

ASX RELEASE

27 July 2016

Unaudited Results for the Year Ending 30 June 2016

- **Net loss narrowed from \$2.75m FY15 to \$1.76m FY16**
- **Total revenue of \$5.35m (\$6.89m FY15)**
- **H2 FY16 revenue of \$3.1m, up 38% on H1 FY16**
- **Annual costs down 7% to \$4.71m (\$5.06m FY16)**
- **A further 18% in cost savings and 22% cash savings implemented for FY17**
- **Cash balance of \$0.8m to receive boost in FY17 with new capital and R&D rebates**

Advanced Braking Technology Ltd (ASX: ABV) ('ABT' or 'the Company') wishes to update the market on its unaudited financial results for the 2016 financial year.

Throughout the year, ABT continued to transform through diversifying its products and broadening both its geographic and market reach, the full benefits of which should become evident in FY17 and beyond. However, the current slump in mining capital expenditure, widely acknowledged to be the worst in 20 years, has impacted on ABT's total revenue for FY16, which at \$5.35m, is down 22% from FY15. A net loss of \$1.76m was recorded which was a significant narrowing from the FY15 loss of \$2.75m. After a particularly difficult first half, when most major clients severely curtailed their capital expenditure, encouragingly, demand picked up in the second half and looks set to grow in FY17.

Following the comprehensive cost reduction program in FY15, ABT made further cost savings of 7% in FY16 with costs totalling \$4.71m. Stringent financial management will continue to be a focus with cost savings of 18% planned for FY17 including reduced annual interest costs of \$0.27m resulting from the recently announced capital raising.

The Company's cash position remains stable with \$0.8m of cash in the bank. Additional cash of \$0.8m in R&D rebates is due in September and a surplus of \$0.7m is anticipated from the capital raising. Other cost savings initiatives will reduce cash outflows by \$1.1m per annum.

Commenting on the past financial year, Advanced Braking Technology's Managing Director, Graeme Sumner, said, "We anticipate the increase in demand for our products experienced in the second half of the financial year to continue into the new year. The diversification of our product range and the continued growth of our distributor base provides a solid foundation for a sustainably profitable future."

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About Advanced Braking Technology Ltd

Advanced Braking Technology Ltd (ASX: ABV) develops innovative braking systems. Their first product was the multi-award winning Sealed Integrated Braking System (SIBS®), a comprehensively patented Australian invention, with an environmentally friendly, failsafe braking mechanism suitable for the harshest of conditions. SIBS® brakes are used widely in light commercial vehicles in the Australian mining industry and increasingly throughout the world thanks to a growing global network of distributors.

Advanced Braking Technology have recently developed a revolutionary ultra light polymer brake and also diversified into the retail sector with their Terra Dura product range for 4WDs.