

29 September 2017

Strong results in 2016-17 despite Tropical Cyclone Debbie

NORTH Queensland Bulk Ports Corporation (NQBP) has achieved a solid operating performance across its four ports in the 2016-17 financial year, with a net profit after tax of \$22.1 million, despite trade interruptions caused by Tropical Cyclone (TC) Debbie.

NQBP Acting Chief Executive Officer Rochelle Macdonald said the results, outlined in the corporation's Annual Report tabled in Queensland Parliament today, are an increase of 20 per cent on 2015-16.

"This year's result reflects a solid operating performance, improved investment returns as well as the net impact of asset revaluations," Dr Macdonald said.

"The total tonnage in 2016-17 was 170.5 million tonnes, down 4.3 per cent on last year, despite having been on track for another record year of throughput.

"Our four trading ports had strong trade growth earlier in the financial year, however, TC Debbie, which hit the ports of Abbot Point, Mackay and Hay Point on 28 March, caused trade interruptions, serious flooding and damage to rail lines and some terminal infrastructure.

"The widespread impact of the event on Queensland's two major coal export ports (Hay Point and Abbot Point), resulted in a loss of approximately 11-12 million tonnes of coal trade.

"Our coal customers - who are benefitting from better market prices - are expected to make up the losses from TC Debbie with additional throughput in 2017-18.

"At the Port of Weipa, (unaffected by TC Debbie), the news was more positive with throughput 10 per cent higher in 2016-17 compared to the previous year, with a growth in bauxite exports.

"Last financial year, NQBP gave particular focus to building trade at the Port of Mackay, including upgrades to port infrastructure and facilities.

"It is therefore pleasing, that despite the extreme weather, there was a small increase in trade at Mackay, lifting by 2.7 percent – the third best annual trade performance on record.

"Overall, notwithstanding the impacts of TC Debbie, NQBP remains one of Australia's largest port authorities, with more than half of Queensland's trade, by tonnage, passing through our ports," she said.

"To achieve this result after TC Debbie is testament to the resilience and recovery effort of North Queenslanders."

Key contributors to the 2016-17 result:

- Overall, total tonnage for all commodities through NQBP was 170.5 million tonnes, four per cent below the previous year
- The amount of coal exported was 131.8 million tonnes, with a loss of approximately 11-12 million tonnes of coal trade attributed to disruptions caused by TC Debbie
- Bauxite exports increased by 10 per cent – a record for the Port of Weipa
- At the Port of Mackay, trade increased by 2.74 per cent on the previous year.

Achievements in 2016-17 included:

- New trade opportunities realised at the Port of Mackay with the establishment of a quarantine wash-down facility, generating an additional throughput of more than 8000 tonnes of break bulk equipment
- Contributed nearly \$16 million in capital projects that have enhanced port infrastructure and provided local jobs to regional towns
- Began a three year community engagement partnership with North Queensland Cowboys
- Developed an internationally recognised best-practice method for the sustainable management of sediment in port channels, to prepare for maintenance dredging at the Port of Hay Point

Port performance summary 2016-17

Port of Weipa

- Handled 622 ships, compared to 659 ships in 2015-16
- Throughput was 10.1 per cent higher at 35.7 million tonnes, reflecting the larger size of vessels coming into the port

Port of Abbot Point

- Handled 311 ships, compared to 324 ships in 2015-16
- Throughput was 25.4 million tonnes, down from approximately 27 million tonnes – not unexpected due to weather impacts

Port of Mackay

- Handled 155 ships, compared to 164 ships in 2015-16
- Throughput was 2.9 million tonnes up from 2.8 (approximately 2.74 per cent)

Port of Hay Point

- Handled 1062 ships, compared to 1137 in 2015-16
- Throughput was 106.4 million tonnes, down from 115.8 million tonnes last financial year

About NQBP

NQBP is the port authority responsible for the four trading ports of Weipa, Abbot Point, Mackay and Hay Point and the non-trading port of Maryborough.

With a total asset base of \$731.5 million, NQBP's seaport facilities handle a number of bulk cargoes including coal, bauxite, sugar, molasses, grain, petroleum, fertiliser and general cargo.

Copies of the NQBP Annual Report 2016-17 can be viewed online at www.nqbp.com.au

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