

15 August 2018

Full Year 2018 Results and Final Dividend Announcement

Highlights

- Full Year after-tax profit of \$11.1 million, up \$2.6 million on prior year results
- 5.2 cents per share fully-franked, full year dividend, up from 4.0 cents per share in prior year
- Increase in Net Tangible Asset backing (NTA) per share before tax to \$1.23, up from \$1.21 in prior year

QV Equities (the Company) today reported a net after-tax profit of \$11.1 million for the year to 30 June 2018. On an earnings per share basis, the FY 2018 result equates to after-tax basic earnings of 4.05 cents.

The Company announced a final, fully franked dividend of 2.1 cents per share and a fully franked special dividend of 1.0 cent per share, both to be paid on 31 October 2018. For the full year, the Company's fully-franked dividend is 5.2 cents per share including the special dividend, up from 4.0 cents per share in the prior year.

The Company's portfolio delivered +6.0% return before tax for the 12 months to 30 June 2018.

The Company's Chairman Peter McKillop said "The Board is pleased to announce an increased fully-franked dividend. Pleasingly, this means that shareholders who subscribed four years ago to the IPO in August 2014, have now been paid a total of 11.4 cents per share in fully franked dividends in addition to the growth in the NTA."

"The Board continues to believe that a carefully-selected holding of ex-20 stocks, managed by Investors Mutual Limited, will provide sound returns to investors over the longer term. The Company's investment portfolio remains prudently positioned in good quality companies, underpinned by reasonable valuations".

QVE Portfolio and Performance

Anton Tagliaferro, Investment Director at Investors Mutual Limited said: "Synchronised global economic growth and continued low interest rates pushed markets higher over FY 2018 with many company valuations now trading above their fundamentals. Accordingly, IML has remained cautious and prudent in managing the QVE portfolio of stocks outside the ASX top 20.

"The portfolio performance of +6.0% before tax, while a solid outcome, lagged the ASX ex 20's return of +15.9%. This was due to the portfolio's low weighting to the volatile Resources sector which had a very strong year.

"However, the portfolio benefited from its exposure to holdings in Tox Free Solutions, Integral Diagnostics and Crown Resorts which all performed well. We will continue to follow a disciplined investment approach together with IML's intensive research process to deliver value for investors over the long term." Mr Tagliaferro said.

"We remain focused on investing in companies with strong fundamentals that are trading at reasonable valuations. With the market willing to pay ever higher multiples for growth, we continue to believe that portfolios such as QVE's which are underpinned by value and quality stocks remains well positioned."

Year in Summary FY2018

Profit after tax \$11,143,913 ((\$8,497,402 in FY17))	Management Expense Ratio 0.99% (1.01% in FY17)		
Earnings Per Share (cents) 4.05 Basic (3.61 in FY17)	Portfolio Return (Pre-tax)* +6.0%	Benchmark*# +15.9%	ASX 300* +13.2%
	Portfolio Return (Post-tax)* +5.6%		
Dividends 5.2 cps Fully Franked (declared for FY 2018) (4.0cps in FY17)	Portfolio Return (Pre-tax) since inception +9.6% p.a.	Benchmark# Return since inception +11.9% p.a.	
Net Assets \$326,002,469 ((\$320,401,651 in FY17))	Net Tangible Assets (NTA) 1.23 (pre-tax cum div) 1.18 (post tax cum div)		

All data as at 30 June 2018
**Returns are measured for the 2018 financial year*
S&P/ASX300 ex20 index

Dividend Reinvestment Plan and Important Dates

The Company offers a Dividend Reinvestment Plan (DRP) for shareholders. Shareholders participating in the DRP will benefit from a 3% discount. To participate in the DRP for the final and special dividend payments, shareholders must provide their election to the Company before **5pm on 3 October 2018**. Further details regarding dividend payments will be sent to shareholders in the coming weeks.

The table below summarises the key dates related to the final and special dividend for the year ended 30 June 2018.

Ex-Dividend date	1 October 2018
Record Date	2 October 2018
Last Election date for DRP	3 October 2018
Payment Date	31 October 2018

Annual General Meeting & Investment Update

Shareholders are invited to attend the Company's AGM on the following date:

Date	Wednesday, 24 October 2018
Time	10.00am
Location	The Adelaide Room at the Sofitel Hotel Sydney 61-101 Phillip Street, Sydney NSW 2000

Following the AGM, shareholders are invited to attend an Investment Update from the Company's Investment Manager, Investors Mutual Limited.

For shareholders who are unable to attend the AGM, a **webinar** of the AGM proceedings and investment update will be held on **Wednesday 24 October at 2pm AEDT**. To register, simply email info@qvequities.com providing your full name & email address, or register online <https://attendee.gotowebinar.com/register/4881806731008984322>.

About QV Equities: QV Equities Limited (QVE) is a Listed Investment Company established with the primary objective of providing both long term capital growth and income, through a diversified portfolio of ASX listed entities outside of the S&P/ASX 20 Index. The portfolio is managed by Investors Mutual Limited, an award-winning and experienced investment management company, with an excellent track record of successfully managing Australian equities since 1998.

For further information:

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