Siteserv plc

Preliminary Results Announcement

Year Ended 30 April 2008

Siteserv plc, the infrastructure & utilities support services group, announces its Preliminary Results for the year end 30 April 2008.

Financial Highlights

	30 April 2008
Group Revenue (2007 €44.9m)	€133.8 m
EBITDA (2007 €8.1m)	€22.7 m
Group Operating Profit (2007 €7.4 m)	€18.7 m
Profit before Financing Costs (2007 €7.4 m)	€18.9 m
Adjusted fully diluted EPS* (2007 5.5 cent)	10.1 cent
Cash flow from Operating Activities (2007 €7.2m)	€22.0 m
Group Net Debt	€153.6 m

*Excludes amortisation of intangible assets and notional interest on deferred consideration

Operational Highlights

- Establishment of three new divisions, Infrastructure & utilities, UK and Access.
- Successfully completed key EPS enhancing acquisitions in the infrastructure, utilities and multi discipline sectors in Ireland and UK.
- Market entry into United Kingdom.
    - Acquired UK based Deborah Services Holdings Limited (“Deborah Services”) in February 2008 for total consideration of up to Stg£48.2m including Stg£5m performance based earn out on achieving agreed targets over three years.
- Further expansion into the Infrastructure & Utilities Market in Ireland.
    - Acquired Sierra Communications Limited (“Sierra Communications”) in October 2007 for total consideration of up to €52m including €6m performance based earn out payable over three years.
    - Acquired Roankabin Holdings Limited (“Roankabin”) in November 2007 for total consideration of up to €8.2m including performance based earn out of €2m payable over three years.
- Acquisitions financed through Siteserv’s own resources together with debt provided by Anglo Irish Bank Corporation plc.
- Successful integration of companies within Access division.
- Colm Nolan appointed as Chief Financial Officer December 2007
- The group now employs 2,200 people throughout Ireland and the UK.

Commenting on performance for the year under review, Siteserv Chief Executive Officer, Brian Harvey said:

“I am pleased to report on another year of strong performance for Siteserv plc, which has also been a year of transformation and diversification for the group. Revenue has grown from €44.9m in 2007 to €133.8m in 2008. EBITDA has increased to €22.7 m (2007 €8.1m) and operating profit has increased to €18.7m (2007 €7.4m). Acquisitions completed during the year have enabled us to broaden our infrastructure and utilities support service offering in both Ireland and the UK which positions us well to deliver near and long term growth in these markets. Group pro forma turnover is circa €260m per annum.”

ENDS

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Overview

Siteserv is a leading infrastructure and utilities support services group operating from 53 strategic locations in the United Kingdom and Ireland.

The group provides 3 core services:

1. Infrastructure & Utilities support services;
2. Industrial & Multidiscipline support services;
3. Access equipment hire & sales.

Sectors supported by the group include:

Petrochemical, power generation, nuclear power, schools, hospitals, pharmaceuticals, utilities, civil engineering, special events, agriculture, motorway construction, satellite installation, building and construction.

Transformation through diversification

2008 was a transformational year for the group. Our diversification into new market sectors in both Ireland and the United Kingdom has broadened our support service offering into the power networks, utilities, local authority, satellite installation, schools and hospitals sectors. 2008 also marked Siteserv's expansion overseas into the UK market providing industrial and multi discipline services into the nuclear power, petro chemical and pharmaceutical sectors.

Integration

The integration of our business is ongoing and management has been structured on a divisional basis reflecting the service offerings and geographic make up of the group. Our integration plan is on track and acquisitions to date have been integrated successfully. We will continue to focus on the integration of Sierra Communications, Roankabin and Deborah Services in the 2009 financial year.

Acquisitions

Siteserv acquired 3 strategic businesses in 2007/2008 to strengthen its offering in the infrastructure & utilities support sectors in Ireland and the UK.

- Sierra Communications, a market leader in three key sectors:
    - Cable and Utilities – key supplier to UPC and Sky in Dublin, Cork and other key regions;
    - Civil Engineering – largest supplier of services to Dublin local authorities;
    - Power Networks - long term relationship/key supplier to ESB;
    - Long term relationships in place with all key customers.
    - Sierra grew its business strongly during 2007/2008.

- Roankabin, a leading provider of modular buildings, offering full end to end service from design to construction. Roankabin is a key provider for education and health programmes:
    - One of a number of preferred suppliers to Government Project "Design and Build of Modular Schools in Rapidly Developing Areas 2008 – 2010".
    - Proven track record in the Health sector where Roankabin offers a unique partnership with hospital fit out specialists.
    - The leading supplier of modular buildings to many other sectors of Irish industry.

- Deborah Services,
    - A leading provider of Multi Discipline Access services to the power generation, nuclear and petro-chemical industries.
    - Extensive contract scaffolding service.
    - One of the UK's largest providers in the hire and sale of non-mechanical plant and access equipment.
    - Multi discipline contracts are typically for maintenance access together with a mix of services such as asbestos removal, insulation and protective coating.
    - Contracts normally run for 3 to 5 years.

- The multi discipline sector is estimated to be worth stg£700 million per annum. Deborah Services has aggressively grown its market share over recent years, with potential for further expansion.

The combined turnover of these businesses is greater than €170m per annum and their acquisition exposes Siteserv to growing markets in Ireland and the UK.

Divisional Update

Infrastructure and Utilities

Siteserv's Infrastructure and Utilities Division is now positioned as the premier supplier of rapid build schools, modular hospital accommodation, motorway fencing installation and maintenance activity, power network upgrades, and Dublin local authority maintenance activities. These niche services provide robust revenue streams with good near term visibility. The division includes the results of Holgate Fencing for the year ended 30 April 2008 and the results of Sierra Communications and Roankabin from their respective dates of acquisition, 16 October 2007 and 26 November 2007. Revenue for the division for the year ended 30 April 2008 was €56.5m.

United Kingdom

In February 2008 Siteserv expanded into the United Kingdom successfully completing the acquisition of Deborah Services. This acquisition immediately provided Siteserv with scale in the UK market, a 32 location depot network. It has also provided the group access to key competences in the Multi Discipline Access services sector. In addition Deborah Services offers an extensive contract scaffolding service together with being one of the UK's largest providers in the hire and sale of non mechanical plant and access equipment. The UK is being managed as a separate division. Revenue for the division from the date of acquisition was €36.3m.

Access Equipment Hire and Sales

The Access division (12% of pro-forma group revenue) includes Donohue Scaffolding, Easy Access and Rent-a-Fence. Revenue for the division was €40.9 million. Easy Access and Rent-a-Fence performed in line with expectations. Revenue for Donohue

Scaffolding, which is reliant on residential construction in Ireland, fell significantly compared to the prior year.

The group's brands continue to lead their individual market segments. 2007/8 represented a year of integration within our Access Division in Ireland. The integration of the Irish Depot Network has improved the co–operation within companies and enhanced our service offering to our customer base nationwide.

Strategy

Siteserv's strategy is to continue to grow our support services offering in the market place in 2008/2009. Our strength is in the brands that we operate, the people that manage the businesses and the market leading positions that we have acquired. Our management across the group is robust and we are committed to identifying acquisitions that deliver new services to new market sectors in Ireland and the UK.

We will continue to maintain our leading brands in the market and continue to identify revenue streams that are contractual in nature and visible to our shareholders. We will continue to identify and operate in market sectors that are insulated from macro economic factors.

Outlook

2007/8 was a year that has redefined our business. Through our diversification into new market sectors in Ireland and new support service offerings and newly acquired geographic depot structure in the UK, Siteserv is strongly positioned to secure future revenue from regulatory and non discretionary spend.

In addition, Siteserv's Multi discipline services in the UK are well placed to benefit from the planned expansion of the UK power generation sector.

Our core service offerings are well positioned to deliver near and long term growth in Ireland and the United Kingdom.

The Preliminary Results Announcement is available on the company website, www.siteserv.ie.

Disclaimer

This announcement contains certain pro forma financial information which is designed to illustrate the effect of acquisitions made during the financial year ended 30 April 2008 as if those acquisitions had taken place on 1May 2007 and were therefore included in the profit and loss account for the full year. The pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore, does not represent and actual financial position. The pro forma financial information is unaudited.

Consolidated Income Statement
for the year ended 30 April 2008

	30 April 2008 €'000		30 April 2007 €'000	
Revenue	**133,758**		44,911	
Operating profit	**18,661**		7,372	
Finance Costs	**(6,409)**		(2,070)	
Profit before taxation	**12,252**		5,302	
Taxation	**(1,986)**		(776)	
Profit after taxation and attributable to equity shareholders	**10,266**		4,526	
Earnings Per Ordinary Share				
Basic earnings per ordinary share	**9.5**	**c**	5.3	c
Fully diluted earnings per ordinary share	**9.4**	**c**	5.2	c
Adjusted earnings per ordinary share				
Adjusted earnings per ordinary share	**10.2**	**c**	5.6	c
Adjusted fully diluted earnings per ordinary share	**10.1**	**c**	5.5	c

Consolidated Balance Sheet
as at 30 April 2008

	30 April 2008	30 April 2007
	€'000	€'000
Fixed Assets		
Fixed Assets	**48,125**	2,718
Financial asset investments	**34**	-
Intangible Assets	**145,640**	53,629
Total Fixed Assets	**193,799**	56,347
Current Assets		
Cash & cash equivalents	**4,058**	-
Trade & other receivables	**48,187**	20,865
Inventories	**24,284**	16,274
Current tax assets	**-**	84
Derivatives and other financial instruments	**-**	536
	76,529	37,759
Current Liabilities		
Trade and other payables	**46,838**	13,982
Current tax liabilities	**1,267**	-
Interest bearing loans and borrowings	**11,794**	15,672
Deferred consideration	**10,415**	3,000
Derivatives and other financial instruments	**-**	557
	70,314	33,211
Net Current Assets / (Liabilities)	**6,215**	4,548
Non Current Liabilities		
Interest bearing loans and borrowings	**145,879**	28,484
Deferred consideration	**10,657**	9,099
Total non-current liabilities	**156,536**	37,583
Net Assets	**43,478**	23,312
Financed By:-		
Equity Share Capital	**193**	161
Share Premium account	**27,860**	18,242
Share based payment reserve	**410**	160
Retained Earnings	**15,015**	4,749
Shareholder Equity	**43,478**	23,312

Consolidated Cash Flow Statement

for the year 30 April 2008

	Year Ended 30 April 2008 €'000	Year Ended 30 April 2007 €'000
Cash flows from operating activities		
Profit before tax	**12,252**	5,302
Depreciation	**3,483**	546
Amortisation of share based payments and intangible assets	**516**	160
Interest received	**(39)**	(19)
Interest expenses	**5,935**	1,825
Discount on deferred consideration	**514**	264
Profit on disposal	**(89)**	-
Operating cashflow before movement in working capital	**22,572**	8,078
Movement in inventories	**1,745**	(2,069)
Movement in receivables	**2,961**	1,031
Movement in payables	**(5,328)**	198
Cash generated from operations	**21,950**	7,238
Income taxes paid	**(2,023)**	(1,692)
Net cash from operating activities	**19,927**	5,546
Financing costs		
Interest received	**39**	19
Interest paid	**(5,912)**	(1,755)
	(5,873)	(1,736)
Investing activities		
Capital expenditure	**(4,031)**	(185)
Acquisitions of subsidiaries	**(112,367)**	(54,880)
	(116,398)	(55,065)
Financing activities		
Issue of shares	**-**	9,005
Vendor loans	**1,911**	-
Net Finance lease payments	**(2)**	(1,303)
Net bank loan advances	**107,493**	43,469
Deferred consideration paid	**(3,000)**	-
Net cash from / (used in) financing activities	**106,402**	51,171
Net increase / (decrease) in cash and cash equivalents	**4,058**	(84)
Cash and cash equivalents at beginning of period	**-**	84
Cash and cash equivalents at end of period	**4,058**	-

Segmental Analysis

for the year ended 30 April 2008

	Revenue		Operating Profit	
	30 April 2008 €'000	30 April 2007 €'000	**30 April 2008 €'000**	30 April 2007 €'000
Access	**40,926**	40,160	**7,338**	7,719
Infrastructure	**56,542**	4,751	**9,508**	429
UK	**36,290**	-	**3,871**	-
HO	**-**	-	**(2,056)**	(776)
Total	**133,758**	44,911	**18,661**	7,372
Finance Costs			**(6,409)**	(2,070)
Profit before taxation			**12,252**	5,302
Taxation			**(1,986)**	(776)
Profit after taxation			**10,266**	4,526

EPS Calculation

For the year ended 30 April 2008

	30 April 2008		30 April 2007	
	€'000		€'000	
Earnings				
Profit after tax	**10,266**		4,526	
Discount on deferred consideration	**514**		264	
Amortisation of Intangibles	**266**		-	
Adjusted profit after taxation attributable to ordinary shareholders	**11,046**		4,790	
Number of Shares				
Weighted average number of ordinary shares in issue during the year	**107,854,000**		85,436,000	
Dilutive effect of outstanding share options	**1,701,000**		1,558,000	
Diluted weighted average number of ordinary shares	**109,555,000**		86,994,000	
Earnings per ordinary share				
Earnings per ordinary share	**9.5**	**cent**	5.3	cent
Fully diluted earnings per ordinary share	**9.4**	**cent**	5.2	cent
Adjusted earnings per ordinary share				
Adjusted earnings per ordinary share	**10.2**	**cent**	5.6	cent
Adjusted fully diluted earnings per ordinary share	**10.1**	**cent**	5.5	cent