down compared to FY15
- Sales force refocussed, training and systems implementation continues

Inorganic Growth – Acquisitions



- Post year-end completed the acquisition of Waste 2 Resources for $8.5 million and the acquisition of non-controlling interest in the Rutherford refinery for $2.5 million.
- Further small to medium sized acquisition opportunities also identified

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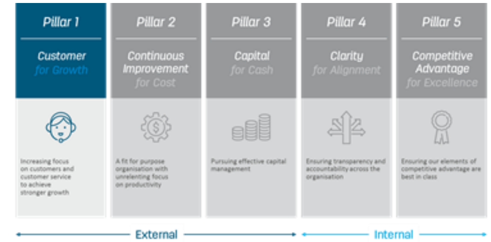
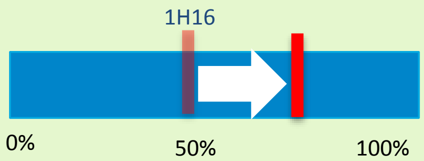
Update on Strategic Initiatives
Customer for Growth contd.



Develop a Single Brand – Create Brand Equity



- New branding successfully launched on 1 February 2016 and proceeding as planned
- Supports simplification of organisational and operating structure and realignment of cost base
- $3.6 million launch costs incurred in FY16
- $3-4 million to be incurred over FY17 and FY18

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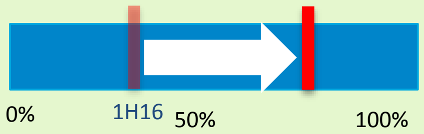
Update on Strategic Initiatives
Continuous Improvement for Cost

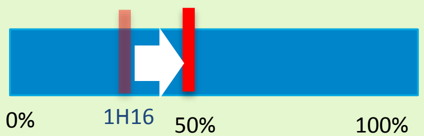
Net cost reductions achieved in FY16. Confident that by 30 June 2017 a run rate of $30 million pa in permanent cost reductions will be achieved

Fit for Purpose Organisation – Decentralised, Empowered and Accountable



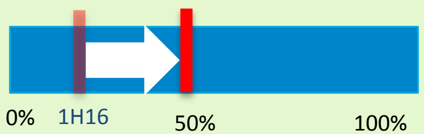
- Corporate office streamlined and operational decision making decentralised
- Positive impact on FY16 net cost base
- Implementation of 1ERP platform expected to complete by Dec 2016

Procurement led Cost reduction – Target 5% on all discretionary categories



- Negotiations continue with suppliers across all areas of discretionary spending
- New procurement to pay process being deployed and expected to roll out by Dec 2016
- Remains area of focus in 2H17 and beyond

Productivity Agenda – Labour, non-Labour and Assets. Foot print Rationalisation



- Fleet utilisation and maintenance improvements through ONE Fleet Team.
- Reducing the level of high cost agency labour and rationalisation of loss making branches will continue into FY17
- Merging of regional branches where applicable under one common go to market brand to continue into FY17 for improved customer service

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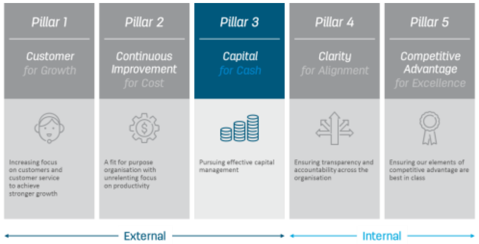
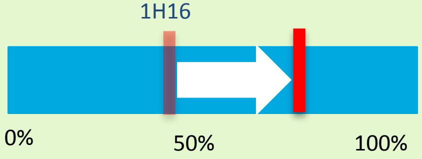
Update on Strategic Initiatives
Capital for Cash

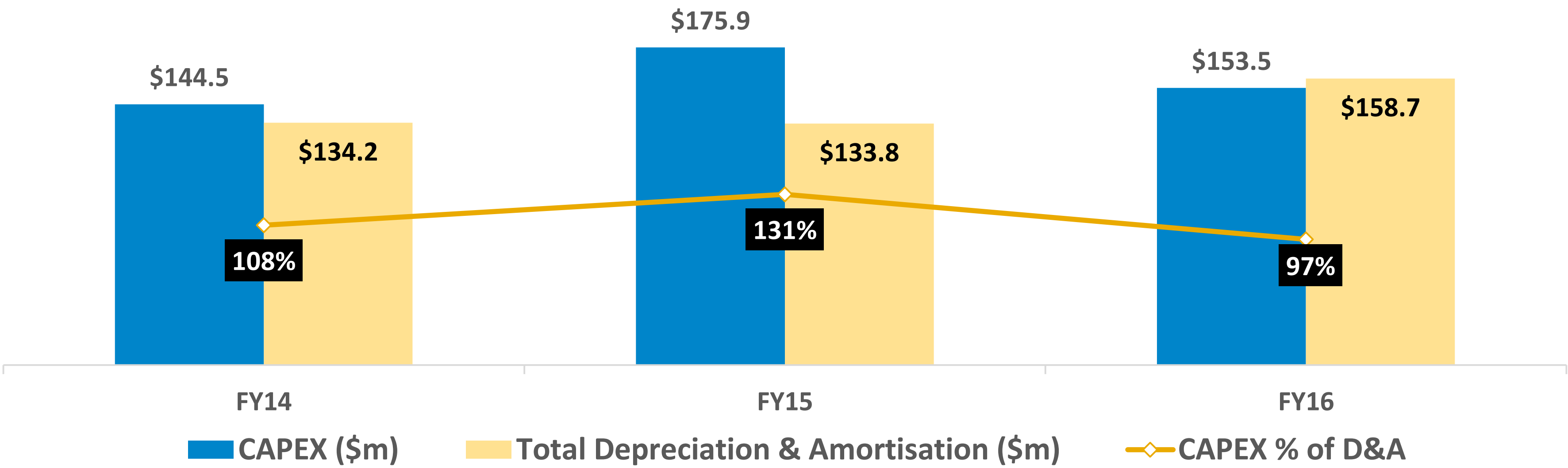


Reduce our capital intensity – Capex in line with D&A



- FY16 capital expenditure of $153.5 million (including volume payments related to Melbourne Regional Landfill) is below D&A for the year
- FY17 D&A expense expected to be ~$165-170 million with increase over FY16 due mainly to increase in landfill cell amortisation
- FY17 capital expenditure spending will be lower than D&A

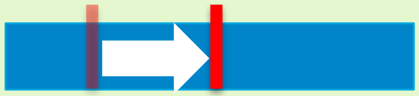
Capital Expenditure Spending



Note: Excludes divested businesses and underlying adjustments

Update on Strategic Initiatives
Capital for Cash contd.

Landfill Remediation and Rectification Spending



- Forecast annual spending over the next five years has reduced:
  - Actual spend in FY16 - $45.1 million ($59 million previously forecast)
  - Spend FY17 to FY20 - ~$40-45 million per annum (~$50 million previously forecast)
- Disciplined focus on cost and implementation – Spending rate per annum will decline from FY21 onwards
- No impact on total remediation and rectification provision

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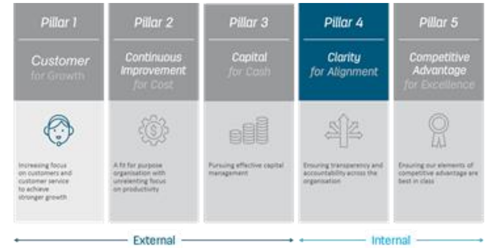
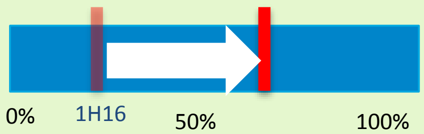
Update on Strategic Initiatives
Clarity for Alignment



Instilling the Cleanaway Way of doing things in the organisation



- Safety performance and employee engagement improvement to continue
- Simplified and flatter organisation structure – decentralised but standardised to leverage – ONE COMPANY
- Development of functional Playbooks to standardise the Cleanaway Way
- Operating reviews rhythm

Summary

FY16 – Reset the business for continued growth

- ✓ Strategic Plan completed and being implemented
- ✓ Operating Model, Operating Way, Fit for purpose organisation structure in place. Organisation wide metrics aligned through scorecards
- ✓ Name change and new brand launched
- ✓ 1ERP project in progress
- ✓ Playbooks initiated – Significant focus on aligned accountabilities. Operational rhythm in place
- ✓ Cost reductions being achieved
- ✓ Sales force refocussed and growth initiatives operational across identified market segments
- ✓ Free cash flow improvement with capital expenditure and remediation and rectification disciplines in place

FY17 – Priorities

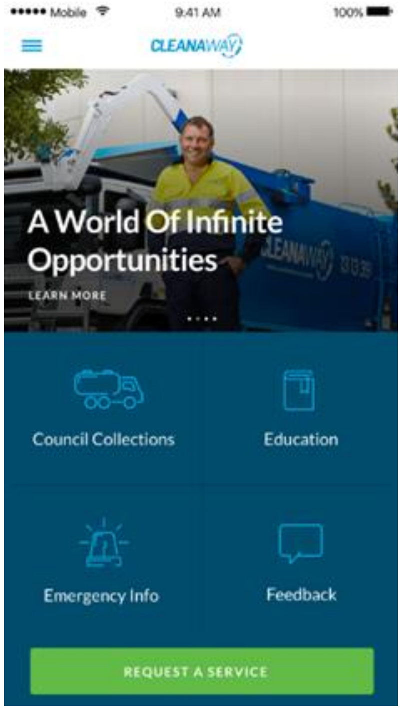
- Sales productivity, disciplined pricing and overall revenue management
- Improving operational efficiencies and asset utilisation
- Fostering a culture of premium customer service and continuous improvement
- Developing clarity on the Cleanaway footprint of 2025

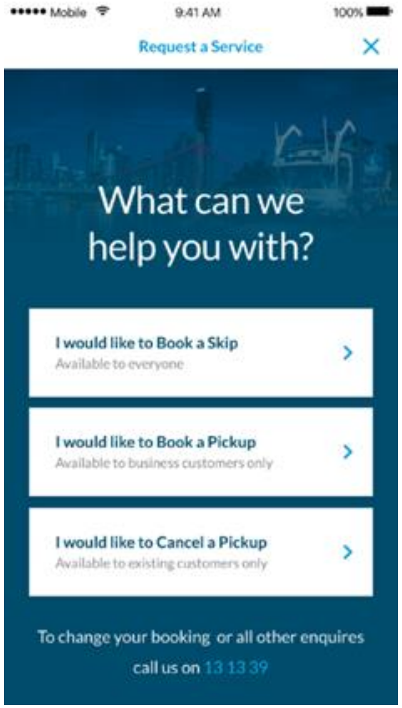
Outlook for FY17

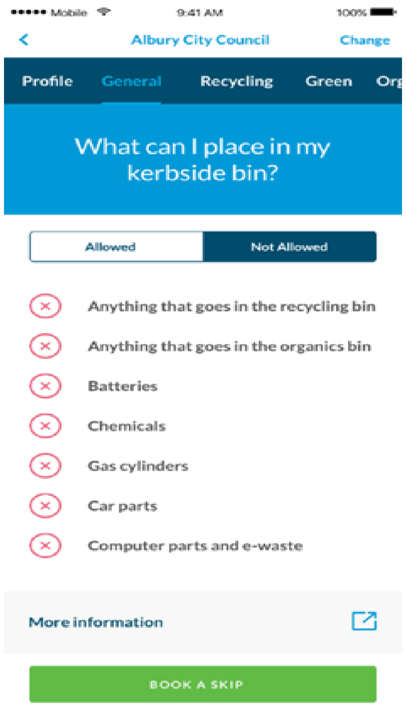
Market conditions are expected to show little change from those experienced during the past year.

However, based on the company wide initiatives we are undertaking, both our Solids and Liquids & Industrial Services segments should report increases in operational earnings in FY17.

New Cleanaway Waste App







- Phase 1 of the new Cleanaway Waste App was launched on 2nd August 2016
- Provides real time information on all matters to do with waste
- Available on both Apple and Android platforms

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Appendices Index

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Statutory Profit Reconciliation to Underlying Profit

A$ million	FY16
Statutory Profit From After Income Tax (Attributable to Ordinary Equity Holders)	**44.8**
Costs associated with restructuring	**21.1**
Costs associated with rebranding	**3.6**
Other costs	**(0.3)**
Total Underlying Adjustments to EBITDA	**24.4**
Total Underlying Adjustments to Depreciation	**2.1**
Total Underlying Adjustments to Income Tax	**(8.0)**
Total Underlying Adjustments	**18.5**
Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders)	**63.3**

Group Underlying Income Statement Summary by Halves

A$ million	FY16			FY15			Comparisons % changes		
	Total	2H16	1H16	Total	2H15	1H15	FY16 v FY15	2H16 v 1H16	2H16 v 2H15
Sales revenue and other revenue	**1,455.1**	708.3	746.8	1,384.9	695.4	689.5	**5.1%**	(5.2)%	1.9%
Total EBITDA	**281.3**	144.1	137.2	231.3	109.5	121.8	**21.6%**	5.0%	31.6%
Depreciation and Amortisation	**(158.7)**	(80.0)	(78.7)	(133.8)	(69.5)	(64.3)	**(18.6)%**	(1.7)%	(15.1)%
Total EBIT	**122.6**	64.1	58.5	97.5	40.0	57.5	**25.7%**	9.6%	60.3%
Net cash interest expense	**(19.2)**	(9.3)	(9.9)	(13.1)	(8.8)	(4.3)	**(46.6)%**	6.1%	(5.7)%
Non-cash finance costs	**(15.3)**	(7.6)	(7.7)	(14.9)	(7.5)	(7.4)	**(2.7)%**	1.3%	(1.3)%
Profit before income tax	**88.1**	47.2	40.9	69.5	23.7	45.8	**26.8%**	15.4%	99.2%
Income tax expense	**(26.5)**	(14.2)	(12.3)	(15.6)	(0.9)	(14.7)	**(69.9)%**	(15.4)%	N/M
Non-controlling interest	**(1.7)**	(1.3)	(0.4)	0.6	(0.1)	0.7	**NA**	225.0%	N/M
SPS distribution	**—**	—	—	7.6	—	7.6	**NA**	NA	NA
Profit after income tax attributable to ordinary equity holders	**63.3**	34.3	29.0	45.7	22.9	22.8	**38.5%**	18.3%	49.8%

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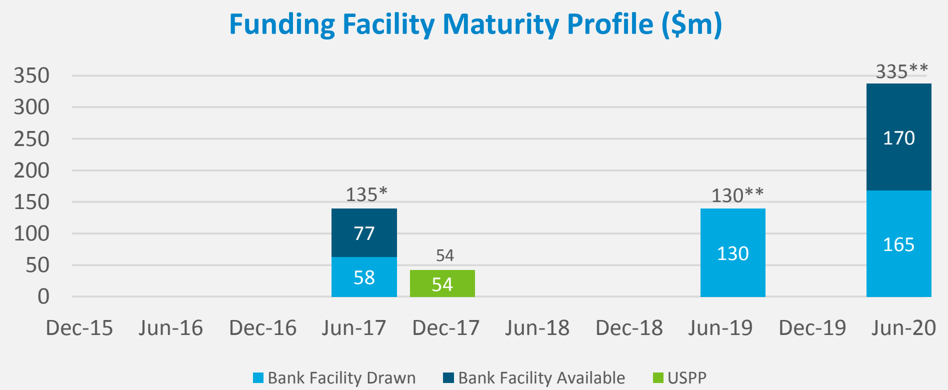
Capital Structure – Net Finance Costs

A$ million	Statutory		Underlying	
	FY16	FY15	FY16	FY15
Cash Interest expense				
Bank interest	**11.2**	6.5	**11.2**	6.5
Commitment fees	**1.5**	1.6	**1.5**	1.6
Guarantee/Bond fees	**1.1**	1.2	**1.1**	1.2
USPP Notes	**6.1**	6.0	**6.1**	6.0
Total interest expense	**19.9**	15.3	**19.9**	15.3
Interest received	**(0.7)**	(2.2)	**(0.7)**	(2.2)
Net cash interest expense	**19.2**	13.1	**19.2**	13.1
Non-cash finance costs				
Amortisation of borrowing costs	**1.3**	1.1	**1.3**	1.1
Unwinding of discount on landfill remediation provision	**8.1**	13.8	**8.1**	13.8
Unwinding of discount on MRL fixed payments	**5.9**	—	**5.9**	—
Total non-cash finance cost	**15.3**	14.9	**15.3**	14.9
Changes in fair value				
Net change in derivative financial instrument and US denominated borrowing	—	(0.9)	—	—
Total changes in fair value	—	(0.9)	—	—
Total net finance costs	**34.5**	27.1	**34.5**	28.0

Capital Structure – Debt

Key Finance Measures – Net Debt Composition

A$ million	30 Jun 16	31 Dec 15	30 Jun 15
Current interest bearing liabilities	**0.8**	0.7	0.7
Non-current interest bearing liabilities	**358.6**	359.7	351.0
Gross Debt	**359.4**	360.4	351.7
Cash and cash equivalents	**(48.3)**	(35.3)	(37.0)
Net Debt	**311.1**	325.1	314.7



* The Working Capital drawn mainly comprises bank guarantee
** Facilities extended to July-19 and July-20 on 5 January 2016

Key Points

- Net debt to underlying EBITDA ratio 1.11x (pcp:1.36x)
- At 30 June 2016 the Group had $247 million of headroom under the syndicated banking facilities
- Average debt maturity at 30 June 2016 is 3.5 years (pcp: 3.6 years)

Reconciliation of Divisional Results to Statutory Segment Disclosures

A$ million	Solids Collections	Solids Post Collections	Eliminations – Solids	Total Solids	Total Liquids & Ind Serv	Associates	Corporate & Other	Eliminations – Group	GROUP
Revenue									
Sales revenue – external	778.1	252.0	—	1,030.1	392.9	—	—	—	1,423.0
Product stewardship for oil (PSO) benefits	—	—	—	—	14.1	—	—	—	14.1
Sales revenue – intercompany	29.8	63.5	(80.8)	12.5	27.8	—	—	(40.3)	—
Total Sales Revenue	**807.9**	**315.5**	**(80.8)**	**1,042.6**	**434.8**	**—**	**—**	**(40.3)**	**1,437.1**
Other revenue	7.4	8.4	—	15.8	1.8	—	0.4	—	18.0
Total Gross Revenue	**815.3**	**323.9**	**(80.8)**	**1,058.4**	**436.6**	**—**	**0.4**	**(40.3)**	**1,455.1**
Underlying EBITDA	**149.8**	**87.9**	**—**	**237.7**	**57.5**	**1.3**	**(15.2)**	**—**	**281.3**
Depreciation and amortisation	(64.1)	(60.0)	—	(124.1)	(24.5)	—	(10.1)	—	(158.7)
Underlying EBIT	**85.7**	**27.9**	**—**	**113.6**	**33.0**	**1.3**	**(25.3)**	**—**	**122.6**
Restructuring costs	(11.3)	(0.5)	—	(11.8)	(5.7)	—	(3.6)	—	(21.1)
Rebranding costs	—	—	—	—	(0.9)	—	(2.7)	—	(3.6)
Depreciation and amortisation	—	(2.1)	—	(2.1)	—	—	—	—	(2.1)
Other	0.3	—	—	0.3	—	—	—	—	0.3
Profit from Operations (EBIT)	**74.7**	**25.3**	**—**	**100.0**	**26.4**	**1.3**	**(31.6)**	**—**	**96.1**

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