



27th February 2008

ASX ANNOUNCEMENT

The Verticon Group today announced a \$45.25 million loss for the six months ended 31 December 2007, which included a \$17.92 million plant and equipment write-down, a \$14.95 million intangible asset (goodwill) write-down and a \$4.84 million dollar reduction in deferred tax balances. The plant and equipment and goodwill write-downs were as previously advised to the market in October 2007.

Verticon today also released details of a new strategic alliance with Lewis Equipment USA.

The Managing Director of Verticon, Mr. Andrew Torrington, said he was delighted with the new strategic alliance and exclusive agency agreement with Lewis Equipment USA for the ongoing supply of tower cranes (Yong Mao/Sun), hoists (GJJ) and crawler cranes (Fushon) into the Australian market.

Lewis Equipment (USA) is a major player in the USA and operates over 200 tower cranes, 250 hoists and a large crawler crane, mobile crane and rigging business.

Mr. Torrington said: "this alliance will enable Verticon to substantially reinvest in new plant & equipment in Australia and begins a clear process of retiring older Verticon fleet, particularly our Queensland based tower cranes, and introducing brand new cranes and hoists into the Australian market over the next 24 months. The agreement also provides access to Lewis's USA based personnel, expertise, systems and procedures and gives Verticon access to better delivery times, support and spare parts. Combined with the new Queensland workshop, yard and office facility due for completion in April 2008, I feel that this alliance now clearly sets the way forward for Verticon in Australia."

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