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Opus investing in growth

At today's Annual Meeting Opus International Consultants' Chairman, Kerry McDonald reported a positive result despite difficult economic conditions and reaffirmed the Company's focus on future growth.

Opus had a solid performance for 2011, with Operating Revenue up by 7 percent to \$393m and Net Profit After Tax up by 11.5 percent on the previous year to \$24.5m. Earnings Before Interest and Tax (EBIT) of \$31m was consistent with the 2010 result. "This was a good result on steady revenue and cash flow," said Mr McDonald.

Mr McDonald confirmed the total dividend for 2011 of 8.5 cents per share which was 10% up on the previous year.

"Looking forward, the outlook for global economies is likely to be challenging," Mr McDonald noted. "The Global Financial Crisis marked the end of a relatively stable growth period for most of the developed economies, and the beginning of a period with a more uncertain outlook. Short and medium term business risk and uncertainty increased and growth rates slowed significantly. The level of government debt in economies in general is a major issue, especially as a constraint with respect to growth stimulating policies."

"While the level of market uncertainty and risk remains a key consideration, there are also many opportunities, particularly in some of the developing economies."

Opus' Managing Director, Dr David Prentice said the company is in a strong position for future growth. "In any period of change and uncertainty there are also new opportunities for development, and I believe we can look forward to growth and success in these challenging times."

He identified the recent acquisition of Coffey Rail (now renamed Opus Rail) in Victoria, Australia as one such example. The acquisition which was finalised on 29 February significantly enhances Opus' ability to service the rail industry across Australia and its global markets.

The acquisition is Opus' second in as many years, having successfully integrated Canadian engineering consultancy, Dayton and Knight Ltd in 2011. Dr Prentice confirms Opus has reactivated its acquisition strategy, with a focus on Australia and Canada. Development in the Middle-East and Asia is also being considered. "Our growth will continue to be supplemented by building on carefully targeted acquisitions. We are also exploring emerging markets and opportunities for collaboration with our major shareholder, Opus Group Bhd."

"We have also looked hard at ourselves" said Dr Prentice. "We have had a very strong focus on business improvement and especially customer service, innovation and our systems and processes. Being agile and adaptable in today's market is vital for us."

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