



PS&C forecasts increase in both EBIT and revenue for FY2015

25 June 2015: Melbourne, Australia: Diversified information and communications technology company PS&C Ltd (ASX: PSZ, "Company") is pleased to provide an update regarding its trading outlook for the second half of the 2015 financial year.

The Company is in a position to give guidance as follows:

- Group revenue for 2015 will be approximately 30% higher than 2014 (normalised):
 - People – increase of approximately 25%
 - Security – increase of more than 100%
 - Communications – increase of approximately 20-25%
- Group EBIT before head office costs will be up approximately 30-35% on 2014 (normalised). The bulk of this increase is in the Security division which is expected to be up more than 100% on 2014 (normalised). Additionally, the Communications networks business is expected to be up approximately 25-30% on 2014 (normalised).

The increase in activity across the segments is pleasing and all businesses are well positioned for future growth. The Company expects to pay a fully franked final dividend of 3 cents per share in October 2015, following the 3 cent per share interim dividend paid in April 2015.

PS&C Ltd businesses have a lot of customer activity in the last quarter of each financial year and while the pipeline of orders has been strong, not all work will be delivered prior to 30 June and recognised as income.

The Company has achieved its expected level of revenue growth, a result of increasing activity in the markets in which it operates. The group has incurred more cost in head office, the Security and People businesses to enable further growth, with the benefits of this investment to materialise in 2016 and beyond.

The overall EBIT result for the group on a normalised basis will be an increase of between 20% and 25% on 2014 (normalised). This is despite additional costs and lower than expected performances from two of the group's businesses through the year and a softer than expected last quarter.

People

- Record number of billable days during the year leading to increased revenue.
- Extra revenue achieved in part by a significant increase in costs to improve capacity during the year.
- This investment is expected to further grow profits in 2016 and beyond.

Security

- Rapid growth driven by the acquisition of Pure Hacking and general activity in the sector.
- Pure Hacking has performed very well and its final result is expected to be above the guidance given at the time of the acquisition.
- Extra costs incurred in Securus Global due to ongoing capacity issues have impacted it for much of the year. This will lead to a significantly reduced result on 2014 (normalised) but the

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capacity issues have been largely resolved and the business should return substantially increased profitability in 2016.

- Hacklabs performed steadily with growth also impeded by capacity issues.
- The opportunity to grow and expand the security offering organically and via acquisition remains and the Company is eager to explore the segment's prospects.

Communications

- While the networks business has been an excellent performer and will have revenue approximately 25-30% higher than 2014 (normalised) and EBIT approximately 20-25% above 2014 (normalised), we had hoped for even stronger growth. The volatility of the last quarter has pushed some of this income to financial year 2016.
- The consulting business has disappointed this year with an expected EBIT to be well below 2014 (normalised), thus dragging down the overall Communications result.

The Company has made progress towards value adding acquisitions and hope to complete those as soon as practicable.

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ABOUT PS&C LTD

PS&C is a diversified information and communications technology (ICT) services company with three divisions – People, Security and Communications – providing the following services:

- **People:** Consulting, contractor management and recruitment solutions. Business is sourced from diverse segments of the economy led by the telecommunications and IT, retail, mining and manufacturing sectors.
- **Security:** Particular focus on the growing cyber security industry providing services such as security consulting, education and penetration testing.
- **Communications:** Unified communication and IP telephony, network infrastructure and consulting for a wide range of corporate and government clients within Australia and internationally.