



ALLIED TECHNOLOGIES GROUP LIMITED
(ACN 010 597 672)

FINANCIAL RESULTS, NEW CONTRACTS AND PROPOSED DIVIDEND

Allied exceeds prospectus profit forecast

The Directors of Allied Technologies Group Limited are pleased to announce that the Company is likely to exceed its pro forma pre-tax profit forecast of \$1.54 million contained in the prospectus issued earlier this year. The prospectus was issued in conjunction with the merger of Allied Technologies and ServicePoint and the Company's subsequent relisting on the ASX on 29 April 2004.

The results for the year ended 30 June 2004, which were generated on revenues of around \$31 million, are based on preliminary management accounts and are still subject to audit review.

The Directors attribute the increase in the Company's performance to the efforts of an extremely capable and experienced team.

Allied has 50% of FY2005 budgeted business already in hand

Allied has started the new financial year with in excess of \$18 million of business in hand, which places the Group in a strong position for the coming financial year as it secures some 50% of the projected FY2005 budgeted revenues.

The figure is made up of \$5 million in unrecognised revenue from existing projects yet to be delivered, new orders already received in FY2005 of \$5.5 million and annuity revenues for the Group of approximately \$8 million.

At the same time in FY2004, Allied had approximately \$12 million of business in hand.

Allied wins new contracts valued at \$7 million

Allied has been awarded \$7 million worth of new project orders including Department of Defence related infrastructure upgrade projects in Queensland, RAAF East Sale in Victoria and HMAS Albatross in New South Wales valued in excess of \$2 million.

With regard to HMAS Albatross, Allied has been appointed by the Carson Group, on behalf of the Commonwealth, to deliver a new communications infrastructure system. The project is due to commence in mid-July with completion scheduled for November of this year.

Allied is also in the midst of finalising contract negotiations for the provision of services and products valued in excess of \$1 million associated with Enterprise Management Solutions for a State Government Department.

The Group has also been awarded a Federal Government Department project for the supply of video conferencing hardware and services and, in association with DAMOVO, Australia's largest PABX maintenance services business, will provide infrastructure audit services for the Australian Taxation Office voice network.

Allied announces its intention to pay 1.5 cent per share dividend with a reinvestment option

With all of these substantial contracts underway and pending, the Directors of Allied are pleased to announce their intention to pay a 1.5 cent per share interim dividend. Whilst the Company had previously stated that there would be no dividend paid in respect of the 2004 financial year, the change of policy is due to the better than expected performance of the Group and the fact that Allied has approximately \$3 million worth of franking credits. It is anticipated that the dividend will be fully franked and paid in cash.

It is currently intended that shareholders will be offered the opportunity to reinvest their dividends through a dividend reinvestment plan.

As a show of confidence in the Group, each of the Executive Directors, who hold together in excess of 55% of issued capital in the Company, has undertaken to take up their full share entitlement under the proposed dividend reinvestment plan.

It is anticipated that further information regarding the dividend record date and details of the dividend reinvestment plan will be announced within the next two weeks.

About Allied

Allied Technologies Group Limited (ATZ) is a specialist *Next Generation* Information & Communications Technology services group offering total design, implementation and management for data, voice and video communications solutions for large corporates and government departments. The Group has specialist expertise in secure environments.

19 July 2004