



ASX RELEASE

24 February 2016

## RESULTS H1 FY2016

### HiTech increases revenue by 27% and triples profit

The directors are pleased to release to the market HiTech's half yearly FY2016 results. The details are as follows:

For the first half of FY2016 (ending 31 December 2015), operating revenue increased by 27% to \$ 8,172,099 compared to \$6,453,252 for the previous corresponding period (pcp).

Contracting income increased by 27% in the first half of FY2016 compared to pcp. Permanent placement income increased by 87% compared to pcp.

**Gross Profit increased by 25% to \$1,578,146** over pcp (FY15: \$1,259,244).

**EDITDA increased by 197% to \$997,255** over pcp (FY15: \$335,410).

**EBIT increased by 199% to \$987,066** over pcp (FY15: \$330,153).

**Net profit after taxation (NPAT) increased by 295% to \$695,263** over pcp (FY15: \$176,100).

**Our Net Tangible Assets (NTA) increased by 40% to \$0.14** per share over pcp (FY15: \$0.10).

The higher profit was principally due an increase in contracting income. There was a \$966,352 unrealised loss on investment in the Australian stock market as of 31 December 2015. As of today's date the unrealised loss has decreased to \$887,589.

HiTech has increased revenue and profit by winning new business. HiTech remains fully prepared to take advantage of the recruitment market and potential growth of the Australian economy. We are working towards winning new business in both the federal government and private corporate sector whilst ensuring that operating costs are kept to a minimum.

HiTech has a proven business model that has evolved over the past 23 years. Our major revenue is still generated from our core ICT recruitment business and we are active in non-ICT areas of recruitment. We have been active in securing clients all around Australia.

"We are delighted to have increased our revenue and tripled our profit, again, despite the challenging conditions. We are winning new business continually and have a huge potential to grow significantly in the future as we only have a tiny portion of the market. HiTech is a growing, resilient and strong company with increasing revenue, profit, positive cash flow, strong balance sheet and no debt (this remains unique in our industry!).

We are committed to further improve our revenue and profitability over the next few years. I thank our valued clients, candidates, contractors and dedicated staff. We are confident of our continuing success in the future.” Chairman Ray Hazouri said.

### **Outlook for FY2016**

The outlook for FY2016 is quite positive with significantly increased revenue and profit results expected commensurate with the first half results, depending, primarily, on the prevailing economic conditions at the time. Our significant but steady growth should continue in the future as expected.

For further information, please contact Chairman Ray Hazouri on 02 9241 1919.