

## Appendix 4D

### Half-Year Report Period ending 31 December 2013

#### DECMIL GROUP LIMITED ABN 35 111 210 390

#### Reporting Period & Previous Corresponding Period

The current reporting period is the half-year ended 31 December 2013.  
 The prior reporting period is for the half-year ended 31 December 2012.

#### Results for announcement to the market

Amounts expressed in \$A'000

	Results	% Movement	Increase (Decrease)
Revenues from ordinary activities	263,420	21%	Decrease
Profit after tax attributable to members	25,748	42%*	Decrease
Net profit after tax for the period attributable to members	25,748	42%*	Decrease

\* The reporting period 31 December 2012 includes gain arising from business combination of \$20.8 million.

#### Dividend Payments

Date the 2014 interim dividend is payable

27 March 2014

Record date to determine entitlements to the interim dividend

4 March 2014

Date interim dividend was declared

19 February 2014

Total dividends per security	Half year ended 31 December 2013	Half year ended 31 December 2012
Ordinary Securities		
Final dividend paid	8.0¢	7.5¢
Interim dividend payable	4.5¢	4.0¢

<b>Total dividends paid on all securities</b>	Half year ended 31 December 2013 \$'000	Half year ended 31 December 2012 \$'000
Ordinary Securities		
Final dividend paid	13,492	12,567
Interim dividend payable	7,590	6,728
<b>Total</b>	<b>21,082</b>	<b>19,295</b>

## Explanation of Results

The Group has delivered a strong financial performance for the half year, reporting a consolidated operating profit before tax of \$38.0m (2012: \$63.3m). The prior year operating profit before tax comparative includes a gain arising from the business combination of Homeground Villages of \$29.8m. Excluding this amount, the Group has grown operating profit before tax by \$4.5m (13.4%) over the comparative period.

Net profit after tax for the half year ended 31 December 2013 was \$25.7m (2012: \$44.1m) with earnings per share of 15.28 cents (2012: 26.30 cents). Excluding the comparative period gain arising from the business combination of Homeground Villages, net profit after tax has grown by \$2.4m (10.3%) and earnings per share by 1.4 cents (10.1%).

Improved profitability has been driven by an increased margin contribution from Homeground Villages to the Group results and, notwithstanding weakness in the broader construction and engineering sector, a focus on productivity within the Group's construction and engineering division to maintain margins. This has resulted in a consolidated net profit after tax margin of 9.8% (2012: 7.0% excluding the comparative period gain arising from the business combination of Homeground Villages).

Operating cash flow for the six months ending 31 December 2013 was \$40.5m, which was better than the previous corresponding period. The group maintained a strong net cash position with cash on hand of \$56.5m at the end of the period (\$43.7m at 30 June 2013). The Group has significantly reduced the amount of debt within the business and is forecasting to have fully repaid all senior debt by March 2014. During the period net assets increased to \$283.8m from \$271.2m at 30 June 2013.

<b>NTA backing</b>	<b>31 December 2013 Cents per share</b>	<b>31 December 2012 Cents per share</b>
Net tangible asset backing per ordinary share	<b>127.6 cents</b>	<b>124.3 cents</b>

<b>Earnings per share</b>	<b>31 December 2013 Cents per share</b>	<b>31 December 2012 Cents per share</b>
Basic earnings per share	<b>15.28 cents</b>	<b>26.30 cents*</b>
Diluted earnings per share	<b>15.28 cents</b>	<b>26.30 cents*</b>

\* Includes gain arising from business combination

### **Control gained or lost over entities having material effect**

On 1 October 2013, Decmil Australia Pty Ltd, a wholly owned subsidiary of Decmil Group Limited, acquired 100% of the issued capital of VDM Construction (Eastern Operations) Pty Ltd for a total consideration of \$2.75M. The company has since been renamed Decmil Engineering Pty Ltd.

### **Details of associates and joint venture entities**

Decmil Australia Pty Ltd, a subsidiary of Decmil Group Limited, has a 33% ownership interest in TDK Joint Venture which is completing the contract for the Gorgon Construction Village.

### **Material interests in entities which are not controlled entities**

Not applicable.

### **Compliance statement**

This report is based on accounts which have been subject to independent review.



Signed by Alison Thompson, Company Secretary  
19<sup>th</sup> February 2014