

27 February 2019

**University of Canterbury – Annual Report 31 December 2018**

The University's audited result for the year ended 31 December 2018 was a \$9.6 million surplus. The result compares to the 2017 deficit of \$5.3 million, and a budgeted operating deficit for 2018 of \$7.9 million.

The University has received the benefit of increased student numbers, increased research revenue, and a one-off insurance payment from the EQC for certain property damage in the 2010 and 2011 earthquakes. Student numbers increased again in 2018, and the indications are for another clear increase in both Domestic and Full Fee Paying students in 2019.

The Crown's support to the University through a funding agreement to provide up to \$260 million in support of the University's building programme following the earthquakes came to an effective end in 2018 with receipt of the final \$50 million due under the agreement, the necessary milestones and targets having been achieved. The University remains grateful for the assistance it has received from the Crown and, through that support, its acknowledgement of the role the University plays in the city of Christchurch and the economy, as one of the region's largest employers.

The University's building programme continues, with the opening in December 2018 of Rehua to house both the College of Education, Health and Human Development and the Centre for Entrepreneurship and the Executive Development Programme of the College and Business and Law. The new UCSA building (partly owned by the University) and the Beatrice Tinsley building (Stage 2 of the Science building development) are also due for completion in 2019, and there are plans being developed for the construction of a student residence and a Sport and Recreation Centre in the coming years.

Net tangible assets per security (\$1,000 face value) as at 31 December 2018 were \$28,612 (2017: net tangible assets per security of \$27,359).

The University has adopted a budget for 2019 that shows an operating surplus of \$2.1 million after several years of planned deficits as the University reorganised and rebuilt its operations after the earthquakes, and meets the University's commitment to the Government in the 2014. The

University is cautiously optimistic that this marks the beginning of sustainable surpluses from its operations.

This is the last year of listing of the Philanthropic Bond on the NZDX, when the Bond terminates as planned on 15 December 2019, with full repayment to bondholders at that time. The University would like to thank its bondholders for their support over the period of the Bond issue. As a Philanthropic Bond, the University would be pleased to receive any donations of principal or interest before or on termination of the Bond. Further details can be obtained from the University.

The University continues to operate within the Philanthropic Bond covenants and within the borrowing consent from the Ministry of Education.

END OF COMMENTARY: REQUIRED DISCLOSURES FOLLOW

Required disclosures

UNIVERSITY OF CANTERBURY

Results for announcement to the market	
Reporting Period	1 January 2018 to 31 December 2018
Previous Reporting Period	1 January 2017 to 31 December 2017

	Amount (000s)	Percentage change
Income from ordinary activities	379,972	7.1%
Surplus (deficit) from ordinary activities after tax	9,562	279.9%
Net surplus (deficit)	9,562	279.9%

Interim/Final Dividend	Amount per security	Imputed amount per security
It is not proposed to pay dividends.	Not applicable.	Not applicable
Record Date	Not applicable	Not applicable
Dividend payment date	Not applicable	Not applicable

**Comment:** See above.

Contact

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SIGNED by

University of Canterbury | Te Whare Wānanga o Waitaha

  
Professor C de la Rey

Vice-Chancellor | Tumu Whakarāe



Keith Longden

Executive Director/Chief Financial Officer | Kaihautū Matua Ahumoni