

ASX RELEASE - 20 August 2015

Results for the Year Ending 30 June 2015

- **Net operating cash flow improvement of \$3.7m**
- **Revenue from trading activities up 32% to \$5.9m**
- **Total revenues up 10% to \$6.9m**
- **Total expenses reduced by 38%**
- **Cash balance of \$1.5m**
- **Streamlined and scalable operating model now in place**

Advanced Braking Technology Ltd (ASX: ABV) ('ABT' or 'the Company') is pleased to report its financial results for the 2015 financial year.

Total revenue was \$6.89m, up 10% from the previous year and significantly, revenue from trading activities increased 32% from \$4.4m to \$5.9m. Total expenses fell 38% to \$5.06m, resulting in ABT narrowing its losses from \$3.8m in FY2014 to \$1.0m this year.

As highlighted in the July 2015 update, the Company achieved an operating cash surplus for FY2015 of \$66k compared with a \$3.6m cash deficit for the previous financial year. A comprehensive cost reduction program combined with a targeted business development approach led to the \$3.7m net operating cash flow improvement.

A number of other significant initiatives have contributed to the improved result including:

- The closure of the Thailand manufacturing operation and the rationalising of ABT's supply chain to a few select Australian based partners. This has reduced our number of suppliers by 80%, improved gross margins and quality and created a scalable model for growth. The favourable movement in the Australian dollar has also resulted in greater competitiveness in our expanding international markets.
- The expansion of our international distributor network from 2 to 14 partners worldwide, with further expansion expected in the coming financial year.
- The release of our SIBS®4 product range for all existing vehicles and the launch of SIBS®4 for the Ford Ranger.
- The successful trial of ABT's trailer brake with Linfox, which has now been successfully patented in the United States, Australia and South Africa and is pending in all other major jurisdictions. These patents will run until 2030 and will be applied to a range of new developments that will be announced during 2016.

Advanced Braking Technology's Managing Director, Graeme Sumner, commented, "Our financial results for the 2015 financial year show a marked improvement in key metrics and reflect the significant progress we've made in all areas of our business. Substantial opportunities exist to take our core SIBS® technologies and recently patented innovations to much larger markets and this will be the focus of the company in the coming year."

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About Advanced Braking Technology Ltd

Advanced Braking Technology Ltd (ASX: ABV) develops innovative braking systems, with its main product being the Sealed Integrated Braking System (SIBS®), a comprehensively patented Australian invention, now used widely in both light commercial vehicles and trucks in the mining industry.