

# Announcement

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**30 August 2010**

## **Runge announces FY10 results**

Leading mining technology services company, Runge Limited (Runge), today announced its results for the 12 months ended 30 June 2010 (FY10), delivering a net profit after tax of \$2.3 million in line with the most recent guidance issued by the Company.

### **Overview**

Runge's FY10 results reflected the difficult market conditions, including:

- Revenue of \$79.0 million (FY09: \$83.0 million; 2H10: \$41.4 million; 1H10: \$37.6 million)
- EBITA of \$5.8 million (FY09: \$12.7 million; 2H10: \$3.0 million; 1H10: \$2.8 million)
- Net profit after tax of \$2.3 million (FY09: \$7.9 million)
- Earnings per share of 1.8 cents (FY09: 6.4 cents)
- Software Maintenance revenue maintains steady growth (up 10% on FY09)

The operating environment in FY10 was difficult due to the GFC and the uncertainty caused by the proposed Resources Super Profits Tax in Australia. This led to a weakening in demand for major feasibility studies and large software sales, particularly in Australia.

Runge's Managing Director, Tony Kinnane, commented "Runge delivered a strong result from offshore businesses, but was negatively impacted from domestic operations. Unfortunately we were slow to adapt. While we continued to invest in our people, we suffered through lower utilisation. This was addressed in the second half by greater mobility of staff, some attrition and focusing on demand outside of Australia."

Reflecting the Company's performance in FY10, the Directors have decided not to pay a final dividend for FY10.

As regards to the future, Mr Kinnane said "We have continued to invest in our people and our internal business systems have been substantially upgraded over the last 18 months. This will give us greater visibility over our global operations. New offices have been opened in Mongolia and Russia in line with our geographic growth strategy."

### **For further information please contact:**

Tony Kinnane  
Managing Director  
+61-7 3100 7200

### **About Runge Limited:**

Runge was established in 1977 by Dr Ian Runge and listed on the Australian Securities Exchange on 27 May 2008 (ASX: RUL).

Runge is a leader in the provision of technology products, consulting services and training courses to the global mining industry, delivering solutions and services across a range of commodities.

With expertise across a range of mining disciplines, Runge's approach to the business of mining is strongly grounded in economic principles and delivering mine planning solutions that are tightly coupled with technological support and training. Runge currently operates 19 offices in 12 countries throughout the world. Our team includes Pincock Allen & Holt, Minarco-MineConsult, MRM Mining Services Pty Ltd and GeoGAS Pty Ltd.