

Energy Action reports Operating NPAT¹ of \$4 million – 35% higher than FY11

- **FY12 statutory NPAT of \$3.6m up 23% on FY11**
- **FY12 Operating NPAT¹ of \$4.0m up 35% on FY11**
- **Revenue up 24% on FY11 to \$17.4 million**
- **Basic earnings per share of 15.13 cents**
- **Operating cash flow of \$4.5 million – up 65% on FY11**
- **Strong cash position with no debt**
- **Forward sold contracts exceeding \$65 million (from \$47 million at 30 June 2012)**

Energy management and procurement company Energy Action Limited (ASX: EAX) (“Energy Action”) today reported statutory net profit after tax (NPAT) of \$3.6 million for the twelve months to 30 June 2012, representing a 23% increase on FY11. Operating NPAT¹ was \$4.0 million, being 4% higher than the IPO prospectus forecast of \$3.8 million.

Revenue for the year was \$17.4 million, up 24% (FY2011: \$14.0 million) and basic earnings per share (EPS) was 15.13 cents per share, an 8% increase on FY11. Operating¹ EPS was 17.31 cents per share.

Operating cash flow for the half was strong at \$4.5 million, up 65% on FY11. Energy Action finished the year with a robust cash position with no debt which provides the company the financial flexibility to actively pursue growth opportunities.

Energy Action is pleased to announce a final, second half fully franked dividend of 3.72 cents per share, bringing the total 2012 dividend to 7.20 cents per share.

Energy Action’s solid full-year results were driven by a continuing trend among Australian businesses to outsource their energy procurement and management functions. The positive results were also achieved in a climate of uncertainty around the permanency of the Federal Government’s carbon tax legislation.

Energy Action continued to invest in the Australian Energy Exchange, with over 2,400 auction scenarios run on the Exchange over FY12. Energy Action is also expanding its geographical footprint through the establishment of a sales office in Western Australia - a key growth market for EAX.

Energy Action currently has more than 8,000 sites under active or future energy contracts, having procured over \$720 million in energy contracts in FY12 bringing the total amount procured since 2006 to \$3.5 billion. Small sites performed particularly well in FY12, providing over \$850,000 in commissions from more than 8,000 sites.

1 – excluding one off IPO listing costs of \$520,087 (\$364,061 after tax basis) required to be expensed to the profit and loss statement in accordance with accounting standards.

During the year, Energy Action also launched Activ8+, which provides a range of energy efficiency and sustainability services. The Activ8 suite of services also performed strongly, adding over 1,000 sites, with now over 7,000 sites now under active or future contracts. Customer loyalty remains high, with retention rates at 95%.

Energy Action's CEO Valerie Duncan said: "This is the first time Energy Action has reported its full-year results as a listed company and we are pleased to report that our financial performance is in line with prospectus forecasts.

"The Australian Energy Exchange (AEX) platform continues to deliver a stable revenue contribution and this is complemented by our Activ8 and Activ8+ monitoring and sustainability services which have experienced significant growth. The cross-selling of these services across our client base is a lucrative growth channel for Energy Action and we expect this to continue in FY2013.

"It is also pleasing to note the jump in our forward sold contracts, which have increased \$11 million since 30 June 2011 to \$65 million, providing the company with stable and recurring revenue. The business is well placed to deliver continued profit growth in FY2013."

The complexities of the energy market, and greater awareness of increasing energy costs, have also meant more businesses are looking to reduce their energy expenses. Issues around sustainability and the carbon tax have led to more inquiry and take up of Energy Action's broader energy management and sustainability services, which present opportunities for new revenue.

Outlook

Energy Action is well placed to continue to deliver further growth in FY13. The business remains well supported by a diverse range of long-term customers and an expanded range of services. The acquisition of Ward Consulting Services, which was announced on 31 July 2012, provides an excellent platform for increased growth and cross-selling opportunities.

Valerie Duncan said: "Our forward sold contracts continue to grow, providing us with the financial flexibility to pursue new business and acquisition opportunities.

"Whilst we maintain a conservative approach to managing our cost base, we are focused on investing in the business, as demonstrated by the opening of a new sales office in Western Australia and the acquisition of Ward Consulting Services. Further organic growth and strategically aligned, earnings accretive acquisitions will be a focus for EAX in FY13."

ENDS

Further information:

Valerie Duncan, Managing Director: (61 2) 9633 6403

Nathan Francis, Executive Director Finance: (61 2) 9633 6405

Rebecca Seamons, Marketing and Communications Manager: (61 2) 9633 6410

Released through: Sam Wallman, Six Degrees Investor Relations: 0405 399 430