

## FULL YEAR FORECAST AND MARKET UPDATE

5<sup>th</sup> July 2011

The Board of Structural Systems Limited ("the Company") advise that the full year result for the 2011 year is forecast to be in range of \$4.0 to \$4.5 million NPAT. At the lower end of the range this represents a 22% improvement on the 2010 year. This result includes a forecast loss after tax of \$5million from discontinued operations. The only uncompleted project remaining from the discontinued operations is the Eastern Treatment Plant works.

Due to a reduction in the value of R&D claims the forecast tax expense for 2011 of \$1.1million will be approx \$3.3 million greater than the tax benefit reported for the 2010 financial year.

Whilst the Company has been able to achieve an increase on its first half result, trading conditions have been difficult particularly in the third quarter of the financial year when its operations on the East coast were significantly affected by inclement weather.

Work in Hand for the Company is in excess of \$185 million. Work in Hand related to mining services activities is \$93 million with a number of expiring contracts expected to be extended in the next few months.

The Company's cash flow improved during the last half of the financial year resulting in no overdraft or bank bills drawn at the time of this notice. The only debt outstanding is hire purchase funding, primarily for mining equipment used by ROCK. The Company renewed its bank facilities with its main financier in March 2011.

The Board will consider the amount of the final dividend at its August Board meeting.

For further information please contact the undersigned.



David Perry

Managing Director