

ASX Announcement
17 July 2017**MARKET EARNINGS UPDATE**

Following recently completed project reviews, Seymour Whyte Limited (ASX:SWL) ('Seymour Whyte' or 'the Company') announces that it has raised a provision against its Green Square project, which is being delivered as part of the Drying Green Alliance.

Seymour Whyte Constructions is one of six Alliance partners at the Green Square precinct in Sydney's inner east. The Alliance engaged an external independent professional to undertake a full review of its commercial position in June 2017, and preliminary findings have prompted Seymour Whyte to reassess the financial position of the project.

While the project's commercial model precludes contract losses for Alliance partners as all project delivery costs are reimbursable, the expectation of a reduced fee (i.e. margin) due to a painshare mechanism within the contract will impact on the previous market guidance provided for FY17 with the Company expecting to report a net loss after tax of \$1.4 million subject to the finalisation of tax and audit.

Seymour Whyte Managing Director and Chief Executive Officer Mr John Kirkwood said that this was a disappointing development as the Company was progressing towards an improved position in FY18 under its *2020 Strategic Plan*.

"Efforts to diversify through geographic expansion and strategic partnerships are yielding positive results. From winning our first VicRoads contract in December 2016, the Group is currently delivering four projects in Victoria to the value of approximately \$85 million," he said.

"Our joint venture with John Holland and designer AECOM has been shortlisted as one of two contractors to tender on the delivery of the Haughton River Floodplain section of the Bruce Highway in North Queensland, a major upgrade that the Federal and State Governments have valued at \$515 million."

Driven by a current order book of \$505 million with improving embedded margins and the deferral of recently expected contract awards into the new financial year, the Company remains confident that it will deliver significantly increased profitability in FY18 and beyond.

ENDS

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Note to editors: Seymour Whyte Limited is an ASX-listed company providing civil and utilities infrastructure services across Australia. Seymour Whyte Limited is the holding company of Seymour Whyte Constructions Pty Ltd and Rob Carr Pty Ltd.