



# **ASG Group Limited**

**FY09 Results  
August 2009**

**Geoff Lewis**

**CEO**

**Dean Langenbach**

**CFO**

FY09 Highlights

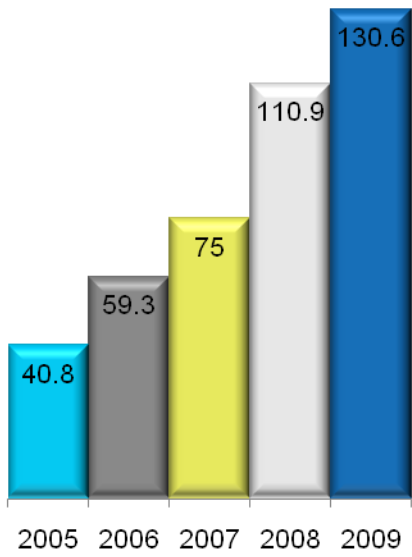
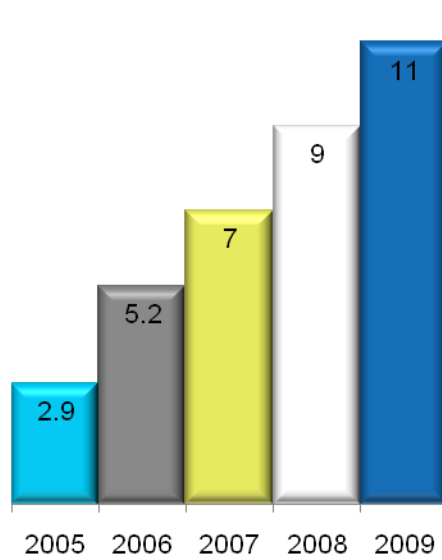
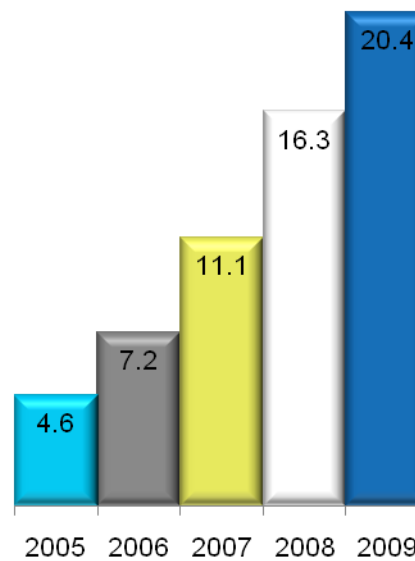
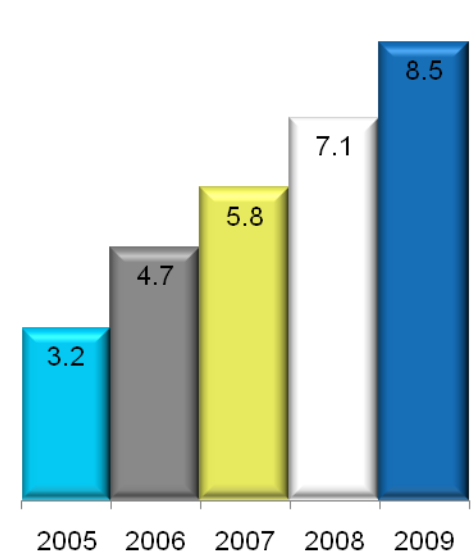
Financial Performance

Market Conditions and Outlook

Value Strategy

Appendix – About ASG

- Revenue up 17.7% to \$130.6 million
- NPAT up 24.8% to \$11.3 million
- EBITDA up 25.3% to \$20.4 million
- Earnings per share up 20% to 8.5 cents
- Full year dividend of 5.5 cents per share, fully franked
- Strong balance sheet with record operating cash flow position and minimal net debt
- New managed services contracts secured with major public and private sector customers
- Asset bank of approx \$400m in locked in contracted revenue

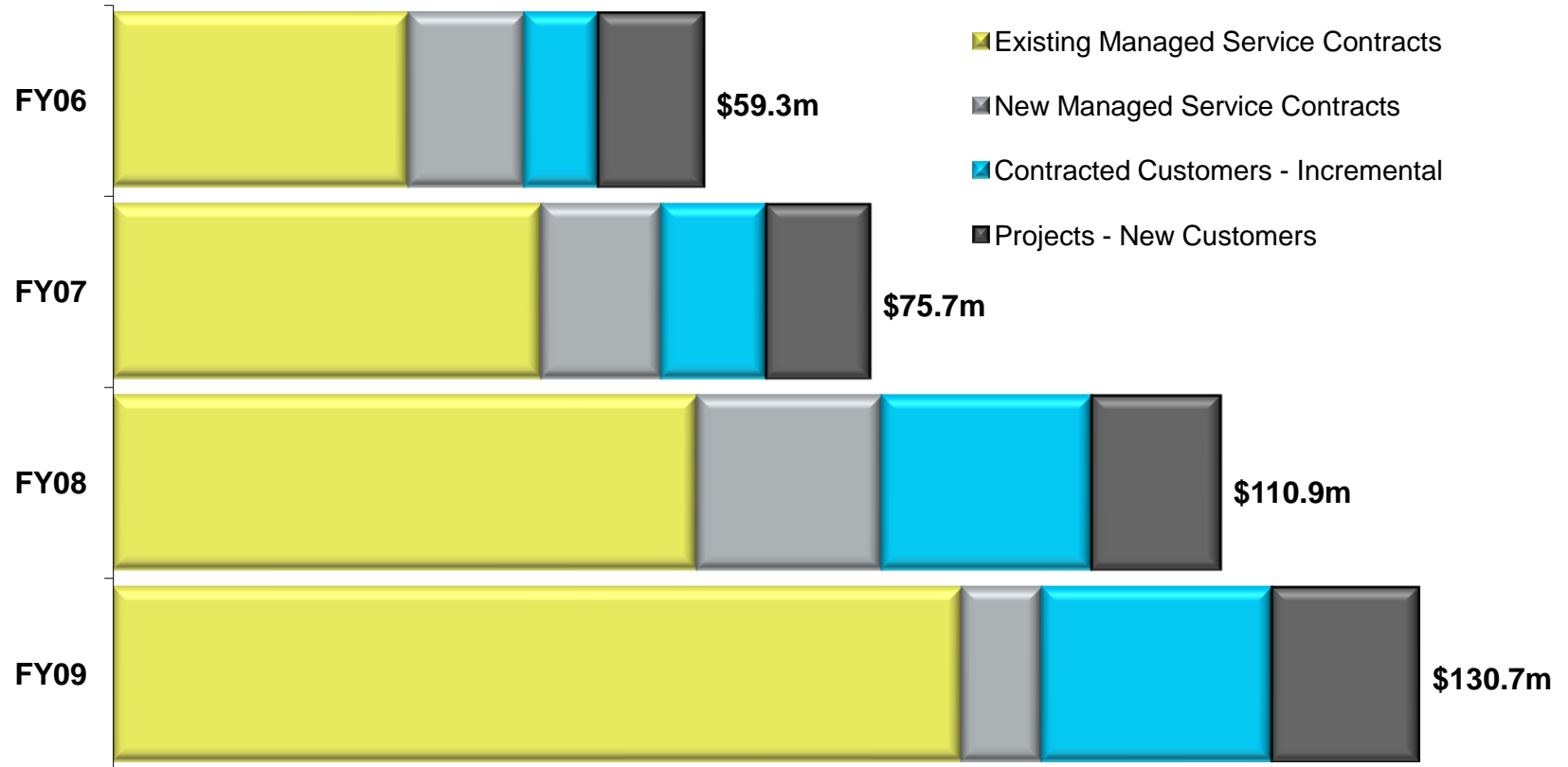
**Revenue  
\$m**

**NPAT  
\$m**

**EBITDA  
\$m**

**EPS  
cents**


	<b>FY08</b>	<b>FY09</b>
<b>Opening Balance</b>	<b>\$6.9m</b>	<b>\$6.2m</b>
<b>Net operating cash</b>	<b>\$9.4m</b>	<b>\$13.4m</b>
<b>Share Issue proceeds</b>	<b>\$0.6m</b>	<b>\$0.1m</b>
<b>Acquisitions</b>	<b>(\$1.9m)</b>	<b>(\$3.2m)</b>
<b>PPE &amp; Software</b>	<b>(\$2.2m)</b>	<b>(\$1.3m)</b>
<b>Internal Investment</b>	<b>(\$8.5m)</b>	<b>(\$4.6m)</b>
<b>Net borrowings</b>	<b>\$5.2m</b>	<b>\$2.1m</b>
<b>Dividend paid</b>	<b><u>(\$3.3m)</u></b>	<b><u>(\$3.9m)</u></b>
<b>Closing Balance</b>	<b>\$6.2m</b>	<b>\$8.8m</b>

- **Long-term Managed Services contracts producing growing cashflows**
- **Strong net operating cash**
- **Continuing dividend growth**
- **Internal IP investment down from FY08 peak, showing continued benefits in long-term contract wins**

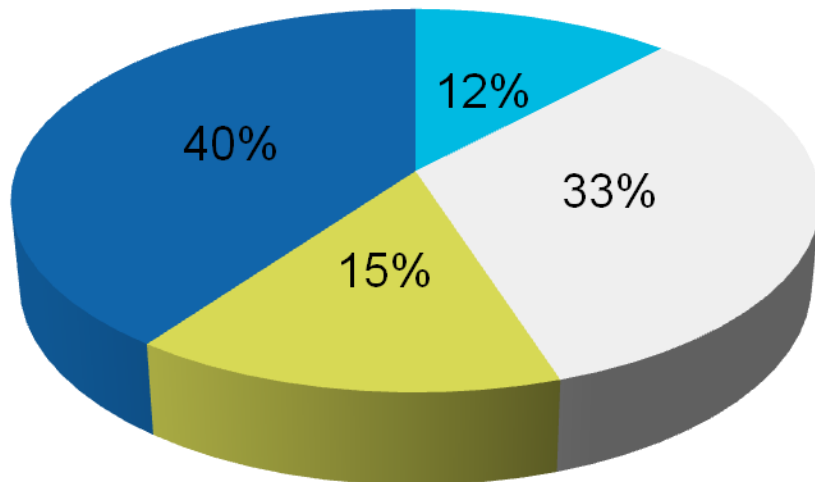
- **Modest and stable fixed term debt position of \$12.6 million**
- **Targeting zero net debt in FY10**
- **Existing debt facilities secured through to 2011**
- **EBITDA Interest cover remains strong at 18 times**
- **Predicted trading profile well within banking covenants**

## Forward revenue locked in through long-term contracts



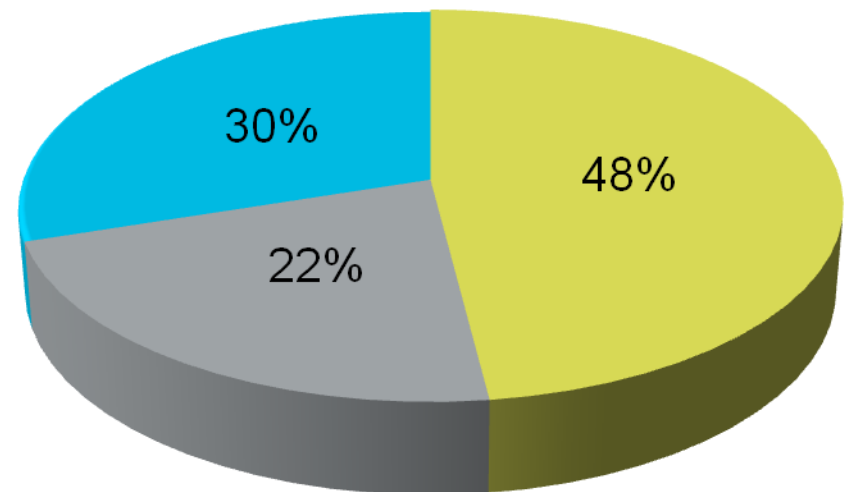
Annual Revenue	FY06	FY07	FY08	FY09
% Contracted Managed Services	70%	72%	70%	70%
% Contracted Customers - Incremental	12%	14%	18%	19%
<b>Total</b>	<b>82%</b>	<b>86%</b>	<b>88%</b>	<b>89%</b>

## Contract type

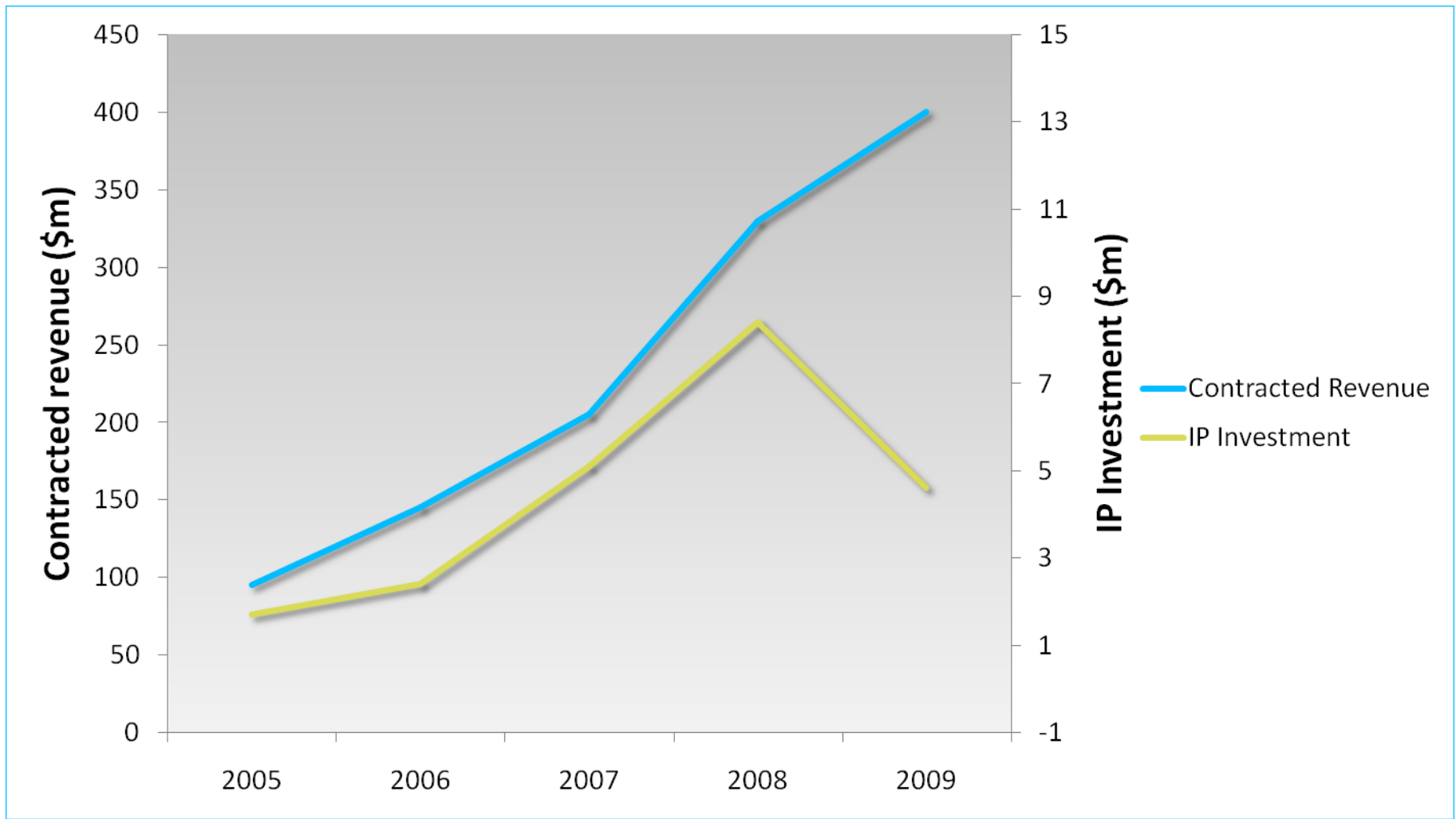


- Application projects
- Infrastructure managed services
- Infrastructure projects
- Application managed services

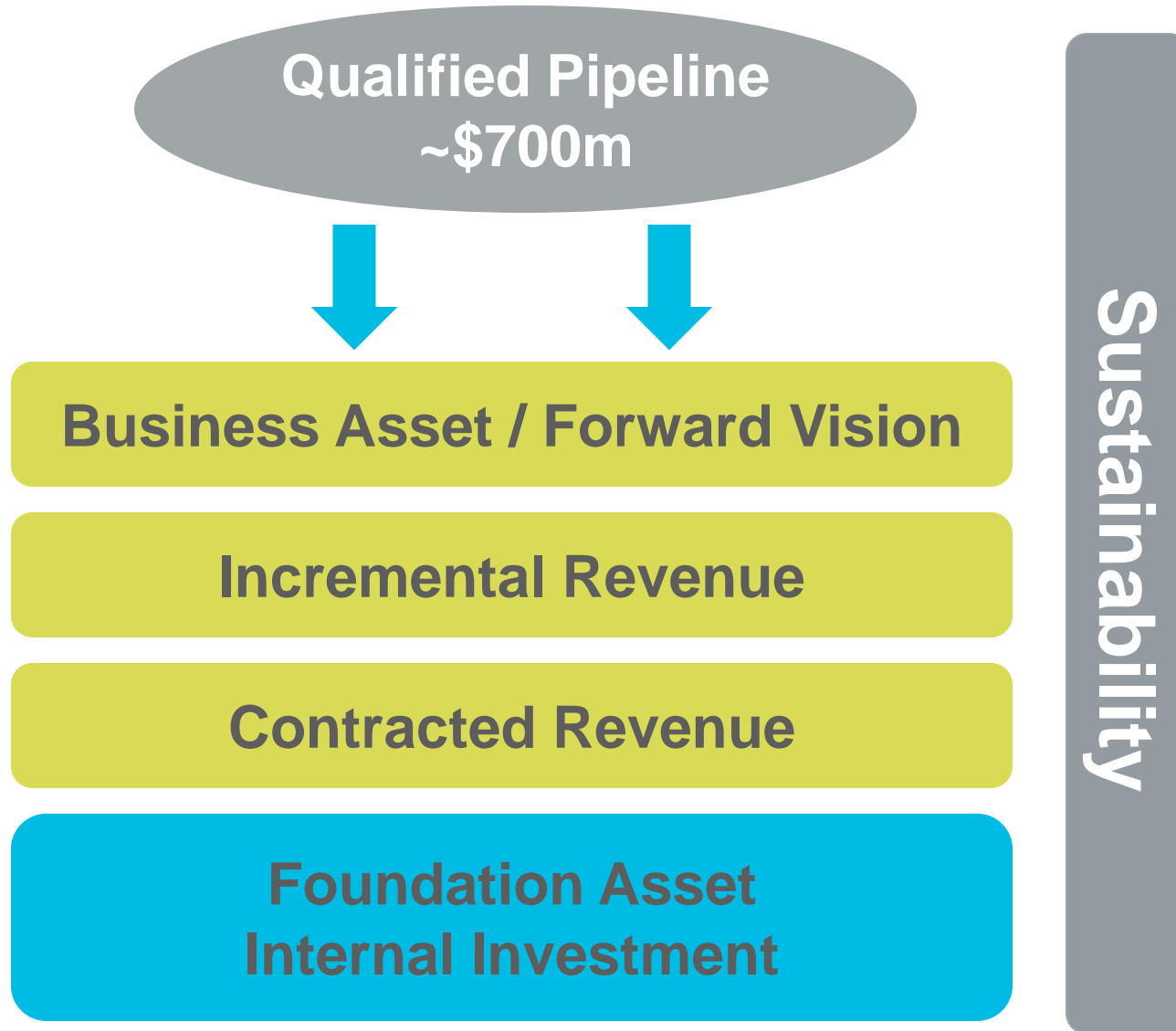
## Client base



- State governments
- Federal government
- Blue chip corporates



	Government	Corporate	Total
Victoria	\$85m	\$98m	\$183m
ACT	\$131m	\$0m	\$131m
Queensland	\$9m	\$15m	\$24m
NSW	\$32m	\$175m	\$207m
WA	\$82m	\$24m	\$106m
<b>Total</b>	<b>\$339</b>	<b>\$312</b>	<b>\$651m</b>
<b>Average contract length</b>	<b>4.8 yrs</b>	<b>4.1 yrs</b>	<b>4.5yrs</b>



- **ASG's key differentiator in IT services market**
- **Long-term, locked-in contracted revenue with low risk profile**
- **Contracted revenue of \$400m in years beyond FY09**
- **Outstanding platform for generating incremental revenues from additional services flowing from delivery of primary contract work**
- **Established track record of achieving multiplier effect with contracted revenue**
- **Outstanding asset bank for ASG flowing from ongoing commitment to IP spend, product development**

## Economic Climate

- Softer economic climate but impact on broader IT services market uncertain
- Improving conditions in financial markets
- Expect capital project cut backs to continue from Government and large corporates
- Still significant opportunities in the pipeline

## ASG's Position

- Focused on areas of non-discretionary and recurrent spending
- Strong pipeline of qualified prospects in chosen markets, including large multi-year contracts
- Forecasting growth in revenue and earnings in 2010



- **Strong, sustainable business model against backdrop of tough market conditions**
- **Focused on long term Managed Services contracts funded by recurrent budgets - a major point of differentiation**
- **Proven track record of converting opportunity pipeline into new business**
- **Cumulative Revenue Model delivers revenue, earnings certainty and internally funded business growth**
- **Asset bank of contracted revenue at \$400 million +**
- **Strong balance sheet, well positioned for organic and acquisitive growth**



# **ASG Group Limited**

**FY09 Results  
August 2009**

**Geoff Lewis  
Dean Langenbach**

**CEO  
CFO**

- **True Australian IT outsourcer with long-term Managed Services contracts – a unique model**
- **Focused on multi-year prime contracts generating recurring revenue from blue chip corporate and government customers – areas of non-discretionary and recurrent spending**
- **Strength and certainty in contracts, low project/margin risk once contract is established**
- **Deep, successful and enduring client relationships**
- **National platform and execution capability**
- **Strongly positioned for strong growth in FY10 and beyond**
- **Business model structured to drive sustainable, longer term growth performance**