

**Singapore and Australia**  
15 May 2018

## **AusGroup delivers a net profit of AU\$3.5m for Q3 FY2018 and AU\$10.7m for YTD FY2018**

### **Q3 FY2018 highlights**

- **Sixth consecutive quarterly profit.**
- **Revenue for the quarter increases 26.8% to AU\$136.3m (QoQ) on strong revenue growth.**
- **Net profit in the quarter increases 8% to AU\$3.5m with solid contributions from current projects.**
- **Work in hand of AU\$277m as at 31 March 2018 with strong tendering activity across operations.**

**AusGroup Limited** ('AGL' or 'AusGroup' or the 'Group') today announced its results for the three months ended 31 March 2018 ('Q3 2018'). This release should be read in conjunction with our Financial Statement and related SGX Announcement.

<b>Income statement (abstract)</b>	<b>Q3 2018</b>	<b>Q3 2017</b>	<b>+ / (-)</b>	<b>9M 2018</b>	<b>9M 2017</b>	<b>+ / (-)</b>
	<b>AU\$'000</b>	<b>AU\$'000</b>	<b>%</b>	<b>AU\$'000</b>	<b>AU\$'000</b>	<b>%</b>
Revenue	<b>136,273</b>	107,441	26.8	440,183	313,807	40.3
Gross profit	<b>10,244</b>	15,764	(35.0)	32,833	35,178	(6.7)
<i>Gross Margin</i>	<i>7.5%</i>	<i>14.7%</i>		<i>7.5%</i>	<i>11.2%</i>	
Finance costs	<b>(2,737)</b>	(4,701)	(41.8)	(9,346)	(12,658)	(26.2)
<b>Net profit / (loss) for the period</b>	<b>3,538</b>	<b>3,277</b>	<b>8.0</b>	<b>10,729</b>	<b>2,210</b>	<b>n.m.</b>
<i>Margin</i>	<i>2.6%</i>	<i>3.1%</i>		<i>2.4%</i>	<i>0.7%</i>	

*n.m. – not meaningful*

AusGroup has reported an improvement on the corresponding period of Q3 FY2017 with a net profit after tax of AU\$3.5m. These results are attributed to the underlying contributions from current projects, which have produced consistent profitability during the year and also due to reduced debt servicing costs following the debt to equity conversions completed in prior quarters.

Core project work currently being undertaken has resulted in a solid performance for the quarter, with revenue of AU\$136.3m, increasing by 26.8% compared to the corresponding quarter.

Gross profit for the quarter was AU\$10.2m, a decrease of 35.0% from a gross profit of AU\$15.8m in the corresponding period. This is due to the release of project provisions on completed projects in the comparable quarter of Q3 2017.

<b>Balance Sheet (abstract)</b>	<b>31 Mar 2018</b>	<b>30 Jun 2017</b>	<b>+ / (-)</b>
	<b>AU\$'000</b>	<b>AU\$'000</b>	<b>%</b>
Cash and cash equivalents	<b>24,631</b>	<b>33,851</b>	(27.2)
Total borrowings	<b>122,788</b>	<b>150,694</b>	(18.5)
Net borrowings	<b>98,157</b>	<b>116,843</b>	(16.0)
Equity	<b>34,864</b>	<b>23,298</b>	49.6

Cash and cash equivalents for the Group as at 31 March 2018 have decreased by 27.2% to AU\$24.6m due to utilisation of cash to partially pay down existing debt.



**SGX/MEDIA RELEASE  
For Immediate Release**

Company Registration Number 200413014R  
15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316

Net Borrowings have reduced by AU\$18.7m since Q4 FY2017 to AU\$98.2m, due to the reduction in short term borrowings repaid in the nine months to 31 March 2018 and the reduction in debt from the debt to equity conversion completed in the Q2 FY2018.

Total shareholders' equity as at 31 March 2018 has improved by 49.6% to AU\$34.9m, demonstrating the benefits of the consistent profitability attained in previous quarters, together with the share capital issued from the debt to equity conversion in Q2 FY2018. The Group continues to assess the options available to ensure that sufficient cash flow is available for the Group to meet its obligations as they fall due.

NT Port and Marine's fuel services business has achieved another milestone, with the first fuel sale during the quarter.

Executive Director and CEO Shane Kimpton said: "The results for the quarter are pleasing to see, on the back of the solid revenue growth experienced over the last year.

Our balance sheet position has further improved to a net asset position of AU\$34.9m, built on the continued profitability of the business and the success of the debt to equity conversion programmes.

The key focus for the Group is on safe working, operational delivery excellence and converting our tendering activities into a solid order book of new work."

AusGroup offers a range of integrated service solutions to the energy, resources, industrial, utilities and port and marine sectors across Australia and South East Asia through subsidiaries AGC, MAS and NT Port and Marine. Our diversified service offering supports clients at all stages of their asset development and operational schedule.

With over 29 years of experience, we are committed to helping our clients build, maintain and upgrade some of the region's most challenging projects.

The Group wishes to inform that an investor briefing pack will also be available on its website on 15 May 2018 - [www.agc-ausgroup.com](http://www.agc-ausgroup.com).

**Ends**

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Issued by AusGroup Limited.

For more information, please contact Romil Singh  
T +65 6438 2990 | F +65 6438 0064 | E [romil@financialpr.com.sg](mailto:romil@financialpr.com.sg)

For further information in Australia, please contact Christian Johnstone  
T +61 8 6210 4500 | E [christian.johnstone@agc-ausgroup.com](mailto:christian.johnstone@agc-ausgroup.com)

ABOUT AUSGROUP LIMITED (Bloomberg Ticker: AUSG.SP)  
Main board-listed, AusGroup Limited is an energy and resources specialist providing fabrication, precision machining, construction and integrated services to natural resource development companies. The Company also provides access services for construction and maintenance contracts through MAS Australasia Pty Ltd (MAS). AusGroup has an established operations network strategically positioned throughout Australasia. For more information visit [www.agc-ausgroup.com](http://www.agc-ausgroup.com)