Process Group selects IFS Applications to enable rapid growth of Oil & Gas engineer-to-order operations

MELBOURNE, JULY 23, 2012 - IFS, the global enterprise applications company, today announced that Melbourne-based Process Group, a leading global provider of technical solutions for the oil and gas production, refining, petrochemical and carbon capture industries, will implement IFS Applications, the project-based ERP suite, to enable it to scale its capacity by 100% in the next 12 months and improve scope and quality of service offering to its customers.

Process Group is IFS' fifth Australian customer in the past year in the fast-growing area of engineering, procurement and construction (EPC) services to resources. The company will implement the newly released IFS Applications 8 to capture the powerful new and enhanced features for project management, project financials and execution control to create further efficiencies in its project-based operations.

According to David Johnston, the company's General Manager, "IFS Applications 8 will be the enabling vehicle for Process Group to successfully grow its business and better service its customers. Our target for next year is to approximately double turnover with larger jobs and broader scope of work," he said.

Before it could break through $50 million in annual revenue, Process Group needed an integrated software system providing much higher visibility of project information across the business to mitigate risks, maintain or improve quality, and increase its operational efficiency.

After a nine month review process evaluating four competing ERP solutions, Process Group chose IFS Applications as the best solution, meeting all of its requirements with a core focus on project management.

IFS Applications will give Process Group accurate and immediate visibility of operations for improved project management and business efficiency. Expected benefits include reduced project initiation time, better quality management, improved scheduling efficiency, a higher win-loss ratio on new business, and time savings in the creation of reports.

"A realistic estimate of business benefits would see the cost of the new ERP solution paid back within 12 months, with a more conservative business case estimating the payback period at 2-3 years," Johnston said.

IFS Applications will provide greatly enhanced project management capabilities - replacing mainly spreadsheet-based systems - and replace Process Group's current Financials software. It will automate many project and financial reports currently created manually, saving staff time and eliminating reporting delays.

Other ERP functionality to be progressively rolled out across the organisation includes Human Resources, Engineering Management, Document Management, Manufacturing, Supply Chain and Sales & Service. Process Group also intends to deploy IFS Applications' business intelligence capabilities.

A higher win-loss ratio on bids is expected from the ability to more accurately analyse costs, including the efficiency of its current projects. "Our estimates will become more accurate and that will give us the confidence to put in more competitive bids," said Phil Tuckett, Sales & Marketing Director for Process Group.

The new system will also improve the company's ability to provide accurate reporting to its clients, particularly those that place a high value on quality and service and which are strategic to the company's growth plan.

"As we take on larger and more complex projects, our clients have more demand for information and transparency," said Tuckett. "Everyone is trying to manage risk and putting in new systems and that places an obligation on us to provide visibility to our clients into their projects."

The company also expects the new ERP solution to accelerate the growth of its after-market sales and services business. With immediate access to information about technical solutions, such as packaged process systems and process trains it has designed and assembled, Process Group can lower its costs and better assist its clients with preventative and corrective maintenance.

"The Resources and Oil & Gas industries continue to create opportunities for fast growing services companies like Process Group, offering high levels of innovation and quality," said Rob Stummer, Managing Director at IFS Australia and New Zealand. "Process Group realised it needed a robust and agile ERP system to enhance productivity and manage risk more effectively. We look forward to a successful long-term partnership with Process Group to expedite their business goals."

About Process GroupEstablished in 1978, Process Group is a leading global provider of technical solutions such as packaged process systems and process trains for the oil and gas production, refining, petrochemical and carbon capture industries. Our environmentally sustainable solutions are recognised worldwide for their innovative engineering, green thinking and ability to generate strategic value and bottom-line benefits across a variety of industries.

More information is available at www.processgroup.com.au

About IFSIFS is a public company (OMX STO: IFS) founded in 1983 that develops, supplies, and implements IFS Applications, a component-based

extended ERP suite built on SOA technology. IFS focuses on industries where any of four core processes are strategic: Service & asset management, manufacturing, supply chain and projects. The company has 2,000 customers and is present in approximately 60 countries with 2,800 employees in total. Net revenue in 2011 was SKr 2.6 billion.

More information on IFS is available at www.IFSWORLD.com

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