

29 August 2016

Airwork delivers positive result

- **NPAT of \$24.6m up 58% on prior year**
- **EPS of 49.0 cents per share up 58% on prior year**
- **Final dividend of 8 cents per share, bringing total dividend for the year to 17 cents, an increase of 1 cent per share from prior year**
- **Recent investment in Fixed Wing business drives earnings growth**
- **Highlights benefits of diversified businesses and revenue streams**

Growth in its Fixed Wing and Helicopter businesses has enabled specialist aviation solutions provider Airwork Holdings Limited (Airwork) to deliver a positive result for the year ended 30 June 2016, exceeding expectations for the year.

Net Profit After Tax of \$24.6 million (Earnings per Share of 49.0 cents) were 58% ahead of the prior year. Airwork will pay a fully imputed final dividend of 8.0 cents per share on 5 October 2016, making the total dividend of 17.0 cents for the year (prior year: 16.0 cents per share).

Total revenue increased by 15% on the 2015 financial year, with EBIT 51% ahead of the prior year.

EBIT growth of 93% in Airwork's Fixed Wing Division reflected the progress of the Company's fleet expansion programme, first announced in 2014. During the past financial year, six B737-400 freighter aircraft conversions were completed and delivered to customers in Europe, NZ and Australia. Since 30 June, two further aircraft freighter conversions have been completed and delivered to customers, leaving one remaining aircraft undergoing freight conversion for delivery later this year.

Despite the challenging market conditions in the resources sector, the Helicopter business also posted a solid performance, with EBIT growth of 16% on similar revenue to the prior year. Two helicopters (one of which one is expected to operate from early FY'17) were added to the helicopter leasing fleet, while the benefit of some short-term leases during the year and recognition of a High Court judgment in favour of the Group contributed positively to the result.

The expansion of the Company's helicopter engineering MRO (Maintenance Repair and Overhaul) facility at Ardmore was completed during the year and is now operational. Engineering certification expansion includes United States Federal Aviation Authority (FAA) Part 145 approval of the helicopter MRO facility obtained during the year.

Outlook

Airwork's Helicopter business will continue to focus on diversifying its customer base, redeploying unleased helicopters and expanding its global footprint. There continue to be headwinds in the resources sector, including the end of a contract in Africa and lower flying rates in Papua New Guinea. However, the Company sees opportunities in the emergency services and tourism markets. The above factors could lead to a slowing growth rate or short term decline in the Helicopter business' performance.

The Company expects continued earnings growth from its Fixed Wing business due to the full year impact of the aircraft deliveries and new contracts.

The Board continues to evaluate its future growth strategy and capital requirements.

Ends

Chris Hart, Chief Executive Officer

Media enquiries: John Redwood, Senescall Akers, +64 9 309 5659