



**Structural** Systems



**CONCISE ANNUAL REPORT** 2009

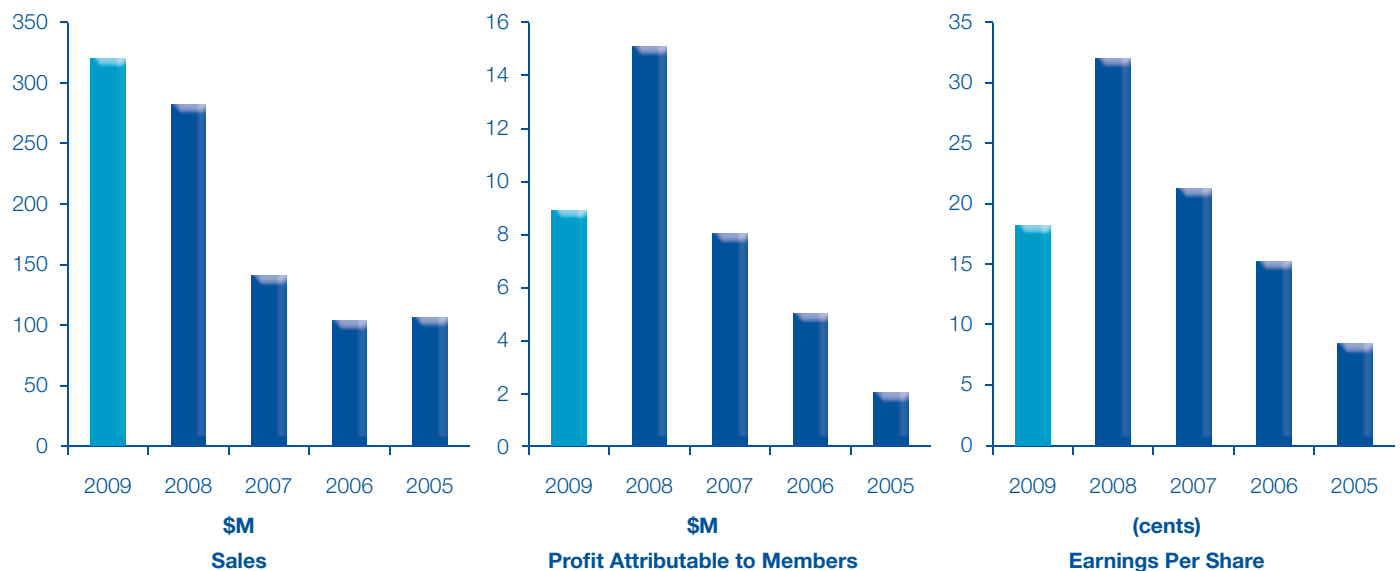
## 10-Year Financial Summary

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
External sales of goods and rendering of services (\$'000)	<b>319,210</b>	282,573	141,239	104,405	106,948	78,453	102,336	117,229	94,981	94,016
Profit (Loss) before tax (\$'000)	<b>9,237</b>	20,708	12,316	7,165	3,444	(8,231)	580	(4,493)	386	3,723
Profit (Loss) after tax (\$'000) <sup>(1)</sup>	<b>8,887</b>	15,182	8,824	5,345	2,142	(8,589)	450	(4,716)	341	2,200
Shareholders funds at end of year (\$'000)	<b>56,666</b>	48,261	33,179	24,750	14,886	9,303	17,776	15,426	19,953	18,435
Net tangible assets (\$'000) <sup>(1)</sup>	<b>40,482</b>	32,021	27,936	21,258	12,881	7,298	14,644	12,071	16,330	14,587
Return on shareholder's funds <sup>(1)</sup>	<b>15.6%</b>	31.5%	26.6%	21.6%	14.4%	(92.3%)	2.5%	(30.6%)	1.7%	11.9%
Return on sales	<b>2.8%</b>	5.4%	6.2%	5.1%	2.0%	(10.9%)	0.4%	(4.0%)	0.4%	2.9%
Basic earnings per share (cents) <sup>(2)</sup>	<b>18.1</b>	31.9	21.2	15.2	8.4	(33.7)	1.9	(22.0)	1.6	12.7
Net tangible asset backing per share (cents) <sup>(2)</sup>	<b>82.4</b>	65.3	60.3	54.6	50.3	28.5	57.4	56.3	76.2	70.0
Dividends declared and / or paid (cents)	-	11.5	10.0	7.5	1.5	-	-	-	2.0	13.0
Dividends times covered	<b>N/A</b>	2.8	2.1	2.0	5.6	N/A	N/A	N/A	0.8	0.9
Depreciation and amortisation (\$'000)	<b>7,148</b>	5,699	4,102	2,946	2,418	2,408	2,595	2,432	2,032	1,776
Interest paid (\$'000)	<b>1,564</b>	951	381	541	1,023	1,136	663	911	556	548
Interest received (\$'000)	<b>87</b>	410	173	302	176	8	-	-	7	23
Share price at 30 June	<b>\$0.79</b>	\$2.55	\$2.82	\$1.04	\$0.61	\$0.48	\$0.40	\$0.60	\$0.76	\$1.42
Shares on issue at 30 June (,000)	<b>49,142</b>	49,142	46,438	38,950	25,631	25,624	25,499	21,428	21,428	20,857
Market Capitalisation at 30 June (\$'000)	<b>38,822</b>	125,312	130,955	40,508	15,635	12,300	10,200	12,857	16,285	29,617

<sup>(1)</sup> Adjusted for minority equity interests

<sup>(2)</sup> Adjusted for Bonus Issues

## Key Performance Indicators for the 12 month periods to 30 June



## 2009 Financial Statements

The concise financial report has been derived from the full financial report for the year ended 30 June 2009. The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

A copy of the full financial report and auditors' report will be sent to shareholders without charge upon request. Please call (03) 9296 8100 or fax (03) 9646 7133 or email [ssl@structural.com.au](mailto:ssl@structural.com.au) and a copy will be forwarded to you. Alternatively, you can access both the full financial report and the concise report on the Structural Systems website at [www.structuralsystems.com.au](http://www.structuralsystems.com.au)



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**AGM to be held:**

Thursday 29<sup>th</sup> October 2009  
11.00am Start  
Bayview Eden Hotel  
6 Queens Road  
Melbourne VIC 3000

## History

Founded in Victoria in 1961, the Company commenced trading as BBR Australia Pty Ltd. The first project the Company undertook was the supply and installation of rock anchors for the Snowy Mountains scheme. Listed on the Australian Stock Exchange as Structural Systems Limited in 1987 and almost fifty years on from the first project, the organisation has grown from a small privately owned specialist post-tensioning company to a diverse international contractor with approximately 1,100 employees worldwide and having revenue in excess of \$300 million for the 2009 financial year.

## Operations

The Company's head office is located in South Melbourne, Victoria, and manages its operations from offices in Melbourne, Sydney, Brisbane, Perth, Kalgoorlie and Townsville within Australia. Internationally the Company has offices in Dubai, Qatar, Bahrain and has recently opened an office in Johannesburg, South Africa.

Companies within the Structural Systems Group are Structural Systems (Northern), Structural Systems (Southern), Structural Systems (Construction), Structural Systems (Western), Structural Systems (Civil), Structural Systems (Bridge Maintenance), Refobar Australia, Meridian Concrete Australia, ROCK Australia, NASA Structural Systems and SSL Structural Systems (Africa).

Structural Systems have been involved in the design and construction of many iconic projects over the years including Centrepont Tower, Stadium Australia in Sydney, Eleanor Schonell Bridge in Brisbane, Colonial Stadium & Rod Laver Arena in Melbourne and the Emirates Tower in Dubai.

The Company's operations are comprised of five operating divisions: Post-Tensioning, Construction, Civil, Remedial and Mining Services. Additionally, the Company also has a Major Projects department that provides support to these divisions for large scale or technically complex projects.

## Post-Tensioning

Structural Systems are one of the market leaders in post-tensioning technology. Post-Tensioning is a method of reinforcing (strengthening) concrete or other materials with high-strength steel strands. The benefits post-tensioning brings to a structure include large open plan, column free floor spaces. The technology reduces the amount of conventional reinforcement and concrete required thus delivering a more economical and environmentally friendly solution. The division's manufacturing arm, Refobar Australia, makes componentry for the post-tensioning industry including bar chairs, oval and flat duct and barrels and wedges. The Company is committed to improving the standard of design and construction in the post-tensioning industry and is a founding corporate member of the Post-Tensioning Institute of Australia Limited.

## Civil

The Civil division provides construction techniques and services to a wide range of Clients and projects including;

- Incremental launching of bridges across rivers, railways and motorways
- Ground anchors to strengthen dam walls and anchor down windfarm towers
- Heavy lifting of stadium roofs, control towers and water bowls up to 2,200T
- Slipforming and post-tensioning of LNG and LPG storage tanks
- Slipforming and post-tensioning of offshore concrete gravity structures
- Slipforming and post-tensioning of water, cement, alumina and clinker storage silos
- Cable stays for bridges and stadiums
- Strengthening of existing bridge structures to meet increased design loading requirements including bearing replacement work.
- Construction engineering services for balanced cantilever, segmental and span by span bridge construction.

## Mining Services

The Company's Mining and Civil Services division, ROCK Australia, is a specialist provider of supply and contracting services to mining & civil projects throughout Australasia. ROCK's current client list includes BHP Billiton, Rio Tinto, Newcrest Mining, Barrick Gold, Mt Gibson Iron, QLD Rail, QLD Road and Bovis Lend Lease. Committed to operational excellence through safety, quality, innovation and efficiency, ROCK's services include:

- Drilling
- Blasting
- Geotechnical
- Environmental
- Technical Access
- Manufacture & Supply
- Movement and Survey Radar

## Construction

The Company's Construction division provides its services as a package, or as individual elements depending on the requirements of its Clients. With the acquisition of Meridian Concrete in November 2007 the division is able to deliver a full design and construct structure package service in-house. Meridian Concrete is the largest provider of concrete services in Victoria. The range of activities provided by this division include;

- Concrete supply and placement
- Excavation
- Reinforcement supply and placement
- Formwork

## Remedial

The Remedial division offers a range of specialist construction services to property owners and managers, local authorities, designers, contractors and mining companies. Offering technology such as remedial diagnosis, strengthening, waterproofing, repair, rehabilitation and protection for a variety of structures including:

- High-rise buildings (facade and structural elements)
- Buildings and monuments (heritage-listed)
- Marine structures, including offshore facilities
- Civil engineering structures including bridges and concrete pavements
- Industrial and manufacturing plants
- Airport structures

## Technology & Partnerships

Structural Systems is the sole franchisee of the BBR licensed system in the countries in which it operates. BBR is recognized as the leading group of specialist engineering contractors in the field of post-tensioning, stay cable and related construction engineering. BBR technologies have been applied to a vast array of structures – such as bridges, buildings, cryogenic LNG tanks, dams, marine structures, nuclear power stations, retaining walls, tanks/silos, towers, tunnels, wastewater-treatment plants, water reservoirs and wind farms. The BBR specialist equipment range includes Pot bearings, Cona, HiAm and Dina systems which are recognised worldwide.

ROCK Australia is the appointed partner of the Reutech Radar system for the supply, hire and support of the MSR 300 (Movement & Surveying Radar) for Australasia. ROCK works in partnership with Geobrugg as the preferred installer of rock fall protection and slope stabilisation systems. ROCK is the exclusive distributor of the Menzi Muck all terrain walking excavators. During the financial year, ROCK developed and patented the ROCK MESH<sup>TM</sup> system. The ROCK MESH<sup>TM</sup> system is a fully mechanised roll mesh handler unit for use in underground surface supports. The system is compatible and can be retro fitted to all standard multiboom underground drilling equipment. This system offers significant cost and safety benefits over current practices.

Structural Systems is also the exclusive representative for Macalloy 1030 bar in Australia, UAE, Qatar, Bahrain and Oman.

The Company has an extensive plant and equipment pool to draw from. These assets include slipform climbing formwork equipment, Eberspacher bridge hydraulic launching equipment and Ishebeck modular formwork systems.

## Financial Performance

Due to the Global Financial Crisis, the year ended June 2009 has been one of the most challenging to date for the construction and resource sectors. Despite this, the directors are pleased to report that the Group's profit after tax for the 2009 financial year was \$8.9 million. This result was achieved from record sales of \$319.2 million up \$36.64 million from the record level reported in the 2008 year of \$282.573 million. The increase in revenue was due to strong growth from the Company's post-tensioning division particularly from its activities in the Middle East and its mining and civil services Company ROCK Australia.

With global economic conditions still very uncertain the directors have resolved not to declare a final dividend for the 2009 year. The board understands that many shareholders will be disappointed with the decision not to pay a dividend this year. However, the board is of the view that this is in the best interests of the Company in the long term.

## Balance Sheet

Our aim is to strengthen the balance sheet so that it can adequately support the level of activity and growth prospects ahead for the Company. The Company has been reliant on debt in recent years to fund both growth and acquisitions. Since balance date the Company has raised \$5.75 million by a share placement to institutional and professional investors through the issue of 7.371 million fully paid ordinary shares in the capital of the Company. This placement was followed with a share purchase plan to the Company's retail investors. The terms of the share purchase plan were the same as that for the placement. The board is pleased to confirm that a total of 595 shareholders subscribed to the offer and a total of \$7.5 million in applications for shares was received. The board has determined that as the level of subscription to the offering was much greater than anticipated it will cap the share placement to the same level as that raised by the placement of \$5.75 million. The combined total of these capital raisings substantially reduces the company's gearing levels and positions it well for the future.

## Outlook

In the current environment, we continue to make the hard decisions needed to reduce costs, improve productivity and preserve cash. The Group continues to pursue opportunities to further grow the business. A number of initiatives are in place to take the Company's core skills to new geographical regions and to diversify the existing businesses. These strategic initiatives, complemented by the sustained strength of the Australian infrastructure market, the ongoing demand for Australian resources and the Group's growing presence internationally support a positive long term outlook for the Company.

On behalf of the board I would like to thank the management, staff and workforce of the Company for their committed and enthusiastic performance during these difficult economic times.



**Robert Freedman**  
**Chairman**



Structural Systems Limited's (the "Company") pre tax result for the 2009 year was \$9.238 million. This compares to the pre tax profit of \$18.918 million adjusted for non continuing operations included in the 2008 year result. The reduction in profit can be primarily attributed to the loss reported from the Company's Construction division which operates in Victoria. Market conditions have been very difficult for this division throughout the year.

The profit after tax of \$8.907 million was 41% below last year's result of \$15.182 million. Despite the overall reduction in profit several of the Company's divisions reported excellent results for the year. Record profit results were achieved by ROCK Australia and the Company's Post-Tensioning operations in the Middle East on the back of strong revenue growth.

State and Federal Government projects featured prominently for the Group during the year, with projects being undertaken in the health, law, water and rail sectors. In the private sector works associated with the retail sector provided significant revenues with major projects also being completed in the industrial and commercial sectors.

### Mining & Civil Services

ROCK Australia achieved record levels of revenue and profit for the 2009 year. Revenue increased during the year by 23% to \$48.09 million. The 2009 year saw this division increase its activity in the civil arena with major works being undertaken for rail, road and airport facilities. The year also saw an increase in rockfall protection works in the civil market.

ROCK's Movement and Survey Radar (MSR) system secured several long term contracts during the year for the supply and support of MSR systems within Australia and overseas.

With the last few years seeing significant growth within Rock's drilling capacity, the 2009 year saw a consolidation of the fleet. Drill fleet numbers remained similar to the 2008 year with two new major rigs being acquired in the current period. During the year the in-house workshop facility for the maintenance and rebuild requirements of the drill fleet was commissioned. ROCK completed its first major project in the coal sector with drill, blast and support of Hopper slots works for material handling infrastructure at the Clermont Mine Project.

During the year ROCK developed and patented a new underground mesh handling and installation system. The Rock Mesha™ system offers significant benefits in cost, safety and quality over current practices.

ROCK maintained its independent accreditation of Integrated Management System for Safety (AS/NZS4801:2001) and Quality AS/NZS ISO 9001:2000.

### Post-Tensioning

Revenue from post-tensioning and related activities increased by \$22.8 million to \$102.139 million for the 2009 year. During the year the division undertook several major projects. These included the Top Ryde Shopping Centre which is the largest post-tensioned project ever undertaken in Australia and the commencement of the installation of the world's largest capacity ground anchors at the Catagunya Dam in Tasmania.

The Company's manufacturing division Refobar Australia achieved ISO9001 Quality accreditation, in addition to achieving Workplace Health and Safety accreditation during the year. Refobar increased its range of post-tensioning consumables it produces with production now underway of barrel and wedges.

The Eleanor Schonell Bridge (Green Bridge) completed in 2008 took out the Gold Award (overall winner) at the Austroads Conference in New Zealand this year. The post-tensioning division expanded its geographical boundaries into South Australia during the year and now has a permanent presence in Adelaide. The Middle East division had a very successful year with record revenue and profit being achieved. Revenue from operations in the Middle East increased by 124% to \$20.187 million. Several major projects were undertaken in the gulf region during the year. The division completed its largest project to date in Qatar (Qatar Airways Hotel project) as well as its largest project in Abu Dhabi (TDIC Headquarters). The division also completed its first project in the Kingdom of Bahrain. The NSW and QLD post-tensioning divisions achieved AS4801:2001 safety accreditation during the year.

### Construction

Overall, activities from the Construction division resulted in a loss of \$1.072 million. Revenues for this division were up 6% to \$181.29 million for the year. The 2009 year was an extremely tough one for this division. Project profits on contracts ongoing at the start of the financial year were significantly reduced due to the increase in reinforcement steel prices. These profits were further eroded due to costs incurred as a result of inclement weather conditions significantly exceeding budget allowances in the second half of the financial year. In addition to these general effects on profit, the division had significant cost overruns in the completion of two major projects. Revenue of \$68.8 million from the division's concrete supply and place activities was similar to last financial year.



### Work in hand

Work in hand at the 30 June 2009 stood at \$139 million. While this figure has reduced somewhat from the value at 30 June 2008 the order book is still very strong. The main run off of work on hand was in the Construction Division's formwork business in Victoria and this business has already implemented significant manpower and overhead reductions in response to the lower levels of activity expected this year.

### Group Prospects

The Board is positive about the outlook for the 2010 year. With the completion of the loss making projects in Victoria that substantially affected the 2009 year result and the available opportunities that exist in our core market sectors, the Company is forecasting an improved result in the year ahead.

While there has been a reduction in overall activity in the construction sectors in Australia and overseas, there are a number of significant projects expected to be awarded during the 2010 year that the Company is well positioned for. Infrastructure investment is forecast to increase fuelled by major funding commitments from the Federal and State Governments. Projects related to transport and water infrastructure are expected to be key contributors to the Company's work levels in the coming year. Funding to the Health sector is forecast to increase considerably and the Company is well placed to secure work related to the expansion of existing or new hospital construction.

Internationally, work in hand from projects in the Middle East is at historically high levels. However, the Company is conscience of the market conditions in the Gulf region and is conservative in the selection of the projects and clients it trades with. The Company has operated in the Middle East for over 11 years and is confident of the future earning potential from operations in this region.

The resources market is expected to remain strong for ROCK Australia, driven by international demand for iron ore and gold in particular. Term contracts underpin the revenue streams for our drilling fleet which will ensure high utilisation levels. ROCK has seen an increase in demand for its services in the civil market and we would expect the level of enquiry to further increase in the 2010 year.

The strengthening of the balance sheet from the recently completed capital raising and retention of the 2009 year profits has positioned the Company well for the future. The balance sheet is now capable of servicing the activity levels being undertaken by the Group without the reliance on debt facilities. Being able to demonstrate financial viability and having low gearing levels has become an increasingly important consideration for our key trading partners. The recent initiatives undertaken and the hard decisions made in relation to dividend payments for the 2009 year will add to improving shareholder value in the short to medium term.

**David Perry**  
Managing Director

## Introduction

The Directors present their report on the consolidated entity consisting of Structural Systems Limited ABN 57 006 413 574 ("Structural" or "Company") and the entities it controlled ("consolidated entity" or "Group") for the year ended 30 June 2009 and the independent audit report thereon.

## Review of Operations

A review of the Groups operations is contained on pages 4, 5 and 6 of this concise report.

A summary of the consolidated revenues and results is as follows:

Results for the year	2009 \$'000	2008 \$'000
Revenue	<b>319,210</b>	282,573
Profit (Loss) before income tax	<b>9,238</b>	20,708
Income tax attributable to profit	<b>(331)</b>	(5,533)
Profit / (Loss) attributable to minority equity interests	<b>(20)</b>	7
Profit attributable to the members of Structural Systems Limited	<b>8,887</b>	15,182

## Significant Changes in State of Affairs

During the financial year, other than noted above, there was no significant change in the Company's state of affairs.

## Directors

The following persons were directors of Structural Systems Limited during the financial year and until the date of this report:

Bruce A Crome  
 Ian L Fraser  
 Robert W Freedman  
 David R Pery

## Company Secretary

Mr. Stuart J Gray was appointed Company Secretary in 2009. Mr. Gray is a member of the Institute of Chartered Accountants in Australia and holds a Bachelor of Commerce.

## Consolidated Income Statement

Revenue for the Group increased by 13% to \$319.21 million for the year. This is an increase of \$36.64 million on the prior year and a record level of activity for the Company. Revenue from Construction activities increased by 6% during the year with this division accounting for approximately 57% of the Group volumes. Revenue from post-tensioning related activities increased from \$79.3 million to \$102.139 million. The Middle East operation accounted for the majority of the growth within the post-tensioning division with revenue from the Gulf Region rising from \$9.028 million to \$20.187 million. Revenue from ROCK Australia increased by 23% to \$48.91 million.

NPBT decreased by 55% from \$20.708 million to \$9.238 million, a decrease of \$11.47 million on the prior year. The main cause of this decrease was the decrease in profit from the Construction division from \$7.251 million to a loss of \$1.072 million. EBITDA decreased by 34% to \$17.95 million a reduction of \$9.407 million on the prior year. Depreciation expense increased by \$1.45 million to \$7.147 million. Interest expense increase by \$613K to \$1.56 million.

Tax expense of \$331K for the year ended 30th June 2009. This equates to a tax rate of 4% of net profit before tax due to a number of items.

- a comparatively high proportion of tax-exempt income derived from overseas operations.
- Structural Systems has determined to self-assess the effective lives for taxation purposes applied to its fleet of drill rigs. Depreciation tax calculation has been brought in line with the drill rigs effective life.
- the finalisation and lodgement of prior year R&D tax concession claims in the 2009 financial year has resulted in credits of \$1.20 million being taken to account in the current year's expense.

Basic earnings per share decreased by 43% to 18.1 cents compared to 31.9 cents for the corresponding period. The total number of shares on issue at 30 June 2009 was 49.141 million. Diluted earnings per share decreased from 31.6 cents to 18.1 cents.

## Financial Position

The Company's net debt increased by \$10.75 million to \$23.975 million. The main reason for the increase in the level of debt is the funding required to support the working capital requirements of the business. Working capital funding increased by \$13.256 million during the year. The level of borrowings related to HP funding for capital expenditure decreased during the year by \$110K to \$8.99 million. The balance of debt related to the acquisition of Meridian Concrete was reduced by \$2.4 million in the year to \$2.8 million.

Total assets grew in the year to \$139.48 million. The value of plant and equipment increased in the year by \$4.86 million to \$30.633 million. Debtors decreased by \$5.25 million to \$69.647 million as volumes decreased over the last two months of the financial year. Creditor liability also decreased in the period from \$61.8 million to \$47.617 million. Closing stock levels remained consistent with the balance at 30 June 2009 similar to the 2008 year at \$9.99 million. Retained profits increased from \$17.329 million to \$23.022 million. Reserves grew by \$2.832 million due to the revaluation of the property and land owned by the Company during the year.

## Consolidated Cashflow Statement

Cashflow from operations was \$6.987 million for the twelve months compared to \$15.938 million for the corresponding period.

As a result of higher debt levels during the year interest paid increased from \$1.007 million to \$1.546 million.

Expenditure on plant & equipment reduced by \$1.15 million to \$3.648 million for the year. Lease purchase payments increased by \$950K to \$4.97 million for the year.

During the year the company paid \$1.553 million in earn out payments related to the acquisition of Meridian and Refobar.

Dividends of \$3.194 million were paid to shareholders during the year.

## Dividends Paid and Recommended

The Director's resolved not to declare a final dividend for the year. A final fully franked dividend of 6.5 cents per share for the 2008 year was paid on 31 October 2008 as recommended in last year's report

## Principal activities

During the financial year, the principal activities of the consolidated entity were engineering, remedial and construction contracting, drilling and ground control services and manufacture of post-tensioning components.

## Matters subsequent to the end of the financial year

On August 12th 2009, The Company announced an Institutional Placement (IP) and Share Purchase Plan (SPP). At this time it was announced that the Company had raised \$5.75 million by issuing 7.371 million fully paid ordinary shares at \$0.78 per unit.

The SPP closed on September 4th 2009, and was oversubscribed. The Board determined to scale back subscriptions such that a further \$5.75 million was raised by issuing 7.371 million fully paid ordinary shares at the same price of \$0.78 per unit. Settlement on the SPP occurred on September 11th 2009.

## Future developments, prospects and business strategies

The company will continue to pursue its policy of increasing the profitability and market share of its business sectors during the next financial year.

Further disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the company. Accordingly, this information has not been included in this report.

## Information on directors of Structural Systems Limited

### **Bruce A Crome**

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(Non-Executive Director), age 67.

Director since 1985, Chairman 1998 to 2008.

There are no other listed companies of which Bruce has served as a director during the past three years.

Interest in Shares > 718,950 - Held by Bruce Crome Nominees Pty Ltd

### **Ian L Fraser**

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(Non-executive Independent Director), age 64.

Director since 2004

F CPA, Fellow of the Australian Society of CPAs.

FAICD, Fellow of the Australian Institute of Company Directors.

Chairman of the Structural Systems Audit Committee.

During the last three years Ian has also served as a director of the following listed companies:

- Forest Place Group Limited since December 2001
- PMP Limited since April 2003
- Watty Limited since June 2009
- Legend Corporation Limited since January 2008
- Nylex Limited from December 2006 to November 2008
- Promentum Limited from January 2005 to May 2007
- Occupational & Medical Innovations Limited from November 2004 to January 2007
- B Digital Limited from May 2006 to December 2006
- Lighting Corporation Limited from June 2006 to January 2008

Interest in Shares > 190,000 - Held by The Fraser Superannuation Fund.

**Robert W Freedman**

(Chairman) age 64.

Director since 1985, Managing Director 1998 to 2008, Chairman since 2008.

Member of the Institution of Engineers', Australia, Post Graduate Diploma in Business Administration (W.A.I.T).

There are no other listed companies of which Robert has served as a director during the last three years.

Interest in Shares > 1,099,136 - Held by Freedman Superannuation Fund

**David R Perry**

(Managing Director), age 42.

Director since 2003, Managing Director since 2008.

Bachelor of Economics

There are no other listed companies of which David has served as a director during the last three years.

Interest in Shares > 222,500 - Held by David Perry Superannuation Fund

> 440,000 - Held personally

**Directors attendance at meetings**

Year ended 30 June 2009

	Structural Systems Board		Audit Committee	
	Held	Attended	Held	Attended
B A Crome	5	5	-	-
I L Fraser	5	5	2	2
R W Freedman	5	5	-	-
D R Perry	5	5	-	-

**Remuneration Report**

The directors submit the Remuneration Report (the Report) for the year ended 30 June 2009.

Remuneration policy in respect of Non-Executive Directors and senior executives is referred to in the Corporate Governance Section of the Annual Report.

The names and details of the directors and key management personnel of the Company and the Group in office during the financial year are listed below. Unless otherwise stated the personnel were in office for the entire period. This disclosure also includes the five executives who received the highest remuneration, whether or not they were key management personnel by any other definition. Remuneration includes cash, non monetary and other consideration received by any of the parties over the course of the financial year.

		Salary & Bonus	Superannuation	Other Benefits <sup>1</sup>	Options	Total
B A Crome	Director (Non Executive)	85,000	7,650	20,247	-	112,897
I L Fraser	Director (Non Executive)	60,000	5,400	-	-	65,400
R W Freedman	Chairman	128,200	100,000	51,188	-	279,388
D R Perry	Managing Director	300,000	50,000	12,762	-	362,762
<b>Total remuneration Directors of the Company</b>		<b>573,200</b>	<b>163,050</b>	<b>84,197</b>	<b>-</b>	<b>820,447</b>
		Salary & Bonus	Superannuation	Other Benefits <sup>1</sup>	Options	Total
S Crole	General Manager – Major Projects	205,000	18,450	21,996	-	245,446
R Coates	General Manager – Rock Australia	214,480	17,471	18,169	-	250,120
W Ironmonger	General Manager – UAE	285,202	-	55,708	-	340,912
V Sammartino	General Manager – Construction	275,000	24,750	35,000	-	334,750
M Schweiger	General Manager – Post-Tensioning	220,000	19,800	6,242	-	246,042
<b>Total Remuneration Key Management Personnel</b>		<b>1,199,682</b>	<b>80,471</b>	<b>137,115</b>	<b>-</b>	<b>1,417,268</b>

<sup>1</sup> Other benefits include where applicable motor vehicle lease payments and running costs, allowances and Fringe Benefits Tax

## Options

The Executive Share Option Plan, which was approved by Shareholders in October 1994, provides eligible employees with the opportunity to acquire options for ordinary shares in Structural Systems Limited. Options carry no voting rights, are not transferable, nor are they listed and as such do not have a market value.

Month of Issue	Number of Options Issued	Number of Recipients	Number Exercised	Number Lapsed	Number Outstanding at 30 June 2009	Exercise Price	Exercise Period	Expiry Date
Nov 02	600,000	5	600,000	-	-	\$0.45	Nov 02 to Sept 07	30 Sept 07
Oct 04	575,000	13	575,000	-	-	\$0.45	Oct 04 to Jun 09	30 June 09
Oct 04	200,000	4	200,000	-	-	\$0.45	Jul 05 to Jun 09	30 June 09
Oct 04	100,000	2	100,000	-	-	\$0.45	Jul 06 to Jun 09	30 June 09
Nov 06	1,000,000	2	800,000	-	200,000	\$0.80	Jun 07 to Jun 10	30 June 10
Sep 07	250,000	4	-	250,000	-	\$1.80	Sep 07 to Jun 09	30 June 09
Sep 07	750,000	19	-	750,000	-	\$2.40	Sep 07 to Jun 09	30 June 09

Directors	Instruments	Balance as at 1 July 2008	Granted during period	Exercised during period	Lapsed during period	Balance 30 June 2009	Vested but not exercised during the period
D Perry	Options	100,000	-	-	-	100,000	-
R W Freedman	Options	100,000	-	-	-	100,000	-

### Executives

M Schweiger	Options	125,000	-	-	125,000	-	-
M Pope	Options	125,000	-	-	125,000	-	-
R Coates	Options	100,000	-	-	100,000	-	-
W Ironmonger	Options	70,000	-	-	70,000	-	-

## Non-audit services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES110: Code of Ethics for Professional Accountants set by the Accounting Professional & Ethical Standards Board.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2009:

	\$
Taxation services	28,199
Assisting in the preparation of consolidated financial report	41,974
Assisting in the preparation of financial reports of controlled entities	26,150
<b>Total</b>	<b>96,323</b>

## Directors' and auditor's indemnification

Under the Constitution of Structural Systems Limited the Directors, Auditors, Company Secretary and all other Officers of the Company when acting in those capacities are indemnified to the extent permitted by law for liability incurred in defending any proceeding in which judgement is given in his favour or in which he is acquitted or in any application under the Corporations Law in which relief is granted to him by the Court in respect of any negligence, default, breach of duty or breach of trust.

No person has applied for leave of a Court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

During or since the end of the financial year the Company has paid insurance premiums of \$23,867 in respect of Directors and Officers Liability and Legal Expenses Insurance contracts, for current Directors and Officers, including Executive Officers of the Company and Directors, Executive Officers and Secretaries of its controlled entities. The insurance premiums relate to:

- costs and expenses incurred by the relevant Officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The insurance policies outlined above do not allocate the premiums paid to each individual Officer of the Company.

### Environmental Regulation

The Group's operations are subject to significant environmental regulation under international, Federal and State legislation.

The Company has systems in place to manage its environmental obligations within its construction and mining activities. The Directors are not aware of any breaches of environmental regulations and any specific site environmental requirements during the year.

### Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 12 of the report.

### Rounding of Amounts

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Director's report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a Resolution of the Board of Directors and is signed for and on behalf of the Directors.

Dated 18 September 2009



R.W. FREEDMAN - DIRECTOR



D.R. PERRY - DIRECTOR

STRUCTURAL SYSTEMS LIMITED ABN 57 006 413 574  
AND CONTROLLED ENTITIES



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF STRUCTURAL SYSTEMS LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009, there have been:

- i) no contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

*Anderson Roscoe*

**ANDERSON ROSCOE**  
Chartered Accountants

*Robert F Cincotta*

**ROBERT F CINCOTTA**  
Partner

Date: 18 September 2009  
Melbourne

Partners:  
William G Anderson F.C.A., C.F.P.  
Andrew P Roscoe C.A.  
Andrew R Duncan C.A.,  
Robert F Cincotta C.A.

Associates:  
Russell W Drysdale C.A.  
Tina Fiore-Scott C.A.

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### Principle 1: Lay solid foundations for management and oversight

The Board of Directors of Structural Systems Limited (the Company) is responsible to its shareholders for the overall governance and performance of the Structural Systems Group. Responsibility for the overall management and profit performance of the Group is delegated by the Board to the Managing Director, who is accountable to the Board. The Managing Director manages the organisation in accordance with the strategy, plans and policies approved by the Board to achieve agreed goals.

The performance of each senior executive is formally reviewed and evaluated on at least an annual basis. This process takes into account financial and non-financial outcomes achieved during the period. These outcomes are compared to the key performance targets set for each executive at the start of the financial year. Comprehensive budgets and businesses plans are developed and agreed with the executive at the start of the reporting period and monitored throughout the financial year. Each senior executive has a formal letter of appointment, or contract of employment detailing the key terms and conditions relevant to their employment.

### Principle 2: Structure the board to add value

The current composition of the Board does not comply with recommendation 2.1 of the Australian Securities Exchange Corporate Governance Principles and Recommendations. Independent Directors do not make up the majority of the Board. Of the four directors there are only two independent directors. Mr Crome is viewed as being independent due to the length of time between serving as an executive and his role on the board. However, while the Board is of the view that the current composition has adequately represented the interests of shareholders to date the future of the company will be best served by increasing the number of independent directors. The previous annual report advised that the board intended to recruit a further two independent directors in the medium term. This action was not implemented during the financial year due to the current economic circumstances. However it is the intention of the board to increase the number of independent directors by one during the 2010 year.

Mr Freedman became chairman of the Group on 1 January 2009. Presently his role is an executive one however the intention is to move to a non-executive role by the end of the 2010 financial year. The chairman is independent of the role of the Managing Director. The Chairman does not qualify as being independent due to his previous service as an executive of the Company and as a consequence recommendation 2.2 is not complied with.

Currently the Company does not have a nominations committee. As such recommendation 2.4 has not been complied with. The existing number of directors makes such a committee no more efficient mechanism than the full Board for detailed selection and appointment practices. It is however still the intention of the Board that as the number of independent directors is increased and the overall number of directors on the board grows such a committee would add value. The Board does not have in place a formal board evaluation process and as such does not comply with recommendation 2.5. It is expected that on establishment of the nominations committee a process will be developed such that the performance of the Board, its committees and individual directors can be formally evaluated.

### Principle 3: Promote ethical and responsible decision-making

The Directors acknowledge the need for and the continued maintenance of the highest standards of ethical conduct by all Directors and employees of the Group. The Group has a statement of corporate ethics which establishes the professional standards of behaviour required of Directors, management and staff in the conduct of the Group's affairs. This statement is distributed to all business units to ensure staff are familiar with its contents. The statement is available for review on the Company's website.

Under this policy officers and employees of the Company are expected to:

- Comply with the law;
- Act honestly and with integrity;
- Not place themselves in situations which result in divided loyalties;
- Use the Company's assets responsibly and in the interests of Structural Systems; and
- Be responsible and accountable for their actions.

The Company has a policy concerning trading in company securities by directors and senior executives. This policy restricts the times and circumstances in which Directors, senior executives and certain employees may buy or sell shares in the Company. Directors must advise the Company, which in turn advises the ASX, of any transactions conducted by them in the Company's securities within five business days after the transaction occurring. The Company's policy prohibits margin lending arrangements by Directors. The policy is available on the Company's website.

The Company reports annually to the Australian Government on initiatives it undertakes to ensure equality for all women within its workplace. The Company continues to be compliant with the Equal Opportunity for Women in the Workplace Act 1999.

### Principle 4: Safeguard integrity in financial reporting

The Board has an Audit Committee that assists the Board in its oversight of the integrity of financial reporting. The Audit Committee is responsible for the Company's relationship with its external auditor and the integrity of the financial statements. Ian Fraser, an independent non-executive director, is the Chairman of this committee. The other member of the audit committee is Don Mackenzie. Mr. Mackenzie is a Chartered Accountant and an experienced Company Director and is independent of the Board. The audit committee being comprised of only two members does not comply with recommendation 4.2. As no additional independent directors were recruited during the year the number of members of the audit committee remains unchanged from the prior year. It remains the Board's intention that as further independent directors are recruited to the Board the number of members on the Audit Committee will increase to at least three. The audit committee has a formal charter which clearly sets out the audit committee's role and responsibilities, composition, structure and membership requirements for inviting non-committee members to attend meetings. The audit committee charter is available for review on the company's website in the Corporate Governance section. The Managing Director and Company Secretary attend audit committee meetings as required and where appropriate.

### Principle 5: Make timely and balanced disclosure

The Company complies with all relevant disclosure laws and Listing Rules in Australia and has policies and procedures in place to ensure accountability at a senior management level for that compliance. Communications to the ASX are the responsibility of the Company Secretary. Corporate governance processes are continuously reviewed to ensure compliance with changes to the Corporations Act and other legislation that affects Group companies. This ensures that the Group is in-line with reporting requirements of the Australian Stock Exchange (ASX) in keeping the market properly informed on the affairs of the Group. A copy of the Company's policy regarding market disclosure policy and procedures is available on the Company's website.

### Principle 6: Respect the rights of shareholders

The Company does have a communications policy for promoting effective communication with its shareholders. This policy is available on the Company's website.

The Company's policy is to communicate with its shareholders and other interested parties in a regular, open and timely manner.

The key mechanisms used by the Company are regular shareholder communications such as the half yearly reports, the Annual Report and the Financial Report.

The Company's website contains a range of information on the Company and its activities. This website is regularly reviewed and updated. The website provides information on any significant development occurring within the Group. Key projects that the Company undertakes are featured on the website. The Company continued to do boardroom radio interviews during the year with the both directors and senior executives participating. The listening numbers reported for these interviews confirm that investors and shareholders find them a valuable source of information about the company.

These interviews are a way of providing timely information to shareholders and interested parties in a format that is easily accessible and understood.

The Company encourages the participation of shareholders at the AGM. The attendance at the Company's AGM assists shareholders in gaining a greater understanding of the Group's strategy and goals.

### Principle 7: Recognise and manage risk

The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established the implementation of practical and effective control systems. Responsibility for the control and risk management is delegated to the appropriate level of management within the Group with the Managing Director having ultimate responsibility to the Board for the risk management and control framework. Arrangements put in place by the Board to monitor risk management include:

- Annual budgeting and monthly reporting systems for all business units, which enable progress against the strategy and annual plan to be monitored, trends to be evaluated and variances to be acted upon;
- Procedures relating to capital expenditure, asset and liability management;
- Appropriate due diligence procedures for corporate acquisitions and disposals;
- A reportable issues system;
- A compliance program;
- A health, safety and environment policy;
- Reports by the Chairman of the Audit Committee to the Board of the minutes of each meeting held by this committee;
- A comprehensive Group-wide insurance program.

The senior executives of all the operating units within the Group and executive directors meet annually as a team to review the performance of the Group and develop future operational strategies. Further, an executive committee made up of representatives from the senior executive personnel of the Company provides additional resources in order to ensure that the risks associated with its operational sites and domestic and international locations are effectively managed. The committee focuses on key operational issues faced by the Company and where required oversees work groups that have been established to manage particular risks areas within the Company.

The Company's Chairman and Managing Director are each required to report in writing to the board that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Structural Systems has reinforced its commitment to a safe workplace by undertaking a revision of its safety and quality procedures and safety management structure. During the past six months the safety and quality management structure has been increased by the addition of two more managers. These managers will be responsible for the maintenance of the company's Integrated Management System and be involved in training and auditing initiatives.

Structural Systems recognises that safety and quality are an integral part of successful operations. In February of this year, in conjunction with the Master Builders of Victoria, Structural Systems implemented a minimum safety qualification standard for our site supervision which includes a Certificate III in OH&S, competency in company safety & quality procedures and first aid training. This course is tailored and relevant to what our supervisors require to complete their work effectively and is a good foundation to build on. This initiative runs in conjunction with our In-house training schedule and Training Procedures that identifies the knowledge requirements for individual employees.



### Principle 8: Remunerate fairly and responsibly

The Company currently does not have a remuneration committee and as such does not comply with recommendation 8.1. To date the Board has been of the view that due to the small number of Directors such a committee would not be a more effective mechanism than the full Board for determining the remuneration level of non-executive Directors, Executive Directors and Senior Management. However, it is the Board's intention that on the establishment of the Nominations Committee that this committee would also undertake the role of the remuneration committee.

The Company's policy for determining the nature and amount of emoluments of executive Board members and senior executives of the company is as follows:

The remuneration levels of the Managing Director is evaluated and approved by the Chairman and the independent Directors on an annual basis. The remuneration level of the Chairman is evaluated and approved by the independent Directors on an annual basis. Independent advice is sought as required in relation to the appropriateness of the remuneration package offered. The remuneration packages for the executive Directors takes into account factors such as experience, qualification and performance of the Director and the financial and safety performance of the Group. The remuneration packages also takes into account remuneration levels of comparable positions within other public companies.

The remuneration levels of the senior executives are evaluated and approved annually by the Chairman and Managing Director. Remuneration packages are structured such that the Group is able to attract and retain personnel with the expertise and ability to create value for shareholders. The remuneration of executives is market based and has regard to remuneration levels that apply to similar positions in comparable companies and the performance of the executive during the year.

The fees payable to Non-executive Directors are determined by the Board within the aggregate amount approved by shareholders. The Company's Non-executive Directors receive fees as remuneration for acting as a Director and in the cases for being part of a standing committee of the board. The amount of each Non-executive Directors fees depends on the extent of the Director's responsibilities. The Non-executive Directors do not receive any performance related remuneration.

The Board believes that it is important for the senior executives to have ongoing share ownership in the Company. The Structural Systems Executive Share Option Plan which was approved by shareholders at the 1993 AGM is a reflection of this view.



	Note	2009 \$'000	2008 \$'000
Revenue	2	319,210	280,740
Other Income		-	1,833
<b>Total Revenue</b>	<b>2</b>	<b>319,210</b>	<b>282,573</b>
Raw materials and consumables used for sale of goods		(3,093)	(5,167)
Construction and servicing costs		(290,773)	(244,912)
Changes in inventories and work in progress		3,413	5,142
Depreciation and amortisation expense		(7,148)	(5,699)
Finance costs		(1,564)	(951)
Other expenses		(10,807)	(10,752)
Share of net profits of joint ventures & associates accounted for using the equity method		-	473
<b>Profit Before Income Tax Expense</b>		<b>9,238</b>	<b>20,708</b>
Income tax expense		(331)	(5,533)
<b>Profit After Income Tax</b>		<b>8,907</b>	<b>15,175</b>
Loss attributable to minority equity interests		(20)	7
<b>Profit Attributable to Members Of The Parent Entity</b>		<b>8,887</b>	<b>15,182</b>
Basic earnings per share (cents)		18.1c	31.9c
Diluted earnings per share (cents)		18.1c	31.6c
Dividends per share paid (cents)		6.5c	11.0c
Weighted average number of shares outstanding during the period used in the calculation of basic earnings per share ('000)		49,142	47,609

The accompanying notes form part of this concise financial report.

	2009 \$'000	2008 \$'000
<b>Current Assets</b>		
Cash and cash equivalents	1,364	2,571
Trade and other receivables	69,647	74,900
Inventories	18,433	15,020
Other current assets	292	287
<b>Total Current Assets</b>	<b>89,735</b>	<b>92,778</b>
<b>Non Current Assets</b>		
Receivables	-	2
Investment accounted for using equity method	-	-
Property, plant and equipment	30,633	25,769
Intangible assets	16,185	16,189
Deferred tax assets	2,927	3,499
<b>Total Non-Current Assets</b>	<b>49,745</b>	<b>45,459</b>
<b>Total Assets</b>	<b>139,480</b>	<b>138,237</b>
<b>Current Liabilities</b>		
Trade and other payables	47,617	61,800
Financial liabilities	21,253	8,231
Current tax liabilities	-	4,053
Short term provisions	6,500	7,116
<b>Total Current Liabilities</b>	<b>75,369</b>	<b>81,200</b>
<b>Non-Current Liabilities</b>		
Trade and other payables	51	250
Financial liabilities	4,087	7,573
Deferred tax liability	2,262	414
Long term provisions	1,045	590
<b>Total Non-Current Liabilities</b>	<b>7,445</b>	<b>8,827</b>
<b>Total Liabilities</b>	<b>82,814</b>	<b>90,027</b>
<b>Net Assets</b>	<b>56,667</b>	<b>48,210</b>
<b>Equity</b>		
Issued Capital	30,010	29,219
Share Option Equity	-	1,062
Reserves	3,634	652
Retained earnings	23,023	17,329
<b>Total Parent Entity Interest</b>	<b>56,667</b>	<b>48,262</b>
Minority equity interests	-	(52)
<b>Total Equity</b>	<b>56,667</b>	<b>48,210</b>

The accompanying notes form part of this concise financial report.

CONSOLIDATED GROUP	Note	Share Capital Ordinary \$'000	Share Options Equity \$'000	Retained Earnings (Accumulated Losses) \$'000	Asset Revaluation Reserve \$'000	Capital Profits Reserve \$'000	Foreign Currency Translation Reserve \$'000	Minority Equity Interests \$'000	Total \$'000
<b>Balance at 1 July 2007</b>		24,460	500	7,462	918	265	(364)	(62)	33,179
Shares issued during the period		4,759							4,759
Share options issued during the period			562						562
Profit attributable to members of parent entity				15,182					15,182
Translation adjustment on controlled foreign entities' financial statements							(167)		(167)
Loss attributable to minority shareholders								10	10
<b>Sub-total</b>		<b>29,219</b>	<b>1,062</b>	<b>22,644</b>	<b>918</b>	<b>265</b>	<b>(531)</b>	<b>(52)</b>	<b>53,525</b>
Dividends paid or provided for	3			(5,315)					(5,315)
<b>Balance at 30 June 2008</b>		<b>29,219</b>	<b>1,062</b>	<b>17,329</b>	<b>918</b>	<b>265</b>	<b>(531)</b>	<b>(52)</b>	<b>48,210</b>
<b>Balance at 1 July 2008</b>									
Shares options issued / (cancelled) during the year			(270)						(270)
Transfer options equity to paid up capital		791	(791)						-
Profit attributable to members of parent entity				8,887					8,887
Translation adjustment on controlled foreign entities' financial statements							155		155
Revaluation increment					2,833				2,833
Acquisition of minority share								62	62
Disposal of controlled entity							(6)	(30)	(36)
Profit attributable to minority shareholders								20	20
<b>Sub-total</b>		<b>30,010</b>	<b>-</b>	<b>26,215</b>	<b>3,751</b>	<b>265</b>	<b>(382)</b>	<b>-</b>	<b>59,860</b>
Dividends paid or provided for	3			(3,193)					(3,193)
<b>Balance at 30 June 2009</b>		<b>30,010</b>	<b>-</b>	<b>23,022</b>	<b>3,751</b>	<b>265</b>	<b>(382)</b>	<b>-</b>	<b>56,667</b>

The accompanying notes form part of this concise financial report.

	2009 \$'000	2008 \$'000
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	355,478	266,019
Cash payments in the course of operations	(348,491)	(250,081)
	6,987	15,938
Dividend received from SS UK	1,240	-
Interest received	87	410
Finance Costs	(1,546)	(1,007)
Income tax (paid) refunded	(6,883)	(6,728)
<b>Net cash provided by (used in) operating activities</b>	<b>(115)</b>	<b>8,613</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of associated company	1,860	-
Payments for property, plant and equipment	(3,646)	(4,799)
Proceeds from sale of property, plant and equipment	497	485
Payments for other Non Current Assets	-	(58)
Loan (to) / from associated company (net)	117	123
Payment for controlled entities – Rock Australia Pty Ltd	-	(150)
Payment for controlled entities – Meridian Concrete (Australia) Pty Ltd	(1,334)	(6,071)
Payment for controlled entities – Refobar Australia Pty Ltd	(219)	(165)
Payment for controlled entities – BBR Structural Systems	-	(206)
<b>Net cash provided by (used in) investing activities</b>	<b>(2,725)</b>	<b>(10,841)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	8,500	6,700
Lease and lease purchase payments (principal only)	(4,971)	(4,021)
Repayment of borrowings	(2,400)	-
Proceeds from issue of shares on employee options exercised	-	444
Proceeds from issue of shares	-	32
Dividends paid by parent entity	(3,194)	(5,315)
<b>Net cash used in financing activities</b>	<b>(2,065)</b>	<b>(2,160)</b>
<b>Net increase (decrease) in cash held</b>	<b>(4,905)</b>	<b>(4,388)</b>
Effect of exchange rates on cash holdings	149	(166)
Cash at beginning of financial year	2,572	7,126
<b>Cash at end of financial year</b>	<b>(2,184)</b>	<b>2,572</b>

### Note (1) Basis of preparation of the Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2009. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of Structural Systems Limited and Controlled Entities. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Structural Systems Limited and Controlled Entities as the full financial report. A copy of the full financial report will be sent to any shareholder, free of charge, upon request.

The financial report of Structural Systems Limited and controlled entities comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency used in this concise financial report is Australian dollars.

The parent entity has applied for relief available to it under ASIC Class Order 98/100 and accordingly amounts in this concise financial report have been rounded to the nearest \$1,000.

	Consolidated Group	
	2009 \$'000	2008 \$'000
<b>Note (2) Revenue</b>		
<b>Operating activities</b>		
Sale of goods	7,062	9,083
Rendering of services	310,792	270,493
Interest received – other parties	87	410
Other revenue	1,269	754
	<b>319,210</b>	280,740
<b>Non-operating activities</b>		
Gain on disposal of non-current investment	-	1,787
Gain on disposal of property, plant & equipment	-	46
<b>Total Revenue</b>	<b>319,210</b>	282,573
<b>Note (3) Dividends</b>		
<b>Dividends paid:</b>		
Interim fully franked ordinary dividend franked at the tax rate of 30%	-	2,457
Final fully franked ordinary dividend of 6.5 cents per share paid on 31 <sup>st</sup> October 2008 franked at the tax rate of 30%	3,194	2,858
	3,194	5,315
<b>Proposed &amp; declared:</b>		
The Directors have resolved not to declare a final dividend relative to the 2009 financial year. (2008: fully franked ordinary dividend of 6.5 cents per share paid on 31 October 2008 franked at the tax rate of 30%)	-	3,194

**Note (4) Segment reporting**

Primary Reporting – Business Segments	Primary Reporting – Business Segments								Consolidated Group (Continuing Operations)		Discontinuing Operations Fire Systems	
	Construction		Mining		Corporate		Eliminations		30/06/09	30/06/08	30/06/09	30/06/08
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE</b>												
External sales	269,764	240,465	48,091	39,111	-	-	-	-	317,854	279,576	-	-
Other segments	895	458	-	-	9,194	9,872	(8,819)	(7,789)	1,269	2,541	-	-
Total sales revenue	270,658	240,923	48,091	39,111	9,194	9,872	(8,819)	(7,789)	319,123	282,117	-	-
Unallocated revenue									87	456		
Total revenue									319,210	282,573		
<b>RESULTS</b>												
Segment result	4,618	16,204	4,620	3,216	82	2,127	(82)	(1,312)	9,238	20,235	-	-
Share of net profits of equity accounted associates and joint venture entities	-	473	-	-	-	-	-	-	-	473	-	-
Income tax expense									9,238	20,708	-	-
Profit after income tax									(331)	(5,533)	-	-
<b>ASSETS</b>												
Segment assets	115,339	114,601	24,141	23,636	-	-	-	-	139,480	138,237	-	-
Discontinued operations assets									-	-		
Total assets									139,480	138,237		
<b>LIABILITIES</b>												
Segment liabilities	78,735	82,281	4,077	7,745	-	-	-	-	82,812	90,026	1	1
Discontinued operations liabilities									1	1	1	1
Total liabilities									82,813	90,027	-	-
<b>OTHER</b>												
Acquisitions of non-current segment assets (incl. HP & Leases)	1,535	4,482	6,966	6,640	-	-	-	-	8,501	11,122	-	-
Depreciation & amortisation of segment assets	3,187	1,966	3,961	3,733	-	-	-	-	7,148	5,699	-	-
Other non-cash segment expenses	191	562	-	-	-	-	-	-	191	562	-	-

**Note (5) Matters subsequent to the end of the financial year**

On August 12th 2009, The Company announced an Institutional Placement (IP) and Share Purchase Plan (SPP). At this time it was announced that the Company had raised \$5.75 million by issuing 7.371 million fully paid ordinary shares at \$0.78 per unit.

The SPP closed on September 4th 2009, and was oversubscribed. The Board determined to scale back subscriptions such that a further \$5.75 million was raised by issuing 7.371 million fully paid ordinary shares at the same price of \$0.78 per unit. Settlement on the SPP occurred on September 11th 2009.



The Directors of Structural Systems Limited declare that the concise financial report of Structural Systems Limited and Controlled Entities for the financial year ended 30 June 2009, as set out on pages 16 to 21 and the discussion and analysis as included in the directors' report.

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) is an extract from the full financial report for the year ended 30 June 2009 and has been derived from and is consistent with the full financial report of Structural Systems Limited and controlled entities.

This declaration is made in accordance with a resolution of the Board of Directors.

Handwritten signature of R.W. Freedman in blue ink.

R.W. FREEDMAN - DIRECTOR

Handwritten signature of D.R. Perry in blue ink.

D.R. PERRY - DIRECTOR

Dated: 18 September 2009

**Structural Systems Limited ABN 57 006 413 574 and Controlled Entities**

## Independent audit report

To the Members of Structural Systems Limited

**REPORT ON THE CONCISE FINANCIAL REPORT**

The accompanying concise financial report of Structural Systems Limited and Controlled Entities (the consolidated entity) comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Structural Systems Limited and Controlled Entities for the year ended 30 June 2009, and the discussion and analysis as included in the directors' report. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

**Directors' responsibility for the concise financial report**

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Structural Systems Limited and Controlled Entities for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on 18 September 2009 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

**Auditor's opinion**

In our opinion, the concise financial report including the discussion and analysis of Structural Systems Limited and Controlled Entities for the year ended 30 June 2009 complies with Accounting Standard AASB 1039: Concise Financial Reports.

**ANDERSON ROSCOE**

Chartered Accountants

**ROBERT F CINCOTTA**

Partner

Date: 18 September 2009

Partners:  
William G Anderson F.C.A., C.F.P.  
Andrew P Roscoe C.A.  
Andrew R Duncan C.A.,  
Robert F Cincotta C.A.

Associates:  
Russell W Drysdale C.A.  
Tina Fiore-Scott C.A.

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**Distribution of shareholders and shareholdings at close of business 31 August 2009**

Size of holding	Number of Shareholders	Number of Shares
1 - 1,000	285	180,253
1,001 - 5,000	755	2,184,361
5,001 - 10,000	312	2,425,871
10,001 - 100,000	437	12,776,747
100,001 - (MAX)	61	38,945,592
<b>TOTAL</b>	<b>1,850</b>	<b>56,512,824</b>

The number of Shareholders holding less than a marketable parcel (\$500.00) at 31 August 2009 is 569 holding in total 73,665 shares.

Twenty largest shareholders	Number of shares	Percentage of issued capital
Cogent Nominees Pty Limited	5,703,394	10.09%
J P Morgan Nominees Australia	4,171,680	7.38%
Sandhurst Trustees Ltd	2,809,076	4.97%
National Nominees Limited	2,377,698	4.21%
Argo Investments Limited	1,669,916	2.95%
Meridian Concrete Pty Ltd	1,509,434	2.67%
Kingemel Pty Ltd	1,400,000	2.48%
Tintagel Nominees Pty Ltd	1,099,136	1.94%
Citicorp Nominees Pty Limited	708,643	1.25%
Bruce Crome Nominees Pty Ltd	705,600	1.25%
Escor Investments Pty Ltd	700,000	1.24%
Mr Philip Henry Hall	700,000	1.24%
Harg Pty Limited	489,030	0.87%
Mr David Perry	440,000	0.78%
Temasek Holdings Pty Ltd	370,000	0.65%
Akir Pty Ltd	350,000	0.62%
Mr Peter Begg Lawrence & Ms Clare Lorraine Lawrence	325,019	0.58%
Mrs Hilary Jean Hall	300,000	0.53%
Temasek Holdings Pty Ltd	300,000	0.53%
Southgate Constructions Pty Ltd	290,000	0.51%
<b>Top 20 holders of Ordinary Fully Paid Shares as at 31 August 2009</b>	<b>26,418,626</b>	<b>46.75 %</b>

Substantials shareholders	Number of shares	Percentage of issued capital
Cogent Nominees Pty Limited	5,703,394	10.09%
J P Morgan Nominees Australia	4,171,680	7.38%

**Voting rights**

Shareholders are encouraged to attend the Annual General Meeting. However, when this is not possible, they are encouraged to use the form of Proxy by which they can express their views on matters being brought forward at the meeting.

Every Shareholder, proxy or shareholder's representative has one vote on a show of hands. In the case of a poll, each share held by every Shareholder, proxy or representative is entitled to one vote for each fully paid share.

**Dividend reinvestment plan**

The directors have determined that the dividend reinvestment plan remains suspended.



### Dividend Payment Direct to a Bank, Building Society or Credit Union Account

Australian Shareholders may elect to have dividends paid directly into any Bank, Building Society or Credit Union account in Australia.

### Company Secretary

The Company Secretary is Stuart Gray.

### Registered Office

The registered office of the Company is:

112 Munro Street, South Melbourne Victoria 3205

Telephone: (03) 9296 8100

Facsimile: 03) 9646 7133

Email: [ssl@structural.com.au](mailto:ssl@structural.com.au)

Website: [www.structuralsystems.com.au](http://www.structuralsystems.com.au)

### Stock Exchange Listing

Structural Systems Limited shares are listed on the Australian Securities Exchange. Home exchange is Melbourne.

### Share Register

If you have any questions in relation to your shareholding, please contact our Share Registry:

Computershare Registry Services Pty Limited

452 Johnston Street

Abbotsford Victoria 3067

Telephone: 1300 137 328

Facsimile: 1300 137 341

Website: [www.computershare.com](http://www.computershare.com)

Please include your shareholder reference number (SRN) or holder identification number (HIN) in all correspondence to the Share Registry.

### Incorporation

Structural Systems Limited is incorporated in the State of Victoria.

### Auditors

Anderson Roscoe.

### Bankers

National Australia Bank.

