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**ASG GROUP
ASX ANNOUNCEMENT
Thursday 29th April 2010**

ASG ENTERS SAP MARKET BY ACQUIRING COURTLAND BUSINESS SOLUTIONS

Highlights

- Entering the SAP market through acquisition of Courtland
- SAP capability doubles ASG's market opportunity
- Increased exposure to highly attractive mining and oil & gas sectors
- Expected to be EPS accretive in FY11
- Funded by combination of cash and shares

IT services provider ASG Group (ASX: ASZ) is pleased to announce its entry to the SAP market through the acquisition of Courtland Business Solutions (Courtland).

Courtland is a Western Australian-based SAP software provider that has strong client relationships across a range of industries including the mining, oil & gas, engineering, construction and infrastructure sectors.

This strategic acquisition sees ASG entering the SAP market for the first time. By adding SAP capabilities, ASG significantly enhances its product offering, effectively doubling the market opportunity and creating a material source of future earnings growth.

When combined with ASG's existing Oracle based expertise, SAP capability provides ASG with a complete product and service offering, ensuring it is fully equipped to meet customer requirements regardless of their specific business need, industry or preference for SAP or Oracle based software.

In addition to providing SAP capabilities, the Courtland acquisition delivers a range of very strong client relationships in WA and, importantly, it significantly increases ASG's exposure to the lucrative resources and energy sectors.

The total purchase price is based on a multiple of five times earnings before interest and tax (EBIT). The purchase price is subject to Courtland meeting certain performance benchmarks over time, which will ensure the acquisition remains earnings per share accretive for ASG.

The consideration will be in the form of 50% scrip and 50% cash payable in three installments, with the first installment payable on completion of the acquisition and representing 50% of the total expected acquisition cost.

ASG expects the Courtland acquisition will be earnings per share accretive in its first full financial year, FY11.

ASG CEO Geoff Lewis said he was very pleased to announce the acquisition of a specialist SAP business that will set the platform for the next phase of growth.

"The acquisition of SAP capability is a highly strategic move that will significantly increase our product offering and effectively double our available market opportunity," Mr Lewis said. The SAP business is complementary to our existing Oracle capability and will allow us to leverage existing infrastructure and provide a complete range of services to clients.



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"Courtland is a highly regarded SAP Reseller and IT services provider with very strong client relationships across a range of industries.

"The acquisition and resulting availability of a wider range of software will provide us with greater flexibility and optionality in devising tailored solutions for our clients.

"We are also particularly pleased to be increasing our exposure to the mining and oil & gas sectors that are showing strong activity that is expected to continue well into the future.

"On completion of this acquisition, ASG will have a complete product offering allowing us to further reinforce our position across all Australian markets as the preferred, high quality, low risk, fully integrated IT services provider."

Courtland Managing Director Peter Lander said he was delighted to have reached agreement with ASG Group.

"We are very pleased to be aligned with a national IT services group of the caliber of ASG," said Mr Lander.

"The prospect of combining the ASG and Courtland SAP based businesses is very exciting and we believe there is a sizeable opportunity for the future growth of our complementary businesses."

ASG will continue to grow its Oracle services capability alongside the SAP business and will maintain separate Oracle and SAP practices, allowing the best solution to be put forward depending on the customer's needs.

ASG is actively assessing strategic acquisitions to increase its capabilities across key geographic locations with a view to driving strong future revenue growth and delivering superior shareholder returns.

ASG has an established track record of successful and profitable growth by acquisition and will continue to apply strict investment criteria to all acquisition opportunities.

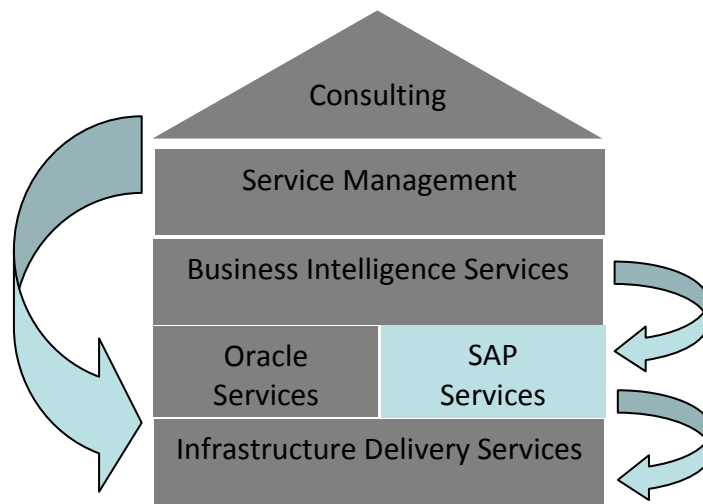
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Significance of SAP capability

SAP is a leading provider of enterprise software applications and business solutions. The image below highlights the significance of SAP capabilities to ASG's overall product offering. Combined with ASG's existing Oracle expertise, ASG will effectively double its product offering, market opportunity and future revenue stream.



ASG capabilities following Courtland acquisition