

NEWS RELEASE

## **BONE GROUP LOOKS TO BUILD ON LATEST RESULTS**

The Bone Group, one of the UK's leading steel fabrication and construction companies, has announced its trading results for the year to October 2007.

The highlights are:-

**Profit before tax and exceptionals of £352,000**

**Borrowings reduced by £1.5M**

**Resolution of historical issues almost complete**

**Good recent contract wins**

**New appointments to management team**

More details follow...

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ON LATEST RESULTS**

The Bone Group, one of the UK's leading steel fabrication and construction companies, has announced its trading results for the year to October 2007.

Following the group's annual general meeting on 1<sup>st</sup> May, non-executive chairman Hugh Hayes revealed that the Wishaw-based company had increased its profit before tax and exceptionals to £352,000 on a turnover of £28.9 million.

This compares with a profit before tax and exceptionals of £305,000 on a turnover of £24.5M in the year to October 2006, and signifies an increase in like for like revenues of 18 per cent.

Mr Hayes also noted that the group, which comprises Bone Steel, Enob Fire and Skelton Onsite, had now resolved a number of old contractual disputes. Although the resolution of these disputes had resulted in exceptional, non-cash charges of almost £2M, the year's successful trading plus cash settlements from negotiations, had allowed the group to reduce net borrowings by £1.5M, to £2.26M at year end.

Mr Hayes said: "Resolving old contractual disputes was particularly pleasing. I've been extremely encouraged by the group's performance over the course of the past year, during which time we have secured some significant contracts including a multi-million pound contract to supply 1,500 tonnes of steel for the new Motherwell College campus at Ravenscraig. This followed a £1M contract to supply steel for the new skyhub at Glasgow Airport."

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Mr Hayes concluded by announcing a series of personnel changes at board level. After 48 years with the company, 31 of those as managing director, Sandy Bone retired from the board at the AGM. David Higgins has also left the group, with Chris Bone returning to the business and succeeding him as chief executive, and Ian Dickson, a partner in law firm MacRoberts, appointed as a non-executive director.

Mr Hayes added: "Given the improved financial health of the group, these changes are evolutionary and I'd like to thank the board and all the staff at Bone for their contribution during what has been a period of transition for the company."

**Ends**

**Notes to editors:**

Established in 1938 by Alex Bone the Bone Group is now one of the largest steel fabrication and construction companies in the United Kingdom.

Operating from regional offices throughout the UK the Group services clients from its main facilities in Wishaw and Bellshill in Central Scotland, and London.

Issued by The BIG Partnership on behalf of the Bone Group

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