



Decmil Group Limited

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Companies Announcements Office
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DECMIL GROUP COMPLETES COMPANY RESTRUCTURE

Leading Western Australian civil engineering and construction company Decmil Group Limited (“**Decmil Group**” or “**the Company**”) today announced it had completed the sale of its wholly owned subsidiary Novacoat Pty Ltd to Kaefer Integrated Services Pty Ltd and closed its engineering services division.

DGL Managing Director and CEO Scott Criddle said the Company had previously flagged its intention to consolidate its operations to focus on its core asset, Decmil Australia, which contributed 93% of the Group’s revenue in last financial year.

Mr Criddle said the Company’s restructure activity is now completed and underlying NPAT result for the Group for the 2009/10 full year is expected to be \$17.5-\$18.5M, which remains broadly in line with market consensus.

Decmil Group received consideration of \$2 million in cash from the sale of Novacoat however the divestment and closure of these non-core businesses will result in a goodwill write down of approximately \$7.8M. A number of one-off costs associated with the Company’s restructure, including redundancies and office leases, will be recorded in the current financial year.

“Our core business, Decmil Australia, continues to perform strongly and has a forward order book of around \$300M. Importantly, there is a solid pipeline of future contract opportunities in DGL’s key target sectors.”

Mr Criddle said the strength of contracts in place and the Group’s strong net cash position means DGL has a solid platform to continue to deliver growth.

“Decmil Group’s sole focus is on delivering the current work under contract and building our annual order book to \$400M. We now have the Board, corporate structure, people and systems in place to achieve this and to build on our reputation in key target sectors,” he said.

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Decmil Group Limited (ASX: DCG) is a multi-disciplined design, civil engineering and construction company focussed on delivering integrated solutions to blue-chip clients in the oil and gas, resources and infrastructure sectors in Western Australia through a group of wholly-owned subsidiaries. www.decmilgroup.com.au

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