

REPORTING SEASON

UGL LIMITED (UGL)

RESULTS	Half Year	Half Year	CHANGE
	Dec 2013	Dec 2012	
Net Profit After Tax (\$m)	29.5	26	+13.5%
Underlying NPAT (\$m)	49.7	51	-2.5%
Underlying NPAT (\$m) consensus	47.8		
Operating Revenue (\$m)	2,233.6	2,081.5	+7.3%
Earnings Per Share (cents)	29.8	30.7	-2.9%
Dividend Per Share (cents)	0	34	

Engineering and property services group UGL Limited (UGL) has reported a 13.5% lift in first half profit to \$29.5 million, and confirmed it may sell its DTZ property business. Reported NPAT for the period included \$20.2 million worth of restructuring and demerger costs, associated with splitting DTZ and the engineering business into two companies. Stripping out those costs, underlying NPAT came in at \$49.7 million, broadly in line with market expectations. Operating revenue increased 7.3% to \$2.2 billion. Chief Executive Richard Leupen said the company's engineering business fared well in what was a challenging market environment. "UGL is also well placed to benefit from the emerging infrastructure pipeline in Australia, particularly in the power and transportation sectors," he added. UGL says there will be further restructuring in the second half with the complete demerger of the engineering and DTZ businesses expected in FY15. UGL downgraded its FY14 expectations and now expects underlying net profit of around \$120 million, at the lower end of its previous guidance. The company will not pay an interim dividend as it attempts to conserve cash. UGL shares fell in response to the result and have been hit hard over the past few years. UGL shares lost almost 33% of their value in calendar 2013. Juliette Saly, CommSec Market Analyst @CommSec.

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