

26 July 2011

LaserBond announces upgrade to profit expectations

The Board is pleased to announce that LaserBond's results for the last quarter have been greater than previously forecast, resulting in both higher revenue and profit numbers.

The change was brought about primarily as a result of the higher than expected sales by LaserBond (Qld) due to both the early completion of a major project and faster than expected uptake in local demand for LaserBond's unique range of services – including the new LaserBond[®] cladding system installed last November. Further, gross margins for the last quarter for both Queensland and NSW exceeded averages and expectations due to the volume and mix of work as well as the outstanding efforts of all employees. These positive outcomes translated to significantly greater than expected consolidated profit.

The unaudited (management) accounts indicate consolidated revenue for the 2010/2011 financial year increased by 27.5% over 2009/2010 to \$13.28m, and the corresponding Profit before Income Tax increased by 237% to \$2.06m.

The accounts are subject to final audit over the next few weeks. However, the auditor has completed an analytical review and testing of the income and expenses for the year ended 30 June 2011, and at this stage, has not found any items that appear to be incorrect or that will require a material adjustment.

These results show the continuation of the outstanding growth in the profitability of the company. The Board is confident that with the strategies it has put in place, including the recent implementation of surface engineering capabilities in Gladstone, the acquisition of the assets of C&B Engineering, and the imminent expansion of NSW factory space, strong growth will continue for the foreseeable future.

It is intended that this announcement will result in the removal of the trading halt.



Matthew Twist
Company Secretary