



safer better dependable

ASX Announcement
30 August 2012

ASX: DSB

Board of Directors

Gordon Galt – Chairman

Stephen Bizzaca – Managing
Director – CEO

Glyn Dawkins – Non Executive
Director

Geoffrey Garside – Non Executive
Director

Company Secretary

Tony McFadden

Principal Contact

Stephen Bizzaca – Managing
Director – CEO

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Tony McFadden – Company
Secretary - CFO

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To : Australian Securities Exchange
Company Announcement

Please find attached ASX and media release for
results for the year ended 30 June 2012.

Yours Faithfully

Tony McFadden
Chief Financial Officer and Company Secretary

Delta SBD grows FY12 NPAT by 20% Workbook for FY13 exceeds FY 12 levels

Highlights:

- Further improvement in safety performance
- Financials strong across all metrics
 - Underlying NPAT of \$6.4 million (+20% vs 2011: \$5.3 million)
 - EBITDA of \$12.54 million (+ 34% vs 2011: \$9.38 million)
 - Revenue of \$118.8 million (+42% vs 2011: \$83.8 million)
 - Balance sheet includes \$7.1 million cash and cash equivalents
- Final dividend of 2.5 cents per share declared
 - payable 21 September 2012 to shareholders on the register at 12 September 2012
 - brings total dividend for FY12 to 4.0 cps (+11% vs 2011: 3.6cps)
 - Fully franked
- FY13 Workbook Revenue outlook is currently \$122 million

Financial Summary

<i>\$m</i>	2012	2011	% Change
Revenue	118.8	83.8	42%
EBITDA	12.54	9.38	34%
Net profit after tax	6.19	4.76	30%
Underlying net profit after tax	6.40	5.32	20%

Refer Delta SBD Limited Annual Report 2012 for reconciliation between audited accounts and underlying profit.

Results Overview

Delta SBD today announced the results of operations for the 2012 financial year.

- Safety performance continued to improve with the Total Recordable Injury Frequency Rate reducing from 18.8 to 15.6. This outcome maintained the company in the industry's best quartile for safety performance.
- Financial results were also strong, with underlying Net Profit After Tax (NPAT) for the financial year rising to \$6.4 million. This was an increase of 20% on the previous year.
- Revenue increased to \$118.8 million, up 42% on the previous year, while EBITDA was \$12.54 million, up 34% on the previous year. The company's balance sheet remains strong with \$7.1 million cash and cash equivalents on hand.

- The Directors have declared a fully franked final ordinary dividend of 2.5 cents per share payable on 21 September 2012 to shareholders on the register at 12 September 2012. This will bring the total dividend for FY12 to 4.0 cents per share.

Delta SBD is one of the largest contracting companies servicing the Australian underground coal mining industry, providing the most extensive range of services and skills available to our clients, which include most of the major coal mining companies. The Group has the financial strength, skills base, experience and equipment to provide outstanding service to the underground coal mining sector.

Delta SBD provides clients with a large pool of resources (both labour and equipment), cross fertilisation of ideas, systems and techniques, and the ability to attract and retain experienced and qualified management personnel and employees.

During FY12, the main activities of the Group included:

- Whole of mine operations at Berrima coal mine at Medway, NSW
- Roadway development at Whitehaven's Narrabri mine
- Roadway development, secondary support, drill and blast activities at Illawarra Coal's Appin mine
- Secondary support and outbye services at Peabody's Metropolitan mine
- Longwall move/support services at Xstrata's Ravensworth and Ulan mines, Peabody's Wambo mine, Anglocoal's Grasstree mine, BMA's Broadmeadow mine and Whitehaven's Narrabri mine

The Group continued to expand its longwall move capability during the year, with additional purchases of one 60 Tonne Loader, two 15 Tonne Loaders, five Chock Trailers and a 130 Tonne Longwall Shearer Carrier. These units were successfully deployed on the Narrabri longwall installation project. Various other assets were acquired to enable the Group to undertake turnkey roadway development work, including two Continuous Miners.

Commenting on the results, Managing Director and CEO of Delta SBD, Mr Steve Bizzaca, said:

"Delta SBD is pleased to deliver another solid earnings result underpinned by strong repeat business from our long term clients as well as new contracts particularly at Whitehaven Coal's Narrabri mine. This growth vindicates our strategy to expand our purpose-built fleet during the year with the acquisition of new diesel fleet and coal drirage equipment.

"During the year the Company completed eight long wall projects and was particularly pleased to have been awarded a major safety award by BHP Billiton (Illawarra Coal) as underground supplier of the year".

Outlook

Referring to the outlook for the Company, Mr Bizzaca added, "We expect further solid bottom line growth by Delta SBD in FY13, notwithstanding the current weakness in coal prices being experienced in NSW and Queensland.

"The Company's current workbook (excluding non-contractual recurring work) for the next three years remains very strong at \$250 million, with the FY13 portion of this workbook already exceeding the FY12 revenue result of \$118.8 million. We also expect our EBITDA margin to rebound to the levels achieved in FY11 and 1H FY12, due to resolution of some one-off issues that occurred in 2H FY12 and increasing deployment and usage of our recent capital equipment acquisitions."

For further information, please contact:

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