



25<sup>th</sup> August 2010

For Immediate Release

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**BSA delivers full year NPAT of \$9.1million**

- Revenue up 37% to \$330.9 million
- Net profit after tax up 18% to \$9.1 million
- Underlying EBITDA of \$15.0 million
- Operating Cash Flow of \$8.7 million
- Basic earnings per share of 4.48 cents per share
- Second half fully franked dividend of 1.0 cent per share
- Augmentation Strategy progressing

**Sydney: 25<sup>th</sup> August 2010:** Building and communication services company BSA Limited (ASX: BSA) today reported net profit after tax for the year ended 30 June 2010 of \$9.1 million (2009: \$7.7 million) Earnings per share were 4.48 cents. Earnings before interest, tax depreciation and amortisation (EBITDA) were \$14.0 million (2009: \$15.1 million) after acquisition, integration and advisory costs totalling \$1.0million.

Operating cashflow was strong at \$8.7 million and this has enabled BSA to maintain net debt at \$10.7, giving the company a net debt: to net debt plus equity ratio of 13.8%.

The Directors have declared a second half dividend of 1.0 cent per share fully franked, payable on 9 October 2010 to shareholders on the register at 14 September 2010. This takes total dividends for the year to 2.0 cents per share, fully franked. The BSA Dividend Reinvestment Plan option for shareholders continues.

The augmentation strategy is now well on track with the acquisition of the Allstaff Group of Companies on the 10<sup>th</sup> December 2009, traction being gained in new business opportunities and a solid 2010 earnings and cash flow performance underpinning growth for 2011.

**Building Services**

The Building Services Division, comprising the Triple M Group of Companies along with the newly acquired Allstaff Air Conditioning Group, continued on its commitment to increasing market share in the Healthcare and Medical Research sectors and expansion into Western Australian markets. Substantial investment in Building Information Modelling resources has ensured the division are considered leaders in this emerging technology in the HVAC and Fire Services Sectors. This leadership position has resulted in the division being awarded several sought after contracts.

**Notable events during the year were:**

- The acquisition of the Allstaff Group of Companies, within the Building Services division.
- The Building Services division has invested heavily in new and advanced field equipment and technologies to improve product quality, onsite performance and reduce OH&S risk.
- The division is undertaking the implementation of accounting software program; Pronto.
- The Building Services division has been awarded several major contracts during the year and has an order book in excess of \$180m at year end.

## **Contracting Solutions**

The Contracting Solutions Division, comprising the telecommunications, subscription and free to air television business units continued to be a stable and consistent performer with steady revenues and profit during the year as further described in the Managing Director's report.

### **Notable events during the year were:**

- The FOXTEL contract is performing well as it enters its twelfth year. The business unit has delivered solid results against budget. The year returned a 5% growth overall in revenue from the previous year.
- The FOXTEL division was awarded the Sky Racing Project, which involved the roll out of SKY2 installations at SKY racing venues (TABS, Pubs, Clubs, Hotels & Racing venues). This project has generated over \$3M in revenue to the business and has provided future opportunities through special projects and maintenance works.
- The Telstra / Silcar platform continues to perform well and the division has been awarded an extension to the current AA&S contract with Silcar for a further two years. Ongoing system automation and improvement initiatives have assisted the division in achieving a 37% reduction in staffing levels.
- The OPTUS ADSL division has secured the National contract for provisioning and service assurance for the next three years. BSA Limited had previously held the East Coast Contract. The transition into the new states (SA, NT and WA) was conducted over a six week period and proved a great success, generating revenue \$3m in excess of budget.
- The Home Services Division has undertaken several high level initiatives to achieve further business efficiencies along with the implementation of a national system to achieve consistencies and accurate reporting across all platforms.
- Through the Business Development division, the group has secured the first stage of the NBN Rollout in Tasmania and has won 2 moderate maintenance contracts.

### **Future Developments, Prospects and Business Strategies**

2011 is shaping up to be another solid year. The balance sheet is strong, the company has good cash flow, a supportive customer base and a committed team to take BSA to the next stage in its growth.

- The Building Services Division has concluded the financial year with a strong order book \$180m and a number of strong prospects in large-scale infrastructure projects, which will provide earnings visibility into 2012.
- The Contracting Solutions division enjoys strong work flows across our FOXTEL, Telstra and Optus platforms. Moving forward our focus remains in continuing to deliver a superior service to these major customers.
- The Contracting Solutions division's Registered Training Organisation Trainee Program continues to perform well, providing a flexible workforce through to our FOXTEL, Telstra and Optus platforms and returning solid revenue.
- The Business Development team currently has approximately \$120m in projects under tender.
- An announcement in relation to the appointment of a new CEO is expected prior to AGM

"BSA continues to assess acquisition opportunities. Any opportunities must meet criteria as defined in our Augmentation Strategy, strengthen our operations, and complement our range of services," Mr. Foley said.

**Further information: Mark Foley – Managing Director BSA Limited: +61 2 8748 2464**