

24 February 2015

The Manager  
Company Announcements Office  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

**RE: SEYMOUR WHYTE LIMITED (ASX: SWL) – RESULTS FOR ANNOUNCEMENT TO THE MARKET**

Seymour Whyte Limited attaches for immediate release to the market:

- Appendix 4D – half year ended 31 December 2014, and
- Seymour Whyte Limited Interim financial report for the half year ended 31 December 2014.

The half year results announcement and investor presentation will be lodged separately.

Yours faithfully



*Lisa Dalton*  
*Company Secretary*

## Appendix 4D

### Half Year Ended 31 December 2014



Seymour Whyte Limited  
ACN 105 493 203

- The information contained in this report is for the half-year ended 31 December 2014 and the previous corresponding period 31 December 2013.
- Results for announcement to the market**

Revenue from ordinary activities	Down	18.20%	To	\$123,250,731
Net profit attributable to shareholders	Down	34.81%	To	\$3,195,203

#### Interim dividend

Interim dividend amount per security	1.75 cents
Previous corresponding period (HY14)	2.50 cents
Franked amount per security	100%

Record date for determining final dividend is 13 March 2015.

Brief explanation of the results reported above:

The Queensland transport infrastructure market slowed as forecast in the first half with a number of projects taking longer than anticipated to come to market. As a result, revenue decreased from the prior corresponding period by 18.2% to \$123.3m. This impacted the net profit after tax result of \$3.2m down 34.8% for the six month period.

Overall operational performance remains strong with EBITDA as a percentage of revenue at 5.6% compared to 5.1% in the prior corresponding period.

The contribution of the Group's utilities infrastructure division significantly offset the impact of soft market conditions in transport infrastructure. Utilities infrastructure contributed 22% of Group revenue attributable to external customers and 31% of operating profit before tax. The division now represents 40% of Seymour Whyte's workforce and over 20% of the total order book.

Seymour Whyte maintained a strong financial position with operating cash flow of \$8.8 million, reinvesting \$5 million back into long term business assets such as property and equipment, and returned \$4.4 million back to shareholders through dividends.

- Net tangible asset backing per ordinary share**

Current period	62.4 cents
Previous corresponding period	57.7 cents

- Details of entities over which control has been gained or lost**

There was no gain or loss of control on entities during the half-year.

- Dividend payment information**

Payment date	Type	Paid/ Declared	Total dividend	Amount per security	Franked amount per security
17 October 2014	Final	Paid	\$4,382,380	5.00 cents	100%
2 April 2015	Interim	Declared	\$1,533,833	1.75 cents	100%

There is no foreign sourced income attributed to the dividend.

- Dividend reinvestment plan**

The company has established a Dividend Reinvestment Plan (DRP) effective from 28 July 2013 for which the shareholders participation is voluntary. Shares issued under the DRP are fully paid and rank equally with the existing fully paid ordinary shares.

The Directors have resolved that the DRP will not operate for the HY15 interim dividend.

**Appendix 4D**  
**Half Year Ended 31 December 2014****7. Detail of associates and joint ventures**

The company has interests in a number of joint ventures which are disclosed in note 13 of the half-year financial report.

The company's interest in associates relates to a 50% investment in SWS Plant Pty Ltd.

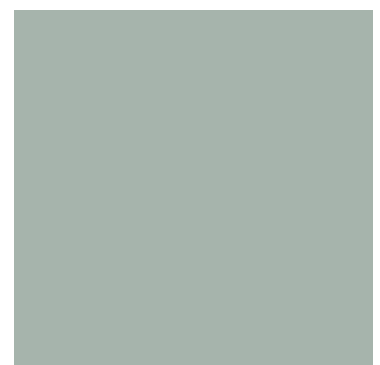
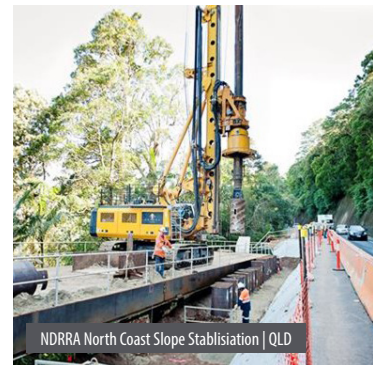
8. All operations of Seymour Whyte Limited and its subsidiaries are domiciled in Australia. Australian Accounting Standards are used to compile the financial report.
9. The half year financial report has been reviewed and the independent auditor's review report is not subject to a modified opinion, emphasis of matter or other matter paragraph.

David McAdam  
Managing Director and CEO

24 February 2015

# INTERIM FINANCIAL REPORT

for the Half Year ended 31 December 2014



**Contents of the Consolidated Interim Financial Report**

	Page
Directors' Report	2
Auditor's Independence Declaration	5
Consolidated Interim Financial Report	
Consolidated Statement of Profit & Loss and Other Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Interim Financial Report	10
Directors' Declaration	18
Independent Auditor's Review Report	19
Corporate Directory	21

This interim consolidated financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by Seymour Whyte Limited during the interim reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

**General Information**

This interim financial report covers Seymour Whyte Limited as a consolidated entity consisting of Seymour Whyte Limited and the subsidiaries it controlled at the end of, or during the half-year ended 31 December 2014.

Seymour Whyte Limited is a listed company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Brisbane Technology Park  
12 Electronics Street  
Eight Mile Plains Qld 4113



**Seymour Whyte Limited**  
**Directors' Report**  
**For the half-year ended 31 December 2014**

The Directors present their report, together with the consolidated interim financial report of the Group consisting of Seymour Whyte Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during the half-year ended 31 December 2014.

## Directors

The following persons were Directors of Seymour Whyte Limited during the half-year and up to the date of this report.

Mac Drysdale	Chairman
David McAdam	Managing Director
John Seymour	Non-Executive Director
Don Mackay	Non-Executive Director
Susan Johnston	Non-Executive Director
Christopher Greig	Non-Executive Director
Robert Carr	Executive Director

John Ready resigned as a non-executive director on 26 November 2014. On the same date, John Seymour with the approval of the Board appointed John Ready as his alternate director at any meeting of directors at which Mr Seymour is not available to participate.

## Review of results and operations

<b>Performance Summary</b>	<b>31 Dec 14 \$m</b>	<b>31 Dec 13 \$m</b>
Revenue	123.3	150.7
EBITDA	6.9	7.7
NPAT	3.2	4.9
Operating Cash Flow	8.8	11.1
Earnings per share (cents per share)	3.65	6.28
Interim Dividend per share (cents)	1.75	2.5

### *Revenue*

Total revenue for the six months to 31 December 2014 of \$123.3m decreased by \$27.4m (18.2%) compared to the same period last year. The decrease in revenue reflects the previously anticipated slowdown in the Queensland transport infrastructure market along with delays in a number of projects coming to market and subsequent award in both the transport and utilities sectors.

Analysis of the company's half-year turnover indicates:

	<b>Percentage of revenue</b>
Projects based in Queensland	58%
Projects based in NSW	25%
Projects based in WA	12%
Projects based in Northern Territory	3%
Projects based in Victoria	2%

### *Profit*

Consolidated net profit after tax of \$3.2m for the half-year ended 31 December 2014, is \$1.7m (34.8%) lower than the prior comparative period.

The first half net profit result reflects the slowdown in revenue along with an increased investment in tendering costs during the period.

### *Cash Management and Financial position*

The Group's financial position as at 31 December 2014, remains strong with continued low levels of gearing and significant assets held as cash. Cash holdings of \$35.5m decreased by \$5.2m during the period, due to the settlement of the deferred consideration of \$5m relating to Rob Carr Pty Ltd acquired in February 2014. The company monitors cash performance on a project by project basis and considers this result to be a positive reflection of performance against contractual milestones.

A \$36.7m bank guarantee facility and \$35m of insurance bonding facilities secures the company's performance under traditional construction contracts. These bonding facilities as at 31 January 2015 were drawn down to 57% utilisation thus leaving 43% headroom which is sufficient to maintain current operations and future work volume growth.

The net tangible assets decreased 0.3% to \$54.7m, down from \$54.8m as at 30 June 2014 as a result of dividends paid during the half-year period.

While trading conditions remained challenging, the company finished the half-year in a sound financial position and with a positive outlook for the future.

**Seymour Whyte Limited**  
**Directors' Report**  
**For the half-year ended 31 December 2014**

## **Review of results and operations (continued)**

### *Order Book*

The company secured a number of significant new contracts towards the end of the half-year with the total value of project awards during the period of \$312m. In addition, post 31 December 2014, a further \$43m in contract awards contributed to the order book to bring the total contracted forward order book to approximately \$450m in early January 2015. The order book is represented by \$162.7m scheduled for completion in the second half of FY15 with a further \$287.3m scheduled for FY2016 and beyond.

Notable new projects secured during the half-year and as at the date of this report include:

<b>Project</b>	<b>Project Value</b>
<i>Transport:</i>	
Great Western Highway - Hartley Valley to Forty Bends	\$86m
Townsville Ring Road Section 4	\$116m
Warrego Highway – Nugent Pinch to Charlton	\$43m
<i>Utilities:</i>	
Busselton	\$11m
Jindalee Watermain Replacement	\$13m

The project values only represent the company's interest in the projects and includes scope growth since the award of the projects.

## **Market Outlook**

Seymour Whyte continues to make good progress on its strategy to put strong growth foundations in place through a combination of diversification to provide greater financial strength and stability, disciplined operating performance, and targeted acquisitions.

The Group remains committed to pursuing targeted acquisition opportunities that would expand the Group's sector and geographic presence and extend its core professional competencies.

Seymour Whyte's contestable market in transport infrastructure is now estimated at approximately \$9.6 billion between FY15 and FY19 in Queensland and New South Wales.

The contestable market for utilities infrastructure over the same period remains strong at \$4 billion.

While the Group is pleased to report a solid first half performance and continues to forecast substantial contestable market opportunities, some uncertainty remains particularly in relation to the timing of new projects in the transport infrastructure division.

## **Dividends**

The Board has declared an interim dividend of 1.75 cents per share fully franked (Previous corresponding period: 2.5 cents per share fully franked) to be paid on 2 April 2015 with a record date of 13 March 2015. The financial effect of these dividends has not been recognised in the consolidated financial statements six month period ended 31 December 2014. The dividend reinvestment plan will not apply to the interim dividend.

## **Subsequent Events**

At the date of signing this report the Directors are not aware of any other matters, which in the opinion of the Directors, has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years

**Seymour Whyte Limited**  
**Directors' Report**  
**For the half-year ended 31 December 2014**

## **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of Directors.



**David McAdam**  
Managing Director and Chief Executive Officer



**Mac Drysdale**  
Chairman

24 February 2015  
Brisbane



The Board of Directors  
Seymour Whyte Limited  
12 Electronics St, Technology Park  
Eight Mile Plains QLD 4113

24 February 2015

Dear Board Members

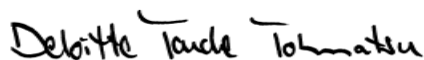
**Seymour Whyte Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Seymour Whyte Limited.

As lead audit partner for the review of the financial statements of Seymour Whyte Limited for the half-year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review;  
and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



R G Saayman  
Partner  
Chartered Accountants

**Seymour Whyte Limited**

**Consolidated Interim Statement of Profit & Loss and Other Comprehensive Income**

**For the half-year ended 31 December 2014**

	<b>Note</b>	<b>Half-year ended 31 Dec 2014</b>	<b>Half-year ended 31 Dec 2013</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue and other income</b>			
Revenue	3	123,250,731	150,665,523
Other income		18,512	13,033
<b>Expenses</b>			
Construction materials and consumables used		(88,589,170)	(121,103,296)
Employee benefits expense	4	(23,374,704)	(18,056,628)
Depreciation and amortisation expense	4	(2,123,028)	(944,157)
Finance costs		(248,869)	(71,444)
Rental expense		(855,336)	(469,491)
Share of net profit of equity accounted investments (net of tax)		90,886	12,895
Other expenses		(3,405,278)	(2,871,320)
<b>Profit before income tax</b>		<b>4,763,744</b>	<b>7,175,115</b>
Income tax expense		(1,568,541)	(2,273,493)
<b>Profit for the half-year</b>		<b>3,195,203</b>	<b>4,901,622</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the half-year attributable to to the shareholders of the company</b>		<b>3,195,203</b>	<b>4,901,622</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share</b>			
Basic		3.65	6.28
Diluted		3.46	6.09

*The above consolidated interim statement of profit & loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**Seymour Whyte Limited**  
**Consolidated Interim Statement of Financial Position**  
**As at 31 December 2014**

	<b>Note</b>	<b>31 Dec 2014</b>	<b>Restated*</b>
		<b>\$</b>	<b>30 June 2014</b>
			<b>\$</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		35,530,545	40,778,497
Trade and other receivables	5	22,395,430	54,584,384
Other assets		1,458,909	1,243,423
Current tax assets		-	1,039,014
<b>Total current assets</b>		<b>59,384,884</b>	<b>97,645,318</b>
<b>Non-current assets</b>			
Other receivables		725,598	780,349
Equity accounted investments		130,493	389,606
Property, plant and equipment		31,118,545	28,286,364
Intangible assets and goodwill		11,160,918	11,238,320
<b>Total non-current assets</b>		<b>43,135,554</b>	<b>40,694,639</b>
<b>TOTAL ASSETS</b>		<b>102,520,438</b>	<b>138,339,957</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	6	25,857,109	59,029,482
Finance lease liabilities		2,170,683	2,392,577
Current tax liabilities		1,524,380	-
Employee benefit liabilities		2,930,702	3,166,130
<b>Total current liabilities</b>		<b>32,482,874</b>	<b>64,588,189</b>
<b>Non-current liabilities</b>			
Finance lease liabilities		2,831,894	2,803,046
Deferred tax liabilities		793,020	4,376,839
Employee benefit liabilities		554,180	492,403
<b>Total non-current liabilities</b>		<b>4,179,094</b>	<b>7,672,288</b>
<b>TOTAL LIABILITIES</b>		<b>36,661,968</b>	<b>72,260,477</b>
<b>NET ASSETS</b>		<b>65,858,470</b>	<b>66,079,480</b>
<b>EQUITY</b>			
Issued capital		22,327,295	22,327,295
Share based payment reserve		1,981,217	1,015,050
Retained earnings		41,549,958	42,737,135
<b>TOTAL EQUITY</b>		<b>65,858,470</b>	<b>66,079,480</b>

\* Restatement relates to adjustments to provisional values of assets acquired and liabilities assumed for the acquisition of Rob Carr Pty Ltd (refer note 8).

The above consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

**Seymour Whyte Limited**  
**Consolidated Interim Statement of Changes in Equity**  
**For the half-year ended 31 December 2014**

	Note	Issued capital \$	Share options reserve \$	Retained earnings \$	Total equity \$
<b>Balance at 1 July 2013</b>		7,215,712	68,331	38,863,629	46,147,672
Total comprehensive income for the half-year		-	-	4,901,622	4,901,622
Sub-total		7,215,712	68,331	43,765,251	51,049,294
<i>Other equity transactions</i>					
Share based payment transactions		-	326,734	-	326,734
Shares issued under the dividend reinvestment plan	9	221,005	-	-	221,005
Dividends	9	-	-	(4,864,318)	(4,864,318)
<b>Balance at 31 December 2013</b>		<u>7,436,717</u>	<u>395,065</u>	<u>39,900,933</u>	<u>46,732,715</u>
<b>Balance at 1 July 2014</b>		22,327,295	1,015,050	42,737,135	66,079,480
Total comprehensive income for the half-year		-	-	3,195,203	3,195,203
Sub-total		22,327,295	1,015,050	45,932,338	69,274,683
<i>Other equity transactions</i>					
Share based payment transactions		-	966,167	-	966,167
Dividends	9	-	-	(4,382,380)	(4,382,380)
<b>Balance at 31 December 2014</b>		<u>22,327,295</u>	<u>1,981,217</u>	<u>41,549,958</u>	<u>65,858,470</u>

*The above consolidated interim statement of changes in equity should be read in conjunction with the accompanying notes.*

**Seymour Whyte Limited**  
**Consolidated Interim Statement of Cash Flows**  
**For the half-year ended 31 December 2014**

	<b>Note</b>	<b>Half-year ended 31 Dec 2014</b>	<b>Half-year ended 31 Dec 2013</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		170,792,279	166,130,024
Payments to suppliers and employees		(159,369,379)	(153,948,451)
Net receipts from operations		11,422,900	12,181,573
Interest received		251,144	435,874
Interest and other finance costs paid		(248,869)	(71,444)
Income taxes paid		(2,588,966)	(1,415,034)
Net cash from operating activities	14	8,836,209	11,130,969
<b>Cash flows from investing activities</b>			
Payment of deferred consideration for acquisition of subsidiary		(5,000,000)	-
Payment for property, plant and equipment		(5,077,163)	(850,363)
Payment for other intangible assets		(134,273)	(301,044)
Proceeds from sale of property, plant and equipment		297,950	44,550
Capital distribution from equity accounted investments		350,000	500,000
Net cash used in investing activities		(9,563,486)	(606,857)
<b>Cash flows from financing activities</b>			
Proceeds from finance lease liabilities		971,185	218,817
Repayment of finance lease liabilities		(1,164,231)	(352,142)
Proceeds from repayment of employee share loans		54,751	117,467
Dividends paid	9	(4,382,380)	(4,643,313)
Net cash used in financing activities		(4,520,675)	(4,659,171)
Net (decrease)/ increase in cash and cash equivalents		(5,247,952)	5,864,941
Cash and cash equivalents at the beginning of the half-year		40,778,497	47,712,292
Cash and cash equivalents at the end of the half-year		35,530,545	53,577,233

*The above consolidated interim statement of cash flows should be read in conjunction with the accompanying notes.*

**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

## **Note 1. Significant Accounting Policies**

### **Reporting Entity**

Seymour Whyte Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial statements as at and for the six months ended 31 December 2014, comprise the Company, its subsidiaries (together referred to as the "Group") and the Group's interests in joint operations and an associate.

### **Statement of compliance**

The interim financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. However selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Group's financial position and performance since the last consolidated financial report as at and for the year ended 30 June 2014. Accordingly, this report should be read in conjunction with the annual consolidated financial report for the year ended 30 June 2014.

### **Basis of Preparation**

The interim consolidated financial report has been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2014. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

### **Comparatives**

Certain comparative amounts in the Statement of Profit & Loss and Statement of Financial Position has been reclassified to conform with the current half-year's presentation.

In addition refer to Note 8 for adjustments during the period to the provisional values of assets acquired and liabilities assumed for the acquisition of Rob Carr Pty Ltd.

### **Accounting estimates**

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported assets and liabilities, income and expenses. The significant judgements made by management in applying the company accounting policies were the same as those applied to the annual financial report for the year ended 30 June 2014.

### **Amendments to AASBs and new interpretations that are mandatorily effective for the current reporting period**

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that were relevant to the operations for the interim period.

New and revised Standards and amendments thereof and Interpretations effective for the interim financial report that are relevant to the Group include:

- AASB 1031 *Materiality*, AASB 2013-9 *Amendments to Australian Accounting Standards* – Part B: Materiality and AASB 2014-1 *Amendments to Australian Accounting Standards* (Part C: Materiality)
- AASB 2012-3 *Amendments to Australian Accounting Standards* – *Offsetting Financial Assets and Financial Liabilities*
- AASB 2014-1 *Amendments to Australian Accounting Standards* (Part A: Annual improvements 2010-2012 and 2011-2013 Cycles)
- *Interpretation 21 Levies*

None of the new standards and amendments to standards above materially impacted on the amounts or disclosures recognised in the interim financial report.

### **Impact of new accounting standards issued but not yet effective**

New accounting standards and interpretations that are not mandatory for the interim reporting period have not been early adopted by the Group. The new standards and amendments to standards that are not mandatory for the interim financial report are not expected to have a material impact on the Group in the current or future reporting periods except for IFRS 15 *Revenue from Contracts with Customers* whereby the Group is yet to undertake a detailed assessment.



**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

## Note 2. Segment information

### Identification of reportable operating segments

AASB 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed and used by the chief operating decision makers in assessing performance and in determining the allocation of resources.

The Board examines the group's performance from an industry sector perspective and has identified two reportable segments of the business:

- Transport: Segment is responsible for construction projects in transport infrastructure including roads and bridges
- Utilities: Segment is responsible for micro-tunnelling & pipeline infrastructure projects in the water and energy utilities market

In the comparative half-year period there was only one reportable segment identified ('Transport') therefore no separate segment reporting disclosures were made.

As a result of the acquisition of Rob Carr Pty Ltd subsequent to the comparative half-year period, the Group has identified an additional segment ('Utilities'). As such no comparatives have been included below for the 2013 half-year in segment results.

Information regarding these segments is presented below. The accounting policies of the reporting segments are the same as the Group's accounting policies.

### Segment results

The following segment information provides an analysis of the Group's revenue and results by reportable operating segment for the half-year ended 31 December 2014:

	For the half-year ended 31 Dec 2014		
	Transport	Utilities	Total
	\$	\$	\$
<b>Revenue and Expense</b>			
Reportable segment revenue attributable to external customers	96,039,024	26,960,350	122,999,374
Depreciation and amortisation	604,919	1,331,341	1,936,260
Finance costs	79,309	124,566	203,875
Share of profit from equity accounted investments	90,887	-	90,887
Reportable segment profit before income tax	6,249,900	2,837,581	9,087,481

	As at 31 Dec 2014		
	Transport	Utilities	Total
	\$	\$	\$
<b>Assets and Liabilities</b>			
Total Segment assets	23,489,728	38,936,146	62,425,874
Total Segment liabilities	27,170,115	6,577,292	33,747,407

	As at 30 June 2014		
			*Restated
<b>Assets and Liabilities</b>			
Total Segment assets	53,004,341	37,541,013	90,545,354
Total Segment liabilities	51,839,944	7,315,132	59,155,076

\* Restatement relates to adjustments to provisional values of assets acquired and liabilities assumed for the acquisition of Rob Carr Pty Ltd (refer note 8).

### Reconciliation of reportable segment revenues

	\$
Total revenue for reportable segments	122,999,374
Unallocated amounts:	
Interest revenue	251,357
Total revenue (Note 3)	123,250,731

### Reconciliation of reportable segment profit before income tax

	\$
Reportable segment profit before income tax	9,087,481
Unallocated amounts:	
Interest income	251,357
Other income	18,512
Corporate expenses	(4,593,606)
Profit before income tax	4,763,744

**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

**Note 2. Segment information (continued)**

*Reconciliation of reportable assets*

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	<b>\$</b>
Reportable segment assets	62,425,874	90,545,354
Unallocated amounts:		
Cash and cash equivalents	35,530,545	40,778,497
Corporate fixed assets and intangible assets	3,344,247	3,662,372
Partly paid shares loan receivable	725,598	780,349
Current tax assets	-	1,039,014
Other assets	494,174	1,534,371
Total assets	102,520,438	138,339,957

*Segment assets*

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment.

Significant capital expenditure in the transport segment includes the purchase of land amounting to \$2,955,381 to increase the existing storage capacity for heavy plant & equipment supporting the transport segment.

Significant capital expenditure in the utilities segment includes the purchase of micro-tunnelling equipment amounting to \$1,379,841 for a specific project the segment was awarded in the prior period.

*Reconciliation of reportable liabilities*

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	
Reportable segment liabilities	33,747,407	59,155,076
Unallocated amounts:		
Current tax liabilities	1,524,380	-
Deferred tax liabilities	793,020	4,376,839
Deferred consideration	-	5,000,000
Other liabilities	597,161	3,728,562
Total liabilities	36,661,968	72,260,477

*Segment liabilities*

Segment liabilities are measured in the same way as in the financial statements. The liabilities are allocated based on the operations of the segment.

**Note 3. Revenue**

	<b>Half-year ended</b>	
	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from operations</i>		
Civil and engineering construction services	122,710,264	150,158,756
<i>Other revenue</i>		
Interest revenue	251,357	480,735
Sundry revenue	289,110	26,042
	540,467	506,777
Total revenue	123,250,731	150,665,523

**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

**Note 4. Expenses**

	<b>Half-year ended</b>	
	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	<b>\$</b>	<b>\$</b>
Profit before income tax includes the following specific expenses which are considered significant because of their size or nature:		
<i>Depreciation</i>		
Furniture, fittings and IT equipment	234,555	333,779
Heavy plant , machinery and motor vehicles	1,676,797	406,799
	<u>1,911,352</u>	<u>740,578</u>
<i>Amortisation - Software</i>	211,676	203,579
Total depreciation and amortisation	<u>2,123,028</u>	<u>944,157</u>
<i>Employee benefits expense</i>		
Share based payments	966,167	326,734
Bonuses	-	457,141
Other employee benefits	<u>22,408,537</u>	<u>17,272,753</u>
	<u>23,374,704</u>	<u>18,056,628</u>
Business acquisition related costs	-	297,431

**Note 5. Trade and Other Receivables**

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	7,770,363	24,436,289
Construction contracts in progress	14,034,986	29,869,276
Other receivables	<u>590,081</u>	<u>278,819</u>
	<u>22,395,430</u>	<u>54,584,384</u>

**Note 6. Trade and Other Payables**

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	<b>\$</b>	<b>\$</b>
Trade payables	4,625,111	28,144,005
Construction contracts in progress	6,683,712	7,915,814
Other payables and accruals	14,548,286	16,449,663
Deferred consideration	-	5,000,000
Employee bonus payables	<u>-</u>	<u>1,520,000</u>
	<u>25,857,109</u>	<u>59,029,482</u>

**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

## Note 7. Share options

Set out below are summaries of options granted to employees of the Group during the half-year:

Employee Share Option Plan	Grant date	Vesting date	Expiry date	Exercise price	Granted	Forfeited
<b>Retention Incentive Plan</b>						
FY15 RCPL Options (R. Carr) <sup>1</sup>	27 Nov 2014	1 Sept 2015	1 March 2016	\$-	74,390	-
FY16 RCPL Options (R. Carr) <sup>1</sup>	27 Nov 2014	1 Sept 2016	1 March 2017	\$-	74,390	-

1. Options granted to Robert Carr (Executive Director) following receipt of shareholder approval on 26 November 2014.

Options granted do not carry any voting or dividend rights and can be exercised once the vesting conditions have been met until their expiry date. The principal terms of the options are:

- An entitlement to one fully paid ordinary share for each option that vests
- All options have a zero exercise price and;
- Options that do not vest will lapse.

Vesting of the options are subject to continual employment by the Group up to and including the vesting date.

## Note 8. Acquisition of Subsidiary

On 25th February 2014, the Group acquired a 100% interest in Rob Carr Pty Ltd. The company is engaged in civil construction and micro-tunnelling activities and was acquired with the objective of significantly diversifying the Group's operations both by sector and geographically.

The purchase consideration for the acquisition included a deferred amount of \$5,000,000 payable upon the achievement of certain financial performance targets by Rob Carr Pty Ltd for the year ended 30 June 2014. The financial targets were met for the year ended 30 June 2014 and therefore the full amount was recognised as a liability by the Group as at 30 June 2014. The liability was settled and paid during the half-year period in September 2014.

The initial accounting for the acquisition of Rob Carr Pty Ltd remains provisional at 31 December 2014.

During the half-year period, the value of the deferred tax assets acquired and deferred tax liabilities assumed were reassessed resulting in a net deferred tax asset increase of \$536,901 offset by a reduction in goodwill for the same amount. Prior year comparatives have been restated to retrospectively recognise these adjustments. These items remain provisional along with the value of plant and equipment until the final valuation of plant and equipment acquired and related calculations is completed. The final value of assets acquired and liabilities assumed at the date of acquisition will be reported in the Group's annual report as at 30 June 2015.

## Note 9. Dividends

During the half-year period, the Company paid the following dividend:

	Half-year ended 31 December 2014			Half-year ended 31 December 2013		
	Cents per share	Total amount	Date of payment	Cents per share	Total amount	Date of payment
Final Dividend	5.00	\$4,382,380	17 October 2014	6.25	\$4,864,318 <sup>1</sup>	18 October 2013

1. The prior year dividend amount of \$4,864,318 includes \$221,005 of dividends reinvested under the company's Dividend Reinvestment Plan.

On 24 February 2015, the directors declared a fully franked interim dividend of 1.75 cents per share (HY1 2014: 2.50 cents per share) to the holders of fully paid ordinary shares in respect of the half-year ended 31 December 2014, to be paid to shareholders on 2 April 2015. This dividend has not been included as a liability in these financial statements. The total dividend to be paid is \$1,533,833 (HY1 2014: \$1,949,904).

## **Note 10. Contingent Liabilities and Finance Facilities**

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	\$	\$
<i>Bank guarantee and insurance bonds</i>		
Bank guarantee facility secured by a Mortgage Debenture and Corporate Guarantee and Indemnity over all assets of the Group. There is also a right to set-off in relation to \$1.45m in term deposits.	36,721,500	36,721,500
The total facility used was:	12,633,405	15,011,173
Insurance bond facility secured by Deeds of Indemnity and Guarantee:	35,000,000	30,000,000
The total facility used was:	19,197,126	15,061,994
Bank guarantees and insurance bonds are issued in the normal course of business to guarantee performance under traditional construction contracts and secure lease on premises through the issue of rental guarantees. At the reporting date the Group was in compliance with all terms and conditions of the facilities.		

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	\$	\$
<i>Asset finance facility</i>		
Facility used to fund the acquisition of plant and motor vehicles		
Asset finance facility secured by providing ownership of or mortgages over assets purchased through the facility.	7,000,000	7,000,000
The total facility used was:	5,002,577	5,195,624

### *Other finance facilities*

The Group has a \$10,000,000 general corporate finance facility which remains undrawn at half-year end.

### *Claims*

At the date of signing this report the Directors are not aware of any material contingent claims against the Group.

## **Note 11. Commitments**

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	\$	\$
<i>Operating lease commitments</i>		
Committed at the reporting date but not recognised as liabilities:		
Within one year	1,945,561	1,863,178
Later than one year but not later than five years	5,501,581	5,792,617
Later than five years	250,581	619,096
	7,697,723	8,274,891

The Group leases offices and storage yards under operating lease agreements expiring within two to six years. The leases have varying terms and renewal rights. On renewal, the terms of the leases are renegotiated. The Group also leases office machines under operating lease agreements expiring within four years.

**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

**Note 11. Commitments (continued)**

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	\$	\$
<i>Finance lease commitments</i>		
Committed at the reporting date and recognised as liabilities:		
Within one year	2,468,443	2,707,607
Later than one year but not later than five years	3,076,913	2,891,306
Later than five years	-	-
Total commitment	5,545,356	5,598,953
Less: future finance charges	(542,779)	(403,330)
Net commitment recognised as liabilities	5,002,577	5,195,623
Representing:		
Lease liability or borrowings - current	2,170,683	2,392,577
Lease liability or borrowings - non-current	2,831,894	2,803,046
	5,002,577	5,195,623

*Capital commitments*

Significant purchases committed for at the end of the reporting date but not recognised as liabilities are as follows:

	<b>31 Dec 2014</b>	<b>30 June 2014</b>
	\$	\$
Heavy plant & equipment	500,000	971,185
Motor vehicles	-	253,050
Total	500,000	1,224,235

**Note 12. Related Party Transactions**

There were no new arrangements with any related parties during the half-year other than those already identified and disclosed in the annual financial report for the year ended 30 June 2014.

Related party transactions during the half-year were for:

- Rental payments of \$419,576 (HY1 2014: \$0) to related entities of Robert Carr (Executive Director) for premises used by Rob Carr Pty Ltd for offices and plant storage.
- Deferred consideration payment of \$2.5m to Robert Carr (Executive Director) in relation to the acquisition of the Rob Carr Pty Ltd.

There were no other related party transactions during the half-year.

At 31 December 2014, the Group has a shareholder loan receivable of \$725,598 relating to funding of all outstanding amounts for partly paid shares of \$725,598. The shareholder loan receivable has reduced by loan repayments of \$54,751 during the period. There were no other related party balances as at 31 December 2014.

**Note 13: Interests in Joint Arrangements**

*Interests in joint operations*

Seymour Whyte Constructions Pty Ltd, a subsidiary, has the following investments in joint operations:

		<b>Equity Interest</b>	
		<b>31 Dec 2014</b>	<b>30 June 2014</b>
	<b>Principal Activities</b>	%	%
BMD Seymour Whyte Joint Venture	Civil Construction	50	50
Seymour Whyte Smithbridge Joint Venture	Civil Construction	50	50
Bouygues Seymour Whyte Joint Venture	Civil Construction	50	50
SWBJV Joint Venture	Civil Construction	50	50
GC Connect Joint Venture	Civil Construction	75	75



**Seymour Whyte Limited**  
**Notes to the Consolidated Interim Financial Report**  
**31 December 2014**

**Note 14. Reconciliation of Cash Flows from Operating Activities**

	<b>Half-year ended</b>	
	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax expense for the half-year	3,195,203	4,901,622
Adjustments for:		
Depreciation and amortisation	2,123,028	944,157
Net loss (gain) on disposal of plant and equipment	35,679	(5,678)
Net book value of plant and equipment expensed to projects	-	595,512
Share of profit from equity accounted investments	(90,886)	(12,895)
Share based payments expense	966,167	326,734
Change in operating assets and liabilities		
Decrease in trade and other receivables	32,188,954	12,102,077
(Increase) decrease in other assets	(215,486)	447,284
Decrease in current tax assets	1,039,014	-
Decrease in deferred tax assets	-	1,240,737
Decrease in trade and other payables	(28,172,373)	(8,497,083)
Increase (decrease) in current tax liabilities	1,524,380	(1,303,553)
Decrease in employee benefit liabilities	(173,652)	(529,220)
(Decrease) increase in deferred tax liabilities	(3,583,819)	921,275
Net cash flows from operating activities	<u>8,836,209</u>	<u>11,130,969</u>

**Note 15. Subsequent Events**

At the date of signing this report the Directors are not aware of any other matters, which in the opinion of the Directors, has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**Seymour Whyte Limited  
Directors' Declaration  
For the half-year ended 31 December 2014**

In the opinion of the Directors of Seymour Whyte Limited:

- a) The consolidated interim financial statements and notes, as set out on pages 6 to 17 are in accordance with the *Corporations Act 2001*, including:
- i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
  - ii) complying with International Financial Reporting Standards as disclosed in note 1; and
  - iii) giving a true and fair view of the Group's financial position as at 31 December 2014 and of the performance for the half-year period ended on that date.
- b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



**David McAdam**  
Managing Director and Chief Executive Officer



**Mac Drysdale**  
Chairman

24 February 2015  
Brisbane

# **Independent Auditor's Review Report to the Members of Seymour Whyte Limited**

## **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Seymour Whyte Limited, which comprises the statement of financial position as at 31 December 2014, and the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 6 to 18.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Seymour Whyte Limited's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Seymour Whyte Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

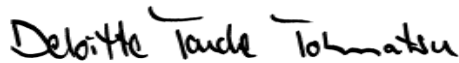
### *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Seymour Whyte Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Seymour Whyte Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



R G Saayman

Partner

Chartered Accountants

Date: 24 February 2015

**Seymour Whyte Limited  
Corporate Directory**

Directors	Mac Drysdale Don Mackay John Seymour Susan Johnston Christopher Greig David McAdam Robert Carr John Ready (alternate Director)
Company Secretary	Lisa Dalton
Registered office and principal place of business	Brisbane Technology Park 12 Electronics Street Eight Mile Plains Qld 4113 Phone: (07) 3340 4800 Fax: (07) 3340 4811
Share Register	Computershare Investor Services Pty Ltd 117 Victoria Street West End Qld 401 Phone: 1300 55 22 70 <a href="http://www.investorcentre.com/contact">www.investorcentre.com/contact</a>
Auditor	Deloitte Touche Tohmatsu Riverside Centre 123 Eagle Street Brisbane Qld 4000 <a href="http://www.deloitte.com.au">www.deloitte.com.au</a>
Solicitors	McCullough Robertson Level 11, Central Plaza Two 66 Eagle Street Brisbane Qld 4000 <a href="http://www.mccullough.com.au">www.mccullough.com.au</a>
Bankers	Australia and New Zealand Banking Group Limited (ANZ) <a href="http://www.anz.com">www.anz.com</a>
Australian Stock Exchange Listing	Seymour Whyte Limited shares are listed on the Australian Securities Exchange (ASX code: SWL)
Website	<a href="http://www.seymourwhyte.com.au">www.seymourwhyte.com.au</a>



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

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