Seymour Whyte Limited and Controlled Entities
ABN 67 105 493 203

Appendix 4D

Interim Financial Report

For Half Year Ended 31 December 2012

Townsville Port Inner Harbour Expansion

www.seymourwhyte.com.au

CONTENTS

This interim financial report is lodged with the ASX under Listing Rule 4.2A. This report does not include all of the information required for an annual report and should be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by Seymour White Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporation Act 2001.

About the cover:

The Port of Townsville Inner Harbour Expansion is a vital regional project. Seymour Whyte is constructing a military and cruise-ship berthing facility, plus a terminal building for passenger processing. The scope of works also includes an upgrade of a berth to handle Panamax-sized cargo ships.

The project demonstrates Seymour Whyte's diverse capabilities as it features significant marine structural works combined with mechanical and electrical fabrication for materials handling infrastructure.

RESULTS FOR ANNOUNCEMENT TO THE MARKET
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Results				**Current reporting period 31 December 2012**
Revenue (continuing operations)	Down	19.1%	To	$130,689,911
Revenue (discontinued operations)				$2,132,804
Revenue (non-IFRS revenue from Jointly Controlled Operations)*				$5,856,227
Total revenue (adjusted for Jointly Controlled Operations)*	Down	21.7%	To	$138,678,942
Profit from continuing operation after tax attributable to owners of the parent	Down	60.1%	To	$3,412,388
Profit from discontinued activities after tax attributable to owners of the parent	Up	111.5%	To	$36,082
Net profit for the period attributable to owners of the parent	Down	58.1%	To	$3,448,470

Performance indicators	**Current reporting period 31 December 2012**	**Previous reporting period 31 December 2011**
Basic earnings per share	4.4 cents	10.6 cents
Diluted earnings per share	4.4 cents	10.6 cents
Net tangible asset backing per ordinary share	53.2 cents	54.3 cents

Dividends	**Amount per security**	**Franked amount per security**
Interim 2013 dividend	1.75 cents	100%

Record date for determining entitlements to the interim dividend	15 March 2013
Payment date of the final dividend	5 April 2013

There is no foreign sourced income attributed to the dividend.

There is no dividend reinvestment plan in operation.

***TECHNICAL NOTE:**

Please note that some revenue information disclosed in this report has been adjusted for non-IFRS information to provide an appropriate financial baseline.

Revenue extracted from the Statement of Comprehensive Income is calculated in accordance with AASB131: Interests in Joint Ventures and includes proportionately consolidated revenue for work managed on joint venture projects that have separate legal or financial structures (known as jointly controlled entities).

AASB131 requires that in a jointly controlled operation a venturer recognises the net share of income that it earns. This can result in a revenue figure that is much lower than that produced by a proportionate consolidation. Seymour Whyte currently has one such venture (refer to note 13(b) for further details). A non-IFRS adjustment has been made to include the company's proportionate share of work managed on its jointly controlled operation. This adjustment produces a total revenue figure that provides an appropriate baseline by which the company's financial performance can be measured (through, for example, the use of common financial ratios such as NPAT margins).

The presentation of this non-IFRS information has been reviewed by the company's auditors.

DIRECTORS' REPORT

Your Directors present their report, together with the interim financial report of the group, being Seymour Whyte Limited and its controlled entities, for the half year ended 31 December 2012.

Directors

The following persons were directors of Seymour Whyte Limited during the whole of the half year and up to the date of this report:

- Mac Drysdale
- Don Mackay
- John Seymour
- John Ready
- Susan Johnston

David McAdam was appointed as Managing Director on 1 February 2013 and continues in office at the date of this report.

Review and results of operations

Key Financial Indicators	1H2013 $	1H2012 $	Change %
Revenue (per Statement of Comprehensive Income)	**130,689,911**	161,555,317	
Revenue (discontinued operations)	**2,132,804**	286,487	
Revenue (non-IFRS revenue from Jointly Controlled Operations)*	**5,856,227**	15,314,748	
Total revenue (adjusted for Jointly Controlled Operations)*	**138,678,942**	177,156,552	↓ 21.7%
EBITDA	**4,990,360**	12,302,026	↓ 59.4%
Depreciation and amortisation expenses	**(616,467)**	(464,771)	
EBIT	**4,373,893**	11,837,255	↓ 63.0%
Finance revenue	**289,860**	488,747	
Finance costs	**(69,799)**	(71,223)	
NPBT	**4,593,954**	12,254,779	↓ 62.5%
Income tax expense	**(1,181,566)**	(3,707,093)	
NPAT from continuing operations	**3,412,388**	8,547,686	
Net result from discontinued operations	**36,082**	(312,993)	
NPAT	**3,448,470**	8,234,693	↓ 58.1%
Margin (NPAT as a percentage of total revenue)	**2.5%**	4.6%	
Return on equity	**8.3%**	19.5%	↓ 57.4%
Total earnings per share [basic and diluted] (cents)	**4.4**	10.6	↓ 58.4%
Total interim dividend per share (cents)	**1.75**	4.00	↓ 56.3%
Net assets	**41,623,986**	42,232,140	↓ 1.4%
Net tangible assets	**41,412,389**	42,232,140	↓ 1.9%
Net tangible asset backing per share (cents)	**53.2**	54.3	↓ 2.0%

* Please refer to the technical note appearing on page 3 of this report for important methodological information, including an explanation on the use of non-IFRS information.

DIRECTORS' REPORT (continued)

Revenue

Total revenue decreased by $38.5m (21.7%) to $138.7m for the six months to 31 December 2012, compared to the same period last year. Revenue for the half year includes $5.9m of non-statutory income relating to work performed on the Banora Point project, which is a jointly controlled operation. A number of projects were completed during the half year, including Townsville Port Access Road.

Analysis of the company's half year turnover indicates:

- 98% involved civil engineering work
- 85% involved government sector clients
- 83% was for Queensland based projects
- 77% of work was performed via joint ventures
- 31% of work performed involved relationship based contracts

Profit

NPAT decreased by $4.8m (58.1%) to $3.4m for 1H2013.

This first half profit result reflects the positive resolution of a number of legacy issues related to projects which were completed in FY2012 and the financial settlement of these issues. The result also reflects lower revenue as a consequence of more difficult trading conditions. While the company has secured a number of significant new projects and increased the scope on a number of existing projects, the primary revenue and earnings benefits from these achievements is not expected until the second half. The company undertook a number of initiatives in response to the lower revenue and profit, including;

- Appointing a new CEO (David McAdam) on 23 July 2012.
- Refocusing the company's business development efforts by leveraging existing competencies in new markets.
- Implementing a range of new project management controls to enhance reporting and forecasting processes.
- Substantially reducing corporate overheads to ensure they are consistent with current demand and project scale.

The company's 25.7% (1H2012: 30.2%) effective tax rate reduced on a year on year basis due to a R&D claim resulting in a $2.5m decrease in tax expense for the six months to 31 December 2012.

Dividends

The board determined an interim fully franked dividend of 1.75 cps, with a record date of 15 March 2013. This represents a 39.5% dividend payout ratio for 1H2013.

Financial position

The company's financial position remains strong with low levels of gearing and significant assets held as cash.

Seymour Whyte's net asset position increased by $1.9m (4.8%) from 30 June 2012 to $41.6m at 31 December 2012, resulting in the company's net tangible asset backing per share rising to 53.2 cps.

The company continued to hold strong levels of working capital of $34.6m on hand at 31 December 2012 which represented 83.2% of the group's net assets. This is $1.7m more than the prior year comparative which represented 82.8% of net assets on hand at 30 June 2012.
Trade receivable and payable balances decreased by $16.3m and $11.8m respectively on a half year on full year basis, generally reflecting decreased levels of construction activity during 1H2013.

The company's business continued to enjoy low gearing of only 4.1% (FY2012: 4.6%).

Other financial position movements noted include:

- A cumulative decrease of $2.1m in current and deferred tax liabilities and a $3.2m decrease in deferred tax assets are predominantly due to changes in project-related timing differences.
- Other assets increased $0.5m mainly due to prepayment of contract works insurance.

Cash flow

The company's projects generated positive levels of cash flow during the half year.

The company's overall cash balances increased by $5.3m (17%) from 30 June 2012 to $36.4m at 31 December 2012. The company monitors cash performance on a project by project basis and considers this result to be a positive reflection of performance against contractual milestones.

DIRECTORS' REPORT (continued)

Facilities

An $18m ANZ bank guarantee facility and $10m Vero bonding facility secure the company's performance under traditional construction contracts. The company has maintained 'headroom' in its ANZ facility due to the preference some clients in new markets have for bank guarantees.

Subsequent to reporting date the company arranged for an additional $15 million Swiss Re International bond facility to respond to the growth of the company's order book and to meet clients' expectations in relation to bank guarantees. The effective utilisation of these facilities after adjusting for the Swiss Re International bond facility is 49% at 31 December 2012 compared to 51% at 30 June 2012.

All of the company's facilities are in order, and at the time of signing this report the Directors have not been advised by their financiers of any reason that would prohibit their renewal on similar terms at their next review.

BUSINESS REVIEW

Safety

Seymour Whyte's zero harm safety objective is an organisational priority. It is a core belief of Seymour Whyte that all injuries and incidents are preventable.

The company has continued to develop and enhance a number of long term initiatives which have delivered a measurable improvement in safety performance. The following initiatives were undertaken during the half year to further improve performance:

- Increased focus and responsibility for safety placed on the company's leadership and senior executive team.
- Safety management and incident review process significantly improved including detailed and timely review processes, increased observational practices and onsite training.
- Ongoing focus on the elimination of significant incidents and high potential incidents.

Measured safety performance continued to be strong during the year with Lost Time Injury Frequency Rate (LTIFR) of 1.32 (FY2012: 1.57) and Total Recordable Injury Frequency Rate (TRIFR) of 14.47 (FY2012: 20.41).

The company's organisation-wide approach to safety continues to draw accolades with the BMD Seymour Whyte joint venture winning the 2012 QMCA Safety Award for excellence in safety leadership for the Port of Brisbane Motorway Upgrade project (Port Connect). It is the second year in a row Seymour Whyte has won the award.

Environment

Environmental management is a high priority on all of Seymour Whyte's projects and the company manages environmental risk with a full appreciation of how important this is to all stakeholders. The company's Environmental Management System complies with the requirements of the ISO 14001 framework and is subject to regular third-party audits. There were no notifiable incidents during the half year.

People

Seymour Whyte invests significant resources in attracting, developing and retaining outstanding employees across a range of disciplines and skill sets. The nature of the construction industry necessitates a company-wide focus on ensuring it has the appropriately skilled people to deliver projects within deadlines and budgets. Management is also conscious of ensuring it has the capacity to deliver on the company's growth expectations.

During the half year the company refocused efforts on personnel selection processes to improve the calibre of potential employees. The company has also commenced training and development programs for key project personnel and increased its focus on succession planning and leadership development. All of these initiatives are designed to future-proof the company's human resource capacity.

During the half year total full-time staff decreased 15% to 229 compared to 30 June 2012.

Seymour Whyte's human resources management policies and systems remain third-party accredited to National Human Resources Standard (NS HRF – 101:2010).

Strategy

Throughout the first half the company continued to develop and enhance its strategic positioning within the infrastructure engineering and construction sector and is prepared for a business-wide roll out of a new strategic plan in the second half of the financial year.

The Strategic Plan has been developed to reflect the need for short term consolidation to meet the challenges of prevailing market conditions while developing the positioning, systems, processes and capacity to deliver growth in the medium and long term.

DIRECTORS' REPORT (continued)

Strategy (continued)

In the short term the company will focus on growing beyond its traditional client base by pursuing greater penetration with potentially high quality new clients. The plan also reflects the need to build skills, systems and relationships to support expansion into new markets by building a growth-ready organisation.

Over the medium term the company will focus on developing and executing a range of strategic growth platforms to:

- Grow current capability into additional transport sector projects; road, rail, marine and airports
- Extend geographic spread through expansion into a third state or territory (WA or NT)
- Apply infrastructure construction engineering skills to resource sector (mine and CSG)
- Analyse potential for merger or acquisition as a geographical/sector entry strategy
- Joint venture to risk share, gain technical expertise, achieve supply chain competitiveness or leverage new geography/sector
- Apply infrastructure construction engineering skills to the utilities sector (water, wastewater, power)

The development and execution of the strategic plan is underpinned by a strong balance sheet, renewed and streamlined management structures and improved project monitoring and reporting systems.

Corporate Governance

The company adopts a balanced board structure that combines specific industry expertise provided by ‘engineering’ Directors with the broader business experience provided by independent Directors, which includes many years of service with public companies.

There were no significant changes to the company's governance structures during the half year.

Order book

The company secured a number of significant new contracts during the half year as well as negotiating with clients to extend the scope and value on a number of existing projects. The company secured a total of five new projects with a total value of $220 million in the first half. As at 31 December 2012 the company’s total orders stand at approximately $469 million, of which $275 million is scheduled for completion in the current financial year and a further $194 million is scheduled for FY2014 and beyond. New projects secured during the half year include;

- Bruce Highway (Back Creek) - $28 million
  - Construction of 3.7km of Bruce Highway
  - Client is Queensland Department of Transport and Main Roads
  - To be completed in FY14
- Warrego Highway (Jondaryan – Dalby) - $64 million
  - Asphalt overlay works to improve flood immunity and overtaking lanes
  - To be undertaken in joint venture with Boral Resources
  - To be completed in FY14
- Great Western Highway (Bullaburra East) - $46 million
  - Upgrading and widening 1.6km of highway
  - Client is NSW Roads and Maritime Services (RMS) agency
  - Scheduled for completion March 2015
- Logan Motorway - $49 million
  - Rehabilitation works on Logan Motorway, west of Brisbane
  - Client is Queensland Motorways
  - Contract execution is scheduled for February 2013
- Warrego Highway (Toowoomba Range) - $33 million
  - Batter remediation works on a section of Highway through Toowoomba Range
  - High profile project
  - Client is Queensland Department of Transport and Main Roads
  - Delivered under Natural Disaster Relief and Recovery Arrangements (NDRRA)
  - Contract execution is scheduled for February 2013

DIRECTORS' REPORT (continued)

Market Outlook

The company has observed an improvement in the spending profile of major clients towards the end of the half year.

The Queensland Government particularly has begun to release more funds for infrastructure projects. These projects are primarily for works with a value of less than $100 million. Spending on major infrastructure projects valued at more than $100 million remains constrained and is expected to be constrained for the foreseeable future.

In New South Wales, the company has identified and is actively pursuing a rage of opportunities as part of a strong program of works on the Pacific Highway and regional roads. The company has also identified a number of opportunities in the resources sector, with a particular emphasis on infrastructure works associated with the development of the CSG industry in Queensland. The company has also identified potential for increased workflow in the utilities sector, with a particular focus on water, waste water and sewerage infrastructure.

The company has identified a current pipeline of more than $800 million of potential projects coming to the market in the next 6 months.

Guidance

The company maintains its earnings guidance for the full year. The company still expects net profit after tax (NPAT) for FY2013 to be broadly in line with its FY2012 result of $8.8 million.

At the company's Annual General Meeting in November 2012 shareholders were advised the company expected to deliver approximately 75% of full year NPAT in the second half of the financial year. The positive resolution and settlement of project-related legacy issues as well as favourable weather conditions has brought forward some of the expected second half earnings into the first half.

Auditor's independence declaration

A copy of the auditor's independence declaration, as required under section 307C of the Corporation Act 2001, is set out on page 9.

Signed in accordance with a resolution of the Board of Directors.

K.M. Drysdale.

Mac Drysdale
Chairman

Don Mackay
Director

Brisbane
27 February 2013

Grant Thornton

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF SEYMOUR WHYTE LIMITED & ITS CONTROLLED ENTITIES

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In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Seymour Whyte Limited & Its Controlled Entities for the half-year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M S Bell
Partner - Audit & Assurance

Brisbane, 27 February 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Notes	Consolidated Group Dec 2012 $	Dec 2011 $
Revenue	2	**130,689,911**	161,555,317
Other income	2	**637**	3,157
Raw materials and consumables used		**(106,835,560)**	(129,647,630)
Employee benefits expense	3	**(17,154,219)**	(16,803,284)
Depreciation and amortisation expenses	3	**(616,467)**	(464,771)
Finance costs	3	**(69,799)**	(71,223)
Rent expense		**(477,851)**	(477,642)
Other expenses		**(1,163,295)**	(1,839,145)
Share of equity accounted net profit of joint ventures	7	**220,597**	-
Profit from continuing operations before income tax		**4,593,954**	12,254,779
Income tax expense		**(1,181,566)**	(3,707,093)
Profit from continuing operations		**3,412,388**	8,547,686
Profit/ (Loss) from discontinued operations	6	**36,082**	(312,993)
Profit for the half-year		**3,448,470**	8,234,693
Other comprehensive income		**-**	-
Other comprehensive income for the period, net of income tax		**-**	-
Total comprehensive income for the half-year attributable to owners of the parent		**3,448,470**	8,234,693
Earnings per share			
Basic earnings per share (cents)			
Earnings from continuing operations		**4.38**	10.98
Earnings from discontinuing operations		**0.05**	(0.40)
Total	11	**4.43**	10.58
Diluted earnings per share (cents)			
Earnings from continuing operations		**4.38**	10.98
Earnings from discontinuing operations		**0.05**	(0.40)
Total	11	**4.43**	10.58

The accompanying notes form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Notes	Consolidated Group Dec 2012 $	June 2012 $
ASSETS			
Current			
Cash and cash equivalents		**36,432,792**	31,126,270
Trade and other receivables	4	**30,502,593**	46,852,589
Other assets		**1,196,309**	701,049
Total Current Assets		**68,131,694**	78,679,908
Non Current			
Other receivables	5	**1,070,576**	1,096,376
Equity accounted investments	7	**1,218,364**	997,767
Property, plant and equipment		**7,446,518**	6,510,889
Intangible assets	8	**211,597**	242,199
Deferred tax assets		**2,963,035**	6,128,919
Total Non Current Assets		**12,910,090**	14,976,150
TOTAL ASSETS		**81,041,784**	93,656,058
LIABILITIES			
Current			
Trade and other payables		**27,836,307**	39,619,794
Short term borrowings		**678,146**	701,451
Current tax liabilities		**2,293,484**	2,313,356
Short term provisions		**2,674,948**	3,137,346
Total Current Liabilities		**33,482,885**	45,771,947
Non Current			
Long term borrowings		**1,016,843**	1,135,866
Deferred tax liabilities		**3,880,751**	5,944,595
Long term provisions		**1,037,319**	1,071,552
Total Non Current Liabilities		**5,934,913**	8,152,013
TOTAL LIABILITIES		**39,417,798**	53,923,960
NET ASSETS		**41,623,986**	39,732,098
EQUITY			
Issued capital	9	**7,215,712**	7,215,712
Retained earnings		**34,408,274**	32,516,386
TOTAL EQUITY		**41,623,986**	39,732,098

The accompanying notes form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

		Consolidated Group		
	Notes	**Issued Capital** $	**Retained Earnings** $	**Total** $
Balance at 1 July 2011		7,215,712	30,284,044	**37,499,756**
Shares issued during the year		-	-	**-**
Total comprehensive income for the half-year		-	8,234,693	**8,234,693**
Sub-total		7,215,712	38,518,737	**45,734,449**
Dividends paid or provided for	10	-	(3,502,309)	**(3,502,309)**
Balance at 31 December 2011		7,215,712	35,016,428	**42,232,140**
Balance at 1 July 2012		7,215,712	32,516,386	**39,732,098**
Shares issued during the year		-	-	**-**
Total comprehensive income for the half-year		-	3,448,470	**3,448,470**
Sub-total		7,215,712	35,964,856	**43,180,568**
Dividends paid or provided for	10	-	(1,556,582)	**(1,556,582)**
Balance at 31 December 2012		7,215,712	34,408,274	**41,623,986**

The accompanying notes form part of this interim financial report.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Notes	Consolidated Group Dec 2012 $	Dec 2011 $
Cash flows from operating activities			
Receipts from customers		**158,580,170**	155,688,886
Payments to suppliers and employees		**(150,163,814)**	(140,570,397)
Net receipts from trading		**8,416,356**	15,118,489
Interest received		**300,285**	494,022
Finance costs		**(69,799)**	(71,223)
Income tax paid		**(114,862)**	(1,588,814)
Net cash provided by operating activities	12	**8,531,980**	13,952,474
Cash flows utilised by investing activities			
Proceeds from sale of property, plant and equipment		**58,344**	42,227
Payments for property, plant and equipment		**(1,610,692)**	(1,413,322)
Net cash used in investing activities		**(1,552,348)**	(1,371,095)
Cash flows utilised by financing activities			
Proceeds from borrowings		**251,081**	707,280
Repayment of borrowings		**(393,409)**	(318,088)
Proceeds from repayment of employee share loan		**25,800**	109,416
Dividends paid	10	**(1,556,582)**	(3,502,309)
Net cash used in financing activities		**(1,673,110)**	(3,003,701)
Net increase in cash held		**5,306,522**	9,577,678
Cash and cash equivalents at beginning of half-year		**31,126,270**	28,864,775
Cash and cash equivalents at end of half-year		**36,432,792**	38,442,453

The accompanying notes form part of this interim financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 1: Basis of preparation of consolidated interim financial report

Seymour Whyte Limited (parent entity) is a company domiciled in Australia. The consolidated interim financial report for the 6 months ended 31 December 2012 comprises the parent entity and its controlled entities (group) and the group's interests in associates and joint venture entities.

The consolidated interim financial report is presented in Australian dollars and has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

The consolidated interim financial report was approved by the Directors on 27 February 2013.

Statement of compliance

The consolidated interim financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporation Act 2001* , applicable Accounting Standards including AASB 134 *Interim Financial Reporting* and other mandatory professional requirements.

This consolidated interim financial report does not include all of the information required for an annual financial report and should be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by Seymour Whyte Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *ASX Listing Rules* and *Corporation Act 2001.*

Significant Accounting Policies

The same accounting policies and methods of computation have been followed in this consolidated interim financial report as were applied in the consolidated annual financial report for the year ended 30 June 2012.

The Group has not elected to early adopt any other new Standards or amendments that are issued but not yet effective.

The Group has considered the impact of new and amended Accounting Standards and has determined that there will be no material impact on the financial report.

Accounting Estimates and Judgements

The preparation of the consolidated interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are based on historical knowledge and best available information at the time. The estimates and judgements that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities in future periods are:

- Assessment of projects on a percentage of completion basis, in particular with regard to accounting for claims, variations and incentive payments, the timing of profit recognition and the amount of profit recognised;
- Measurement of provisions; and
- Estimation of the economic life of property, plant and equipment, and intangibles.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

		Consolidated Group	
		Dec 2012	Dec 2011
Note 2: Revenue and other income	Notes	**$**	$
Operating revenue:			
- Construction revenue		**130,379,717**	161,054,143
- Interest revenue	2(a)	**289,860**	488,747
- Other revenue		**20,334**	12,427
		130,689,911	161,555,317
Other income:			
- Gain on disposal of property, plant and equipment		**637**	3,157
		637	3,157
2(a) Interest revenue from:			
- Financial institutions		**289,860**	488,747
		289,860	488,747

	Consolidated Group	
	Dec 2012	Dec 2011
Note 3: Profit before income tax	**$**	$
Profit before income tax includes the following specific expenses:		
Expenses		
Depreciation and amortisation		
- depreciation of property, plant and equipment	**585,865**	464,771
- amortisation of intangibles	**30,602**	-
Total depreciation and amortisation	**616,467**	464,771
Net loss on disposal of property, plant and equipment:		
- gain on disposal of property, plant and equipment	**637**	3,157
- loss on disposal of property, plant and equipment	**(31,491)**	(72,338)
Total net loss on disposal of property, plant and equipment	**(30,854)**	(69,181)
Finance costs:		
- external	**69,799**	71,223
Total finance costs	**69,799**	71,223
Rental expenses on operating leases:		
- minimum lease payments	**477,851**	477,642

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 4: Trade and other receivables

	Consolidated Group	
	Dec 2012	June 2012
	$	$
Trade and other receivables	**30,502,593**	46,904,415
Provision for doubtful debts	**-**	(51,826)
	30,502,593	46,852,589

Trade receivables are generally due for settlement within 30 days. The group is able to collect all amounts due according to the original terms of the receivables therefore no provision for impairment of trade receivables has been made as at 31 December 2012.

Note 5: Other receivables

	Consolidated Group	
	Dec 2012	June 2012
	$	$
Non Current		
- Other receivables	**1,070,576**	1,096,376
	1,070,576	1,096,376

As part of an employee incentivisation program previously disclosed to the market, the group offered loans to shareholders of partly paid shares (PPS) to facilitate the payment of all outstanding amounts on their PPS. These loan monies were offset against the outstanding unpaid balance on the related PPS, resulting in no net outflow of funds from the group.

Key terms of the loan agreements are:

- Until fully repaid the loans are secured by a holding lock over the shareholdings and also a guarantee.
- Repayments are to be made from dividends payable to the shareholder based on a pre-agreed formula.
- Consistent with the operation of the prior PPS share plan, the loans are non-interest bearing.

Note 6: Operating activities of discontinued operations

During the last board meeting of FY2012, the Directors resolved to close down the building division. This decision was made to concentrate on the group's core competency, which is complex civil engineering construction. The two current building projects under construction at the time of making this decision have since achieved practical completion.

Revenue and expenses relating to the discontinuation of this activity have been removed from the results of continuing operations and are shown in a single line item on the face of the statement of comprehensive income (no assets were remeasured or impaired as a result of this discontinuation). The operating results of this division for HY2012 are as follows:

	Consolidated Group	
	Dec 2012	Dec 2011
	$	$
Revenue	**2,132,804**	286,487
Raw materials and consumables used	**(1,817,125)**	(727,425)
Employee benefits expense	**(264,133)**	(6,195)
Profit/ (Loss) from discontinued operations before income tax	**51,546**	(447,133)
Income tax (expense) benefit	**(15,464)**	134,140
Profit/ (Loss) from discontinued operations	**36,082**	(312,993)

The discontinued operation did not carry any non-current assets therefore no revaluation of assets was applicable. The assets of the discontinued operation are made up of $971,392 (FY2012 $85,967) in cash, and $6,247 (FY2012 $755,363) in receivables. Liabilities consisting of $131,400 (FY2012 $356,833) in accruals existed at the end of the HY2012.

Cash flows from discontinued operations		
Net cash provided by/(used in) operating activities	**559,765**	(109,638)
Net cash inflows/(outflow) for the half-year	**559,765**	(109,638)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Consolidated Group	
	Dec 2012	June 2012
	$	$

Note 7: Equity accounted investments

During FY2012 Seymour Whyte, together with the joint venture partner of the Townsville Port Inner Harbour Expansion (TPIX) Project established SWS Plant Pty Ltd, as a marine barge hire company. The company was established for the purpose of providing equipment for dredging work required for the TPIX project. The contribution to establish the entity was $1,043,790 and resulted in Seymour Whyte obtaining a 50% investment in SWS Plant Pty Ltd. The initial investment was used to fund a barge, and as a result there was no goodwill included in the initial amount invested. SWS Plant Pty Ltd is a private entity and not listed on any public exchange.

SWS Plant Pty Ltd (joint controlled entity)		
Ownership	**50%**	50%
Reporting date	**Dec 2012**	June 2012
Share of associates statement of financial position		
Current assets	**429,120**	1,009
Non-current assets	**858,848**	996,758
Current liabilities	**(69,604)**	-
Non-Current liabilities	**-**	-
Equity	**1,218,364**	997,767
Share of associates income and expense		
Income	**370,222**	-
Expenses	**(83,261)**	(65,747)
Share of equity accounted net gain (loss) of joint ventures before income tax	**286,961**	(65,747)
Income tax (expense) / benefit	**(66,364)**	19,724
Share of equity accounted net gain (loss) of Joint Ventures	**220,597**	(46,023)

Note 8: Intangible assets

Software		
- At cost	**306,021**	306,021
- Accumulated amortisation	**(94,424)**	(63,822)
	211,597	242,199

	Development Costs	
	Dec 2012	June 2012
	$	$
Balance at 1 July 2012	**242,199**	**-**
Additions	**-**	306,021
Amortisation expense	**(30,602)**	(63,822)
Balance at 31 December 2012	**211,597**	242,199

Acquisition in FY2012

The group recognised an intangible asset in FY2012 on the successful completion of three databases used in the engineering operations of the business. It has been determined that the useful life of each database is finite, and will end 5 years from completion. The amortisation has been calculated on a straight-line basis from completion of the project upon satisfying the criteria of an intangible asset. The amortisation costs are recognised in the statement of comprehensive income under "depreciation and amortisation expenses".

Note 9: Issued capital

	Consolidated Group	
	Dec 2012	June 2012
	$	$
Paid up capital:		
77,829,092 fully paid ordinary shares	**7,312,518**	7,312,518
Costs of shares issued	**(96,806)**	(96,806)
	7,215,712	7,215,712

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 9: Issued capital (continued)

	Consolidated Group	
	Dec 2012 No.	June 2012 No.
(a) Ordinary shares		
Balance at 1 July 2012	**77,829,092**	77,829,092
Shares issued during the half year	**-**	-
Balance at 31 December 2012	**77,829,092**	77,829,092

Shares issued

No shares were issued during the half year ended 31 December 2012.

Calls made on shares

No calls were made on shares during the half year ended 31 December 2012.

Shareholders rights

Participation in dividends for all shares is in proportion to the amount paid up in respect of those shares.

In the event of winding up, shares have the right to participate in the proceeds from the sale of surplus assets in proportion to the number of and amount paid up on the shares held.

Each shareholder present has one vote on a show of hands, and if a poll is called each shareholder present votes in proportion to the number of and amount paid up on their shares.

Compulsory restriction

All holders of shares issued under the employee share plan are subject to a compulsory restriction. ATO requires restriction of shares until the earlier of a period of three years from issue or the date of cessation of their employment with the Group. The number of restricted shares recorded on the company share register at year end was 10,832 (FY2012: 11,264).

Note 10: Dividends

	Consolidated Group	
	Dec 2012 $	Dec 2011 $
(a) Ordinary shares		
Final ordinary dividend for the financial year ended 30 June 2012 of 2.00 cents per share fully franked at the tax rate of 30% paid on 19 October 2012	**1,556,582**	-
Final ordinary dividend for the financial year ended 30 June 2011 of 4.50 cents per share fully franked at the tax rate of 30% paid on 21 October 2011	**-**	3,502,309
	1,556,582	3,502,309

(b) Dividends not recognised at half year end

In addition to the above dividends, since the half year end the Directors have determined than an interim ordinary dividend of 1.75 (HY2011: 4.00) cents per share fully franked at the tax rate of 30% (HY2011: 30%) should be paid. The aggregate amount of the proposed dividend expected to be paid on 5 April 2013 (HY2011: 4 April 2012) but not recognised as a liability at half year end is:	**1,362,009**	3,113,164

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Consolidated Group	
Note 11: Earnings per share	**Dec 2012**	Dec 2011
Basic earnings per share (cents)		
Earnings from continuing operations	**4.38**	10.98
Earnings from discontinuing operations	**0.05**	(0.40)
Total	**4.43**	10.58
Diluted earnings per share (cents)		
Earnings from continuing operations	**4.38**	10.98
Earnings from discontinuing operations	**0.05**	(0.40)
Total	**4.43**	10.58
Profit attributable to members of the parent used in the calculation of basic and diluted earnings per share ($)	**3,448,470**	8,234,693
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	**77,829,092**	77,829,092

	Consolidated Group	
	Dec 2012	Dec 2011
Note 12: Cash flow information	**$**	$
Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	**3,448,470**	8,234,693
Non-cash flows in profit:		
- Depreciation and amortisation	**616,467**	464,771
- Net loss on disposal of property, plant and equipment	**30,854**	69,180
- Increase in equity accounted investment	**(220,597)**	-
Movements in assets and liabilities:		
- Decrease/(increase) in receivables	**16,349,996**	(11,413,123)
- (Increase) in other assets	**(495,260)**	(2,211,396)
- Decrease/(increase) in deferred tax assets	**3,165,884**	(2,131,291)
- (Decrease)/increase in payables	**(11,783,487)**	16,681,288
- (Decrease)/increase in current tax liabilities	**(19,872)**	713,399
- (Decrease)/increase in provisions	**(496,631)**	142,921
- (Decrease)/increase in deferred tax liabilities	**(2,063,844)**	3,402,031
Cash flows from operations	**8,531,980**	13,952,474

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 13: Interests in joint ventures

The Company participates in a variety of joint ventures as a means of sharing construction risk and rewards.

(a) Interest in joint venture entities

Seymour Whyte Constructions Pty Ltd, a subsidiary, has the following investments in joint venture entities:

		Consolidated Group	
		Ownership Interest	
Name	**Principal Activities**	**Dec 2012**	June 2012
Hale Street Link Joint Venture	Civil Construction	**33.3%**	33.3%
Abigroup Seymour Whyte Joint Venture	Civil Construction	**50.0%**	50.0%
D2G Joint Venture	Civil Construction	**14.0%**	14.0%
BMD Seymour Whyte Joint Venture	Civil Construction	**50.0%**	50.0%
Seymour Whyte Smithbridge Joint Venture	Civil Construction	**50.0%**	50.0%
Bouygues Seymour Whyte Joint Venture	Civil Construction	**50.0%**	50.0%

The group's interest in joint venture entities is brought to account using the proportionate consolidation method of accounting.

The group's share of their results, assets and liabilities is as follows:

	Dec 2012	Dec 2011
	$	$
Revenue	**90,116,497**	99,035,399
Expenses	**(81,364,123)**	(88,587,869)
Profit before income tax	**8,752,374**	10,447,530

	Dec 2012	June 2012
	$	$
Current assets		
Cash and cash equivalents	**12,903,227**	20,536,763
Trade and other receivables	**17,850,801**	30,421,600
	30,754,028	50,958,363
Current liabilities		
Trade and other payables	**19,030,999**	33,995,853

(b) Interest in joint venture operation

Seymour Whyte Constructions Pty Ltd, a subsidiary, has the following investments in joint venture operations:

		Profit Entitlement	
Name	**Principal Activities**	**Dec 2012**	June 2012
Banora Point Upgrade Alliance	Civil Construction	**30.0%**	30.0%
Seymour Whyte Boral Joint Venture	Civil Construction	**50.0%**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 14: Controlled entities	Country of Incorporation	Percentage Owned Dec 2012	Percentage Owned June 2012
Subsidiaries of Seymour Whyte Limited:			
Seymour Whyte Constructions Pty Ltd	Australia	**100%**	100%

Note 15: Contingencies and commitments	Consolidated Group Dec 2012 $	Consolidated Group June 2012 $

Claims

At the date of signing this report the Directors are not aware of any material contingent claims against the group.

Bank guarantees and insurance bonds

Bank guarantees and insurance bonds are issued in the normal course of business to guarantee performance under traditional contracts.

	Dec 2012 $	June 2012 $
A bank guarantee facility is provided by ANZ Bank. It is secured by a Mortgage Debenture and Corporate Guarantee and Indemnity over all the assets of the group, and a right of set-off in relation to $2m in term deposits. At reporting date the group is in a sound financial position and is not likely to default on the facility. The next review is in December 2013.	**18,000,000**	18,000,000
At reporting date the total facility used was:	**11,514,328**	5,212,893
An insurance bond facility is provided by Vero and is secured by a Deed of Indemnity and Guarantee. At reporting date the group is in a sound financial position and is not likely to default on the facility. The next review is in June 2013.	**10,000,000**	10,000,000
At reporting date the total facility used was:	**9,546,837**	9,185,499

Contingent liabilities subsequent to reporting date

	Dec 2012 $	June 2012 $
Subsequent to the reporting date an insurance bond facility was arranged by the Group with Swiss Re International secured by a Deed of Indemnity and Guarantee. The company intends to use the facility to provide additional capacity to its existing facilities.	**15,000,000**	-

Other facilities

Other facilities are used to fund the acquisition of generic plant and equipment such as motor vehicles and light trucks.

	Dec 2012 $	June 2012 $
The group has an asset finance facility in place with ANZ which is secured by providing ownership of or mortgages over assets purchased through the facility. At reporting date the group is in a sound financial position and is not likely to default on the facility.	**4,000,000**	2,000,000
At reporting date the total facility used was:	**1,694,989**	1,837,317

Lease commitments

Finance lease commitments

Payable - minimum lease payments	Dec 2012 $	June 2012 $
- no later than twelve months	**817,168**	865,487
- between 12 months and five years	**1,118,091**	1,316,575
- greater than five years	**-**	-
Minimum lease payments	**1,935,259**	2,182,062
Less future finance charges	**(240,270)**	(344,745)
Present value of minimum lease payments	**1,694,989**	**1,837,317**

The finance leases, chattel mortgages and hire purchase agreements on plant and equipment and motor vehicles have durations between 36 and 60 months with an option to refinance at the completion of the agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 15: Contingencies and commitments (continued)

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

	Consolidated Group	
	Dec 2012	Dec 2011
	$	$
Payable - minimum lease payments		
- no later than twelve months	**773,512**	681,511
- between 12 months and five years	**3,709,561**	3,101,176
- greater than five years	**992,672**	1,009,707
	5,475,745	4,792,394

Operating leases are for a period of 48 months in relation to office machines. The rental of premises is mainly for periods of three to seven years.

Note 16: Operating segments

Identification of reportable segments

The group identifies its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources.

Due to a change in internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in the period following the disposal of a discontinued operation (building segment) in FY2012 (Refer note 6), one operating segment (civil) was identified. This segment is represented in the primary financial reports, therefore no separate disclosures have been made.

Major customers

The group generates all its revenues from its external customers through its core business activity of civil engineering works. External customers include several state government departments subject to common control, that represents more than 10% of revenues. The group's largest customer accounted for 85% of external revenue, the next largest customers accounted for 13% and 2% respectively.

Revenues and non-current assets by geographical areas

All revenues from external customers during the year are attributed to Australia. No revenues are attributed to foreign countries. All non-current assets are attributed to Australia. No non-current assets are attributed to foreign countries.

Note 17. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties

	Dec 2012 $	Dec 2011 $
Rent paid (GST exclusive) to a Director (John Seymour) related entity for premises at Garden City Office Park, 14/2404 Logan Road, Eight Mile Plains, Queensland (registered office and principal place of business for the group). The current term expired on 30 June 2012 and is now running on a month to month agreement.	**139,500**	139,500
As part of an employee incentivisation program previously disclosed to the market, the group offered loans to shareholders of partly paid shares (PPS) to facilitate the payment of all outstanding amounts on their PPS. Further details in respect of this transaction are disclosed at Note 5. The loan amount at balance date was:	**1,070,576**	1,186,252
IT consulting fees paid (GST exclusive) to an entity related to a member of the company's key management personnel (David McAdam). These services are provided as required and are subject to independent review and scrutiny by the board of directors.	**29,525**	-

Note 18. Events after the reporting period

At the date of signing this report the Directors are not aware of any other matters which in the opinion of the Directors has significantly affected, or may significantly affect, the operations of the group, the results of those operations, or the state of affairs of the group in future periods.

DIRECTORS' DECLARATION

In the opinion of the Directors of Seymour Whyte Limited:

1. The financial statements and notes, as set out on pages Page 10 to Page 22 are in accordance with the *Corporations Act 2001* and:

   (a) comply with AASB 134: *Interim Financial Reporting* and the *Corporation Regulations 2001;*

   (b) give a true and fair view of the group's financial position as at 31 December 2012 and of its performance for the half year ended on that date.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of Directors.

Mac Drysdale
Chairman

Don Mackay
Director

27 February 2013
Brisbane

Grant Thornton

INDEPENDENT AUDITOR'S REVIEW REPORT

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TO THE MEMBERS OF SEYMOUR WHYTE LIMITED & ITS CONTROLLED ENTITIES

We have reviewed the accompanying half-year financial report of Seymour Whyte Limited & Its Controlled Entities ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year..

Directors' responsibility for the half-year financial report

The directors of Seymour Whyte Limited & Its Controlled Entities are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Seymour Whyte Limited & Its Controlled Entities consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Seymour Whyte Limited & Its Controlled Entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Seymour Whyte Limited & Its Controlled Entities is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

GRANT THORNTON

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M S Bell
Partner - Audit & Assurance

Brisbane, 27 February 2013