



ASX Market Announcements

27<sup>th</sup> February 2015

Via e-lodgement

## **RDG HY2015 RESULTS RELEASE**

### **HY15 Headline Results**

- Sales revenue \$182 million
- EBITDA \$11.6 million
- Underlying NPAT \$7.3 million, impacted by a \$3.1 million share based payment charge
- Cashflow from operations \$7.5 million
- Central Systems business relocated and integration now complete
- Commenced overhead reduction due to resource markets downturn

Resource Development Group Limited (RDG) today announced its financial results for the half year ended 31 December 2014 (HY15).

RDG reported sales revenue of \$182 million, EBITDA of \$11.6 million and NPAT of \$4.2 million (noting that this was negatively impacted by a \$3.1 million share based payment charge from an underlying NPAT result of \$7.3 million).

RDG Managing Director Jeff Brill said the Company had benefited from the Central Systems Pty Ltd (Centrals) acquisition announced in August 2014 with the integration of Centrals into RDG now complete.

“These results are a solid financial achievement backed up by strong operational performance. We have achieved this result whilst integrating a large multi discipline construction business into RDG under difficult market conditions, which is a testament to the effort by the entire team. This is a pleasing result, taking into consideration both the challenges presented during integration and the declining market conditions we have faced during the past six months. We have taken full advantage of the opportunity to consolidate our operations, achieving fixed and variable cost savings during the process. Despite the difficult market conditions, RDG continues to pursue all available opportunities on hand, noting that competition for work has increased. Simplistically this means that we must remain focused and work even harder to make the most of the opportunities being presented. Our clients are demanding both value and cost reductions and whilst opportunities for larger construction contracts have significantly reduced, RDG has maintained its focus on delivering operational efficiencies.”



“RDG achieve this by offering a complete life cycle of services inclusive of design, construction and maintenance. We are focused on providing operational improvements and have a safety target of zero injuries. Margins remain under pressure as competition continues to increase and RDG will focus on further cost reductions to protect the sustainability of our business. We expect softening in the second half of this financial year, but RDG is well positioned with a strong balance sheet and the ability to provide a complete multi-discipline service to our clients from environmental, engineering, technology, construction and maintenance. The flexibility and ability to deliver in house design and construct or EPC projects is a strategic advantage in any market, especially now” he added.

Yours faithfully

Mark Pugsley

CFO / Company Secretary

For further information, please contact Mark Pugsley on (08) 6460 0300 or at [mark.pugsley@resdevgroup.com.au](mailto:mark.pugsley@resdevgroup.com.au)