

## MEDIA RELEASE

**23<sup>rd</sup> February 2011**

The Directors of Structural Systems Limited ("The Company" and "Group") today announced that the Group had **recorded a net profit after tax from continuing operations of \$4.351 million** for the six (6) months ended 31 December 2010. This result was a significant improvement over the \$1.777 million profit reported for the prior corresponding period. Losses from discontinued operations continued to be incurred during the period under review as formwork jobs were completed.

The Group recorded a statutory (both continuing and discontinued businesses) net profit after tax of \$2.057 million, up significantly on the prior corresponding period loss of \$2.630 million.

The Directors have resolved that a fully franked dividend of 1.5 cents per share will be declared. The record date for determining entitlement to the dividend is 18 March 2011 and it is payable on 13 May 2011.

Managing Director Mr David Perry said "the past six months has been a frustrating period for the Company as whilst the Civil and Rock Mining business units reported strong growth in profitability much of this improvement had been eroded by a large (pre-tax) loss of \$4.786 million in the Meridian business unit. In addition, the workout of the final formwork jobs had taken longer and cost more (\$3.277 million pre-tax) than envisaged. The focus remains on continuing to develop those divisions within the Group that have a track record on delivering consistent profitable results. Despite tough market conditions and higher than normal disruptions due to extended periods of inclement weather on the East Coast the majority of the Group's business units outside of Meridian and discontinued operations reported increased revenue profitability".

As advised to shareholders last year, the Meridian Concrete business was (adversely) affected by the closure of the formwork division. The impact of this change was fully felt in the period under review as jobs (previously won) were completed and the size of the business was significantly reduced. Meridian is forecasting a return to profitability at the project level in the second half but not sufficient to cover overheads. As a result a loss of approximately \$800K is expected for the second half of 2011. This situation is forecast to improve with a return to profitability in the 2012 financial year.

The Company's post tensioning operations performed strongly during the period and reported revenue of \$32.3 million. This is an increase of 34% compared to the corresponding period.

Company Chairman Mr Robert Freedman said "The Company is emerging from a very difficult period and as we put the issues of the Formwork and Meridian businesses behind us I am confident that shareholders will be well rewarded for their patience".

## About Structural Systems Limited

The company commenced as BBR Australia Pty Ltd in 1961 and was listed on the Australia Stock Exchange as Structural Systems Limited, in 1987. The Company has three operating divisions including Post-Tensioning, Construction and Mining and Civil Services. These divisions provide post-tensioning, concrete supply and placement, remedial, componentry manufacturing, ground control and drilling to the Construction, Civil, Resource and Energy Industries both nationally and internationally. Structural Systems operates throughout Australia, the Middle East and Africa and has in excess of 800 employees worldwide.

For further information about Structural Systems please see our website: [www.structuralsystems.com.au](http://www.structuralsystems.com.au)