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ASX Announcements

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

Phone: 02 4629 0300

Tony McFadden – Company
Secretary - CFO

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To : Australian Securities Exchange

Company Announcements

RESULTS FOR YEAR ENDED 30 JUNE 2012

Please find attached the Delta SBD Limited Preliminary Final
Report (Appendix 4E) for the year ended 30 June 2012.

Yours Faithfully

Tony McFadden

Chief Financial Officer and Company Secretary



Contents

| | |
|---|---|
| 1. Company details | 3 |
| 2. Results for announcement to the market | 3 |
| 3. Dividends | 4 |
| 4. Review of Results | 4 |
| 5. Statement of Comprehensive Income..... | 6 |
| 6. Statement of Financial Position | 6 |
| 7. Statement of Changes in Equity | 6 |
| 8. Statement of Cash Flows..... | 6 |
| 9. Notes to the financial statements..... | 6 |
| 10. Net tangible assets | 6 |
| 11. Dividends | 7 |
| Compliance Statement..... | 7 |

Appendix 4E

PRELIMINARY FINAL REPORT

1. Company details

| | |
|--------------------------------|-----------------------------------|
| Name of Entity: | Delta SBD Limited |
| ABN: | 18 127 894 893 |
| Reporting period: | Financial year ended 30 June 2012 |
| Previous Corresponding period: | Financial year ended 30 June 2011 |

2. Results for announcement to the market

Statutory Profits

The Company's net profit after tax for the twelve months ended 30 June 2012 amounted to \$6,187 thousand (2011: \$4,755 thousand).

| <i>In thousands of AUD</i> | 2012 | 2011 | Change |
|--|---------|--------|--------|
| Revenue from ordinary activities | 118,796 | 83,809 | 42% |
| EBITDA | 12,542 | 9,376 | 34% |
| Profit/(loss) from ordinary activities after tax attributable to members | 6,187 | 4,755 | 30% |
| Net profit/(loss) for the period attributable to members | 6,187 | 4,755 | 30% |
| Basic EPS | 14.03c | 11.68c | 20% |

Adjusted Underlying Profits (*not subject to audit procedures*)

Underlying profit is profit after tax before interest payments to shareholders, IPO transactions costs and the settlement of a claim. Underlying profit is non-IFRS financial information and has not been subject to audit by the Group's external auditors. Underlying profit has been presented to assist in the assessment of the relative performance of the Group.

To determine underlying net profit after tax, adjustments have been made including costs of interest on shareholder loans repaid as part of the IPO (\$nil) (2011: \$155 thousand), costs of employee share-offer as part of the IPO (\$nil) (2011: \$97 thousand), the valuation of options being a non-cash item which was not part of our normal course of business and was directly related to the IPO (\$131 thousand) (2011: \$313 thousand), and a claim settlement (\$80 thousand refer note 25 of financial report).

| <i>In thousands of AUD</i> | 2012 | 2011 | Change % |
|--|---------|--------|----------|
| Revenue from ordinary activities | 118,796 | 83,809 | 42% |
| EBITDA | 12,753 | 9,786 | 30% |
| Profit/(loss) from ordinary activities after tax attributable to members | 6,398 | 5,320 | 20% |
| Net profit/(loss) for the period attributable to members | 6,398 | 5,320 | 20% |
| Basic EPS | 14.51c | 13.07c | 11% |

For an explanation of the figures above please refer to the Delta SBD Limited Consolidated Annual Report 2012 and the accompanying notes.

Significant Changes in the State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

3. Dividends

| Dividends | Amount per security | Total amount ('000s) | Franked amount per security |
|---|----------------------------|-----------------------------|------------------------------------|
| Current reporting period Declared Final Dividend for FY2012 | 2.50 cents | 1,121 | 100% |
| Interim Dividend Paid March 2012 | 1.50 cents | 661 | 100% |
| Previous corresponding reporting period Final 2011 Ordinary | 3.60 cents | 1,587 | 100% |
| Record date for determining entitlement to final dividend – 12 September 2012 | | | |
| Date dividend is payable – 21 September 2012 | | | |

4. Review of Results

This has been another very successful year for Delta SBD (the Group) with key operating and financial highlights listed below:

2012 operating highlights

- Safety improvement on all key indicators, with a 17% reduction in total recordable injury frequency rate over the past twelve (12) months
- Delta SBD demonstrated further commitment to safety with international OHSAS 18001 accreditation
- Increased personnel numbers by 29%
- Delivered growth through additional new contracts throughout the east coast of Australia, including:
 - Roadway development at Whitehaven Coal's Narrabri Mine
 - Longwall surface build and underground installation at Whitehaven Coal's Narrabri Mine for Caterpillar Global Mining
 - Completion of another eight (8) longwall projects during 2011/12 year
 - Newly acquired diesel fleet immediately and successfully deployed into operations
 - Acquired additional coal drirage development equipment for future growth opportunities
- Illawarra Coal (BHP Billiton) award for 'Underground Supplier of the Year 2012', the pinnacle of both achievement and recognition for consistent performance and attention to customer specific details

2012 financial highlights

- Net profit after tax (NPAT) increased by 30% to \$6.19 million (2011: \$4.76 million)
- Underlying NPAT increased by 20% to \$6.40 million (2011: \$5.32 million)
- Revenue increased by 42% to \$118.8 million (2011: \$83.8 million)
- Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 34% to \$12.542 million (2011: \$9.376 million)
- Underlying EBITDA margin of 10.7% (2011: 11.7%)
- Strong balance sheet with cash and cash equivalent and non current security deposits on hand 2011/12 year year-end \$7.1 million (2011: \$9.8 million)
- Total dividend for 2011/12 year 4.0 cents (2011: 3.60 cents). An interim dividend for 2011/12 year was paid in March 2012 of 1.5 cents per share, totaling \$661,000. Since the end of the financial year, the Directors have declared a final ordinary dividend of 2.5 cents per share. These dividends are fully franked and will be paid on 21 September 2012 to shareholders on the register at 12 September 2012.
- Increased Earnings Per Share (EPS) to 14.03 cents (2011: 11.68 cents).

The company continues to entrench the health and safety of our employees as a core value of the business. The Group's safety performance continues to show strong year on year improvement with a 17% reduction in the total recordable injury frequency rate and a positive 66% increase in the proactive risk mitigation initiatives (safety interactions). This improvement in the company's safety performance has been consolidated by the improvements in the health and safety management systems which were recognised with the group receiving certification to OHSAS18001 and AS/NZS4801. The accreditation shows that Delta SBD has an occupational health and safety (OH&S) management system, which enables the company to further control its OH&S risks and improve its OH&S performance.

The Group continued to expand its longwall move capability, with additional purchases of one (1) 60 Tonne Loader, two (2) 5 Tonne Loaders, five (5) Chock Trailers and a 130 Tonne Industrea Longwall Shearer Carrier. All these units were successfully deployed on the Narrabri longwall installation project.

To enable the Group to undertake turnkey roadway development work, various assets were acquired including two Continuous Miners.

During the period the Group continued:

- The whole of mine operations at Berrima coal mine in Medway NSW. Berrima mine produces coal by the pillar extraction method and primarily supplies Boral's cement works in Berrima. During 2011/12 year Boral received approval for its part 3A application for the long term extraction of coal from the Berrima mine
- Roadwork 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 and support services at Xstrata's Ravensworth and Ulan mines
- Longwall moves, at Peabody's Wambo mine, Anglocoal's Grasstree mine and BMA's Broadmeadow mine

The Group generated revenue of \$118.8 million and achieved an improvement in underlying net profit after tax of 20%. Our commitment to safety, quality and customer satisfaction has continued to be a focus during the financial year.

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

The Company continued to focus on safety, quality service and customer satisfaction. Being a service provider, customers are an important part of our business. We continually strive for new business opportunities with both our existing customers as well as potential new customers.

We are responsive to our clients' needs and assist them to achieve their targets by working with them to provide tailored solutions for their specific situations.

5. Statement of Comprehensive Income

Refer to page 33 of the Delta SBD Limited Consolidated Annual Report 2012 and the accompanying notes.

6. Statement of Financial Position

Refer to page 32 of the Delta SBD Limited Consolidated Annual Report 2012 and the accompanying notes.

7. Statement of Changes in Equity

Refer to page 34 of the Delta SBD Limited Consolidated Annual Report 2012 and the accompanying notes.

8. Statement of Cash Flows

Refer to page 35 of the Delta SBD Limited Consolidated Annual Report 2012 and the accompanying notes.

9. Notes to the financial statements

Refer to pages 36 to 74 of the Delta SBD Limited Consolidated Annual Report 2012.

10. Net tangible assets

| | 2011 | 2011 |
|---|------------|------------|
| Net tangible assets (in thousands of dollars) | 23,869 | 19,170 |
| Number of shares | 44,820,242 | 44,096,195 |
| Net tangible assets per share – (dollars per share) | 0.53 | 0.43 |

11.Dividends

The following dividends were declared and paid by the Group:

| <i>In thousands of dollars</i> | Cents per share | Total Amount \$'000 | Franked/ Unfranked | Date of payment |
|--------------------------------|------------------------|----------------------------|---------------------------|------------------------|
| 2012 | | | | 15 March 2012 |
| Interim 2012 Ordinary | 1.50 | \$661 | Franked | |
| 2012 | | | | 5 September 2011 |
| Final 2011 Ordinary | 3.60 | \$1,587 | Franked | |

Franked dividends declared or paid during the year were franked at the tax rate of 30%.

Declared after the end of year

After the balance sheet date the following dividends were proposed by the Directors. The dividends have not been provided and there are no income tax consequences.

| <i>In thousands of dollars</i> | Cents per share | Total Amount | Franked / Unfranked | Date of payment |
|--------------------------------|------------------------|---------------------|----------------------------|------------------------|
| Final 2012 ordinary | 2.50 | \$1,121 | Franked | 21 September 2012 |

Compliance Statement

This report is based on the financial statements of Delta SBD Limited.

The financial statements have been audited by KPMG.

Delta SBD Limited has a formally constituted Audit Committee.



Tony McFadden
Chief Financial Officer and Company Secretary