



DWS ADVANCED BUSINESS SOLUTIONS LTD
ABN: 085 656 088

"The performance of an organisation, especially during difficult financial periods reflects not only the future potential of the Company but also the effectiveness of its business model, the overall internal organisational culture and the vision and leadership of senior management." **Danny Wallis, DWS CEO/Managing Director**

DWS Advanced Business Solutions Ltd (DWS) [ASX:DWS], announces the following results for the six months to 31st December 2009.

	Dec 2009 \$,000	Dec 2008 \$,000	2009/2008 % Change
Revenue	48,122	43,657	10%
EBIT	13,403	10,467	28%
NPAT	9,254	7,224	28%
EPS	7.0 cents	5.48 cents	28%
Dividend	5.0 cents	3.5 cents	43%

These results have been achieved during a continued period of great uncertainty in global financial markets and this has contributed to a challenging local business environment which is now starting to show signs of recovery. These results are therefore a testament to the depth and quality of DWS' staff and its senior management team.

Shareholders will be rewarded with the interim dividend payment increasing 43% from 3.5 cents to 5 cents per ordinary share (fully franked). While this is a material increase year-on-year, it should be noted that the Directors exercised caution in the declaration of a lower interim dividend in 2009 due to a threatening economic outlook. This 5 cent dividend payment sees DWS return approximately 70% of half year earnings to shareholders which is more in line with previous interim dividend payments.

The acquisition of Graeme V Jones & Associates (GVJ) during H1 2010 continued DWS' strategy of opportunistically acquiring underperforming businesses where there is a strategic fit. This purchase provides DWS with a presence in the SAP and PeopleSoft space, which is an area of the market not actively pursued in the past. While GVJ will not contribute to earnings in 2010, it is anticipated GVJ will become earnings positive from FY2011.

Looking ahead, DWS expects to see an increase in demand as business confidence returns. In order to ensure the Company is able to capitalise effectively on this improved sentiment, DWS has introduced a refined business

development approach and has also introduced a new reward model for regional executives.

As business confidence increases it will become far more challenging to attract new, high quality consulting staff. Recruitment has always been a major focus for DWS and our internal recruitment department is successfully finding quality candidates in all regions. DWS also believes that further difficulties in the American, European and Asian economies will provide additional recruitment opportunities within Australia.

Staff retention will be another key focus and challenge. DWS benefits from having its own internal HR department which is well placed to provide the additional focus and resourceful solutions required to retain staff.

DWS intends to broaden its focus with regard to acquisitions. Previously DWS has focused on acquiring underperforming businesses where there has been a strategic fit. While this will continue, DWS will also examine other acquisition opportunities for the purposes of enhancing growth prospects and in turn shareholder value.

DWS is cautiously optimistic about the year ahead but believes that earnings in H2 2010 will be similar to those of H1. This represents solid earnings growth year-on-year and positions the Company well to continue its growth in 2011 and beyond.

"The half year result is a pleasing start to FY2010. We have continued to focus on growth in both clients and sectors we have previously identified as being of strategic importance to our long-term success and we are confident this approach will continue to drive strong financial results. DWS' balance sheet remains very strong and our ability to generate free cash flows from operations sees us well placed to take advantage of acquisition opportunities as they present themselves." **Lachlan Armstrong, DWS Chief Financial Officer**