



ASX RELEASE

Interim Earnings Update

Perth, 5 February 2009: VDM Group Ltd (ASX: VMG) expects its profit after tax for the six-month period ending 31 December 2008 to be in the range of \$3–3.5 million. It should be noted that these results are based upon internal management accounts and may be subject to change on completion of the audit review and consideration of the Board.

Profit after tax for the six-month period ending 31 December 2007 was \$11.2 million.

This update has been released to satisfy the requirements of ASX listing rule 3.1 and ASX Guidance Note 8. VDM plans to release its half-year results on 27 February 2009 and will provide an overview of its half-year performance and an update of its dividend policy on publication of those results.

VDM Group Chief Executive Officer, John Farrell, said: "The expected result for the six-month period is disappointing. However, the second-half performance is expected to be stronger based on current tendering expectations. The Company has been able to increase revenue, which is expected to be in the \$220–240 million range; however, earnings have been materially impacted on a number of challenging construction contracts and reduced margins.

VDM Group's other Divisions' performances have been satisfactory in light of the deteriorating economic and market conditions."

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About VDM Group

VDM Group is structured into three operating divisions; namely, Consulting, Construction, and Resources and Infrastructure. Within each division there are specialised companies offering a comprehensive range of services which include:

- civil, structural and protective engineering
- environmental and water services
- architectural design and master planning
- project and asset management
- building services engineering
- civil and mechanical construction
- mineral process plant design and construction
- crushing and earthmoving
- commercial, industrial and residential building construction
- structural steel fabrication
- roof and wall panelling
- marine civil contractors
- drill and blast, armour rock production and placement.

These services enable VDM Group to deliver a one-stop project management design and construction service to its clients.

Enquiries

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