



ASG Group Limited
Level 1, 267 St George's Terrace
Perth, Western Australia 6000
Australia

Telephone +61 (8) 9420 5420
Facsimile +61 (8) 9420 5422
asgroup.com.au

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ABN Number: 57 070 045 117

**ASG GROUP
ASX ANNOUNCEMENT
Thursday 4th March 2010**

**ASG STRENGTHENS CAPABILITY, FOOTPRINT WITH
DOWLING CONSULTING ACQUISITION**

IT services provider ASG Group (ASX: ASZ) is pleased to announce the acquisition of Melbourne-based IT consulting firm, Dowling Consulting.

The acquisition significantly enhances ASG's presence on the east coast and increases its capabilities nationally in providing high end consulting services aligned with the Company's core managed services offering.

The Dowling acquisition will be earnings per share accretive for ASG in its first full financial year and will provide ASG with a springboard into important new markets.

Dowling has traditionally advised client organisations on managing their IT functions like a standalone business, including organisational design and commercial arrangements with suppliers.

Dowling's clients include Australia Post, National Australia Bank, Victoria Police, Bluescope Steel, Pacific Brands, CorpTech, Melbourne University, Adelaide University, StarTrack Express, Visy, ANSTO, Energy Australia, Nyrstar, Intact and SA Health.

Existing ASG clients will also be able to tap into Dowling's extensive knowledge base and experience in managing IT functions across a range of major organisations, served by Dowling's 33 professional staff located in Sydney, Melbourne and Brisbane.

ASG CEO Geoff Lewis said that the acquisition was part of ASG's strategy of building capability and national reach through organic growth and targeted acquisitions.

"The acquisition of Dowling positions ASG uniquely within the Australian managed services marketplace by bringing together the senior management consulting capability of Dowling with the industry recognised capability of ASG's managed services platform," said Mr Lewis.

"We see great potential for ASG to leverage Dowling's extensive knowledge and expertise to secure contracts for our other divisions, especially managed services."

Dowling Managing Director David Dowling said ASG was an outstanding strategic and operational fit for his company.

"The attraction of ASG to Dowling was that it is nimble, agile but strong performer in the outsourcing space with services that are complementary to our own offering," said Mr Dowling.

"We assessed a number of opportunities and joining with ASG was by far the best choice in terms of strategic fit, growth orientation and cultural alignment.

"The combined service offering in the market will be very compelling."

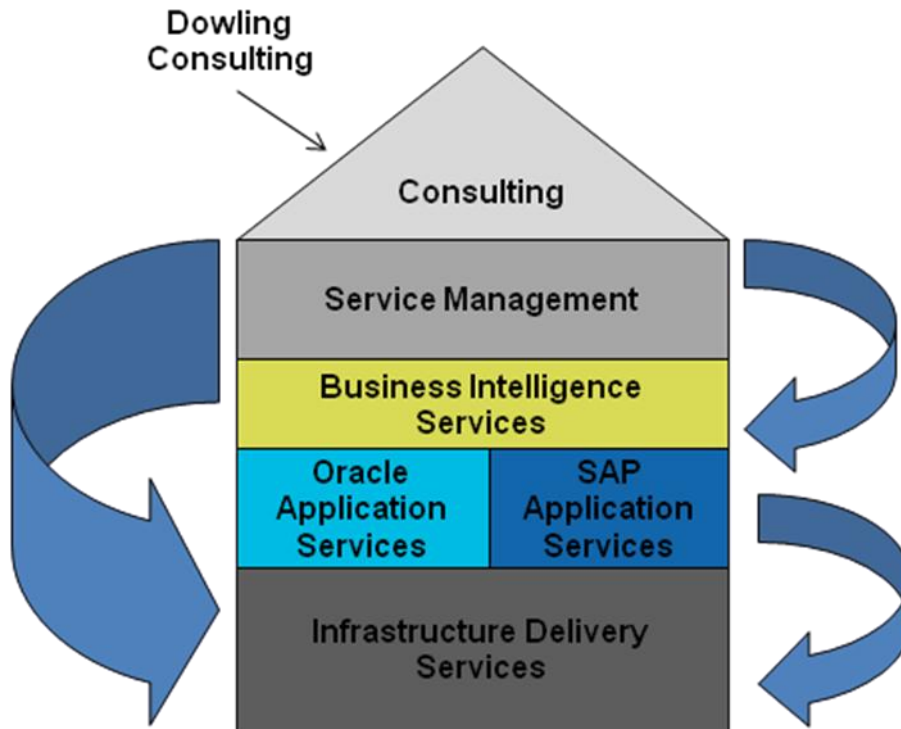
Mr Lewis said ASG was currently assessing a number of additional acquisition opportunities as the organisation focuses on re-investing in the business and setting the platform for the next wave of growth.

"We see a number of outstanding opportunities that fit ASG's strict acquisition criteria," he said.

"They would be a good strategic fit with our existing business, stand to benefit from ASG's business model and market expertise, and be earnings per share accretive.

"ASG has an established track record of profitable growth, with an unswerving focus on preserving operating margins and driving shareholder value as we grow, organically or by acquisition.

"These new opportunities are being assessed against these hurdles and we expect to make further announcements in coming weeks."



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Contact:
Mr Geoff Lewis
Chief Executive Officer
ASG Group Limited
08 9420 5420

John McGlue
FD Third Person
08 9386 1233
0417 926 915