



MEDIA RELEASE – FOR IMMEDIATE RELEASE

AusGroup’s 9M FY2008 Revenue rises 42% to AUD \$279.8 Million

SINGAPORE – 16 May 2008 – AusGroup Limited (“AGL” or “AusGroup” or “the Group”), an energy and resources specialist, today announced its results for the nine months ending 31 March 2008 (“9MFY2008”). While the revenue for 9MFY2008 rose, the net profit declined 34% to AUD\$8.7 million due to allowance for impairment of trade debtors of AUD\$10.3 million.

Financial Highlights

AUD\$'000	3QFY2008	3QFY2007	Chg	9MFY2008	9MFY2007	Chg
Revenue	77,608	71,426	8.7%	279,826	197,513	41.7%
Gross Profit	13,112	13,795	-5.0%	44,886	35,358	26.9%
Operating expenses	17,505	6,322	176.9%	32,555	16,415	98.3%
Profit before taxation	-5,067	7,615	-166.5%	11,675	19,198	-39.2%
Net profit to equity holders	-5,067	4,798	-205.6%	8,675	13,044	-33.5%

“The results have been impacted by a one off provision of AUD\$10.3 million related to a single project being undertaken by our Australian subsidiary. It is disappointing that we have had to make this provision, however we are working hard to resolve issues around this project. I stress this is a one off issue and we are confident in the business outlook for the Group, particularly given the twin exposures we have to the minerals and oil and gas development boom in Australasia. ”

Mr John Sheridan, Managing Director of AusGroup Ltd.

The Group continues to benefit from the strong demand for fabrication and construction services within the Western Australian mining/resources sector and the ASEAN and

Australian oil and gas sectors. The Group has already secured orders and contracts, to the value of \$196 million currently and is well positioned to continue to secure opportunities in these sectors that will underpin Group growth for the next 12 months.

The Group expects margins to remain steady with a trend to improved margins on the back of a strong demand outlook for the Group's fabrication, machining and construction services.

--The End--

ABOUT AUSGROUP LIMITED (Bloomberg Code: AUSG.SP)

AusGroup Limited is a mainboard-listed energy & resources specialist. It is primarily based in Australia, where it is a dominant player in the supply of total engineering solutions, which includes fabrication, mechanical installations and maintenance. Being involved in the building, maintaining and upgrading of infrastructure, plant and equipment used in the extraction and processing of energy & resources, AusGroup is well positioned to benefit from the increasing capital investments in these industries. Through its acquisition of Cactus Engineering, AusGroup has established a presence in Singapore, which will be used as a platform to more regional growth.

For more information please visit our website at: www.ausclad.com.au

Issued for and on behalf of AusGroup Limited

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