



Mac Services forecasts continued growth

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Mining accommodation and services provider The Mac Services Group Ltd has posted a 16 per cent rise in full-year profit and forecast further growth over the next two years.

Mac said net profit for the year to June 30 was \$27.5 million, up from \$23.7 million in the previous corresponding period.

A fully franked final dividend of 4.75¢ per share was declared, taking the full year dividend to 9.25¢, up from 8.5¢ in the previous year.

“Bookings at all of the Mac’s villages remain strong and the additional contracted rooms to be installed in the Bowen Basin villages through (financial 2011) will deliver revenue and profit growth through the second half of (financial 2011) and into (financial 2012),” the company said in a statement on Tuesday.

“The Mac expects the next two years will be a period of continuing growth.”

Annual profit growth came on a 6 per cent rise in revenue, reflecting cost control and careful capital allocation through the downturn, chief executive Mark Maloney said.

“This result provides a solid base to continue to grow earnings as we roll out our expansion plans through the current year,” he said.

Growth plans include potential village sites in the NSW Hunter valley region, and in Queensland’s Surat Basin to service the liquefied natural gas (LNG) industry, Mac said.

A recent increase in its banking facilities from \$100 million to \$125 million will provide flexibility for a \$60 million capital expenditure program planned for the current financial year, Mac said.

The company had \$38.2 million in net debt at June 30, and a gearing ratio of 20 per cent.
