

RESULTS FOR ANNOUNCEMENT TO MARKET

| | | | 30 June 2014 \$000 | 30 June 2013 \$000 |
|---|------|-------|--------------------------|--------------------------|
| Revenue from ordinary activities | Down | 20.1% | 160,128 | 200,311 |
| Underlying profit from ordinary activities after tax attributable to members ¹ | Down | 38.1% | 9,490 | 15,340 |
| Profit from ordinary activities after tax attributable to members | Down | 46.8% | 8,165 | 15,340 |
| Net profit for the period attributable to members | Down | 46.8% | 8,165 | 15,340 |

¹. Pre Forge Group Ltd bad debt write off of \$1.3m post tax

| | 30 June 2014 cents | 30 June 2013 cents |
|----------------------------------|--------------------------|--------------------------|
| Earnings per share (basic) | 4.8¢ | 9.7¢ |
| Net tangible assets per security | 81.8¢ | 76.7¢ |

| Dividends | Amount per Security | Franked amount per Security |
|---|------------------------|-----------------------------------|
| Final Dividend | - | - |
| Final Dividend previous corresponding period (DRP) | - | - |
| Record date for determining entitlements to the final dividend | Not applicable | Not applicable |
| Interim Dividend (DRP) | - | - |
| Interim Dividend previous corresponding period (DRP) | 2.00¢ | 2.00¢ (100%) |

This preliminary final report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Global Construction Services Limited during the reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules and Corporations Act 2001 (Cth).



GLOBAL CONSTRUCTION
SERVICES LIMITED
ABN 81 104 662 259

ASX CODE
GCS



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» PRELIMINARY FINAL REPORT

For Year Ended 30 June 2014



GLOBAL CONSTRUCTION
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Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity consisting of Global Construction Services Limited and the entities it controlled at the end of, or during, the year ended 30 June 2014.

Directors

The following persons were directors of Global Construction Services Limited during the whole of the half year and up to the date of this report, unless otherwise stated:

| | |
|-------------------------------|-------------------------|
| Peter Wade | Non-Executive Chairman |
| Enzo Gullotti | Group Managing Director |
| George Chiari | Executive Director |
| Sam Mangione | Non-Executive Director |
| Michael Sertorio ¹ | Non-Executive Director |

¹ Resigned 31 October 2013

Principal Activities

During the financial year, the principal continuing activities of the consolidated entity consisted of the supply of integrated on-site products and services to the commercial, residential, resource, industrial and oil and gas sectors.

Review of operations

Overview

Global Construction Services Limited (GCS, GCS Group) reported an underlying profit after tax of \$9.5m before the Forge bad debt write off of \$1.3m post tax, and a statutory profit after tax of \$8.2 million (FY13: \$15.3m) on group revenue of \$160.1million (FY13: \$200.3m) for the year ended 30 June 2014.

The financial performance for the full year of 2014 was lower than the corresponding year, and was impacted by the challenging market conditions in the Western Australian economy with the continued delay in the letting of major projects in the Perth CBD and the general slowdown in demand in the Pilbara, partially offset by increased activity in the residential housing market and a greater contribution from associate entity SmartScaff Pty Ltd.

With the continued strong focus on balance sheet the group reported a reduction in net debt to \$63.6m, \$17.7m (22%) lower than the corresponding year and \$6.9m lower than the previous half. This has been achieved through improved free cash flow driven by cost and working capital management initiatives, lower interest and limiting capital expenditure to essential sustaining levels only. Capital expenditure (cash and hire purchase) has reduced 77% (\$25.0 million) to \$7.4 million compared to FY13 \$32.4 million. The company net debt to equity position has improved and reduced to 32% from 43% compared to the year ended 30 June 2013, and down from the high of 63% in FY12.

Group EBITDA of \$29.1million (FY13: \$47.7m) was lower than the corresponding period and includes \$1.8m pre tax bad debt write-off related to the collapse of the Forge Group. Group EBITDA margin was lower at 18.2% (FY13: 23.8%) due to lower utilisation levels, the highly competitive pricing environment and the Forge write-off. Group EBIT of \$17.1 million (FY13: \$30.4m) was also correspondingly lower. Earnings per share were 4.8 cents per share (FY13: 9.7 cents per share).

The challenges with the prevailing market conditions in GCS' core businesses has been recognised by management. The Board has continually responded by reviewing its operating segments and rationalising and aligning resources to match activity levels. Additionally, the company has continued to execute its strategy of diversifying its revenue base to more sustainable annuity streams which offer integrated labour and equipment solutions to customers over the long term project life cycle.

The company continues to focus on improving and optimising the returns from our portfolio of businesses by continuing to drive operational efficiencies, diversify our revenue stream, reducing costs and maintaining a disciplined approach to managing the balance sheet.

The company is well placed to meet future growth and expansion opportunities on the back of a solid and well established integrated product and services platform.

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Board and Executives

With the resignation of Mr. Michael Sertorio from the GCS Group Board, the company is undertaking an overall review of the structure and composition of the board and will advise the market when a formal decision has been made on the restructure and appointment of any additional board member.

On 12 December 2013 Mr. Gabriel Chiappini was appointed the new Company Secretary, with Mr Carlo Genovesi (Group CFO) as joint Company Secretary.

Commercial Division

The Commercial Division successfully completed its key contracts on the QEII Medical Centre car park for Probuild and the new Midland Health Campus for Brookfield Multiplex during this first half of the year. It also commenced the formwork and concrete works for the construction of the Brookfield Place Tower 2 project, May Holman Centre for Probuild and installation of the façade on the Perth Children's Hospital Project, currently being constructed by John Holland. All these projects are progressing well.

Demand for Portable site accommodation in the commercial market has been strong. The construction pipeline in the Commercial sector continues to be substantial however main contractors have been subjected to continued delays in projects moving from approval through to construction phase. The ongoing delays have impacted GCS Group activity in this segment as reflected in the decreased revenue and EBITDA of this segment.

The pipeline of opportunities in this sector remains strong and the Board remains optimistic on this investment pipeline activity increasing in the second half of financial year 2015 with recent major contracts awarded to main contractors. These major projects are committed infrastructure works being undertaken by the Western Australian Government, in addition to the expanding substantial private sector investment, and GCS has a proven track record and reputation that will ensure its successful involvement in these opportunities.

Resource, Industrial and Oil and Gas

There has been a steady improvement in utilisation levels in the last quarter, albeit still at very competitive rates. The Western Australian resources investment cycle continued to soften in FY14 on the back of a slowdown in mining activity as major projects moved from construction to production phase. Concurrently, lower commodity prices and the resultant decision to minimise new capital expenditure in this sector produced project postponements and weakening demand for traditional support services. This contraction in demand and the resultant competitive market for Plant Hire and Portable site accommodation contributed to the decline in revenue and EBITDA of this segment.

The lower mining sector demand was partially offset by positive growth in oil and gas. Scaffolding sales revenue in the first half of the year included delivery of the final 2,400 tonne of equipment to CBI-Kentz joint venture for Chevron's Gorgon Gas Project. The GCS subsidiary (GCS Industrial Services Pty Ltd) commenced the principal management and supply scaffolding contract for all Woodside Energy Limited's North West Shelf Project on shore and offshore locations. This contract is progressing well and is an important step in GCS building sustainable annuity revenue streams within its services business. Also, in the second half of the year GCS Industrial Services Pty Ltd was appointed the exclusive supply chain partner for the supply of scaffold equipment to Kaefer for their Ichthys project scaffolding services package. The first delivery of product for this project commenced in June 2014 and therefore the volume is not material for FY14.

It is pleasing that the oil and gas opportunities continue to remain buoyant and our businesses and existing integrated product and services offering are well placed to support future growth opportunities in this sector.

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Residential

The Western Australian housing market was more positive and has continued to rebound during FY14. There was an upturn in the residential sector on the back of improved new home sales, building approvals and record low interest rates which are reflected in the improved financial performance in this segment. Management is continually monitoring this business to rationalise and align resources to service this market.

The outlook for this segment is cautiously positive with increased activity experienced in FY14 and GCS expects improvements in the segment as a result of competitors' withdrawing from the market. We are anticipating the low interest rate environment will continue and lead to improved confidence and investment in housing which will provide a positive benefit to our operations in this sector.

Dividends

With the continuing focus on debt reduction and the levels of uncertainty prevalent in the wider economy, the Board has determined in the best interests of the Company to not declare a final dividend for FY14. The Board will continue to monitor business and market strength and review its position on the reinstatement of dividends in FY2015.

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GLOBAL CONSTRUCTION
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | | 30 June 2014 \$000 | 30 June 2013 \$000 |
|--|-------------|--------------------------|--------------------------|
| Continuing Operations | Note | | |
| Revenue from hire of equipment, provision of labour and contracting services | | 143,786 | 184,426 |
| Sale of goods | | 16,342 | 15,885 |
| | 1 | 160,128 | 200,311 |
| Other Income | | 1,175 | 1,418 |
| Raw materials, consumables and services | | (37,036) | (47,978) |
| Personnel expenses | | (74,459) | (87,190) |
| Other expenses | | (14,080) | (11,730) |
| Occupancy | | (7,013) | (6,169) |
| Repairs and maintenance | | (1,273) | (1,602) |
| Depreciation expense | | (11,526) | (16,254) |
| Amortisation expense | | (479) | (1,069) |
| Finance costs | | (6,048) | (7,504) |
| Share of profit of equity accounted investees (net of tax) | | 1,702 | 656 |
| Profit before income tax expense | | 11,091 | 22,889 |
| Income tax expense | | (2,926) | (7,549) |
| Profit for the year | | 8,165 | 15,340 |
| Other comprehensive income for the year, net of income tax | | - | - |
| Total comprehensive income for the year | | 8,165 | 15,340 |
| Profit and total comprehensive income for the year attributable to: | | | |
| Owners of the company | | 8,165 | 15,340 |
| Earnings per share for profit attributable to owners of the Company | | | |
| Basic earnings per share | | 4.8¢ | 9.7¢ |
| Diluted earnings per share | | 4.8¢ | 9.6¢ |

The above statement should be read in conjunction with the notes to the preliminary final report.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Note | 30 June 2014 \$000 | 30 June 2013 \$000 |
|---|------|--------------------------|--------------------------|
| Current Assets | | | |
| Cash and cash equivalents | | 13,808 | 15,317 |
| Trade and other receivables | | 27,542 | 39,919 |
| Prepayments | | 4,549 | 4,295 |
| Inventories | | 5,789 | 6,321 |
| Current tax assets | | 571 | - |
| Total Current Assets | | 52,259 | 65,852 |
| Non-Current Assets | | | |
| Other Receivables | | 9,742 | 9,602 |
| Investments accounted for using the equity method | 3 | 6,625 | 4,923 |
| Property, plant and equipment | | 173,729 | 180,503 |
| Intangible assets | 5 | 58,609 | 59,088 |
| Deferred tax assets | | 4,923 | 4,888 |
| Other financial assets | | 113 | 118 |
| Total Non-Current Assets | | 253,741 | 259,122 |
| Total Assets | | 306,000 | 324,974 |
| Current Liabilities | | | |
| Trade and other payables | | 15,243 | 20,613 |
| Borrowings | | 23,772 | 25,743 |
| Deferred Income | | 220 | 1,011 |
| Current tax liabilities | | - | 2,057 |
| Total Current Liabilities | | 39,235 | 49,424 |
| Non-Current Liabilities | | | |
| Borrowings | | 53,653 | 70,926 |
| Provisions | | 952 | 858 |
| Deferred tax liabilities | | 14,119 | 13,890 |
| Total Non-Current Liabilities | | 68,724 | 85,674 |
| Total Liabilities | | 107,959 | 135,098 |
| Net Assets | | 198,041 | 189,876 |
| Equity | | | |
| Issued Capital | | 128,601 | 128,601 |
| Reserves | | 140 | 140 |
| Retained profits | | 69,300 | 61,135 |
| Total Equity | | 198,041 | 189,876 |

The above statement should be read in conjunction with the notes to the preliminary final report.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Ordinary \$000 | Option Reserve \$000 | Retained Earnings \$000 | Total \$000 |
|---|-------------------|----------------------------|-------------------------------|----------------|
| Balance at 1 July 2012 | 97,355 | 140 | 49,200 | 146,695 |
| Profit for the year | - | - | 15,340 | 15,340 |
| Total comprehensive income for the year | - | - | 15,340 | 15,340 |
| Transactions with owners in their capacities as owners | | | | |
| Issue of ordinary shares, net of transaction costs | 30,597 | - | - | 30,597 |
| Dividends paid | 145 | - | (3,405) | (3,260) |
| Tax-effect share based transaction expenses | 504 | - | - | 504 |
| Balance 30 June 2013 | 128,601 | 140 | 61,135 | 189,876 |
| Balance at 1 July 2013 | 128,601 | 140 | 61,135 | 189,876 |
| Profit for the year | - | - | 8,165 | 8,165 |
| Total comprehensive income for the year | - | - | 8,165 | 8,165 |
| Transactions with owners in their capacities as owners | | | | |
| Issue of ordinary shares, net of transaction costs | - | - | - | - |
| Dividends paid | - | - | - | - |
| Tax-effect share based transaction expenses | - | - | - | - |
| Balance 30 June 2014 | 128,601 | 140 | 69,300 | 198,041 |

The above statement should be read in conjunction with the notes to the preliminary final report.

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CONSOLIDATED STATEMENT OF CASHFLOWS

| | Note | 2014 \$000 | 2013 \$000 |
|---|------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Receipts from customers | | 172,895 | 204,619 |
| Payments to suppliers and employees | | (137,149) | (158,468) |
| Income taxes paid | | (5,361) | (10,272) |
| Net cash inflows from operating activities | | 30,385 | 35,879 |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | | (2,768) | (10,939) |
| Proceeds from sale of property, plant and equipment | | 495 | 277 |
| Interest received | | 799 | 783 |
| Loans from/(to) related parties | | (137) | (3,757) |
| Net cash outflow from investing activities | | (1,611) | (13,636) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 7,000 | 18,646 |
| Repayment of borrowings | | (31,293) | (52,567) |
| Interest paid | | (5,990) | (7,500) |
| Proceeds from issue of ordinary shares | | - | 32,277 |
| Transaction costs from issue of ordinary shares | | - | (1,680) |
| Dividends paid to group shareholders | | - | (3,260) |
| Net cash outflow from financing activities | | (30,283) | (14,084) |
| Net increase/(decrease) in cash and cash equivalents | | (1,509) | 8,159 |
| Cash and cash equivalents at beginning of the year | | 15,317 | 7,158 |
| Cash and cash equivalents at the end of the year | | 13,808 | 15,317 |

The above statement should be read in conjunction with the notes to the preliminary final report.

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NOTES TO THE PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 30 JUNE 2014

(a) Basis of Preparation

This preliminary final report for the year ended 30 June 2014 relates to the consolidated entity consisting of Global Construction Services Limited (**the Company, GCS Group**) and its controlled entities.

The preliminary final report has been prepared on an accruals basis and a historical cost basis except for certain current and non-current assets and financial instruments which are measured at fair value or where otherwise stated.

Cost is based on the fair value of consideration given in exchange for assets.

This preliminary final report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report of the year ended 30 June 2013 and any public announcements made by GCS Group during the year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The amounts contained in this preliminary final report are presented in Australian dollars, the functional currency of the consolidated entity, and are rounded to the nearest thousand dollars (\$'000) where rounding is applicable under the option available to the Company under ASIC class order 98/100. The Company is an entity to which the class order applies.

(b) Statement of Compliance

The preliminary final report is a general-purpose financial report and has been prepared in accordance with applicable Australian Accounting Standards, other pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001. The preliminary final report is also in compliance with ASX listing Rule 4.3.A and the disclosure requirements of ASX Appendix 4E. Australian Accounting Standards include Australian equivalents of International Reporting Standards ("AIFRS").

(c) Change in Accounting Estimate

During the period commencing 1 July 2013, the depreciation estimate of the hire plant and equipment assets was revised from a straight line basis to a 'units of use' basis to better reflect the expected pattern of consumption of these assets. The 'units of use' has been determined based upon equipment utilisation measured by the number of days on hire within a month against the total number of days available in the month.

The effect of this change in estimate to a usage basis on depreciation expense for the year ended 30 June 2014 is \$4.62million. The effect on future periods is not disclosed because estimation is impracticable.

The company will continue to adopt this accounting estimate for depreciation in subsequent financial reporting of the businesses operations.

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1. Revenue

| | 30 June 2014 \$000 | 30 June 2013 \$000 |
|--|--------------------------|--------------------------|
| Revenue | | |
| Hire of equipment and related services | 111,387 | 142,626 |
| Contracting | 32,399 | 41,800 |
| Sale of goods | 16,342 | 15,885 |
| | 160,128 | 200,311 |

2. Dividends

| | | Dividend per share ¢ | Amount \$000 |
|------------------|--------------------------------|----------------------------|-----------------|
| Final dividend | Final Dividend current year | - | - |
| | Final Dividend previous year | - | - |
| Interim dividend | Interim Dividend current year | - | - |
| | Interim Dividend previous year | 2.00 | 3,405 |

3. Investments in Associates accounted for using the equity method

Global Construction Services Limited holds an interest in an associate entity SmartScaff Pty Ltd, a scaffolding company with operations and facilities in Melbourne, Sydney and Brisbane. Global Construction Services Limited has a 50% Interest in the issued shares and equity of the entity.

Interest of participant Global Construction Services Limited in SmartScaff Pty Ltd is revenue of \$8.5m (FY13: \$6.1m) and net profit after tax of \$1.7m (FY13: \$753k) for the year ended 30 June 2014.

Global Construction Services Limited is party to a jointly controlled entity GCS Concrete Pumping Pty Ltd. Global Construction Services Limited has a 50% Interest in the issued shares and equity of the entity. GCS Concrete Pumping Pty Ltd provides concrete pump hire and contracting services to the commercial construction market in Western Australia.

Interest of participant Global Construction Services Limited in GCS Concrete Pumping Pty Ltd is revenue of \$492k (FY13: \$225k) and net profit after tax of \$39k (FY13: net loss \$97k) for the year ended 30 June 2014.

The interest of Global Construction Services Limited is accounted in the consolidated financial statements using the equity method of accounting.

4. Operating Segments

Description of segments

Management has determined that strategic decision making is facilitated and enhanced by evaluation of operations on the customer segments of Commercial, Residential and Resource & Industrial, Oil & Gas. For each of the strategic operating segments, the Group Managing Director reviews internal management reports on a monthly basis.

The Managing Director assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement excludes certain non-recurring expenditures which are of an isolated nature such as equity settled share based payments and corporate activities pertaining to the overall group including the treasury function which manages the cash and funding arrangements of the group.

GCS Group supplies an extensive range of specialised labour services and equipment including hire and sales of scaffolding, formwork, material hoists, temporary site accommodation, chemical toilets, general plant hire, temporary fencing. Together with delivery and pick up, installation and dismantling and related estimating, design and engineering services, plus supply and installation of concrete in the Commercial segment.

The following summary describes the operations in each of the group's reportable segments:

Commercial

The operations in the Commercial sector consist of supplying a range of products and services to customers involved in the construction or maintenance of commercial and mixed-use developments. These typically include office towers, high rise apartments, shopping centres, hotels, car parks, recreational buildings, and hospitals. Contracts are typically medium to long term.

Residential

The operations in the Residential sector consist of supplying a range of products and services to customers involved in the construction or maintenance of single and multi-story residential developments. These typically include houses, townhouses, units, and apartments. Contracts are generally short to medium term.

Resource & Industrial, Oil & Gas

The operations in the Resource and Industrial, Oil & Gas sector consist of supplying a range of products and services to customers involved in either construction or maintenance of the following types of projects; Oil and gas, energy, major infrastructure, mining, power generation, water treatment plants, decommissioning, shutdowns, and civil works. Contracts vary in length from short to long term.

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4. Operating Segments (continued)

| Segment Information | Commercial | Residential | Resource & Industrial, Oil & Gas | Total |
|---|---------------|---------------|----------------------------------|----------------|
| 30 June 2014 | \$000 | \$000 | \$000 | \$000 |
| Total Segment revenue | 134,424 | 26,259 | 57,872 | 218,555 |
| Intersegment revenue | (50,269) | (1,124) | (7,034) | (58,427) |
| Revenue from external customers | 84,155 | 25,135 | 50,838 | 160,128 |
| Other revenue | 213 | 92 | 20 | 325 |
| Total Revenue | 84,368 | 25,227 | 50,858 | 160,453 |
| Adjusted EBITDA | 12,839 | 5,834 | 13,316 | 31,989 |
| Depreciation and amortisation | (5,142) | (1,539) | (4,639) | (11,320) |
| Unallocated amounts: Depreciation and amortisation | | | | (685) |
| Unallocated amounts: Other Revenue | | | | 2,245 |
| Unallocated amounts: Corporate | | | | (6,792) |
| Finance Costs | | | | (6,048) |
| Share of profits of equity accounted investees | | | | 1,702 |
| Profit before income tax expense | | | | 11,091 |
| Income tax expense | | | | (2,926) |
| Profit after income tax expense | | | | 8,165 |
| Assets | | | | |
| Segment assets | 129,716 | 32,711 | 71,016 | 233,443 |
| <i>Unallocated asset:</i> | | | | |
| Intersegment eliminations | | | | (22,993) |
| <i>Corporate Assets:</i> | | | | |
| Cash and cash equivalents | | | | 3,663 |
| Receivables | | | | 14,538 |
| Prepayments | | | | 207 |
| Property, plant and equipment | | | | 13,573 |
| Intangibles | | | | 1 |
| Goodwill | | | | 51,449 |
| Share of equity accounted investees (net of income tax) | | | | 6,625 |
| Current tax assets | | | | 571 |
| Deferred tax assets | | | | 4,923 |
| Total assets per statement of financial position | | | | 306,000 |

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4. Operating Segments (continued)

| Segment Information | Commercial | Residential | Resource & Industrial, Oil & Gas | Total |
|--|----------------|---------------|----------------------------------|-----------------|
| 30 June 2013 | \$000 | \$000 | \$000 | \$000 |
| Total Segment revenue | 174,190 | 23,329 | 79,439 | 276,958 |
| Intersegment revenue | (64,409) | (2,215) | (10,023) | (76,647) |
| Revenue from external customers | 109,781 | 21,114 | 69,416 | 200,311 |
| Other revenue | 722 | 122 | 37 | 881 |
| Total revenue | 110,503 | 21,236 | 69,453 | 201,192 |
| Adjusted EBITDA | 29,338 | 4,053 | 19,098 | 52,489 |
| Depreciation and amortisation | (6,372) | (1,918) | (7,710) | (16,000) |
| Unallocated amounts: Depreciation and amortisation | | | | (1,323) |
| Unallocated amounts: Other Revenue | | | | 1,891 |
| Unallocated amounts: Corporate | | | | (7,320) |
| Finance Costs | | | | (7,504) |
| Share of profits of equity accounted investees | | | | 656 |
| Profit before income tax expense | | | | 22,889 |
| Income tax expense | | | | (7,549) |
| Profit after income tax expense | | | | 15,340 |

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5. Intangible Assets

| | Goodwill \$000 | Customer contracts \$000 | Other intangibles \$000 | Total \$000 |
|---|-------------------|--------------------------------|-------------------------------|----------------|
| 30 June 2013 | | | | |
| Opening net book amount as at 1 July 2012 | 58,535 | 1,499 | 123 | 60,157 |
| Amortisation expense | - | (1,069) | - | (1,069) |
| Closing net book amount as at 30 June 2013 | 58,535 | 430 | 123 | 59,088 |
| Cost | 58,535 | 2,750 | 184 | 61,469 |
| Accumulated amortisation and impairment | - | (2,320) | (61) | (2,381) |
| Closing net book amount as at 30 June 2013 | 58,535 | 430 | 123 | 59,088 |
| 30 June 2014 | | | | |
| Opening net book amount as at 1 July 2013 | 58,535 | 430 | 123 | 59,088 |
| Amortisation expense | - | (430) | (49) | (479) |
| Closing net book amount as at 30 June 2014 | 58,535 | - | 74 | 58,609 |
| Cost | 58,535 | 2,750 | 184 | 61,469 |
| Accumulated amortisation and impairment | - | (2,750) | (110) | (2,860) |
| Closing net book amount as at 30 June 2014 | 58,535 | - | 74 | 58,609 |

6. Contingencies

As at 30 June 2014 the Group has no material contingent liabilities or contingent assets.

7. Events after reporting date

No matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Audit Status

This preliminary final report is based on accounts which are in the process of being audited.

Enzo Gullotti
Group Managing Director

25 August 2014