

M&A Rumor and Activity

The Australian market finished the week 1.15% lower with the S&P/ASX200 ending at 5739 points, mainly due to lower commodity prices. The Australian dollar finished the week at par to its previous week's close of US76.69 cents

Threat Protect Australia Ltd (TPS.AX) announced on 24 February 2017 that it has exercised both its options to acquire Apollo Security Pty Ltd's Grade One Security (NSW) and Queensland Security Rangers (Qld) for approximately \$6.0 million. The businesses provide security-monitoring services for residential and commercial clients in NSW and QLD.

Monadelphous Group Limited (MND.AX) said on 21 February 2016 that it is eyeing potential acquisition opportunities, particularly in the infrastructure sector. MND said that it will continue to pursue opportunities in the infrastructure markets to further diversify revenues.

The Australian Financial Review reported on 21 February 2017 that WorleyParsons (WOR.AX) denies having plans for an equity raising, in response to a newspaper article.

News Headlines and Key Sector Developments

Ticker	News/Event	Ticker	News/Event
AJL	Reported its 1HFY17 results with revenue of \$51.4m (down 8.9% from pcp) and an underlying EBITDA loss of \$0.7m (down 108.1% from pcp)	MLD	Reported its 1HFY17 results with revenue of \$242.5m (up 16.0% from pcp) and NPAT of \$16.6m (up 34.0% from pcp)
ANG	Reported its 1HFY17 results with revenue of \$91.1m (down 5.7% from pcp) and normalised EBITDA of \$0.4m (up 102% from pcp)	MND	Announced that in a joint venture with Jacobs Engineering Group Inc, it has entered into a new proposed five-year EPC contract for providing services on Oil Search's Oil & Gas production facilities in Highlands region of Papua New Guinea valued at US\$50m per annum
ASB	Announced the completion of the \$306m Pacific Patrol Boat Replacement project on time and in accordance with the contracted schedule	MND	Awarded \$120m worth of new contracts and additional works for customers in the resources, energy and infrastructure markets.
ASL	Announced the contract renewal to provide drill, blast and grade control services for a further 5 years at KCGM's Super Pit. The contract renewal valued at \$143m will commence 1 March 2017	MND	Reported its 1HFY17 results with revenue of \$627.1m (down 15.2% from pcp) and NPAT of \$28.6m (up 24.1% from pcp)
ASL	Announced the contract extension for 3 years for the provision of exploration drilling services at Gold Field's St Ives and Granny Smith gold mines. The extension is valued at \$60m	MYE	Reported its 1HFY17 results with revenue of \$56.9m (down 42.9% from pcp) and NLAT of \$1.5m (up 198.0% from pcp)
ASL	Reported 1HFY17 results with revenue of \$374.2m (up 4.1% from pcp) and NPAT of \$13.1m (up 41.0% from pcp)	RCR	Reported its 1HFY17 results with revenue of \$484.4m (up 20.0% from previous 6 months) and NPAT of \$9.0m
BKN	Reported 1HFY17 results with revenue of \$380.1m (down 6.0% from pcp) and underlying NPAT of \$16.8m (up 136.0% from pcp)	RDG	Reported its 1HFY17 results with revenue of \$7.1m (down 83.0% from pcp) and NPAT of \$0.3m (down 91.0% from pcp)
BOL	Reported 1HFY17 results with revenue of \$73.1m (down 9.0% from pcp) and underlying NLAT of \$9.5m (down 53.0% from pcp)	RUL	Reported its 1HFY17 results with revenue of \$36.9m (up 33.0% from previous 6 months) and NLAT of \$0.0m
BSA	Reported 1HFY17 results with revenue of \$241.2m (down 6.4% from pcp) and underlying NPAT of \$1.9m (up 82.7% from pcp)	RUL	Announced that it entered into a business partnership agreement with Tractors India Private Ltd (TIPL) . Under the agreement, TIPL have been appointed as a software sales agent, support and services provider for RUL's leading mining software solutions and services in the Indian and Bangladesh markets
CIM	Awarded a contract by ESSO Australia Pty Ltd to provide maintenance services for the next 5 years at its onshore oil & gas processing plants at Longford, Long Island Point fractionation plant and Barry Beach Marine Terminal; offshore oil and gas producing platforms located in the Bass Strait, Victoria; and its crude oil, LPG and gas pipelines	SKS	Reported its 1HFY17 results with revenue of \$8.9m (up 58.0% from pcp) and NPAT of \$0.1m (down 64.0% from pcp)
EGN	Reported its 1HFY17 results with revenue of \$62.5m (down 6.7% from pcp) and NPAT of \$2.9m (up 54.9% from pcp)	SPO	Announced the retirement of Ms. Margaret Jackson AC, as the chairman on the company
GCS	Reported its 1HFY17 results with revenue of \$102.5m (up 12.0% from pcp) and NPAT of \$5.3m (down 15.0% from pcp)	SWL	Awarded a \$55.9m design and construction contract for the Chandler Highway upgrade in Melbourne
GNG	Reported its 1HFY17 results with revenue of \$105.9m (down 16.7% from pcp) and NPAT of \$7.9m (down 9.2% from pcp)	UBN	Reported its 1HFY17 results with revenue of \$2.2m (down 28.0% from pcp) and NLAT of \$4.6m (up 2.0% from pcp)
HIL	Reported its 1HFY17 results with revenue of \$157.3m (down 4.0% from pcp) and NPAT of \$0.2m (up 100.3% from pcp)	VEE	Reported its 1HFY17 results with revenue of \$21.0m (down 24.5% from pcp) and NPAT of \$1.2m (down 34.14% from pcp)
IMD	Reported its 1HFY17 results with statutory revenue of \$81.8m (up 9.8% from pcp) and EBITDA from continuing operations of \$13.5m (up 23.8% from pcp)	VMG	Reported its 1HFY17 results with revenue of \$0.6m (up 564.4% from pcp) and NLAT of \$0.9m (down 76.6% from pcp)
LCM	Reported its 1HFY17 results with revenue of \$41.5m (down 30.2% from pcp) and NLAT of \$4.8m (down 79.2% from pcp)	WOR	Reported its 1HFY17 results with revenue of \$2.7m (down 35.0% from pcp) and NLAT of \$2.4m (up 110.4% from pcp)
LYL	Reported its 1HFY17 results with revenue of \$102.0m (up 67.1% from pcp) and NPAT of \$5.3m (up 850.5% from pcp)	WOR	Announced that its Joint Venture with Grand Isle Shipyard, GW Integrated Solutions LLC has been awarded a five-year master services agreement for EPC services at the gulf of Mexico
MCE	Reported its 1HFY17 results with revenue of \$22.9m (down 63.9% from pcp) and NLAT of \$12.4m compared to profit of \$1.1m in pcp	ZGL	Announced that its wholly owned subsidiary, Zicom MedTacc Pte Ltd, will invest US\$1.01m in a growth phase medical technology start-up, Belkin Laser Ltd, based in Israel

Source: Thomson Reuters, Company Announcements, LCC research

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Ticker	Company Name	Market Cap (A\$ m)	Open Price (A\$)	Close Price (A\$)	Week High (A\$)	Week Low (A\$)	Weekly change (%)	Volume Trend	EV/ EBITDA	EV/ EBIT
Engineering Services										
AJL.AX	AJ Lucas Group Ltd	114	0.37	0.29	0.38	0.26	▼ (18.3%)	█	13.0x	1,110.0x
BOL.AX	Boom Logistics Ltd	62	0.12	0.13	0.13	0.10	▲ 18.2%	█	13.0x	n.m.
BSA.AX	BSA Ltd	150	0.36	0.36	0.36	0.34	▼ (1.4%)	█	14.5x	50.5x
BYL.AX	Brierty Ltd	23	0.14	0.18	0.18	0.14	▲ 28.6%	█	n.m.	n.m.
CDD.AX	Cardno Ltd	556	1.17	1.16	1.16	1.14	▼ (1.3%)	█	23.4x	n.m.
CIM.AX	CIMIC Group Ltd	12,330	38.60	37.81	38.26	37.31	▼ -0.02	█	11.9x	17.8x
DCG.AX	Decmil Group Ltd	156	0.87	0.91	0.90	0.84	▲ 3.4%	█	16.0x	62.1x
DOW.AX	Downer EDI Ltd	2,952	6.92	6.95	6.97	6.84	▲ 1.0%	█	6.1x	11.3x
EAL.AX	E&A Ltd	9	0.07	0.07	0.07	0.07	— 0.0%	█	7,392.6x	n.m.
EGN.AX	Engenco Ltd	56	0.155	0.18	0.18	0.16	▲ 12.5%	█	6.4x	18.0x
GCS.AX	Global Construction Services Ltd	120	0.58	0.60	0.60	0.58	▲ 5.3%	█	4.8x	7.7x
GNG.AX	GR Engineering Services Ltd	261	1.68	1.71	1.71	1.68	▲ 2.7%	█	8.2x	8.9x
LCM.AX	LogiCamms Ltd	31	0.37	0.39	0.36	0.36	▲ 4.1%	█	n.m.	n.m.
LLC.AX	LendLease Group	8,640	14.82	14.82	14.93	14.58	— 0.00	█	15.0x	17.2x
LYL.AX	Lycopodium Ltd	123	2.55	3.09	2.76	2.48	▲ 20.2%	█	6.2x	6.8x
MCE.AX	Matrix Composites & Engineerin	47	0.56	0.51	0.56	0.53	▲ 0.9%	█	5.8x	n.m.
MND.AX	Monadelphous Group Ltd	1,183	11.65	12.61	12.55	11.58	▲ 9.7%	█	9.5x	11.8x
OTR.AX	Onterran Ltd	20	0.32	0.32	0.32	0.32	— 0.0%	█	n.m.	n.m.
RCR.AX	RCR Tomlinson Ltd	459	3.03	3.28	3.09	2.83	▲ 9.3%	█	14.9x	38.5x
RDG.AX	Resource Development Group L	17	0.03	0.03	0.03	0.03	▼ (10.0%)	█	0.2x	0.3x
SND.AX	Saunders International Ltd	49	0.59	0.61	0.59	0.58	▲ 4.3%	█	8.0x	9.4x
SSM.AX	Service Stream Ltd	438	1.20	1.20	1.19	1.19	▲ 0.8%	█	9.5x	11.5x
SWL.AX	Seymour Whyte Ltd	84	0.95	0.96	0.97	0.93	▲ 2.1%	█	8.3x	25.6x
SXE.AX	Southern Cross Electrical Engine	88	0.57	0.55	0.58	0.55	▼ (2.7%)	█	3.9x	6.5x
STS.AX	SRG Ltd	100	1.52	1.55	1.55	1.52	▼ (1.9%)	█	5.5x	8.6x
TPP.AX	Tempo Australia Ltd	54	0.24	0.23	0.24	0.22	▼ (4.3%)	█	5.7x	5.8x
VMG.AX	VDM Group Ltd	6	0.00	0.00	0.00	0.00	— 0.0%	█	n.m.	n.m.
VRS.AX	Veris Ltd	65	0.21	0.20	0.21	0.20	▼ (7.0%)	█	4.2x	6.6x
WOR.AX	WorleyParsons Ltd	1,959	8.88	7.94	7.94	7.71	▼ (19.5%)	█	8.1x	10.8x
Mining Services										
ASL.AX	Ausdrill Ltd	487	1.57	1.56	1.58	1.50	▲ 1.3%	█	5.5x	11.6x
ANG.AX	Austin Engineering Ltd	107	0.18	0.19	0.17	0.17	▲ 5.7%	█	n.m.	n.m.
BLY.AX	Boart Longyear Ltd	118	0.13	0.13	0.13	0.12	— 0.0%	█	n.m.	n.m.
BKN.AX	Bradken Ltd	670	3.23	3.25	3.23	3.23	▲ 0.6%	█	7.9x	7.9x
DSB.AX	Delta SBD Ltd	16	0.28	0.28	0.28	0.26	▼ (1.8%)	█	4.1x	6.4x
EHL.AX	Emeco Holdings Ltd	48	0.08	0.08	0.08	0.08	▼ (3.6%)	█	7.1x	n.m.
IMD.AX	Imdex Ltd	225	0.71	0.68	0.69	0.66	▼ (4.2%)	█	11.5x	28.0x
MAH.AX	Macmahon Holdings Ltd	181	0.15	0.15	0.15	0.15	▲ 3.4%	█	4.2x	n.m.
MIN.AX	Mineral Resources Ltd	2,112	13.05	11.29	12.60	11.27	▼ (12.3%)	█	4.8x	7.3x
MLD.AX	MACA Ltd	438	1.69	1.87	1.82	1.65	▲ 14.0%	█	4.8x	16.6x
MSV.AX	Mitchell Services Ltd	49	0.03	0.03	0.03	0.03	— 0.0%	█	114.3x	n.m.
MYE.AX	Mastermyne Group Ltd	36	0.38	0.39	0.41	0.38	▲ 4.0%	█	34.2x	n.m.
NWH.AX	NRW Holdings Ltd	240	0.74	0.75	0.76	0.70	— 0.0%	█	5.3x	10.2x
RUL.AX	Rungepincockminarco Ltd	137	0.65	0.65	0.65	0.65	▼ (0.8%)	█	n.m.	n.m.
SWK.AX	Swick Mining Services Ltd	60	0.31	0.29	0.31	0.27	▼ (5.0%)	█	5.8x	n.m.
Marine Services										
ASB.AX	Austal Ltd	618	1.77	1.76	1.75	1.72	▼ -0.01	█	n.m.	n.m.
MBO.AX	Mobilarm Ltd	12	0.02	0.03	0.02	0.02	— 0.0%	█	71.7x	n.m.
MRM.AX	MMA Offshore Ltd	116	0.31	0.31	0.32	0.30	— 0.0%	█	6.1x	n.m.
NMS.AX	Neptune Marine Services Ltd	69	1.12	1.12	1.12	1.12	— 0.0%	█	121.5x	n.m.
VEE.AX	VEEM Ltd	84	0.625	0.64	0.64	0.63	▲ 2.4%	█	10.6x	14.0x
ZGL.AX	Zicom Group Ltd	33	0.13	0.15	0.13	0.13	▲ 15.4%	█	6.8x	n.m.
Facilities Management										
AEI.AX	Aeris Environmental Ltd	55	0.34	0.35	0.35	0.34	▲ 0.01	█	n.m.	n.m.
GMG.AX	Goodman Group Pty Ltd	13,562	7.41	7.58	7.55	7.34	▲ 0.03	█	48.5x	48.5x
HIL.AX	Hills Ltd	52	0.33	0.23	0.33	0.22	▼ -0.32	█	8.9x	43.9x
MIL.AX	Millennium Services Group Ltd	83	1.60	1.80	1.76	1.60	▲ 0.13	█	9.3x	11.6x
PRG.AX	Programmed Maintenance Serv	450	1.79	1.75	1.78	1.74	▼ -0.02	█	7.0x	10.6x
SKS.AX	Stokes Ltd	10	0.33	0.33	0.33	0.33	— 0.00	█	n.m.	n.m.
SPO.AX	Spotless Group Holdings Ltd	1,033	0.95	0.94	0.93	0.91	▼ -0.02	█	5.6x	8.3x
TPS.AX	Threat Protect Australia Ltd	20	0.03	0.03	0.03	0.03	▲ 0.12	█	n.m.	n.m.
UBN.AX	Urbanise com Ltd	37	0.12	0.12	0.13	0.11	▼ -0.12	█	n.m.	n.m.

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