

12 November 2013

## Seven Group Holdings - WesTrac Restructure

WesTrac, a division of Seven Group Holdings Limited (SGH), today announced plans to implement an organisational restructure across its operations.

It is anticipated that the restructure will result in a workforce reduction of approximately 630 positions across WesTrac and will be implemented in the next month at an approximate cost of \$13 million. This will be achieved through a combination of natural attrition, reduction in contractors and redundancies. This is in addition to the 375 positions which were made redundant earlier this year in our NSW/ACT operations at a cost of \$8 million.

WesTrac has implemented a series of efficiency and productivity initiatives over the past twelve months in an effort to streamline its cost base, but these measures alone have not been sufficient in view of continuing challenging market conditions.

Post restructuring WesTrac will continue to provide quality services to the mining and construction industries with a workforce of approximately 3,350 across WA, NSW and ACT.

Whilst SGH is undertaking significant restructuring to address the market conditions being experienced, we expect full year underlying EBIT<sup>1</sup> to be at the lower end of previous guidance of 30% - 40% below the prior year, with a more marked reduction in the first half given the record comparative first half<sup>2</sup>.

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<sup>1</sup> "Underlying" excludes individually significant items such as one-off redundancy and restructuring costs, gain on sale of investments and impairments.

<sup>2</sup> This statement includes forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, these statements are not guarantees or predictions of future performance, and involve both known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control such as general business conditions and commodity prices fluctuations. As a result, actual results or developments may differ materially from those expressed in the statements contained in this Release. Investors are cautioned that statements contained in this Statement are not guarantees or projections of future performance and actual results or developments may differ materially from those projected in forward-looking statements.

The WesTrac logo consists of the word "WesTrac" in a bold, black, sans-serif font, centered within a bright yellow rectangular background.