

ASX/MEDIA RELEASE

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## Advanced Braking Technology Achieves Record Revenues

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- Total Revenue increases to \$8.15m
- Mining sales of \$5.9 million
- Strong export sales
- First commercial sales of SIBS<sup>®</sup> Truck Brake
- Establishment of Truck Brake business unit with dedicated marketing staff

Advanced Braking Technology Limited (ASX: ABV) today announced its results for the 12 month period ending 30 June 2013. The year ended strongly for the Company, despite the slowdown in the mining sector, with total revenue increasing 2.3% to \$8.15 million.

Mining sales were stronger after a sluggish first half, with the Company producing its best performing second half ever in its mining division, to reach full year sales of \$5.9 million.

The full year net loss after tax was \$0.92 million, just \$0.12 million greater than the first half result. The result was reflective of investment in the growth of the business.

FY13 also saw the first commercial sales of the highly anticipated SIBS<sup>®</sup> Truck Brake, the culmination of a five year, \$8 million development program. Advanced Braking Technology's (ABT's) revolutionary new SIBS<sup>®</sup> Truck Brake, marketed to the waste disposal industry, is now in use on waste disposal trucks on both the eastern and western seaboards of Australia, delivering tangible savings for fleet operators and environmental benefits for communities.

ABT CEO, Ken Johnsen, said the FY13 results were pleasing but expected given current market conditions and the significant downturn experienced by other suppliers to the mining industry. The funds and effort devoted to the preparations for commercialising the SIBS<sup>®</sup> Truck Brake impacted on the net result.

"This year has been a landmark year for the Company with the first commercial sales of our SIBS<sup>®</sup> Truck Brake finally achieved after considerable time and investment", Mr. Johnsen said.

"We should see the benefits of our revolutionary new SIBS<sup>®</sup> Truck Brake start flowing through in FY14, supporting the mining division, which has proven resilient even during tightened economic conditions. Mining sales are expected to remain volatile and with the addition of SIBS<sup>®</sup> Truck Brake sales this will smooth out the mining peaks and troughs."

### FINANCIAL HIGHLIGHTS

- Total revenue in the year for the Group increased 2.3% to \$8.153 million
- Following a weak first half in mining sector, second half sales were at record levels
- Net loss after tax of \$920k was recorded compared to a loss last year of \$123k

- Increased development expenditure due to completion of the SIBS® Truck Brake development activity, culminating in the product now being available for commercial sale
- Cash balance at 30 June 2013 of \$1.197 million
- Successful, oversubscribed \$2.295 million capital raising through a convertible note issue, post the end of the period, providing strong cash base
- R&D Tax Credit of \$1.255 million expected during Q2FY14
- Net cash used from operations was \$619k compared to \$415k in FY2012

#### OPERATIONAL HIGHLIGHTS

- Creation of specific business unit for SIBS® Truck Brakes with dedicated marketing staff
- First commercial sales of SIBS® Truck Brakes
- Scaled up production and supply lines to support the SIBS® Truck Brakes division

- ENDS -

For further information, please contact:

Mr Ken Johnsen  
Chief Executive Officer  
Telephone: +61 (0)8 9273 4800  
[www.advancedbraking.com.au](http://www.advancedbraking.com.au)

#### About Advanced Braking Technology Ltd

Advanced Braking Technology Ltd (ASX: ABV) develops innovative braking systems, with its main product being the Sealed Integrated Braking System (SIBS®), a comprehensively patented Australian invention, now used widely in light commercial vehicles in the mining industry.

SIBS® is a fully enclosed, single rotor, high speed wet brake. The brake rotor runs in a bath of oil that serves to cool the brake and minimise wear. An innovative fail safe feature is incorporated into the rear axle brake. As a result, the brakes are virtually wear and maintenance-free and may outlast the vehicles they are fitted to, unlike conventional drum and disc brakes. SIBS® brakes deliver better safety, improved productivity and lower operating costs, and are engineered to survive the harshest conditions. The proven technology is environmentally friendly, eliminating brake dust emissions and noise and squealing, and provides benefits for on-road, off-road and industrial applications in terms of safety, reliability, performance and adaptability.

Following the success of the product in the mining sector, the Company has branched into the waste disposal sector, developing the SIBS® technology into an innovative garbage truck braking system. The newly commercialised SIBS® Truck Brake is also being considered for use in trailers and other larger vehicle, high use applications.

Based in Perth, Western Australia, Advanced Braking has a manufacturing plant in Thailand, worldwide patents on its technology and an extensive reseller network.