

SDI Limited June 2015 Trading Update

SDI Limited today announced that forecasted sales reported in Australian Dollars for the 12 months ending 30 June 2015 are expected to increase by approximately 4.0% to \$68.0m compared to \$65.3m for the corresponding period last year. SDI exports approximately 90% of its products and net foreign currency movements have had no material impact on the sales' result.

Forecasted operating expenses reported in Australian Dollars are expected to increase by approximately 4.0%. This increase is predominately due to the investment in restructuring of its overseas operations including several senior management appointments within the Company's North American, European and Australian operations.

The depreciation of the Euro and Brazilian Real against the Australian Dollar has more than offset gains by the appreciation of the US Dollar. If exchange rates remain at current levels, it is expected that the Company will report a net currency loss of approximately AUD 0.5m as a result of revaluation of assets and liabilities.

The Company expects that the forecasted sales will produce an after tax profit in the range of \$5.5m to \$6.5m compared to \$6.5m for the same period last year.

It is expected that the full year results (Appendix 4E) will be released on August 26, 2015.

For further information please contact:

INSOR Investor Relations 0418 106 675

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