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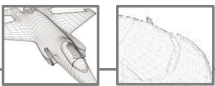
Quickstep reports FY2013 results

- Strong revenue and cash receipts from operations delivered in FY2013
- Substantial growth expected in FY2014
- Firm orders in excess of \$27 million underpin significant future revenue growth
- \$5 million capital raising completed and share purchase plan underway

Sydney, 30 August 2013 – Quickstep Holdings Limited (ASX:QHL), the manufacturer of high-grade carbon-fibre composite components, today reported that sales for FY2013 increased by four-fold to \$2.6 million compared to the previous year (FY2012: \$0.5 million). Total revenue for FY2013, including income from grants and tax rebates, was \$6.8 million (FY2012: \$5.2 million). Operating cash receipts for FY2013 were \$16.4 million compared to \$0.9 million in the previous year, an 18-fold increase reflecting strong cash management. Quickstep announced a loss of \$16.9 million for FY2013 in line with the company's expectations. Simultaneously, the company announced that it expects a substantial increase in revenue during FY2014 as the company's contract manufacturing activity for the F-35 Lightning II Joint Strike Fighter grows and deliveries of C130J flaps begin to Lockheed Martin. Quickstep's sales momentum is accelerating and sales for the first two months of FY2014 were \$1.05 million, a near-ninefold increase compared to sales of \$120,000 in the previous corresponding period. Quickstep delivered its 100th manufactured part in July 2013 and sales continue to grow.

Quickstep's firm order book now stands in excess of \$27 million, mostly to be delivered before the end of December 2014. During FY2013, Quickstep received its largest Joint Strike Fighter purchase order to date from Northrop Grumman Corporation. The order book also includes the initial contract to supply C-130J wing flaps to Lockheed Martin and the first commercial sale of the Quickstep Process to leading aerospace composites manufacturer, OPRE Technologiya, in July 2013.

Quickstep managing director, Philippe Odouard, said: "FY2013 was a year of strong progress for Quickstep. We proved our capability in manufacturing and delivery of high-grade advanced composite components for the Joint Strike Fighter program and completed all qualification tasks required by Lockheed Martin for the C-130J, enabling Quickstep to receive approved supplier status. This moves us into the delivery phase on these contracts and places us in a good position to win additional aerospace composites work.



“Development of our technology licencing opportunities broke new ground in July, with our first Quickstep Process sale and the launch in August of our resin spray transfer technology. We have begun to market this technology to European car makers and have already received requests for quotes for the manufacture of automotive parts.”

Over the decade, demand for carbon fibre is expected to increase ten-fold to 350,000 tons p.a. by 2020. The increasing cost of fuel and taxes on carbon dioxide emissions are driving a shift toward the use of strong, lightweight composites in the aerospace and automotive industries. Based on the firm’s strong order book, and subject to development expenditure to win new work, Quickstep is expected to become cash-flow positive in FY2015.

In August 2013, Quickstep raised \$5 million through a share placement. A share purchase plan is being offered to all eligible shareholders who held shares on 21 August 2013 which will enable them to purchase up to \$15,000 of fully paid shares at the placement price of 20 cents. The share offer opened on 30 August and closes on 13 September 2013.

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Background on Quickstep Holdings Limited

Quickstep Holdings (ASX:QHL) is a manufacturer of advanced carbon fibre composites for the aerospace and defence and automotive industries. The company operates state-of-the-art manufacturing facilities at Bankstown Airport in Sydney, Australia, and has offices in Germany and the United States.

Quickstep is an approved supplier for the international F-35 Lightning II Joint Strike Fighter (JSF) program - the largest military aerospace program in the world, valued at in excess of US\$300 billion worldwide. To date more than 68 JSF aircraft have been delivered to the US Department of Defense, and this number is now expected to grow rapidly. The company has also been selected by Lockheed Martin as the sole supplier of composite wing flaps for the C-130J “Hercules” military transport aircraft. Quickstep is currently partnering with some of the world’s largest aerospace/defence organisations, including the US Department of Defense, Lockheed Martin, Northrop Grumman, Airbus and EADS.

Quickstep is also developing patented manufacturing technologies to produce high-volume A-grade finished composite components for automotives and specialist thick parts such as spars and wing skins for large defence and commercial aircraft. The company is currently working with the US Department of Defence to qualify its patented Quickstep Process and Resin Spray Technology (RST) for JSF, and is also conducting a major research and development program with car maker Audi aimed at delivering high-quality finish, low cost, fast processing of carbon fibre composite, together with specialised resins, particularly adapted to the automotive industry.

For further information:

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