

**ADACEL TECHNOLOGIES LIMITED**  
(ASX: ADA)

## **ASX and Media Release**

18 November 2009

### **2009 Annual General Meeting - Chairman's Address to Shareholders**

It is pleasing to report that the Company's stated strategy of consolidating its global leadership position in air traffic control simulation and air traffic management programs continues to be successful and has delivered strong financial performance for the year ended 30 June 2009.

The key achievements for the year were the Company's increased profitability, strong revenue growth and tightened cost controls. Revenues from operations increased to \$55 million from \$37 million in the previous corresponding period.

The net profit after tax for the year ended 30 June 2009 was \$6.8 million (resulting from a revenue increase together with tax benefits), compared with the reported net profit for the year ended 30 June 2008 of \$1.8 million.

Other significant improvements during the FY09 year included:

- EBITDA of \$6.5 million compared with \$1.4 million previously.
- New orders of A\$63M (exceeding 2008 levels by over 40%);
- Overall revenue from service and support increasing to approximately \$20 million (from \$17 million in the 2008 financial year);
- US simulation contracts increasing (including university simulator contracts and Federal Aviation Administration contracts totalling in excess of \$10M);
- Delivery of strategic contracts with international partners;
- An increase in our air traffic management business base (including a first contract from the Fiji Islands);
- Consolidations of relationships with all segments of the United States Military, the Royal Australian Air Force and Airservices Australia.
- The balance sheet has continued to strengthen with net assets increasing from \$12.3 million in 2008 to \$18.3 million in the current period.

- The Company's net cash position increased during the period by \$3.0 million to \$ 2.4 million as at 30 June 2009.

The improved results have placed the business in a much stronger financial position. Some of the Company's surplus cash has been used to fund a share-buy-back. The on-market buy-back program commenced in August 2007 and was renewed both in 2008 and 2009 and is valid until 30 June 2010. The buy-back program accords with Adacel's long term capital management program which is to increase earnings per share and Adacel's return on equity.

## **Outlook**

The large growth in orders during the 2009 financial year reflects Adacel's growing market leadership position and bodes well for a strong 2010.

We have confidence that the Adacel team is motivated and well placed to capitalise on the opportunities for the business as they arise in the period ahead.

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## ***About Adacel***

Adacel Technologies Limited is a leading developer of advanced simulation and control systems for aviation and defence. Since its establishment in 1987, Adacel has built an international reputation for its products and services through a commitment to technological leadership and customer support. From advanced simulation to air traffic management and voice recognition systems, training and professional services, Adacel's products can be found in more than 30 countries. Adacel is listed on the ASX and further information on the Company can be found on its website at [www.adacel.com](http://www.adacel.com).

Further information:  
Sophie Karzis  
Company Secretary  
+61 3 9665 0460