

26 August 2010

Company Announcements
Australian Securities Exchange Limited
Level 10, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Decmil delivers strong operating performance

Please find attached a copy of the Media Announcement to be issued today by Decmil Group Limited as part of the company's full year 2010 results release.

Yours sincerely



Justine Campbell
Company Secretary

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ASX DCG
ABN 35 111 210 390

ASX / MEDIA ANNOUNCEMENT

26 August 2010

DECMIL DELIVERS STRONG OPERATING PERFORMANCE

HIGHLIGHTS

- **NPAT from continuing operations approx \$19 million, up 55%**
- **Revenue from continuing operations \$329 million, up 29%**
- **Cash on Hand of \$53 million, up 131%**
- **New contracts and contract extensions of \$256 million won**
- **Order book at 1 July 2010 of around \$300 million**

Leading Western Australian civil engineering and construction company Decmil Group Limited (**ASX: DCG**) today reported a net profit after tax from continuing operations of approximately \$19 million for the full year ended 30 June 2010 on revenues of \$329 million.

Consolidation of operations has resulted in Decmil Australia being the core asset for the Group which has had a record year, both in terms of revenue and profitability.

Continuing Operations	2010 FY A\$M	2009 FY A\$M
Revenue	\$329M	\$255M
Net Profit After Tax	\$19M	\$12M
EBITDA	\$30M	\$20M
Operating Cash Flow	\$31M	\$17M
Earnings Per Share	15.5c	10.4c
Cash on Hand	\$53M	\$23M

Revenue from continuing operations has grown 29% to \$329 million following wholly owned subsidiary Decmil Australia's strong organic growth and success in winning a number of new contracts and contract extensions.

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New Contracts & Contract Extensions

Decmil was awarded approximately \$256 million in new contracts and contract extensions during the 2009/10 reporting period, which further reinforces the Company's strong market position, and relationship with high quality clients.

Key contracts won during the period included:

	Value A\$M	Client	
Rapid Growth Project 5 – Marillana Camp	\$7M	BHP Billiton Iron Ore	Variation
Port Haven – Accommodation Village	\$36M	BHP Billiton Iron Ore	Variation
Gorgon Project – Site Prep & Temporary Construction Facilities	\$74M	Thiess	New
Pluto LNG Project – Civil Works	\$56M	Woodside Energy	Variation
Kandama – Accommodation Village	\$83M	Fortescue Metals Group	New

Decmil Group Managing Director and CEO Mr Scott Criddle said “Over the past year, Decmil has solidified its position in the market as a leading engineering and construction company by repeatedly securing large contracts with blue chip clients.”

Net Assets and Cash Position

Decmil's net assets increased by \$13 million to \$90 million during the financial year.

Sound operating cash flow performance continued to be a key feature of the Group in 2009-10, increasing 84% to \$31 million. The year-end cash position grew 131% to \$53 million and the Group maintained no significant debt.

The Company has established banking facilities in place which put Decmil in a strong financial position to expand and grow its current operations.

Key Board and Management Changes

The Decmil Group appointed two new Non-Executive Directors to the Company's Board during the year. The appointments of Mr Giles Everist and Mr Lee Verios strengthen the Board's depth of experience and professional skills in line with the Company's growth strategy. Mr Everist and Mr Verios will stand for election at the Company's AGM in November.

Mr Scott Criddle, the CEO of Decmil Group, was also appointed to the Board as an Executive Director during the year.

In April, Mr Dickie Dique was promoted from the role of Decmil Australia Managing Director to Decmil Group Chief Operating Officer. At this time, Mr Tom Fallon joined Decmil Australia as General Manager. Mr Fallon has more than 20 years experience in the industry and previously held senior management roles with large national companies.

Strategy and Outlook

Mr Criddle said Decmil's very strong order book places the Group in an excellent position for the current financial year and is a direct result of the renewed focus on activities in Western Australia and strategies employed by the Group throughout 2009-2010.

"The Group's significant order book gives Decmil great confidence and critical mass for the business going forward. While there has been some uncertainty in the market over the past few months, our key clients are continuing with their large development plans," Mr Criddle said.

"There is a positive growth outlook across the sectors where Decmil has established a leadership position in this region, these sectors being the Resources and Oil & Gas sectors in Western Australia.

"While the Group remains focused on delivering the current work under contract, there is a solid pipeline of future contract opportunities and Decmil has the people, systems and financial resources to take advantage of opportunities with existing and new clients."

ENDS

For further information please contact:

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Decmil Group Limited (ASX: DCG) is a leading diversified construction company focused on delivering integrated solutions to blue-chip clients in the oil and gas, resources and infrastructure sectors in Western Australia.
www.decmilgroup.com.au