



ASX Announcement

Date: 27th August 2008

FOR IMMEDIATE RELEASE

BSA reports a *solid* full year

BSA Limited (ASX Code: BSA) today reported significant revenue growth of 53.4% or \$85.1 million to \$243.9 million for the full year, primarily as a consequence of its diversification into Building Services. The EBITDA result was \$16.1 million, which represented an increase of \$1.8 million or 12.4% when compared to last year. Net Profit after Tax was down to \$8.0 million, or 10.7% compared to last year.

Earnings per share decreased to 4.4 cents per share representing a decrease of 1.4 cents per share in contrast to the 2007 financial year of 5.8 cents per share.

BSA has declared a final dividend of 0.75 cents per share which represents a full year dividend of 4.25 cents per share. The directors, being cognisant of BSA's debt and cash position in relation to the ability to fund future acquisitions has reviewed the dividend policy as part of the current strategic review and has resolved that a return to a dividend policy that is in line with historical levels supports the company's growth strategy.

The year on year Revenue and EBITDA growth can be attributed to the strategic acquisition of Triple M group of companies which installs and maintains mechanical and fire services for many of Australia's largest infrastructure projects and the consistent performance of the Contracting Solutions division.

BSA Managing Director Mark Foley said "that whilst we had solid year on year revenue growth meeting the expectations of the market, achieving our original EBITDA projections proved challenging due to prematurely exiting the Telstra Installation & Services contract in December 07 and commencing the new contract (for the ongoing provision of these services) with SILCAR in January 08 at reduced margins and over a reduced geographic coverage. The materialisation of a number of unexpected abnormal items, as previously indicated to the market in April 08 further impacted our ability to achieve our EBITDA target. These items included;

- Costs associated with the Hills Industries Ltd (ASX Code: HIL) unsuccessful merger transaction;
- Inventory write offs not previously identified; and
- Higher expenditure and lower revenues relating to the launch of FOXTEL's new Subscriber Management System

It was extremely disappointing to have these abnormal items occur in the second half of the year after what was a very positive and strong first half"

The key achievements for the Group during the 2007/08 financial year included;

- Integration of the Triple M group of companies into BSA,
- Securing 50% market share of the OPTUS Consumer HFC works for 2 years,
- Securing ongoing Telstra installation and maintenance (Via SILCAR) activities for 2 years,
- Strengthening of the strategic partnership with FOXTEL, through assuming additional call centre activities and delivering on the requirements of the FOXTEL HD+ launch, and



Unit 8, 79-99 St Hilliers Rd
Auburn NSW 2144
Phone +61 (0) 2 8748 2464
Fax +61 (0) 2 8748 2577
Web: www.bsa.com.au

49 Borthwick Ave
Murarrie QLD 4172
Phone +61(0) 7 3902 7500
Fax +61(0) 7 3902 7550

27 Irvine Street
Malaga WA 6090
Phone +61 (0) 8 9247 8500
Fax +61 (0) 8 9247 8588



Mr Foley added, "The appointment of our new Chairman Ross Johnston is very exciting and I look forward to working with Ross as we focus on the strategic review and growth plans for BSA. Mr Johnston, is an extremely experienced executive having been engaged nationally and internationally with major corporations including, Lend Lease and Spotless Group Limited"

In closing Mr Foley said, "Moving forward the business has a solid foundation to build on with contracts in place with all major suppliers in both the Contracting Solutions and Building Services divisions. The experienced management team will focus on a number of key initiatives that form the platform of our strategic review. These initiatives are to;

- Capitalise on the strong "order book" that has been established in the Building Services (Triple M) division;
- Drive productivity improvements in the Contracting Solutions Division;
- Rebuild our sales pipeline and secure new customers that will assist to drive volatility out of our earnings; and
- Continue to focus on the core business activities and delivery of quality services, which will ensure solid retention rates,
- Selectively secure bolt on acquisitions that will augment the capabilities of our two existing business streams.

We will provide an update to the market on our strategic review in October."

ENDS

For further information please contact:

Mark Foley – Managing Director (02) 8748 2464

BSA Limited is the largest provider of cable and satellite installations for the subscription television industry and a significant provider of high volume contracting services to the telecommunications industry across Australia.

BSA completed the acquisition of the Triple M group of companies on 1 August 2007. Triple M designs, installs and maintains mechanical and fire services for many of Australia's largest building projects. Services include leading environmental and energy efficient design of mechanical services such as Heating, Ventilation, Air Conditioning (HVAC); and fire services including protection, detection and suppression systems.

For more information visit BSA's website: www.bsa.com.au



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