LogiCamms

Market Announcement
17 August 2011

LogiCamms Builds Platform for Future Growth

Australian engineering, project delivery and asset management provider, **LogiCamms Limited** has announced a net profit after tax (NPAT) of $4.6m for the year ended 30 June 2011 (FY11), ahead of the guidance of $4.2m previously provided to the market.

In summary:

- **Net profit after tax of $4.6m**
- **Revenue of $97.8m**
- **EBITDA of $4.8m**
- **EPS of 7.6 cents**
- **25% growth in staff numbers,** reflecting strong demand for the Company's services
- **Final dividend of 1.25 cents per share.** Full year dividend of 4.5 cents per share
- **Robust FY12 earnings outlook** with a strengthened and diverse pipeline of opportunities
- **Bolstered Board and leadership team** with transition process near completion

LogiCamms' Executive Chairman Peter Watson said the Company was satisfied with the performance of the business in the final quarter of FY11 delivering a full year NPAT of $4.6m which was ahead of guidance. The underlying earnings result for the final quarter of FY11 was ahead of management expectations however this was offset by restructuring costs, primarily relating to costs associated with the stepping down of the founding Managing Director Adam Keats.

"LogiCamms' 2011 financial result reflects both the impact of transition costs necessary to build a foundation for the future and a small number of material unanticipated challenges. While NPAT was down 17% on FY10 a number of key development milestones were achieved during the financial year, as reflected in the 38% increase in revenue over the previous financial year. These key milestones included strengthening the leadership at both the Board and executive level," said Mr Watson.

Significant progress was made during the year from a strategic perspective, particularly in relation to transitioning the business from operating as a secondary contractor to building primary relationships with blue chip customers, enhancing LogiCamm's multidisciplinary engineering and asset management capability, and securing Engineering, Procurement, & Construction Management (EPCM) contracts. In addition staff numbers have increased by 25% over the past financial year, taking the size of the total LogiCamms team to over 400 nationally.

Mr Watson said the Company had recovered well from the challenges described in the Trading Update released to the market on 21 April 2011, which were associated with two large fixed price contracts delivered in Queensland and Victoria respectively, and the natural disasters that affected the Northern operation in the third quarter of FY11.

“The Queensland project has now been completed with no further losses experienced. The Company continues to successfully deliver to the client’s expectation with respect to the contract in Victoria and active discussions in relation to outstanding claims are ongoing,” he said.

“The Company has had great success in building strategic relationships with major customers particularly in Western Australia, Queensland and South Australia. Some of these customers have now committed to engaging our services through long term agreements,” said Mr Watson.

The Company was awarded a number key contracts during the year including its largest multidiscipline EPCM contract at BHP Billiton’s Olympic Dam site, an EPCM contract with Incitec Pivot, and several contracts with Sandvik for mobile machine engineering works in Western Australia and South Africa. In addition various asset management contracts were also secured during the period involving maintenance engineering, completions, operational readiness, and competency assurance and training services.

The markets in which we operate are healthy and with the enhancement of our multidiscipline capabilities and profile, LogiCamms increasingly has access to a more diverse pipeline of opportunities.

“The market response to our asset management services has also been positive and we are currently pursuing investment opportunities in competency delivery that will enhance our existing offering. We are actively seeking to grow our capability and capacity to offer solutions to assist our customers address the shortage of skilled resources available to deliver their projects, particularly in the mining and energy sectors,” Mr Watson said.

The Board has declared a final dividend of 1.25 cents per share, taking the full year dividend to 4.5 cents per share. This full year dividend reflects a payout ratio in line with the high end of the Company’s previously stated policy of 40- 60% of NPAT. The record date is 31 August 2011, with a payment date of 14 September 2011.

The Board and leadership transition is in its final stages and the recruitment of a new Chief Executive Officer is progressing well with an appointment expected around the time of the Annual General Meeting (AGM) in early November 2011.

On 5 April 2011 it was announced that former Non Executive Chairman David Humann will retire from the Board at the AGM in November. The Company today announces that Non Executive Director Chris Greig will retire from the Board effective 17 August. Furthermore Non Executive Director Garry McGrechan has advised the Company that he intends to retire at the AGM in November.

“We acknowledge the significant contribution of these Board members who were part of establishing a solid foundation for the Company and we look forward to welcoming a new CEO to help lead the business into the next phase of its journey,” said Mr Watson.

“The Company has responded well to the short term challenges presented during the financial year while remaining focused on its strategic plan. We expect the key markets in which we operate to remain strong through 2012 and an increase in earnings is anticipated. The Company is confident that the medium and long term prospects remain positive based on the quality of its people and customers plus its strong financial capacity. LogiCamms is committed to being optimally positioning for the significant opportunities ahead” said Mr Watson.

Company Details
LogiCamms Limited ASX: LCM
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Non Executive Board Directors
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Dr Chris Greig
Mr Peter Wall AM
Mr Damian Young
Mr Giles Everist
Mr Garry McGrechan

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About LogiCamms

LogiCamms operates in the mining and minerals, hydrocarbons, infrastructure and specialist industries providing engineering, project and asset management solutions to enhance the long-term value of new and existing operational assets.

The company is headquartered in Perth, Western Australia with seven additional offices across Australia including Brisbane, Melbourne, Adelaide, Darwin, Gladstone, Mackay and Whyalla.

LogiCamms' Vision is to be a Market Leader delivering Outstanding Customer Solutions.

Further Information
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