CIVMEC LIMITED
(Company Registration No.: 201011837H)

NEWS RELEASE

CIVMEC REPORTS 133% RISE IN 4TH QUARTER NET PROFIT

- Revenue in 4Q FY2012 rose 347.2%
- Net profit after tax in 4Q FY2012 rose 132.8%
- Net profit after tax in FY2012 rose 302.9%
- Group's order book as at 30 June 2012 amounted to S$264 million
- Group confident about prospects in FY2013
- Dividend of 0.6 Singapore cents per share proposed

SINGAPORE, 21 August 2012 – Main board listed CIVMEC Limited ("CIVMEC" or the "Group"), today announced a 347.2% rise in revenue and a 132.8% rise in net profit after tax for the financial quarter ended 30 June 2012 (4Q FY2012).

Reflecting the strong demand in Western Australia's Oil and Gas and Mining industries, revenue for the 4Q FY2012 rose from S$25.4 million to S$113.6 million. Correspondingly, the Group's net profit after tax for the same period rose from S$3.6 million (4Q FY2011) to S$8.4 million. The Group's strong showing this year

is also attributable to the Henderson facility being open for a full financial year, enabling it to ramp up its operations and ultimately contributing to the results that it is reporting today.

The higher activities this year also resulted in higher administrative expenses, which rose from S$2.5 million (4Q FY2011) to S$4.6 million. These are mainly attributable to increases in staff and staff-related expenses needed to cope with the higher level of administrative demands.

Compared to the same quarter last year, gross margins were lower this quarter due to the change in the nature of the contracts. As the Group expands its capabilities, it is able to secure longer term projects with higher average values. However due to the nature of these projects, the gross margins are lower. Nonetheless, despite this shift, the Group closed the quarter with S$8.4 million net profit after tax compared to S$3.6 million in 4Q FY2011.

On a year-on-year basis, the Group delivered a 438.7% increase in revenue, which rose from S$61.0 million (FY2011) to S$328.6 million (FY2012). Corresponding to its strong business growth, administrative expenses rose significantly from S$7.6 million to S$17.9 million, representing an increase of 135.4%. Net profit after tax rose from S$7.5 million (FY2011) to S$30.3 million (FY2012) representing an increase of 302.9%.

As at 30 June 2012, the Group's net assets amounted to S$86.4 million compared to S$21.3 million in the same period last financial year. The higher net assets value is attributable to increases in trade and other receivables, property, plant and equipment, trade and other payables, income tax liabilities and employee benefit provisions, offset by lower borrowings. At the close of the financial year, operating activities generated a net cash inflow of S$26.9 million, due mainly to the year's profit contribution and cash and cash equivalents rose significantly from S$6.6 million to S$33.8 million.

Commenting on CIVMEC's performance and its prospects, Mr. James Fitzgerald, Chairman said: "FY2012 has been an exciting year for us and with the support from our new shareholders we were able to further propel CIVMEC's growth. Going forward, we are confident that we will continue to benefit from the Oil and Gas and Mining sectors in Western Australia."

The Group's order book as at 30 June 2012 amounted to S$264 million.

For the financial year ended 30th June 2012 the Board proposes a first and final dividend of 0.6 Singapore cents per share, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

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About CIVMEC Limited

We are an Australian-based integrated multi-disciplinary heavy engineering services provider to the oil and gas, mining and other industries, such as the infrastructure, utilities, chemical and power industries. We provide heavy engineering and other services including metal and structural fabrication, site civil works, pre-cast concrete and maintenance services.

For more information, please visit our website at www.civmec.com.au

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