



**SGX/MEDIA RELEASE
For Immediate Release**

Company Registration Number 200413014R
36 Tuas Road, Singapore 638505

Singapore and Australia
10 November 2014

AusGroup FY2015 Quarter 1 Results

AusGroup increased NPAT to AU\$2.8m on significantly increased revenues

Q1 Highlights

- Revenue increases to AU\$130.5 million, up 55.2% increase on prior quarter
- Gross margins of 10.0% remains within the targeted range
- EBITDA of AU\$6.2 million for the quarter
- NPAT for the quarter of AU\$2.8 million or 2.2%
- Cash and cash equivalents of AU\$38.0 million, down from AU\$40.8 million for June 2014
- Gross Gearing of 10.5% as at 30 September 2014 compared to 10.0% for June 2014
- Order Book stands at AU\$455.1 million as at 10 November 2014

AusGroup Limited ('AGL' or 'AusGroup' or the 'Group') today announced its results for the three months ended 30 September 2014 ('1Q FY2015'). This release should be read in conjunction with our SGX Announcement.

Operating performance	1Q 2015 AU\$'000	4Q 2014 AU\$'000	+ / (-) %
Revenue	130,533	84,149	55.2
Gross profit	13,013	9,323	39.8
<i>Gross profit margin %</i>	<i>10.0%</i>	<i>11.1%</i>	
Other operating income	806	7,255	(88.9)
Operating expenses	(10,595)	(12,256)	(13.6)
Net profit/(loss) for the period / year	2,830	2,245	26.1
<i>Net Profit margin %</i>	<i>2.2%</i>	<i>2.7%</i>	

Revenue for the first quarter of FY2015 of AU\$130.5 million reflected a 55.2% and 78.8% increase on the levels in the previous two quarters respectively on the back of continued increase in activity within the LNG and maintenance sectors. The Group's revenue base reflects the higher underlying activity within maintenance (32% of revenue base) and scaffolding projects (27% of revenue base).

Gross profit for the first quarter increased to AU\$13.0 million, up from AU\$9.3 million in the fourth quarter of FY2014. The gross profit margin reduced due to the mix of work shifting towards maintenance activities but remained within the 10-12% target range.

Other operating income for the first quarter of FY2015 was AU\$0.8 million (4Q FY2014: AU\$7.3 million), the decrease is primarily due to the one-off nature of profit from the sale of Singapore property of AU\$5.7 million realized in 4Q FY2014.

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Operating expenses (comprising administrative expenses, marketing and distribution expenses and operating costs) for the first quarter of FY2015 decreased by 13.6% to AU\$10.6 million (4Q FY2014: AU\$12.2 million). The decrease reflects the lower staffing levels following restructuring during FY2014.

Net profit attributable to equity holders for the first quarter of FY2015 was AU\$2.8 million (4Q FY2014: AU\$2.2 million) as a result of higher revenue.

Financial position	30 September 2014 AU\$'000	30 June 2014 AU\$'000	+ / (-) %
Cash & cash equivalents	37,992	40,845	(7.0)
Total borrowings	21,113	19,630	7.6
Equity	201,596	196,161	2.8%
<i>Gross gearing %</i>	<i>10.5%</i>	<i>10.0%</i>	

Cash and cash equivalents for the Group as at 30 September 2014 has decreased to AU\$38.0 million (30 June 2014: AU\$40.8 million).

Total Borrowings for the Group have increased from AU\$19.6 million to \$21.1 million across Q1 FY2015, while gearing has increased to 10.5%.

Total shareholders' equity as at 30 September 2014 was AU\$201.6 million, an increase of 2.8% over the previous year (FY2014: AU\$196.2 million), due to Q1 FY 2015 net profit.

Revenue pipeline	Q1 FY 2015 AU\$'000	FY 2014 AU\$'000
Order intake	226.1	421.4
Work-in-hand	455.1	374.3

Order intake for the first quarter was AU\$226.1 million.

Work-in-hand for the Group as at 10 November 2014 was AU\$455.1 million, up from AU\$374.3 million at 30 June 2014.

Summary

Chief Executive Officer Stuart Kenny said: "I'm pleased to report the Group's net profit again expanded during the period, continuing a steady improvement following a refocus of the business. We expect this trend to continue following signing of the major contract with Ichthys LNG Project."

Mr Kenny said: "The strategic review and restructuring that occurred during the previous year are showing tangible results. We continue to rebuild the order book and look forward to continuing that momentum during the remainder of FY2015 on the back of the opportunities arising in the LNG and maintenance sectors."

Background Information

The Group provides manufacturing, construction and asset maintenance services to both the oil and gas and mineral



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resources markets. The Group's growth is directly linked to activities around new project developments and project expansions as well as provision of maintenance services to clients in these sectors.

The Group has extensive exposure to the Western Australian natural resources sector, including oil and gas, LNG, iron ore and other mineral commodities and has also established a base in the Queensland natural resources sector targeting industrial maintenance and LNG and coal seam opportunities. In Singapore, the Group provides services to the upstream and downstream oil and gas and related sectors through fabrication and manufacturing and temporary access (scaffolding) services. In Thailand, the primary focus is the provision of integrated services, including scaffolding and insulation, to the oil & gas, petrochemical and industrial market sectors.

The Group wishes to inform that an investor briefing pack for the 2014 full year results is also available on the website - www.agc-ausgroup.com.

Ends

Issued for and on behalf of AusGroup Limited by Financial PR Pte Ltd.

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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. AusGroup has an established operations network strategically positioned throughout Australia, Singapore and Thailand. For more information visit www.agc-ausgroup.com