

14 February 2020

Half Year Results to 31 December 2019 and Interim Dividend Announcement

Highlights

- \$5.2 million operating profit after tax (excluding the receipt of a \$1.4 million special dividend), up 11%
- 2.2 cents per share fully franked interim dividend payable on 17 March, consistent with the previous period

QV Equities (the Company) today reported an operating profit after tax of \$5.2 million for the half year to 31 December 2019. The reported profit is up 11% on the previous corresponding period. This excludes the receipt of a one-off special dividend of \$1.4 million received from the portfolio's shareholding in Ruralco.

Operating profit after-tax, including the receipt of the special dividend, was \$6.6 million for the half year.

The Company announced an interim, fully franked dividend of 2.2 cents per share to be paid on 17 March 2020.

Anton Tagliaferro, co-Portfolio Manager for QV Equities said "Given the mixed economic outlook and the strong rally in sharemarkets over 2019, in our opinion many stocks look fairly stretched from a valuation point of view."

"Whilst we believe record low interest rates will continue to support sharemarkets in the short to medium term, we continue to be very selective, investing in good quality companies that we believe represent value and can do well over the next 3 to 5 years."

"The portfolio also continues to hold a solid weighting to cash which we are looking to deploy on any weakness in the share prices of good quality companies in the ex 20 sector of the stockmarket."

QV Equities Chairman Peter McKillop said "The Company's portfolio remains conservatively positioned and invested in a diversified range of good quality companies that sit outside of the ASX top 20 Index – with the objective of delivering long-term value to shareholders via a combination of capital growth and income."

Share buy-back and Dividend Reinvestment Plan

In September 2019 the QVE Board decided to implement an on-market share buy-back facility for the Company to buy back a maximum of 10% of its shares over a 12-month period with the intention of reducing the discount at which the share price is trading relative to the Net Tangible Assets (NTA). Also the buy-back was adjudged to be accretive to the Company's NTA. The buy-back is ongoing and as at 31 December 2019 the Company had bought back just over 5 million shares at an average price of 99.4 cents.

The Board also decided to currently suspend the Dividend Reinvestment Plan (DRP) while the 12-month on-market buy-back facility for QVE shares is in place. Shareholders who had previously elected to participate in the DRP will automatically receive a cash payment for this dividend. However, if in future the Board decides to reinstate the DRP, shareholders current DRP elections will continue to apply.

Important Dates

The table below outlines the key dates related to the interim dividend for the half year ended 31 December 2019. Further details regarding dividend payments will be sent to shareholders in the coming weeks.

Ex-Dividend date	20 February 2020
Record Date	21 February 2020
Payment Date	17 March 2020

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 (AFSL 229988), a multi award-winning and experienced investment management company, with an excellent track record of successfully managing Australian equities since 1998.

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We are focused providing our shareholders with regular communication, investment insights and event invitations. If you would like to receive further invitations or updates on the portfolio, please subscribe on our website qvequities.com or provide your email address to info@qvequities.com

The release of this announcement was authorised by the Board.

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