



21st December 2006

ASX ANNOUNCEMENT

Financial Update

The Verticon Group now estimates that it will incur a net loss of about \$5 million in the 2006-07 financial year.

The Managing Director of Verticon, Rob Lockett, said the loss was attributable to increased costs, continuing margin pressure and the unexpected failure of contracts to proceed in Victoria as well as the delay in commencement of new work in New Zealand.

Mr Lockett said Verticon was focused on commencing works associated with the placement of eleven cranes at the new Convention Centre site being built in Melbourne and that the appointment of a new General Manager in Victoria was also having a positive affect on the business.

"The anticipated loss is disappointing. We have completed our turnaround strategy in Victoria and are confident that the business is now strategically placed to move forward," Mr Lockett said.

For further information, contact

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