

Structural Systems Limited

ABN 57 006 413 574

APPENDIX 4D

HALF YEAR FINANCIAL RESULTS
FOR HALF YEAR ENDED 31 DECEMBER 2013

ISSUED 27th FEBRUARY 2014



Structural Systems

APPENDIX 4D HALF YEAR REPORT

(Rule 4.2A.3)

Name of entity	ABN or equivalent company reference
STRUCTURAL SYSTEMS LIMITED	57 006 413 574

1.0 Details of the reporting period and the previous corresponding period

Financial period ended ('current period')	Financial period ended ('previous period')
31 December 2013	31 December 2012

2.0 Results for announcement to the market

		2013 \$A'000	2012 \$A'000
2.1 Revenues from ordinary activities	Down 13.9% to	124,185	144,167
2.2 Profit from ordinary activities after tax attributable to members	Down 17% to	2,521	3,036
2.3 Net profit for the period attributable to members	Down 17% to	2,521	3,036

2.4 Dividends	Amount per security	Franked amount per security
Interim dividend	2.5 cents	2.5 cents

2.5 Record date for determining entitlements to the dividend: 21st March 2014

2.6 For a commentary on the financial results noted above, please refer to Directors' Report on page 1 of the company's interim financial report for half year ended 31st December 2013.

3.0 NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary share	92.7 cents	91.6 cents

4.0 Control Gained Over Entities

Name of entity (or group of entities) N/A

Date control gained -

Contribution of such entities to the reporting entity's profit / (loss) from ordinary activities during the period (where material) -

Loss of Control Over Entities

Name of entity (or group of entities) N/A

Date control lost / deregistered -

Contribution of such entities to the reporting entity's profit / (loss) from ordinary activities during the period (where material) -

5.0 Dividends

5.1 Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Final dividend: 2012/13 Year	18 th October 2013	2.0c	2.0c	Nil
Interim dividend: Current Period	11 th April 2014	2.5c	2.5c	Nil

5.2 Total dividend per security (interim plus final)

Ordinary Securities	Current Period \$'000	Previous Period \$'000
Final dividend for 2012/13 year	1,259	1,899
Interim dividend for 2013/14 year	1,574	1,259

6.0 Dividend Reinvestment Plans

DRP remains suspended

Any other disclosures in relation to dividends (distributions)	N/A
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7.0 Details of Associates and Joint Venture Entities

N/A

8.0 Foreign Entities

Accounting Standards used in compiling financial reports:	Australian Accounting Standards
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9.0

If the accounts have been audited or subject to review and are subject to dispute or qualification, details are described below.

N/A

Company Secretary:

.....

 Stuart Gray

Date: 27 February 2014



STRUCTURAL SYSTEMS LIMITED

ABN: 57 006 413 574

AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED

31ST DECEMBER 2013

This interim financial report is to be read in conjunction with the financial report for the year ended 30 June 2013.

CONTENTS

DIRECTORS' REPORT	1
LEAD AUDITOR'S INDEPENDENCE DECLARATION	4
CONSOLIDATED STATEMENT OF PROFIT OR LOSS	5
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	6
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	7
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	8
CONSOLIDATED STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10
DIRECTORS' DECLARATION	14
INDEPENDENT AUDITOR'S REVIEW REPORT	15

CORPORATE

Registered Office

The registered office of the Company is:
112 Munro Street, South Melbourne Victoria 3205

Stock Exchange Listing

Structural Systems Limited shares are listed on the Australian Securities Exchange. Home exchange is Melbourne. (ASX: STS)

Share Register

Computershare Registry Services Pty Ltd

Incorporation

Structural Systems Limited is incorporated in the State of Victoria

Auditor

William Buck
Level 20, 181 William Street, Melbourne Victoria 3000

Bankers

National Australia Bank

DIRECTORS' REPORT

The directors of Structural Systems Limited present their report on the consolidated group comprising Structural Systems Limited and the entities it controlled as at and during the half-year ended 31 December 2013.

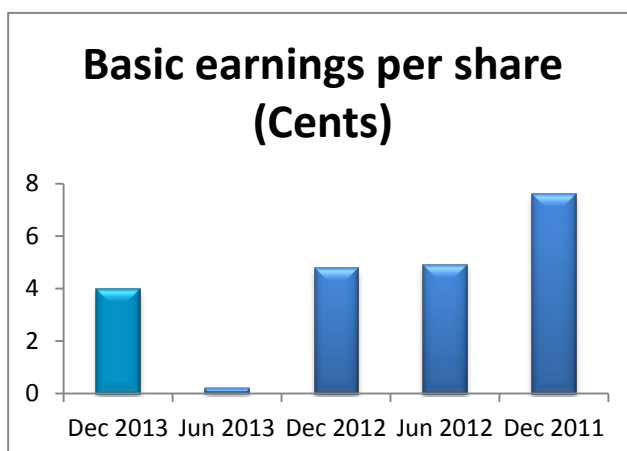
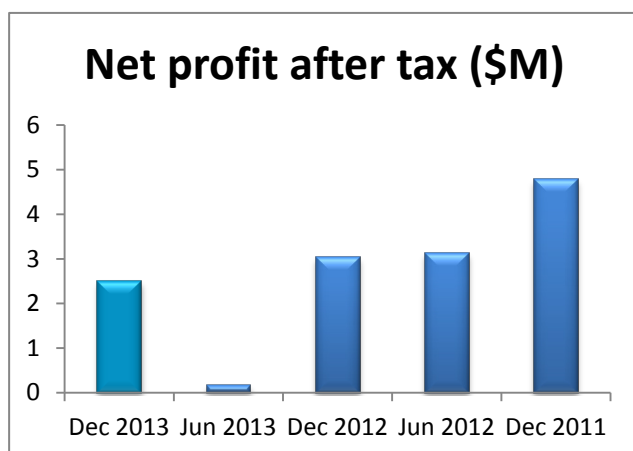
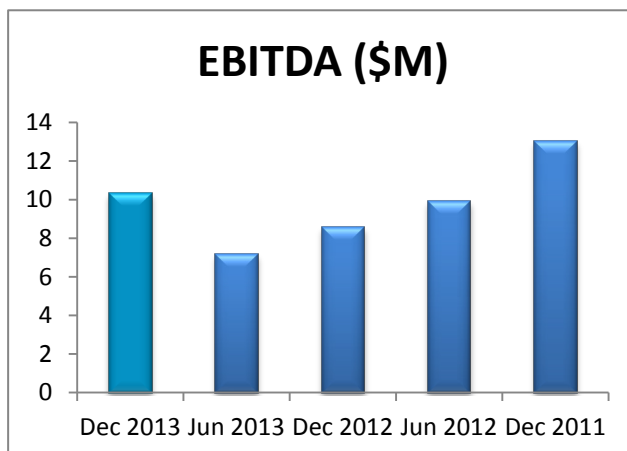
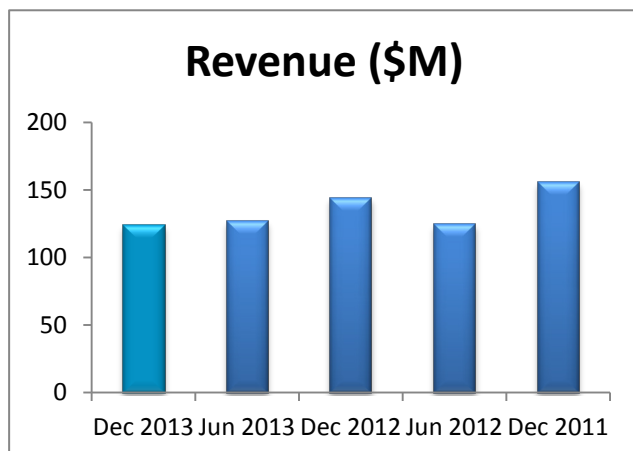
Directors

The names of the directors in office at any time during or since the end of the half-year are:

Robert W Freedman	Chairman
David R Perry	Managing Director
Ian L Fraser	Non-executive Director
Peter J McMorrow	Non-executive Director

All directors have been in office for the entire period.

Key performance indicators for the 6 month periods



Review of Operations

Financial

Financial Results

Structural Systems Limited (the “Group” or “Company”) recorded a net profit after tax of \$2.52 million for the half-year ended 31 December 2013. This result was 17% lower than the prior corresponding period. Net profit before tax was up 50% to \$3.75 million. The principal reason for the lower after tax earnings was a significant increase in tax expense. In the prior corresponding period, the Company had a tax benefit of \$537K, whereas for the current period, a tax expense of \$1.23 million was incurred. The tax benefit at 31 December 2012 included R&D tax concession credits for two financial years and this was the primary driver in the tax expense differential between the two periods. The calculation of any tax benefit from R&D activity for this financial period is not sufficiently advanced for any credit to be taken to account at 31 December 2013.

The Board has resolved to pay an interim dividend of 2.5 cents per share fully franked, payable on 11 April 2014 (Dec 2012: 2.0 cents per share fully franked).

Earnings before interest, tax, depreciation and amortisation (EBITDA) was up 20.2% to \$10.33 million compared with \$8.59 million for the first half of last year. The depreciation charge increased by 10.9% to \$5.89 million (Dec 12: \$5.32m). Interest expense fell by 12.3% to \$685K (Dec 12: \$781K) while interest income increased 9.9% to \$134K (Dec 12: \$121K).

The Group’s basic and diluted earnings per share was 4.0 cents for the half year (Dec 2012: 4.8 cents).

Revenue for the six months was \$124.2 million (2012: \$144.2 million). The reduced activity undertaken by Meridian, leading up to its subsequent sale, was the main driver of the reduction in revenue. Meridian’s revenue was \$7.8 million for the period under review compared with \$41.2 million for the corresponding prior period. Revenue from other operations increased \$13.4 million to \$116.4 million.

Capital Management

The Company had no net debt at 31 December 2013. This was a \$17.3 million improvement over the position at 30 June 2013. In the six months to December 2013 the Group’s cash increased by \$16.23 million to \$23.38 million (June 13: \$7.15m). Net cash from operating activities was strong at \$22.67 million, compared with \$3.56 million in the corresponding period last year. This strong cash flow was largely due to a reduction in working capital as a result of the sale of Meridian Concrete.

Work in Hand

Work in hand at 31 December 2013 for the Group was \$165 million. This is slightly down on the balance at the same time last year of \$168 million. Adjusted for Meridian Concrete’s balances the overall work in hand has risen 10.3% when compared to the corresponding period. ROCK Australia Mining & Civil (ROCK) closed the half year with \$88 million work in hand which is up \$3 million on the corresponding period. The Civil division also has a higher work in hand balance compared with the prior period and starts the second half of the year with \$30 million of secured work.

Mining Services

Revenue reported by the Group’s mining services business, ROCK was \$47.2 million, down 1.2% (Dec 12: \$47.8m). The period was a stable one for ROCK with the majority of term drilling contracts continuing with little change in levels of activity to forecast mine schedules.

ROCK reported a net profit before tax of \$3.01 million up \$2.83 million (Dec 12: \$178K). EBITDA for the six months was \$8.69 million compared to \$5.50 million for the corresponding period.

Construction

Due to the winding down and subsequent sale of the company’s concrete placement division Meridian Concrete, revenue from construction activities decreased \$19.4 million to \$77.0 million. Meridian’s revenue dropped \$33.4 million to \$7.8 million for the

period (Dec 12: \$41.2m). Opportunities within construction markets remained low with intense competition for available work. Revenue from post-tensioning activities increased slightly to \$34.42 million up \$2.16 million (Dec 12: \$32.26m). New South Wales experienced the strongest demand for post-tensioning services during the period as construction activity increased in that State. Revenue from the company's post-tensioning componentry operation Refobar Australia increased by 7.2% to \$5.18 million (Dec 12: \$4.83m), due largely to Refobar's expanded product range. Revenue from Civil and Infrastructure works increased to \$26.05 million (Dec 12: \$9.38m). One of the larger projects undertaken in the period was emergency repair works at Paradise Dam. This project continued the Company's long history of dam upgrade and repair works both in Australia and Internationally.


Lead Auditor's Independence Declaration

The Auditor's Independence Declaration on page 4 forms part of the Director's Report for the half year ended 31 December 2013.

Rounding of Amounts

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

Signed in accordance with a resolution of the Board of Directors:



D.R. Perry
Managing Director

Dated 27 February 2014

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 half-year ended 31 December 2013 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck.

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

J. C. Luckins
J. C. Luckins
Director

Dated this *27* day of February, 2014

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	CONSOLIDATED GROUP	
		31 Dec 13 \$'000	31 Dec 12 \$'000
Revenue	2a)	124,185	144,167
Construction and servicing costs		(98,776)	(116,697)
Depreciation and amortisation expense	2b)	(5,892)	(5,315)
Employee benefits expense		(10,574)	(12,717)
Finance costs		(685)	(781)
Other expenses		(4,502)	(6,159)
Profit before income tax expense		3,756	2,498
Income tax benefit / (expense)		(1,235)	538
Profit for the year attributable to members of the parent entity		2,521	3,036
Basic and diluted earnings per share (cents per share)		4.0 cents	4.8 cents

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	CONSOLIDATED GROUP	
		31 Dec 13 \$'000	31 Dec 12 \$'000
Profit for the period		2,521	3,036
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		125	(103)
Other comprehensive income for the period (net of tax)		125	(103)
Total comprehensive income for the period attributable to members of the parent entity		2,646	2,933

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	CONSOLIDATED GROUP	
		31 Dec 2013 \$'000	30 June 2013 \$'000
Current assets			
Cash and cash equivalents		23,375	7,146
Trade and other receivables		43,224	57,611
Inventories		13,222	13,918
Other current assets		1,346	177
Current tax assets		-	52
Total current assets		81,167	78,904
Non-current assets			
Property, plant and equipment		33,836	36,890
Intangible assets		19,439	19,439
Deferred tax assets		3,788	4,036
Other		9	9
Total non-current assets		57,072	60,374
Total assets		138,239	139,278
Current liabilities			
Trade and other payables		33,126	34,930
Financial liabilities		9,482	8,696
Current tax liabilities		712	-
Short term provisions		5,022	5,262
Total current liabilities		48,342	48,888
Non-current liabilities			
Trade and other payables		-	64
Financial liabilities		9,346	11,217
Deferred tax liability		1,394	1,445
Long term provisions		1,361	1,255
Total non-current liabilities		12,101	13,981
Total liabilities		60,443	62,869
Net assets		77,796	76,409
Equity			
Issued capital	4	40,477	40,477
Reserves		850	725
Retained earnings		36,469	35,207
Total equity		77,796	76,409

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	Share Capital Ordinary \$'000	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Capital Profits Reserve \$'000	Foreign Currency Translation Reserve \$'000	Total \$'000
Balance at 1 July 2012		40,884	33,452	1,835	1,695	(1,355)	76,511
<i>Comprehensive income</i>							
Profit for the period		-	3,036	-	-	-	3,036
Other comprehensive income for the period		-	-	-	-	(103)	(103)
Total comprehensive income for the period		-	3,036	-	-	(103)	2,933
<i>Transactions with owners as owners</i>							
- Shares bought back during the period and cancelled		(407)	-	-	-	-	(407)
- Dividends paid or provided for	3	-	(1,899)	-	-	-	(1,899)
<i>Other</i>							
- Transfer of capital profits to retained earnings		-	1,695	-	(1,695)	-	-
Balance at 31 December 2012		40,477	36,284	1,835	-	(1,458)	77,138
Balance at 1 July 2013		40,477	35,207	1,835	-	(1,110)	76,409
<i>Comprehensive income</i>							
Profit for the period		-	2,521	-	-	-	2,521
Other comprehensive income for the period		-	-	-	-	125	125
Total comprehensive income for the period		-	2,521	-	-	125	2,646
<i>Transactions with owners as owners</i>							
- Dividends paid or provided for	3	-	(1,259)	-	-	-	(1,259)
Balance at 31 December 2013		40,477	36,469	1,835	-	(985)	77,796

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	CONSOLIDATED GROUP	
		31 Dec 13 \$'000	31 Dec 12 \$'000
Cash flows from operating activities			
Cash receipts in the course of operations		154,287	166,117
Cash payments in the course of operations		(130,798)	(160,558)
Interest received		134	122
Finance costs		(685)	(781)
Income tax paid		(273)	(1,339)
Net cash provided by operating activities		22,665	3,561
Cash flows from investing activities			
Payments for purchases of property, plant and equipment		(445)	(1,284)
Proceeds from sale of property, plant and equipment		627	1,106
Loans to related entities		(64)	(6)
Net cash provided by / (used in) investing activities		118	(184)
Cash flows from financing activities			
Share buy-back payments		-	(407)
Lease and lease purchase payments		(5,319)	(4,623)
Dividends paid by parent entity		(1,259)	(1,899)
Net cash used in financing activities		(6,578)	(6,929)
Net increase / (decrease) in cash and cash equivalents held		16,205	(3,552)
Effect of exchange rates on cash and cash equivalents in foreign currencies		24	(4)
Cash and cash equivalents at beginning of period		7,146	8,241
Cash and cash equivalents at end of period		23,375	4,685

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

These interim financial statements for the half-year reporting period ended 31 December 2013 have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

This financial report does not include all of the information required for full annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Structural Systems Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under ASX Listing Rule 3.1 and Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the 30 June 2013 financial report.

These interim financial statements were approved by the Board of Directors on 27 February 2014.

(b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to some of the accounting policies discussed below in 1(c) which became effective for the annual reporting period commencing 1 July 2013.

(c) New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

The affected policies and standards are:

(i) AASB 10 – Consolidated Financial Statements

AASB 10 was issued in August 2011 and replaces the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements and in Interpretation 112 Consolidation – Special Purpose Entities. Under the new principles, the group controls an entity when the group exposed has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The group has reviewed this change and it did not result in any changes to the amounts reported in the group's financial statements as the "controlled" status of the existing subsidiaries did not change, nor did it result in any new subsidiaries being included in the group as a consequence of the revised definition.

(ii) AASB 11 – Joint Arrangements

AASB 11 applies to the Group's interest in joint arrangements. Prior to the transition, the group recorded interests in joint arrangements as jointly controlled and accounted for its share of assets and liabilities, the income from the sale or use of its share of the arrangement's output and its share of the expenses incurred in respect of jointly controlled assets. This method is no longer permitted. Instead, interests in joint ventures must now be accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated statement of financial position at cost and adjusted subsequently to recognise the group's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively. The group has determined the adoption of AASB 11 did not have a material impact on the financial statements.

(iii) AASB 13 – Fair Value Measurement

The standard aims to improve consistency and reduce complexity by providing a single measurement framework for measuring fair value. The standard does not extend the use of fair value accounting but provides guidance on how it should be applied where its use is already required or permitted by other Australian Accounting Standards.

The adoption of this standard has not affected accounting policies or amounts recognized or disclosed in these half year financial statements due to the nature of the group's financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

1. Summary of Significant Accounting Policies

(iv) AASB 119 – Employee Benefits

The revised standard has changed the accounting for the group's annual leave obligations. Any annual leave expected to be taken in excess of 12 months as at reporting date is now discounted to present values. As the group expects all or most of its employees to take all their outstanding annual leave balances within 12 months, this policy change did not materially affect these financial statements.

2. Profit for the Period

	CONSOLIDATED GROUP	
	31 Dec 2013 \$'000	31 Dec 2012 \$'000
(a) Revenue		
Operating activities		
- Rendering of services	119,861	139,139
- Sale of goods	3,574	4,094
- Interest received	134	122
- Other revenue	427	380
	123,996	143,735
Non-operating activities		
- Gain on disposal of property, plant and equipment	189	432
Total Revenue	124,185	144,167
(b) Expenses		
Depreciation of:		
- Plant and equipment	5,851	5,274
- Building	16	16
- Leasehold improvements	25	25
	5,892	5,315

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	CONSOLIDATED GROUP	
	31 Dec 2013 \$'000	31 Dec 2012 \$'000

3. Dividends Paid or Proposed

Distributions paid

Declared final fully franked dividend of 2.0 cents (2012: 3.0 cents) per share franked at the corporate tax rate of 30% (2012: 30%) for the year ended 30 June 2013	1,259	1,899
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Distribution declared

On 27 February 2014, the Directors declared an interim fully franked dividend of 2.5 cents (December 2012: 2.0 cents) per share franked at the corporate tax rate of 30% for the half year ended 31 December 2013. Record date is 21 March 2014 and payment date is 11 April 2014.

4. Issued Capital

62,959,181 (December 2012: 62,959,181) ordinary shares, fully paid	40,477	40,477
Movements during the period		
Balance at beginning of period	40,477	40,884
Shares bought back during the period	-	(407)
Balance at end of period	40,477	40,477

5. Events Subsequent to Reporting Date

There were no material events subsequent to the end of the interim period that have not been recognised or disclosed in this interim financial report.

6. Contingent Liabilities

As at 31 December 2013, aside from the bank guarantee arrangements the group continued from 30 June 2013 and the ASX announcement on 19 November 2013, there were no other contingent liabilities applicable to the group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

7. Segment Information

Operating segment	Construction		Mining		Corporate		Consolidated Group	
	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000
Revenue								
External sales	76,260	95,803	47,176	47,429	-	-	123,436	143,232
Other revenue	617	384	-	334	132	217	749	935
Total revenue	76,877	96,187	47,176	47,763	132	217	124,185	144,167

Results								
Segment result	3,015	3,735	2,497	181	(1,756)	(1,418)	3,756	2,498
Income tax (expense) benefit	-	-	-	-	(1,235)	538	(1,235)	538
Profit after income tax	3,015	3,735	2,497	181	(2,991)	(880)	2,521	3,036

	31/12/13 \$'000	30/06/13 \$'000	31/12/13 \$'000	30/06/13 \$'000	31/12/13 \$'000	30/06/13 \$'000	31/12/13 \$'000	30/06/13 \$'000
Assets								
Segment assets	58,201	72,719	45,899	51,738	34,139	14,821	138,239	139,278
Liabilities								
Segment liabilities	26,033	27,616	29,103	32,024	5,307	3,229	60,443	62,869

	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000
Non-Current Asset movements								
Acquisition of non-current assets	428	750	2,884	5,396	-	-	3,312	6,146
Depreciation of segment assets	795	1,182	5,058	4,093	39	40	5,892	5,315

Revenue and assets by geographical region	Australia		United Arab Emirates		Consolidated Group	
	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000	31/12/13 \$'000	31/12/12 \$'000
Segment revenue from external customers	122,504	140,957	1,681	3,210	124,185	144,167

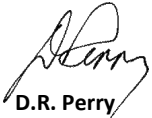
	31/12/13 \$'000	30/06/13 \$'000	31/12/13 \$'000	30/06/13 \$'000	31/12/13 \$'000	30/06/13 \$'000
Carrying amount of segment assets	133,701	134,346	4,538	4,932	138,239	139,278
Acquisition of non-current segment assets	3,281	12,112	31	367	3,312	12,479

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 13 are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001, and
 - b. giving a true and fair view of the consolidated group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



D.R. Perry
Managing Director

Dated 27 February 2014

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF STRUCTURAL SYSTEMS LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Structural Systems Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of Structural Systems Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF STRUCTURAL SYSTEMS LIMITED AND CONTROLLED ENTITIES (CONT)

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Structural Systems Limited is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

Matters Relating to the Electronic Presentation of the Reviewed Half Year Financial Report

This auditor's review report relates to the half year financial report of Structural Systems Limited for the half year ended 31 December 2013 included on Structural Systems Limited's web site. The company's directors are responsible for the integrity of the Structural Systems Limited's web site. We have not been engaged to report on the integrity of the Structural Systems Limited's web site. The auditor's review report refers only to the half year financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half year financial report to confirm the information included in the reviewed financial report presented on this web site.

William Buck

William Buck Audit VIC Pty Ltd
ABN: 59 116 151 136

J. C. Luckins

J. C. Luckins
Director

Dated this 27 day of February, 2014