



**18 March 2013**

**TITAN ENERGY SERVICES ANNOUNCES UPGRADE TO FULL YEAR TARGET**

[www.titanenergyservices.com.au](http://www.titanenergyservices.com.au)

ASX ticker: TTN

Titan Energy Services (Titan) continues its strong performance in 2012/13, announcing its third profit guidance upgrade for the year.

Titan anticipates that its underlying business (excluding Hofco Oilfield Services (Hofco) acquisition) will now deliver full year earnings before interest and tax (EBIT) of \$10 million - \$11 million, a \$1 million increase over previous market guidance.

The current upgrade is a circa 40% increase from the original full-year target of \$7m-\$8m.

The acquired Hofco business is expected to deliver an additional \$2.5million in EBIT from the effective acquisition date of 1 January to 30 June 2013, giving Titan a forecast full year result of between \$12.5 million and \$13.5million.

The upgrade was driven by strong trading across Titan's core business divisions, in particular:

- Further expansion and strong utilisation of Resources Camp Hire; and
- Nektar Remote Hospitality confirming two new contracts and improved margins.

The Atlas Drilling business's fourth rig is on schedule and is planned to be operational in April. Rig 4 is a surface casing rig and will be in addition to the three existing Atlas rigs, two of which are operating under contract and one which is subject to a Letter of Intent with APLNG.

Managing Director Jim Sturgess said "We are pleased to announce this further upgrade which is a reflection of the hard work of the entire Titan team; all businesses are performing well. RCH has added an additional 76 rooms in the first two months of the calendar year, taking them to a total of 572 rooms, up from 496 at the end of December and up 336 rooms or approximately 140% from the start of the financial year.

Nektar continues to perform strongly and now holds eight contracts after adding two new contracts since the December half year.

Atlas has been marginally impacted by the recent rain, however this has been more than offset by growth in both the RCH and Nektar businesses."

On 15 March 2013, Titan announced the completion of the acquisition of Hofco Oilfield Services. Hofco is a down-hole rental tool company, primarily focused on the CSG sector. Hofco was founded in 1980 and is an established and well respected brand in the drilling community.

"We have developed an integration plan and have taken important steps to integrate Hofco management into the Titan leadership team. We are now looking to add a sales/operational role to increase market opportunities and sales within the business." Mr Sturgess said.

## **ENDS**

For investor or media inquiries:

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## **About Titan**

Titan Energy Services Limited (ASX: TTN) is a diversified oil and gas services business with a focus on the rapidly growing CSG-LNG industry in eastern Australia.

Titan was established in 2007, through its wholly owned subsidiary Atlas Drilling. In September 2011, Titan acquired the Resources Camp Hire (RCH) business, a provider of flexible, innovative temporary accommodation solutions to the oil and gas sector and the remote infrastructure construction sector. It operates its own catering company, Nektar Remote Hospitality.

Titan recently completed the acquisition of Hofco Oil Field Services. Hofco is down-hole rental tool company, primarily focused on the CSG sector. Hofco was founded in 1980 and is an established and well respected brand in the drilling community

Titan currently manages 572 remote accommodation rooms, operates three drilling rigs (with a fourth Rig under construction and due to be operational in April 2013), owns and hires equipment (including pumps and ancillary drilling tools) and owns and deploys transport assets including trucks, trailers and loaders.