

Senex posts record first half underlying profit of \$31.8 million

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Senex Energy Limited (ASX: SXY, Senex) continued its track record for delivery in the half year ended 31 December 2013, achieving new operational, financial and corporate milestones.

FY14 HALF YEAR RESULTS

- Record group revenue of \$88.3 million, up 14% on prior corresponding period
- Gross profit of \$51.3 million, up 26%
- Net profit after tax¹ up 9% to \$25.6 million
- Underlying profit² of \$31.8 million, up 37%
- EBITDAX³ of \$46.9 million, up 33%
- On target to achieve full year production, reserves and capital expenditure guidance
- No debt, strong \$102.5 million cash and cash equivalent position⁴
- Secured strategic 15-year government petroleum retention licence scheme over 10,000 km² of group-operated oil exploration permits in the SA Cooper-Eromanga Basin
- Transformational gas farm-out agreement with Origin Energy to deliver a multi-stage work program worth up to \$252 million

In FY14 to date, Senex has delivered record profitability, a gas farm-out joint venture and material progress in both drilling and production operations.

The discovery of five new oil accumulations will deliver further increases in production over the remainder of the financial year as new wells are brought online. Record profitability was driven through solid production being delivered into high AUD oil prices.

The gas farm-out agreement will see Senex free carried for its share of the first \$185 million in two stages of a work program worth up to \$252 million.

Senex Managing Director Ian Davies said the results reflected Senex's continuing focus on delivery against all key measures.

"This result is a significant step towards delivering another excellent set of full-year results. We expect production to increase in the remainder of FY14 following drilling success across our high margin Cooper-Eromanga oil fields," he said.

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¹ Net profit after tax is equal to 'profit/(loss) after tax' per the consolidated statement of comprehensive income in the Half Year Financial Report.

² Underlying profit is a non-IFRS measure that is presented to provide an understanding of the underlying performance of Senex's operations. The measure excludes the impacts of asset acquisitions, disposals and impairments, as well as items that are subject to significant variability from one period to the next, including the effects of fair value adjustments on financial instruments. The non-IFRS financial information is unaudited however the numbers presented above have been extracted from the Half Year Financial Statements which have been reviewed.

³ EBITDAX (earnings before interest, tax, depreciation, amortisation, impairment and exploration expense) can be reconciled to the 2013/14 Half Year Financial Report as per below.

⁴ Cash and shares includes cash and cash equivalents and available-for-sale assets that are classified as current and were disposed of subsequent to period end.

EBITDAX reconciliation	31 Dec 2013	31 Dec 2012
Net profit after tax	25,603	23,357
Add back:		
- Interest	(1,172)	(3,142)
- Tax	5,797	806
- Depreciation	880	880
- Amortisation and Impairment	10,518	9,523
EBITDA	41,626	31,424
- Exploration expense	5,294	3,840
EBITDAX	46,920	35,264

Underlying profit reconciliation	31 Dec 2013	31 Dec 2012
Net profit after tax	25,603	23,357
Add / (deduct) the following:		
One off transaction costs	748	
Tax expense on sale of permits	5,430	-
Underlying profit	31,781	23,357