

Media release

For Release: Monday 28 May, 2012

PPB Advisory appointed Administrators by Hastie Group

Hastie Group Ltd (ASX: HST) has appointed Ian Carson, David McEvoy and Craig Crosbie of PPB Advisory as Administrators to 44 companies in the Hastie Group, effective today.

Hastie Group is a provider of technical and engineering services to the building, infrastructure and resources sectors. It has operations in Australia, New Zealand, the United Kingdom, Ireland and the Middle East and has approximately 7,000 employees worldwide including approximately 4,000 in Australia.

Peter Anderson, Joseph Hayes, Jason Preston and Matthew Caddy of McGrathNicol have been appointed Receivers and Managers of 11 companies that include the refrigeration and maintenance services divisions in Australia. We understand the Receivers and Managers will continue to operate those businesses.

Receivers and Managers have been appointed to one company in New Zealand. All New Zealand businesses are expected to continue to operate as normal.

The United Kingdom and Ireland businesses are standalone operations. We believe they are profitable businesses with liquidity headroom and will continue to trade as normal under the control of the directors. Over the coming weeks we expect there will be an orderly process to sell the Rotary UK and Ireland businesses as going concerns.

The Administrators will remain in control of the companies that comprise the mechanical, electrical and plumbing (MEP) businesses in Australia as well as operations in the Middle East. These businesses employ 2,700 people in Australia and approximately 2,000 in the Middle East.

There are insufficient funds to enable the Administrators to operate the MEP companies. Regrettably the Administrators have no option but to suspend operations whilst they assess the financial position of each company.

The Administrators will make every effort to assist employees.

PPB Advisory Chairman of Partners, Ian Carson, said it is particularly disappointing, but given the extreme financial situation of the Hastie Group there was no other immediate option open to the Administrators, who have defined obligations under Australian law.

Ian Carson said: "We are obliged to confirm Hastie Group's ability to fund trading before we can resume business. We need time to assess the details of the situation and to determine the viability of the ongoing businesses. In the meantime, we remain acutely aware of Hastie Group's role on major construction projects and are assessing those urgently. We will provide an update to employees and other affected parties as soon as possible."

Employee entitlements have priority for payment from the proceeds of certain asset realisations. We are unsure of the asset values, but in the event there are insufficient funds and the companies within Hastie Group are wound up, employees will be entitled to lodge a claim under the federal government's General Employee Entitlement Redundancy Scheme.

A list of Hastie Group entities for which PPB Advisory is acting as Administrator is attached to this media release.

Further information is available to creditors and employees of Hastie Group under the Creditors Information section of PPB Advisory's website at www.ppbadvisory.com.

Employees, customers and suppliers are invited to contact PPB Advisory's hotline on 1300 868 464.

PPB Advisory media contact:

Tim Duncan

Hinton & Associates

Telephone: +61 3 9600 1979

Mobile: +61 408 441 122

Scott Hinton

Hinton & Associates

Telephone: +61 3 9600 1979

Mobile: +61 419 114 057

McGrathNicol media contact:

Paula Hannaford

Kreab Gavin Anderson

Mobile: 0413 940180

Hastie Group Companies for which PPB Advisory is acting as Voluntary Administrator

Ian Carson , David McEvoy, and Craig Crosbie of PPB Advisory have been appointed as Joint and Several Administrators to the following companies:

HASTIE GROUP LIMITED

ACN 112 803 040

HASTIE AUSTRALIA PTY LIMITED

ACN 072 744 248

HASTIE ENGINEERING PTY LIMITED

ACN 106 000 980

HASTIE GROUP SERVICES PTY LIMITED

ACN 098 837 088

OPTIMUS PTY LIMITED

ACN 001 847 785

D & E AIR CONDITIONING PTY LIMITED

ACN 112 124 919

M & H AIR CONDITIONING PTY LIMITED

ACN 115 325 089

LONGLEY MECHANICAL SERVICES PTY LIMITED

ACN 003 186 249

HASTIE AIR CONDITIONING PTY LIMITED

ACN 122 613 647

SHARP & PENDREY PTY LIMITED

ACN 006 378 123

HASTIE DRAFTING GROUP PTY LIMITED

ACN 063 854 759

HASTIE GROUP ADMIN SERVICES PTY LIMITED

ACN 063 854 839

MEDICAL GASES PTY LIMITED

ACN 121 276 079

DIRECT ENGINEERING SERVICES PTY LIMITED

ACN 008 700 178

HASTIE INTERNATIONAL PTY LIMITED

ACN 116 080 838

NORFOLK MAINTENANCE HOLDINGS PTY LIMITED

ACN 123 207 312

HASTIE FINCO PTY LIMITED

ACN 131 210 583

HEYDAY GROUP PTY LIMITED

ACN 121 276 168

WATTERS ELECTRICAL (AUST) PTY LIMITED

ACN 128 370 570

GTS PLUMBING (QLD) PTY LIMITED

ACN 130 035 406

BEAVIS & BARTELS PTY LIMITED

ACN 129 953 733

BORDER STAINLESS STEEL PTY LIMITED

ACN 130 035 399

AIRDUCTER PTY LIMITED

ACN 130 035 380

COOKE & CARRICK PTY LIMITED

ACN 126 114 556

NISBET & DURNEY PTY LIMITED

ACN 131 810 896

DIRECT ENGINEERING MARINE & OFFSHORE SERVICES PTY LIMITED

ACN 141 619 196

HASTIE SAUDI ARABIA PTY LIMITED

ACN 133 090 490

ROTARY AUSTRALIA PTY LIMITED

ACN 133 081 026

D & E MECHANICAL SERVICES PTY LIMITED

ACN 133 340 459

AFA AIR CONDITIONING PTY LIMITED

ACN 132 180 584

HASTIE AIR CONDITIONING (ACT) PTY LIMITED

ACN 125 173 659

HASTIE INDIA PTY LIMITED

ACN 133 080 949

INDEPENDENT COMMISSION AGENTS AUST PTY LIMITED

ACN 152 251 093

Hastie Group Companies for which PPB Advisory is acting as Voluntary Administrator and McGrathNicol is acting as Receiver and Manager

Ian Carson, David McEvoy, and Craig Crosbie of PPB Advisory have been appointed as Joint and Several Administrators, to the following companies.

Messrs Anderson, Preston and Caddy of McGrathNicol have been appointed Receivers and Managers to the following companies.

HASTIE HOLDINGS PTY LIMITED

ACN: 000 533 782

AUSTRALIAN REFRIGERATION HOLDINGS PTY LIMITED

ACN: 100 336 856

AUSTRAL REFRIGERATION PTY LIMITED

ACN: 001 702 594

LAWRENCE REFRIGERATION PTY LIMITED

ACN: 005 912 176

AUSTRAL INTERNATIONAL PTY LIMITED

ACN: 080 469 165

TECHNI DOORS PTY LIMITED

ACN: 002 757 735

COMCOOL REFRIGERATION PTY LIMITED

ACN: 084 470 913

QAL REFRIGERATION (WA) PTY LIMITED

ACN 009 365 137

GORDON BROTHERS INDUSTRIES PTY LIMITED

ACN 118 354 331

HASTIE SERVICES PTY LIMITED

ACN 096 628 125

SPECTRUM FIRE & SECURITY PTY LIMITED

ACN 050 411 179