

Appendix 4D

Half-Year Report Period ended 31 December 2015

DECMIL GROUP LIMITED
 ABN 35 111 210 390

Reporting Period & Previous Corresponding Period

The current reporting period is for the half-year ended 31 December 2015.
 The prior reporting period is for the half-year ended 31 December 2014.

Results for announcement to the market

Amounts expressed in \$A'000

	Results	% Movement	Increase/ Decrease
Revenues from ordinary activities	166,874	57%	Decrease
Profit after tax from ordinary activities attributable to members	(54,784)	325%	Decrease
Net profit after tax for the period attributable to members	(54,784)	325%	Decrease

Dividend Payments

Date the 2016 interim dividend is payable

29 March 2016

Record date to determine entitlements to the interim dividend

8 March 2016

Date interim dividend was declared

24 February 2016

Dividends	Amount per security	Franked amount per security	Total dividend payment \$'000
<u>Financial Year Ended 30 June 2016</u>			
Interim dividend	2.0¢	2.0¢	3,398
<u>Financial Year Ended 30 June 2015</u>			
Final dividend	8.5¢	8.5¢	14,220
Interim dividend	4.5¢	4.5¢	7,590

Explanation of Results

During the six months ended 31 December 2015 the Group continued to transition from the recent natural resources construction boom by moving into new sectors of the economy and adapting to smaller sized projects, reduced volumes of work and more normal construction margins.

Due to this transition, revenue for the six months ended 31 December 2015 decreased by 57.2% to \$166.9 million, EBITDA decreased by 78.3% to \$8.3 million and net profit after tax reduced to \$5.0 million, excluding the fair value adjustment on investment property of \$57.8 million and restructuring costs of \$2.1 million post tax.

The transition and adaptation described above will continue in the second half of the 2016 financial year.

Management and the Board are working towards transforming the business and to position it going into the 2017 financial year with:

- An overhead base that is appropriate for the volumes of work in the market;
- A diverse range of markets including natural resources, telecommunications, civil infrastructure and Defence; and
- A truly national presence across the Australasian region.

The above transformation, once successfully implemented, will result in a Group that is more diverse and able to produce better and more sustainable earnings from a range of markets.

The Group maintained a strong cash position with cash on hand of \$42.6 million at the end of the period (\$59.5 million at 30 June 2015).

The Group still has minimal core senior debt and recently renegotiated its principal banking facilities, retaining significant undrawn access to debt funding should it be required.

NTA backing	31 December 2015 Cents per share	31 December 2014 Cents per share
Net tangible asset backing per ordinary share	100.3 cents	143.9 cents

Control gained or lost over entities having material effect

On 1 December 2015, Decmil Services Pty Ltd, a wholly owned subsidiary of Decmil Group Limited, acquired 100% of the issued capital of SC Holdings Pty Ltd, SC Services Pty Ltd and SC Equipment Holdings Pty Ltd for a total consideration of \$14.0 million.

Details of associates and joint venture entities

Decmil Australia Pty Ltd, a subsidiary of Decmil Group Limited, has a 50% ownership interest in a joint venture with Obrascon Huarte Lain S.A. in the Decmil OHL Joint Venture which has completed a \$7.6m contract for the demolition and replacement of an existing bridge in Maylands, Western Australia for Main Roads Western Australia.

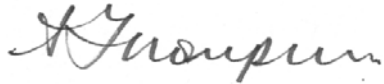
Decmil Australia Pty Ltd also has a 45% ownership interest in the DASSH Joint Venture with joint venture partners Structural Systems and Hawkins Civil which has completed a \$19.9m contract for Leighton Broad constructing the Elizabeth Quay Pedestrian Bridge in Perth, Western Australia.

Material interests in entities which are not controlled entities

Not applicable.

Compliance statement

This report is based on accounts which have been subject to independent review.



Signed by Alison Thompson, Company Secretary
24th February 2016