

Gibson Energy Announces 2019 Fourth Quarter and Year-End Results and Announces a Dividend Increase

24.02.2020 | [GlobeNewswire](#)

CALGARY, Feb. 24, 2020 - [Gibson Energy Inc.](#) (“Gibson” or the “Company”) (TSX: GEI), announced today its financial and operating results for the three months and fiscal year ended December 31, 2019.

“Gibson continued to deliver strong, consistent operational and financial results throughout 2019, while also executing on the strategy and completing the transformation we outlined at the start of 2018,” said Steve Spaulding, President and Chief Executive Officer. “Over the course of 2019, we continued to grow our long-term, stable infrastructure cash flows, placing seven new tanks as well as pipelines on both sides of the border into service. In addition, we provided visibility to growth through to 2021 with the sanction of three additional tanks and the DRU at Hardisty, while remaining fully-funded with both leverage and payout well below target levels. In 2020, we will remain focused on the delivery of our strategy, including the continued advancement of ESG principles in all our activities, and are excited to announce that we will issue our inaugural Sustainability Report in the second quarter.”

Financial Highlights:

- Distributable cash flow from combined operations⁽¹⁾ of \$76 million in the fourth quarter contributed to 2019 full year performance of \$309 million, a \$27 million or 9% increase over full year 2018
- Infrastructure segment profit of \$86 million in the fourth quarter contributed to 2019 full year performance of \$314 million before a \$15 million future remediation provision recorded in the second quarter, a \$31 million or 11% increase over full year 2018, primarily due to additional tankage in service at Hardisty, the expansion of the HURC Facility, the expansion of the Moose Jaw Facility and the Viking Pipeline entering service
- Marketing segment profit of \$46 million in the fourth quarter contributed to 2019 full year performance of \$195 million, a \$8 million decrease over full year 2018, due to lower margins in the Refined Products business
- Adjusted EBITDA from continuing operations⁽²⁾ of \$126 million in the fourth quarter contributed to 2019 full year performance of \$459 million, a \$2 million increase over full year 2018
- Continue to maintain a strong balance sheet, with Net Debt to Pro Forma Adjusted EBITDA at December 31, 2019 of 2.7x, below the Company’s 3.0x – 3.5x target range, and remain fully-funded for all sanctioned capital
- Payout ratio on a trailing twelve-month basis of 62%, well below the Company’s 70% to 80% target range

Strategic Developments and Highlights:

- Placed seven tanks, representing 3.1 million barrels of storage, into service at the Top of the Hill portion of the Hardisty Terminal ahead of schedule with capital in-line with budget, increasing Gibson’s tankage in service at the Hardisty Terminal to approximately 12 million barrels, an increase of nearly 35%
- Put the Viking Pipeline, the HURC expansion, the Moose Jaw expansion and the Pyote East Pipeline into service
- Sanctioned the construction of three new tanks, representing 1.5 million barrels of storage, at Top of the Hill and, as part of a joint venture with U.S. Development Group, a DRU at Hardisty with 50,000 barrels per day of inlet capacity, underpinned by long-term, take-or-pay and stable fee-based agreements
- Received two Investment Grade credit ratings, with DBRS Morningstar assigning an Issuer Rating of “BBB (low)” with a “Stable” trend and S&P Global Ratings raising its long-term issuer rating to “BBB–” with a “Stable” outlook
- Successfully completed all of the non-core divestitures announced at the January 2018 Investor Day on schedule and for total proceeds at the midpoint of the initial target range

- Subsequent to the quarter, Gibson's Board of Directors approved a quarterly dividend of \$0.34 per common share, an increase of \$0.01 per common share, beginning with the dividend payable in April

(1) Distributable cash flow from combined operations is defined in Gibson's Management's Discussion and Analysis ("MD&A"). See MD&A sections "Liquidity and Capital Resources" and "Results of Discontinued Operations" for cash flow from operations discussion, which is the most closely related GAAP measure.

(2) Adjusted EBITDA from continuing operations is defined in Gibson's MD&A. See MD&A section "Results of Continuing Operations" for segment profit from continuing operations discussion, which is the most closely related GAAP measure and disclosed in note 1 of the consolidated financial statements.

Management's Discussion and Analysis and Financial Statements

The 2019 fourth quarter and year-end Management's Discussion and Analysis and audited Consolidated Financial Statements provide a detailed explanation of Gibson's financial and operating results for the three and twelve months ended December 31, 2019, as compared to the three and twelve months ended December 31, 2018. These documents are available at www.gibsonenergy.com and at www.sedar.com.

Sustainability and ESG

Gibson recognizes the importance of sustainability and ESG principles in how it operates and in evaluating the Company's business strategy. During 2019, the Company formalized oversight by the Board of Directors for sustainability under the Environment, Social, Governance / Health and Safety Committee. The Board of Directors also adopted a Diversity and Inclusion policy and the Company formed a Diversity and Inclusion Council to champion various diversity initiatives throughout the organization.

Gibson had previously incorporated safety and certain environment metrics into its compensation programs for management and employees, and in 2019, was able to expand its Moose Jaw Facility with a design that resulted in a net decrease in carbon intensity per barrel. Also in 2019, Gibson's community investment spending increased by 70% relative to 2018 and is expected to reach \$1 million for 2020. As part of the continued evolution of its sustainability and ESG efforts, Gibson is in the later stages of preparing its inaugural Sustainability Report, which it anticipates releasing along with 2020 first quarter results in early May.

Board of Directors

The Company has announced that Susan Jones has stepped down from the Board of Directors effective February 24, 2020.

2019 Fourth Quarter and Year-End Results Conference Call

A conference call and webcast will be held to discuss the 2019 fourth quarter and year-end financial and operating results at 7:00am Mountain Time (9:00am Eastern Time) on Tuesday, February 25, 2020.

The conference call dial-in numbers are:

- 478-219-0003 / 844-358-6759
- Participant Pass Code: 3697468

This call will also be broadcast live on the Internet and may be accessed directly at the following URL:

- <https://edge.media-server.com/mmc/p/9oznirut>

The webcast will remain accessible for a 12-month period at the above URL. Additionally, a digital recording will be available for replay two hours after the call's completion until March 3, 2020, using the following dial-in numbers:

- 404-537-3406 / 855-859-2056
- Participant Pass Code: 3697468

Supplementary Information

Gibson has also made available certain supplementary information regarding the fourth quarter and full year financial and operating results, available at www.gibsonenergy.com

About Gibson

Gibson is a Canadian-based oil infrastructure company with its principal businesses consisting of the storage, optimization, processing, and gathering of crude oil and refined products. Headquartered in Calgary, Alberta, the Company's operations are focused around its core terminal assets located at Hardisty and Edmonton, Alberta, and also include the Moose Jaw Facility and an infrastructure position in the U.S.

Gibson shares trade under the symbol GEI and are listed on the Toronto Stock Exchange. For more information, visit www.gibsonenergy.com.

Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking information and statements (collectively, forward-looking statements) including, but not limited to, statements concerning the delivery of Gibson's strategy and the release of Gibson's Sustainability Report and the timing thereof.

These statements relate to future events or future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "aim", "target", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential", and "capable" and similar expressions are intended to identify forward-looking statements. The forward looking statements reflect Gibson's beliefs and assumptions with respect to, among other things, future operating and financial results, future growth in world-wide demand for crude oil and petroleum products; crude oil prices; no material defaults by the counterparties to agreements with Gibson; Gibson's ability to obtain qualified personnel, owner-operators, lease operators and equipment in a timely and cost-efficient manner; the regulatory framework governing taxes and environmental matters in the jurisdictions in which Gibson conducts and will conduct its business; changes in credit ratings applicable to Gibson; operating costs; future capital expenditures to be made by Gibson; Gibson's ability to obtain financing for its capital programs on acceptable terms; the Company's future debt levels; the impact of increasing competition on the Company; the impact of changes in government policies on Gibson; the impact of future changes in accounting policies on the Company's consolidated financial statements; the Company's ability to successfully implement the plans and programs disclosed in Gibson's strategy and other assumptions inherent in management's expectations in respect of the forward-looking statements identified herein.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although Gibson believe these statements to be reasonable, no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. Actual results could differ materially from those anticipated in these forward looking statements as a result of, among other things, risks inherent in the businesses conducted by Gibson; competitive factors in the industries in which Gibson operates; prevailing global and domestic financial market and economic conditions; world-wide demand for crude oil and petroleum products; volatility of commodity prices, currency and interest rates fluctuations; product supply and demand; operating costs and the accuracy of cost estimates; exposure to counterparties and partners, including ability and willingness of such parties to satisfy contractual obligations in a timely manner; future capital expenditures; capital expenditures by oil and gas companies; production of crude oil; decommissioning, abandonment and reclamation costs; changes to Gibson's business plans or strategy; ability to access various sources of debt and equity capital, generally, and on terms acceptable to Gibson; changes in government policies, laws and regulations, including environmental and tax laws and regulations; competition for employees and other personnel, equipment, material and services related thereto; dependence on certain key suppliers and key personnel; reputational risks; acquisition and integration risks; risks associated with our Hardisty DRU project; capital project delivery and success; risks associated with Gibson's use of technology; ability to obtain regulatory approvals necessary for the conduct of Gibson's business; the availability and cost of employees and other personnel, equipment, materials and services; labour relations; seasonality and adverse weather conditions, including its impact on product demand, exploration, production and

transportation; inherent risks associated with the exploration, development, production and transportation of crude oil and petroleum products; and political developments around the world, including the areas in which Gibson operates, many of which are beyond the control of Gibson. Readers are cautioned that the foregoing lists are not exhaustive. For an additional discussion of material risk factors relating to Gibson and its operations, please refer to those included in Gibson's Annual Information Form dated February 24, 2020 as filed on SEDAR and available on the Gibson website at www.gibsonenergy.com.

Non-GAAP Measures

This news release refers to certain financial measures that are not determined in accordance with IFRS. Distributable cash flow ("DCF") is not a measure recognized under IFRS and does not have standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures reported by other entities. Management considers this to be an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. Distributable cash flow is used to assess the level of cash flow generated and to evaluate the adequacy of internally generated cash flow to fund dividends. Changes in non-cash working capital are excluded from the determination of distributable cash flow because they are primarily the result of fluctuations in product inventories or other temporary changes. Upgrade and replacement capital expenditures are deducted from distributable cash flow as there is an ongoing requirement to incur these types of expenditures. The Company may deduct or include additional items in its calculation of distributable cash flow; these items would generally, but not necessarily, be items of a non-recurring nature. Additional information about reconciliation of historical distributable cash flow to its most closely related IFRS measure, ("MD&A") available on SEDAR at www.sedar.com and on our website at www.gibsonenergy.com.

For further information, please contact:

Mark Chyc-Cies
Vice President, Strategy, Planning & Investor Relations
Phone: (403) 776-3146
Email: mark.chyc-cies@gibsonenergy.com

SELECTED FINANCIAL INFORMATION

	Three months ended December 31		Years ended December 31	
	2019	2018	2019	2018
Continuing operations ¹				
Revenue ³	\$ 1,666,560	\$ 1,314,605	\$ 7,336,322	\$ 6,846,589
Segment profit ³	132,015	153,569	494,250	487,087
Net income ³	37,444	47,275	176,339	81,125
Basic income per share ³	0.25	0.33	1.21	0.57
Diluted income per share ³	0.25	0.32	1.19	0.56
Adjusted EBITDA ^{2,3}	125,949	134,001	459,219	457,315
Distributable cash flow ^{2,3}	75,810	78,190	301,539	259,126
Dividends declared	48,073	47,704	192,001	190,326
Cash flow from operating activities ³	105,670	262,044	362,155	527,086
Growth capital expenditures ³	\$ 46,703	\$ 81,745	\$ 229,081	\$ 221,198
Combined operations ²				
Combined Adjusted EBITDA ^{2,3}	\$ 125,949	\$ 140,479	\$ 467,316	\$ 490,083
Distributable cash flow ^{2,3}	75,660	84,123	309,293	282,517

Last twelve months ‐ As at December 31,
2019 2018

Debt and dividend payout ratios

Total and senior debt leverage ratio	2.7	2.3
Interest coverage ratio	6.7	6.7
Debt to capitalization leverage ratio	49%	-
Combined dividend payout ratio ⁴	62%	67%

1. See definition of non-GAAP measures on pages 15 to 16 and 38. Combined Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”.) and Combined distributable cash flow, represents the aggregated results of both continuing and discontinued operations.
2. See pages 16 to 17 and 22 to 23 for a reconciliation of Adjusted EBITDA to segment profit and distributable cash flow to cash flow from operations, respectively.
3. The current and prior period results include the impacts from the adoption of IFRS 15 – Revenue from Contracts with Customers and IFRS 16 – Leases. 2017 comparative information has not been restated and, therefore, may not be comparable.

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/345226--Gibson-Energy-Announces-2019-Fourth-Quarter-and-Year-End-Results-and-Announces-a-Dividend-Increase.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).