



KORVEST LTD

ABN 20 007 698 106

PRESS RELEASE

Korvest Announces 11% increase in profit for 2007

The Chairman, Mr David Simmons, today announced the following results for the 12 months ended 30th June 2007.

| | 12 MONTHS TO 30/6/07 \$'000 | 12 MONTHS TO 30/6/06 \$'000 | CHANGE |
|-----------------------------|-----------------------------------|-----------------------------------|--------|
| Total Revenue | 45,817 | 41,258 | + 11% |
| Operating Profit After Tax | 4,583 | 4,122 | + 11% |
| Earnings per share (cents) | 53.7 | 48.4 | +11% |
| Dividends per share (cents) | 27.0¢ | 25.0¢ | + 8% |

Mr Simmons said it was pleasing to see Korvest report strong growth year on year in line with Board expectations. He said that all Divisions of the business performed well and benefited from the mining and infrastructure boom that continues across Australia.

The Ezystrut Division had another good year with growth continuing to come from non residential building and construction and mining sectors. The new pipe support range released to the market in October 2006 has seen a good take-up rate and it is expected that this will continue to increase Ezystruts' revenue base in 2008.

The Galvanising Division increased tonnage through the plant during the year by approximately 15%. With the increased capacity available from the upgrade made in December 2005 and a focus on improved customer service and quality, the Division was successful in growing its customer base. A focus on pre-treatment and improved metallurgical processes has resulted in less raw material usage, a good gain given the very high zinc price.

The industrial access business (now called Indax) has grown substantially since its inception in 2005. This Division has been separated from Galvanising with its own premises in the building next door to the current Head Office in Kilburn. With the inclusion of expanded mesh products to the range, this Division now has a full product range for grating and walkway

systems which are being fabricated and delivered into many key major South Australian projects.

Korvest continues to focus on strengthening the quality of its people, its systems and its processes. The Board would like to thank Ric Gros, Managing Director until June 2007, for the excellent work done in continuing to grow and strengthen the Korvest business. Our new Managing Director , Alexander Kachellek, brings a wealth of knowledge in lean manufacturing techniques from his work in the automotive industry across the globe. We are looking forward to his contribution to the company in the coming years.

DIVIDEND

The Directors announced an increased fully franked final dividend of 14.0 cents per share compared to 13.0 cents per share last year and 13.0 cents at the half year. The full year dividend in relation to the 2007 year will be 27.0 cents per share compared to 25.0 cents per share for the previous year.

The final dividend will be paid on 3rd September 2007.

OUTLOOK

The continued strength of the markets in which the Korvest business operates indicates that satisfactory results should be achieved in 2008. Whilst acquisition opportunities are always being considered, Mr Simmons says the focus is to continue to strengthen Korvest's existing business base until the right opportunity emerges.

DAVID J. SIMMONS CHAIRMAN

27 July 2007

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