10 August 2005

Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir

APPENDIX 4E PRELIMINARY FINAL REPORT

Please find attached a copy of the Appendix 4E – Preliminary Final Report announcing the Annual Results for the period ended 30 June 2005.

Yours sincerely
VERTICON GROUP LIMITED

Peter Cooper
Company Secretary

ASX Announcement

Verticon Group Limited
ABN 53 111 398 040

Appendix 4E – Preliminary Final Report
For the period ended 30 June 2005
No previous corresponding period

Results for Announcement to the Market	**$A'000**
Revenue from ordinary activities	24,441
Profit from ordinary activities after tax attributable to members	4,486
Net profit for the period attributable to members	4,486

Dividends

Dividends to be paid	Amount per security	Franked amount per security	Record date for determining entitlements to the dividend
Final 2005 – 21st October 2005	4.5 cents	4.5 cents	6th October 2005

The Board of Directors have decided that the Dividend Reinvestment Plan (DRP) shall remain inactive at this time.

Contents

Results Commentary

Results for the period ended 30 June 2005	$000's
Revenue	24,441
Earnings before interest, tax, depreciation and amortisation	7,970
Earnings before interest and tax	6,259
Profit before tax	6,070
Income tax expense	1,584
Profit after tax	**4,486**
Earnings per share (cents)	9.0
Final dividend (cents)	4.5
Franking (%)	100%

Verticon Group Limited's first annual result as a public company is an after tax profit of $4.486 million. This compares to the prospectus forecast of $4.900 million.

Verticon successfully listed on the ASX on 17 December 2004 and raised $50 million to purchase the two foundation businesses – Seca in Queensland and Econ in Victoria.

Turnover for the period (statutory) was $24.295m compared to prospectus forecast of $25.065m.

The Seca business in Queensland performed well and achieved targeted results for the period. The Econ business in Victoria performed poorly as a result of four crane contracts not materialising in the early part of 2005. In addition, the operations of Econ required improvements and this led to management changes within the business.

In addition to rental income from hire of tower cranes and hoists, revenues from sale of equipment also occurred during the period. Sales, to builders who want to own their equipment, were expanded. To assist this initiative, the Comedil crane distributorship was secured for Australia.

Verticon also completed three acquisitions during the period:

» The purchase of the crane operation from Eltrax which is a Victorian based formwork company.

» The purchase of GFB Engineering which specialise in steel fabrication and rigging services relating to the tower crane and hoist industry.

» The purchase of four tower cranes from New Zealand based Works Infrastructure to give Verticon an entry into the New Zealand market.

A dividend of 4.5 cents per share will be paid compared to prospectus forecast of 4.0 cents per share.

Verticon Group Limited
Statement of financial performance
For the period ended 30 June 2005

	Notes	2005 $'000
Revenue from operating activities		24,295
Revenue from outside the operating activities		146
Revenue from ordinary activities	2	24,441
Employee benefits expense		(11,177)
Depreciation and amortisation expenses	3	(1,712)
Borrowing costs expense	3	(256)
Equipment hire and consumables used		(1,217)
Cost of goods sold		(1,281)
Subcontractors		(1,179)
Other expenses from ordinary activities		(1,549)
Profit from ordinary activities before related income tax expense		6,070
Income tax expense	4	(1,584)
Profit from ordinary activities after related income tax expense		4,486
Net profit		4,486
Total revenues, expenses and valuation adjustments attributable to members of Verticon Group Limited and recognised directly in equity		-
Total changes in equity attributable to members of Verticon Group Limited other than those resulting from transactions with owners as owners		4,486
		Cents
Basic earnings per share	26	9.0

The above statement of financial performance should be read in conjunction with the accompanying notes.

Verticon Group Limited
Statement of financial position
As at 30 June 2005

	Notes	2005 $'000
Current assets		
Cash assets	6	715
Receivables	7	9,068
Inventories	8	215
Other	9	828
Total current assets		10,826
Non-current assets		
Property, plant and equipment	10	48,551
Deferred tax assets	11	193
Intangible assets	12	6,062
Total non-current assets		54,806
Total assets		65,632
Current liabilities		
Payables	13	2,455
Interest bearing liabilities	14	2,692
Current tax liabilities	15	811
Provisions	16	641
Total current liabilities		6,599
Non-current liabilities		
Interest bearing liabilities	17	5,282
Deferred tax liabilities	18	662
Provisions	19	241
Total non-current liabilities		6,185
Total liabilities		12,784
Net assets		52,848
Equity		
Contributed equity	20	48,362
Retained profits	21	4,486
Total equity		52,848

The above statement of financial position should be read in conjunction with the accompanying notes.

Verticon Group Limited
Statement of cash flows
For the period ended 30 June 2005

	Notes	2005 $'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)		**17,907**
Payments to suppliers and employees (inclusive of GST)		**(17,300)**
Interest received		**53**
Borrowing costs		**(509)**
Net cash inflow from operating activities		**151**
Cash flows from investing activities		
Payment for acquisition of Seca	**5**	**(40,174)**
Payments for acquisition of Econ	**5**	**(5,505)**
Payments for acquisition of Eltrax crane operations	**5**	**(2,815)**
Payments for acquisition of GFB Engineering	**5**	**(158)**
Payments for acquisition of Works Infrastructure NZ crane operations	**5**	**(1,165)**
Payments for other acquisition costs		**(175)**
Payments for property, plant and equipment		**(3,291)**
Proceeds from sale of property, plant and equipment		**16**
Net cash outflow from investing activities		**(53,267)**
Cash flows from financing activities		
Proceeds from issues of shares		**50,000**
Share issue costs		**(3,670)**
Proceeds from borrowings		**4,997**
Repayment of borrowings		**(62)**
Net cash inflow from financing activities		**51,265**
Net decrease in cash held		**(1,851)**
Cash at the beginning of the financial period		**-**
Effects of exchange rate changes on cash		**-**
Cash at the end of the financial period	**6**	**(1,851)**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Note 1 Basis of Preparation

This preliminary final report has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E.

Significant Accounting Policies
The accounting policies adopted in the preparation of this preliminary final report are consistent with those adopted and disclosed in the 2005 interim financial report and Verticon Group Limited's prospectus dated 17th November 2004.

Note 2 Revenue

	2005 $'000
Revenue from operating activities	
Equipment hire and associated services	**21,659**
Equipment sales and associated services	**2,636**
	24,295
Revenue from outside the operating activities	
Interest	**53**
Sale of non-current assets	**93**
	146
Revenue from ordinary activities	**24,441**

Note 3 Profit from ordinary activities

(a) Net expenses

Profit from ordinary activities before related income tax expense includes the following specific net expenses:

Expenses	
Depreciation	
- Plant and equipment	**1,530**
Total depreciation	**1,530**
Amortisation	
- goodwill	**162**
- deferred financing costs	**20**
Total amortisation	**182**
Other charges against assets	
- Doubtful debts – trade debtors	**84**
Borrowing costs	
- Interest and finance charges paid/payable	**378**
- Finance lease finance charges	**28**
- Amount capitalised	**406**
	(150)
- Borrowing costs expensed	**256**
Rental expense relating to operating leases	
- Minimum lease payments	**171**

Note 4 Income tax

	2005 $'000
Income tax expense	
The income tax expense for the financial year differs from the amount calculated on the profit. The differences are reconciled as follows:	
Profit from ordinary activities before income tax expense	**6,070**
Income tax calculated @ 30%	**1,821**
Tax effect of permanent differences:	
Non-deductible amortisation	**41**
Non-deductible entertainment	**3**
IPO Costs deductible	**(281)**
Income tax adjusted for permanent differences	**1,584**
Income tax expense attributable to profit from ordinary activities	**1,584**

Note 5 Acquisitions

The following businesses were acquired during the reporting period:

Acquisition of Seca Cranes

On 13th December 2004 Verticon Group Limited acquired the operations of Seca Cranes, a Queensland-based tower crane hire company for total consideration of $40.259 million as set out below. The operating results of Seca Cranes have been included in the statement of financial performance since the date of acquisition.

Acquisition of Econ Constructions

On 14th December 2004 Verticon Group Limited acquired the operations of Econ Constructions, a Victorian-based tower crane hire company for consideration of $7.323 million as set out below. The operating results of Econ Constructions have been included in the statement of financial performance since the date of acquisition.

Part of the acquisition consideration was the issuing of 1,500,000 ordinary shares at $1.20 which was equivalent to the issue price upon Verticon's initial public offer as per the Prospectus dated 17th November 2004.

Acquisition of Eltrax Crane Operations

On 28th April 2005 Verticon Group Limited acquired part of the internal tower crane operations of Eltrax Pty Ltd, a Victorian-based construction company for consideration of $2.895 million as set out below. The operating results of the Eltrax crane operations have been included in the statement of financial performance since the date of acquisition.

Acquisition of Works Infrastructure NZ Crane Operations

On 4th May 2005 Verticon Group Limited acquired the Works Infrastructure Limited crane operations, a New Zealand-based construction company with internal tower crane services for consideration of $1.165 million as set out below. The operating results of the Works Infrastructure crane operations have been included in the statement of financial performance since the date of acquisition.

Acquisition of GFB Engineering

On 6th May 2005 Verticon Group Limited acquired the operations of GFB Engineering Pty Ltd, a Victorian-based rigging and steel fabrication workshop, specialising in tower crane services and hoists, for consideration of $0.390 million as set out below. The operating results of GFB Engineering have been included in the statement of financial performance since the date of acquisition.

The fair value of the shares issued was determined by calculating the weighted price at which the company's shares were traded on the Australian Stock Exchange during the five trading days immediately before acquisition was announced. The fair value determined for the shares was $231,621.

Note 5 Acquisitions (continued)

The following businesses were acquired during the reporting period:

		Seca Cranes	Econ Constructions	Eltrax	Works Infrastructure NZ	GFB Engineering	Total Acquisitions
Business / assets							
Date of Acquisition		13 December 2004	14 December 2004	28 April 2005	4 May 2005	6 May 2005	
Type of Acquisition		asset purchase	asset purchase	asset purchase	asset purchase	asset purchase	
		$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's
(a)	Consideration						
	- cash paid	38,205	5,314	2,863	1,165	134	47,681
	- ordinary shares		1,800			232	2,032
	- professional fees & other costs	2,054	209	32	0	24	2,319
		40,259	7,323	2,895	1,165	390	52,032
(b)	Net Assets Acquired						
	- inventories					117	117
	- work in progress					5	5
	- deposits	265	2				267
	- fixed assets	34,841	7,219	2,863	1,165	232	46,320
	- tax assets	258	47				305
	- debtors	167				12	179
		35,531	7,268	2,863	1,165	366	47,193
	- provisions - other	(224)	(18)				(242)
	- provision - annual leave	(860)	(153)				(1,013)
		(1,084)	(171)				(1,255)
Net Assets Acquired		**34,447**	**7,097**	**2,863**	**1,165**	**366**	**45,938**
(c)	Goodwill arising on acquisition	5,812	226	32	0	24	6,094

Note 6 Current Assets – Cash

	2005 $'000
Cash at bank and on hand	**715**
	715

The above figures are reconciled to cash at the end of the financial period as shown in the statement of cash flows as follows:

Balances as above	**715**
Less: Bank overdrafts (note 14)	**(2,566)**
Balances per statement of cash flows	**(1,851)**

Note 7 Current assets – Receivables

Trade debtors	**8,440**
Less: Provision for doubtful debts	**(84)**
	8,356
Accrued Revenue	**562**
Foreign GST Receivable	**143**
Other	**7**
	9,068

Note 8 Current assets – Inventories

Raw materials and stores – at cost	**52**
Goods for resale – at cost	**108**
Work in progress – at cost	**55**
	215

Note 9 Current assets – Other

Prepayments	**296**
Deposits Paid	**532**
	828

Note 10 Non-current assets – Property, plant and equipment

Land	
Freehold land at acquisition cost 2004	
Freehold land at acquisition cost 2004	**1,217**
Plant and equipment	
At cost	**47,336**
Less: Accumulated depreciation	**(1,512)**
	45,824
Plant and equipment under finance lease	**1,457**
Less: Accumulated amortisation	**(18)**
	1,439
Work in progress	**71**
Total land, plant and equipment and work in progress	**48,551**

Note 11 Non-current assets – Deferred tax assets

	2005 $'000
Future income tax benefit	**193**

Note 12 Non-current assets – Intangible assets

Goodwill on business acquisitions	**6,094**
Less: Accumulated amortisation	**(162)**
	5,932
Deferred Financing Costs	**150**
Less: Accumulated amortisation	**(20)**
	130
	6,062

Note 13 Current liabilities – Payables

Trade creditors	**496**
Other creditors and accruals	**1,959**
	2,455

Note 14 Current liabilities – Interest bearing liabilities

Secured	
Bank overdrafts	**2,566**
Lease liabilities	**126**
	2,692

Note 15 Current liabilities – Current tax liabilities

Income tax	**811**

Note 16 Current liabilities – Provisions

Employee benefits	**641**
	641

Note 17 Non-current liabilities – Interest bearing liabilities

	2005 $'000
Secured	
Bank bills	**4,000**
Lease liabilities	**1,282**
Total secured non-current interest bearing liabilities	**5,282**
Total non-current interest bearing liabilities	**5,282**
Secured liabilities	
Total secured liabilities (current and non-current) are:	
Bank overdrafts and bank bills	**6,566**
Lease liabilities	**1,408**
Total secured liabilities	**7,974**

Note 18 Non-current liabilities – Deferred tax liabilities

Provision for deferred income tax	**662**

Note 19 Non-current liabilities – Provisions

Other provisions	**241**

Note 20 Contributed equity

	Date Issued	Shares	Issue Price	2005 $'000
Issue of fully-paid ordinary shares during the reporting period				
– Econ acquisition consideration (note 5)	14 Dec 2004	1,500,000	$1.20	1,800
– as per Prospectus dated 17 November 2004	16 Dec 2004	41,666,667	$1.20	50,000
– GFB acquisition consideration (note 5)	6 May 2005	229,694	$1.01	232
Issued for no consideration:				
Existing shareholders	10 Nov 2004	14,583,333	0	0
Seca acquisition consideration (note 5)	13 Dec 2004	4,583,333	0	0
Employee share plan	16 Dec 2004	36,652	0	0
				52,032
Less: Transaction costs arising on share issues				3,670
Balance		62,599,679		48,362

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The company was previously called Liberty Structural Services Limited and changed its name to Verticon Group Limited on 5 November 2005.

Note 21 Retained profits

	2005 $'000
Retained profits	
Retained profits at the beginning of the financial period	0
Net profit attributable to members of Verticon Group Limited	4,486
Retained profits at the end of the financial period	4,486

Note 22 Net Tangible Assets per Share

	Cents per share
Net Tangible Assets per ordinary share	74.7

Note 23 Share Options

The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

Grant date	Expiry date	Exercise price	Value per option at grant date	Date exercisable
10 December 2005	23 December 2009	$1.20	$0.06	August 2005 (100,000 options)
10 December 2005	23 December 2009	$1.20	$0.12	August 2006 (150,000 options)
10 December 2005	23 December 2009	$1.20	$0.09	August 2007 (150,000 options)

Options are granted under the Director / Executive Option Plan which was approved by the Company in a general meeting. Under this Plan, the Board may offer Directors and senior executives of the Company options which may be exercised for new shares. The Board has a discretion to set the issue price, exercise price and other conditions applying to the options.

As at reporting date, options have been granted to Mark Kevin for a five year period. The vesting dates for each tranche is disclosed above and is dependent on the achievement of hurdles being met.

When exercisable, each option is convertible into one ordinary share on the day of announcement to the Australian Stock Exchange of the financial results for financial years 2005, 2006 and 2007.

Options provided as remuneration

Details of options over ordinary shares in the company provided as remuneration to each director of Verticon Group Ltd is set out below. The specified executives of the company were not provided with options as remuneration. When exercisable, each option is convertible into one ordinary share of Verticon Group Limited.

Name	Number of options granted during the period	Number of options vested during the period
Directors of Verticon Group Ltd		
Mark Kevin	400,000	nil

Option holdings

The numbers of options over ordinary shares in the company held during the financial period by each director is set out below.

Name	Balance at the start of the period	Granted during the period as remuneration	Exercised during the period	Other changes during the period	Balance at the end of the period	Vested and exercisable at the end of the period
Directors of Verticon Group Ltd						
Mark Kevin	nil	400,000	nil	nil	400,000	nil

Note 24 Contingent liabilities

Verticon Group Limited had contingent liabilities at 30 June 2005 in respect of:

Eltrax Pty Ltd

On the 22nd April 2005 Verticon Group Limited entered into a sale of business agreement to purchase the tower crane hire business of Eltrax Pty Ltd. Following settlement the agreement allowed up to four further tower cranes to be acquired from Eltrax. The acquisition for the four tower cranes is contingent on Eltrax securing a tower crane hire contract on terms Verticon Group Limited is willing to accept from a third party customer. The maximum value of the potential acquisition is $1,440,000.

Note 25 Reconciliation of profit from ordinary activities after income tax to net cash inflow from operating activities

	2005 $'000
Profit from ordinary activities after related income tax	**4,486**
Depreciation and amortisation	**1,712**
Doubtful debts	**84**
Net exchange differences	**4**
Change in net assets and liabilities, net of effects from acquisitions:	
(Increase)/decrease in assets:	
trade debtors	**(8,327)**
inventories	**(93)**
deposits paid	**(265)**
prepayments	**(296)**
accrued revenue	**(562)**
current tax assets	**39**
Increase/(decrease) in liabilities:	
trade creditors	**496**
employee provisions	**(614)**
current tax liabilities	**1,241**
deferred tax balances	**378**
other operating liabilities	**1,868**
Net cash inflow from operating activities	**151**

Note 26 Earnings per share

	2005 Cents
Basic earnings per share	**9.0**
	Number
Weighted average number of shares used as the denominator	
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**49,773,255**
	$'000
Reconciliations of earnings used in calculating earnings per share	
Basic earnings per share	
Net profit	**4,486**
Earnings used in calculating basic earnings per share	**4,486**

At 30 June 2005, 400,000 options have been issued and these are not considered to be dilutive.

Note 27 Impacts of adopting Australian equivalents to IFRS

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, and the Urgent Issues Group has issued interpretations corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. These Australian equivalents to IFRS are referred to hereafter as AIFRS. The adoption of Australian equivalents to IFRS will be first reflected in Verticon Group Ltd's financial statements for the half-year ending 31 December 2005 and the period ending 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period.

The company has established a project team to manage the transition to AIFRS, including training of staff and system and internal control changes necessary to gather all the required financial information. The project team is chaired by the Chief Financial Officer and reports regularly to the audit committee. The project team has prepared a timetable for managing the transition and is currently on schedule.

The project team has analysed all of the AIFRS requirements and has identified the accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standard AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards. These choices have been analysed to determine the most appropriate accounting policy for the company.

Set out below are the key areas where accounting policies are expected to change upon adoption of AIFRS and management's best estimate of the impacts of the changes as at the time of preparing the 30th June 2005 4E Appendix. The actual effects of the transition may differ from the estimates disclosed due to i) on-going AIFRS reviews by Verticon, ii) potential amendments to AIFRS's and the subsequent changes in interpretation, iii) emerging practice and in the initial adoption and implementation of AIFRS and iv) completion of an audit by Verticon's external auditor.

(a) Intangible assets

Under AASB 3 *Business Combinations*, amortisation of goodwill will be prohibited, and will be replaced by annual impairment testing focussing on the cashflows of the related cash generating unit. An impairment charge is to be immediately recognised in the income statement if it occurs.

This will result in a change to the current accounting policy, under which goodwill is amortised on a straight line basis over the period during which the benefits are expected to arise and not exceeding 20 years.

If the policy required by AASB 3 had been applied during the period ended 30 June 2005, goodwill at 30 June 2005 would be adjusted due to a reclassification of goodwill components to separately identifiable intangible assets of $1.312 million. Amortisation expense for the period ended 30 June 2005 would have been higher. No impairment charges would have been recorded.

(b) Equity-based compensation benefits

Under AASB 2 *Share-based Payment,* Verticon is required to recognise an expense for those options that were issued to employees under the Executive / Director Option Plan but that had not vested by 1 January 2005. The expense is determined by reference to the fair value of the equity instruments issued.

This will result in a change to the current accounting policy, under which no expense is recognised for equity-based compensation.

If the policy required by AASB 2 had been applied during the period ended 30 June 2005, the employee benefits expense would have been $19,535 higher, with a corresponding increase in the net movement in the share-based payment reserve.

Note 27 Impacts of adopting Australian equivalents to IFRS (continued)

(c) Income Tax

Under AASB 112 Income Taxes, deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the statement of financial position and their associated tax bases. In addition, current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

This will result in a change to the current accounting policy, under which deferred tax balances are determined using the income statement method, items are only tax-effected if they are included in the determination of pre-tax accounting profit and loss and/or taxable income or loss and current and deferred taxes cannot be recognised directly in equity.

Management has not yet finalised their assessment of the quantitative impacts of AASB 112 at the date of this report.

(d) Business Combinations

Under AASB 3 *Business Combinations,* if the acquirer's interest in the fair value of assets and liabilities exceeds the cost of the business combination, AASB 3 requires the acquirer to reassess the identification and measurement of the acquiree's identifiable assets and liabilities, and the measurement of the cost of the combination and to recognise immediately any excess remaining as a gain to profit or loss.

This will result in a change to the current accounting policy, under which no gain is recognised for an excess of the fair value of interest acquired in a business combination over the cost of the transaction. Any excess is allocated proportionately against the fair value of non-monetary assets acquired.

On 4th May 2005, Verticon Group Limited acquired the Works Infrastructure NZ crane operations, a New Zealand based construction company with internal tower crane services and hoists for a consideration of $1.165 million. The fair value of the cranes is being assessed and if it exceeds the consideration then under AIFRS the fixed assets will need to be increased with a corresponding increase to revenue. Depreciation would consequently increase in future periods.

(e) Financial Instruments

Verticon Group will be taking advantage of the exemption available under AASB 1 to apply AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* only from 1 July 2005. This allows the Company to apply previous Australian generally accepted accounting principles (Australian GAAP) to the comparative information of financial instruments within the scope of AASB 132 and AASB 139 for the 30 June 2006 financial report.

Note 28 Other Information

Annual General Meeting

The Annual General Meeting will be held as follows:

Place: Carlton Crest Hotel
65 Queens Road
Melbourne Victoria 3004

Date: 8th November 2005

Time: 11:00 am

The approximate date the Annual Report will be available is 30 September 2005.

Information on Audit

This preliminary final report is based upon the financial statements, which are in the process of being audited.