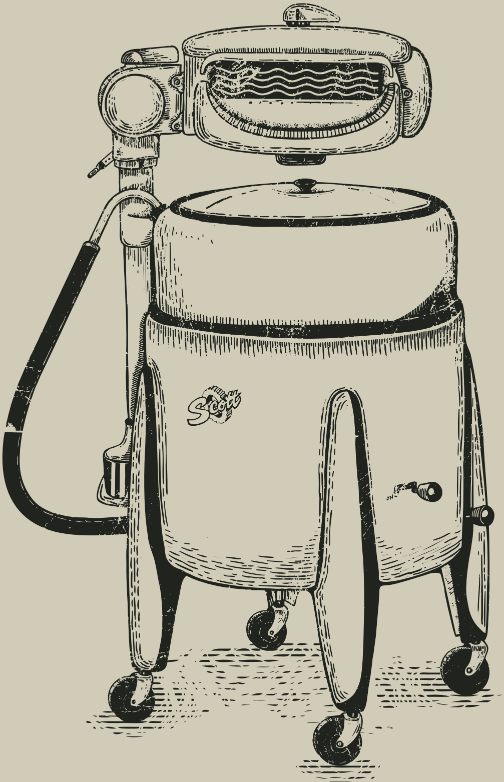
SCOTT

SCOTT TECHNOLOGY LTD.

2014 HALF YEAR REPORT

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2014



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YEARS OF ENGINEERING

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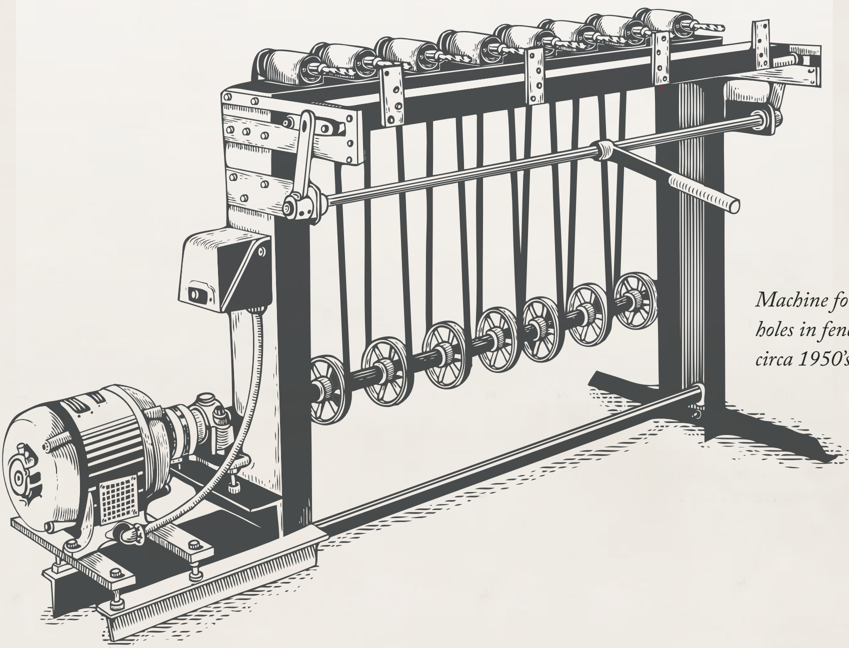


Machine for drilling holes in fence posts circa 1950's.

FINANCIAL COMMENTARY

In what is a difficult environment, the Directors are pleased to report that the company has achieved a total income for the period of $1.1 million net of tax. The overall economic conditions that the company operated in as a New Zealand based manufacturer and exporter were unprecedented. The result was delivered through a combination of very hard work and a highly skilled and innovative team. The level of activity during this half year was higher than the corresponding period last year. Reported sales for the first half of the 2014 year were $25.2 million, slightly lower than the $26.8 million recorded in the first half of 2013; however, if revenues are adjusted for the effect of the exchange rate, they would have been higher than that recorded in the prior year.

The company's balance sheet remains strong with total working capital of $18 million at 28 February 2014, up from $16.5 million at 28 February 2013.

During the half year to 28 February 2014, the company took on $3.2 million of long term debt to purchase the land and buildings occupied by our Rocklabs business in Onehunga, Auckland.

REVIEW OF OPERATIONS

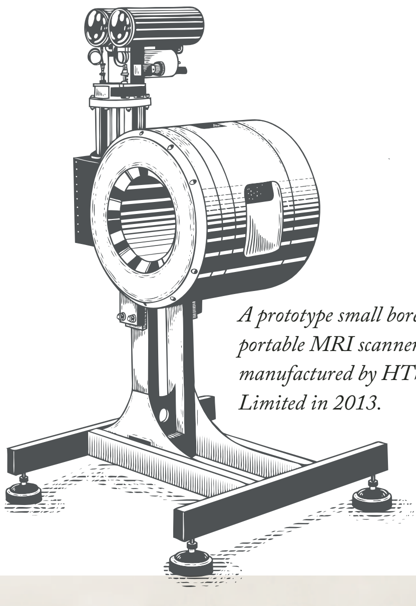
Underlying activity and sales across the entire business were at strong levels but, due to the effect of the high New Zealand dollar and the competition to win project work, margins were lower than historical levels. To deliver profit the company strengthened its focus on innovation and improvement processes across all areas of the business.

The global economic environment is such that many of our customers, particularly in the Mining sector, have slowed, or in some cases, ceased, their spend on capital equipment and fixed assets. To counter this and to build capability for the future, Scott has continued to invest in new products and new technologies with significant and exciting potential. One such area was the development of our robotic milking system which is currently in late stage production trials on a commercial farm in South Canterbury. This development is nearing the performance specifications that will provide the confidence needed to install additional systems, which will precede full commercialisation.

The company's research and development expense during the first half of 2014 was $0.9 million. Taking this into account, the company's result for the half year before reinvestment in research and development is $2.0 million, equating to an annualised return of 10% on average shareholders' funds.

The Appliance sector performed strongly in terms of sales and forward work. Significant contracts have been won from customers in North America, China and Germany. However, the rapid increase in value of the New Zealand dollar and the associated higher cost of manufacture in New Zealand has impacted on the margin we are able to obtain and deliver.

For our meat processing equipment, the first half of the year saw Scott deliver several



A prototype small bore portable MRI scanner manufactured by HTS-110 Limited in 2013.

new systems to Australian and New Zealand companies, including two new high technology middle processing systems for lamb. The interest and level of enquiry continues to grow in both Australasia and beyond. Our patented suite of x-ray technologies sets us apart from any competitor and has led to increased interest in our meat cutting systems, driven by x-ray data which provides valuable information, not only for accurate cutting to deliver yield improvements, but also information for carcass grading and analysis.

The market sector that has been hit the hardest during this global economic downturn is Mining. We have seen a significant slowdown in this sector, particularly in Australia, and this is closely linked to the cyclical movement in the price of relevant commodities, such as gold, nickel and zinc.

Our presence in the Chinese market has produced positive results with several appliance sales contracted directly within China which will be undertaken in China for China. These sales are incremental and the company expects this area of the business to show strong growth.

At the end of February 2014, the company acquired the minority interest shareholding in HTS-110 Ltd from our partners Callaghan Innovation, a New Zealand Government organisation, and American Superconductor Corporation. HTS-110 Limited is a developer and commercialiser of advanced electro magnet systems. The full integration of this business within Scott Technology operations is expected to deliver the growth anticipated within our business plan.

Other initiatives during the year included the continued roll out and implementation of our Lean Sigma Programme along with enhancing our health and safety systems to comply with best practice and recognised Australian and New Zealand standards. These programmes are delivering in terms of the continuous improvement of processes and quality outcomes, together with a better, safer working environment for all staff. Staff participation in these activities is at a high level.

DIVIDEND

The Directors have approved an interim dividend of 2.5 cents per share, fully imputed, payable on 6 May 2014. Despite the challenging trading environment, the Directors have confidence in the strategic direction of the company and have maintained the interim dividend at the same rate as last year. The Dividend Reinvestment Plan, introduced by the company in 2011, will apply to this payment.

LOOKING AHEAD

Scott Technology Limited is well positioned to deliver improved performance, underpinned by an aggressive development programme in new products and technologies. The company has a programme to train and recruit people with the right skills and to develop the technologies that will help shape the future of not only Scott, but also of our customers and partners.

Several acquisition opportunities have been evaluated. Many have been rejected due to failing to meet our acquisition criteria, while there are others that we continue to consider. The company sees the need to grow in order to achieve scale within the business and to enable the on-going development of our people.

The Directors are aware of the difficulties of the current economic environment but are confident that the initiatives we have in place and have planned will deliver the required results for all stakeholders.

Stuart J McLauchlan - Chairman

Chris C Hopkins - Managing Director

SCOTT CENTENNIAL CELEBRATIONS

Tye Husheer, CEO of HTS-110 Limited, demonstrates a magnetic system to shareholders.

100 YEARS OF ENGINEERING

2013 marked the centenary of the Scott business. The 2013 Annual Meeting was held in Dunedin on Friday 29 November, followed by a demonstration of equipment to shareholders. An open day was held the following day for current and former staff and their families. There were displays of historic and current equipment and memorabilia; a BBQ lunch; group photos; and a magician and bouncy castle to entertain the children.

Director Chris Staynes (right) talks with a shareholder at the annual meeting.

Director Graham Batts (left), who has been with the company since 1956, Graeme Marsh (centre), who was Chairman for over 30 years, and long time shareholder Jack Allan (right).

Some of the former Scott employees who attended the open day.

A centenary dinner for alumni and current staff was held on the Saturday night at Larnach Castle. Other Scott sites around New Zealand joined in the celebrations with their own Christmas functions on the same night.

Bob Hyslop, who has achieved 45 years' service.

STATEMENT OF COMPREHENSIVE INCOME

For the Six Months Ended 28 February 2014

	6 mths 28 Feb 14 (Unaudited) $'000s	6 mths 29 Feb 13 (Unaudited) $'000s	12 mths 31 Aug 13 (Audited) $'000s
Revenue	25,276	26,814	60,034
Other income	697	1,130	2,577
Share of joint ventures' and associates' net surplus/(deficit)	(215)	43	132
Raw materials, consumables used and other expenses	(13,582)	(15,218)	(35,427)
Employee benefits expense	(10,074)	(9,182)	(18,893)
Depreciation and amortisation	(641)	(530)	(1,109)
Finance costs	(213)	(99)	(168)
NET SURPLUS BEFORE TAXATION	1,248	2,958	7,146
Taxation expense	(428)	(761)	(2,006)
NET SURPLUS FOR THE PERIOD AFTER TAX	820	2,197	5,140
Other Comprehensive Income			
Movement in cash flow hedge reserve	225	22	(87)
Translation of foreign operations	40	42	210
Other comprehensive income for the period net of tax	265	64	123
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX	1,085	2,261	5,263
Net surplus for the period is attributable to:			
Members of the parent entity	541	2,498	5,507
Non controlling interest	279	(301)	(367)
	820	2,197	5,140
Total comprehensive income is attributable to:			
Members of the parent entity	806	2,562	5,630
Non controlling interest	279	(301)	(367)
	1,085	2,261	5,263
Net surplus (attributable to members of the parent entity) per share:			
Basic (cents per share)	1.3	6.2	13.6
Diluted (cents per share)	1.3	6.2	13.6
Net tangible assets per ordinary share:			
Basic (cents per share)	71.7	69.8	74.7
Diluted (cents per share)	71.7	69.8	74.7

STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 28 February 2014

	Fully Paid Ordinary Shares $'000s	Retained Earnings $'000s	Cashflow Hedge Reserve $'000s	Foreign Currency Translation Reserve $'000s	Non Controlling Interest $'000s	Total $'000s
SIX MONTHS ENDED 28 FEBRUARY 2014 (UNAUDITED)						
Balance at 31 August 2013	24,005	18,985	(99)	90	771	43,752
Net surplus/(deficit) for the period after tax	-	541	-	-	279	820
Other comprehensive income for the period net of tax	-	-	225	40	-	265
Dividends paid (7.50 cents per share)	-	(3,083)	-	-	-	(3,083)
Issue of ordinary shares under dividend reinvestment plan	807	-	-	-	-	807
Acquisition of non controlling interest in subsidiary	-	1,083	-	-	(1,173)	(90)
Balance at 28 February 2014	24,812	17,526	126	130	(123)	42,471
SIX MONTHS ENDED 28 FEBRUARY 2013 (UNAUDITED)						
Balance at 31 August 2012	23,034	16,741	(12)	(120)	950	40,593
Net surplus/(deficit) for the period after tax	-	2,498	-	-	(301)	2,197
Other comprehensive income for the period net of tax	-	-	22	42	-	64
Dividends paid (5.00 cents per share)	-	(2,238)	-	-	-	(2,238)
Issue of ordinary shares under dividend reinvestment plan	680	-	-	-	-	680
Issue of shares in subsidiary	-	-	-	-	186	186
Balance at 29 February 2013	23,714	17,001	10	(78)	835	41,482
TWELVE MONTHS ENDED 31 AUGUST 2013 (AUDITED)						
Balance at 31 August 2012	23,034	16,741	(12)	(120)	950	40,593
Net surplus/(deficit) for the year after tax	-	5,507	-	-	(367)	5,140
Other comprehensive income for the year net of tax	-	-	(87)	210	-	123
Dividends paid (8.00 cents per share)	-	(3,263)	-	-	-	(3,263)
Issue of shares in subsidiary	-	-	-	-	188	188
Issue of ordinary shares under dividend reinvestment plan	971	-	-	-	-	971
Balance at 31 August 2013	24,005	18,985	(99)	90	771	43,752

BALANCE SHEET

As at 28 February 2014

	6 mths 28 Feb 14 (Unaudited) $'000s	6 mths 28 Feb 13 (Unaudited) $'000s	12 mths 31 Aug 13 (Audited) $'000s
CURRENT ASSETS			
Cash and cash equivalents	509	2,489	1,327
Trade debtors	18,317	8,188	12,283
Other financial assets	1,860	702	549
Sundry debtors and prepayments	758	1,047	1,553
Inventories	7,732	8,133	9,048
Contract work in progress	2,883	4,408	6,828
Receivable from joint ventures and associates	88	99	329
	32,147	25,066	31,962
NON CURRENT ASSETS			
Property, plant and equipment	14,356	10,834	10,755
Investment in joint ventures and associates	739	644	855
Other financial assets	31	231	157
Goodwill	10,813	10,813	10,813
Deferred tax asset	1,718	1,854	2,034
Receivable from joint ventures and associates	768	1,800	1,385
Intangible assets	186	206	197
	28,611	26,382	26,196
TOTAL ASSETS	60,758	51,448	58,158
CURRENT LIABILITIES			
Bank overdraft	6,388	-	-
Trade creditors and accruals	4,612	4,710	7,612
Other financial liabilities	246	229	381
Employee entitlements	1,972	2,146	2,522
Provision for warranty	750	750	750
Payable to associates	-	-	289
Taxation payable	96	642	912
	14,064	8,477	12,466
NON CURRENT LIABILITIES			
Bank loans	3,200	-	-
Other financial liabilities	-	-	125
Employee entitlements	1,023	1,489	1,815
	4,223	1,489	1,940
EQUITY			
Share capital	24,812	23,714	24,005
Retained earnings	17,526	17,001	18,985
Cash flow hedge reserve	126	10	(99)
Foreign currency translation reserve	130	(78)	90
Equity attributable to equity holders of the parent	42,594	40,647	42,981
Non controlling interest	(123)	835	771
TOTAL EQUITY	42,471	41,482	43,752
TOTAL LIABILITIES AND EQUITY	60,758	51,448	58,158

STATEMENT OF CASHFLOWS

For the Six Months Ended 28 February 2014

	Notes	6 mths 28 Feb 14 (Unaudited) $'000s	6 mths 28 Feb 13 (Unaudited) $'000s	12 mths 31 Aug 13 (Audited) $'000s
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from/(applied to):				
Receipts from operations		22,793	31,348	59,824
Interest received		80	33	68
Net GST received/(paid)		68	(256)	(277)
Payments to suppliers and employees		(25,980)	(30,349)	(57,811)
Interest paid		(213)	(99)	(168)
Taxation paid		(928)	(2,414)	(3,569)
Net cash outflow from operating activities	2	(4,180)	(1,737)	(1,933)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from/(applied to):				
Purchase of property, plant, equipment and intangible assets		(4,386)	(763)	(1,333)
Sale of property, plant and equipment		34	-	1
Advance from joint ventures and associates		569	282	756
Repayment of advance to Employee Share Purchase Scheme		22	40	69
Purchase of subsidiary		(90)	-	-
Investment in joint ventures and associates		(99)	-	(127)
Net cash outflow from investing activities		(3,950)	(441)	(634)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from/(applied to):				
Proceeds from borrowings		3,200	-	-
Repayment of borrowings		-	(21)	(62)
Dividends paid		(3,083)	(2,238)	(3,263)
Issue of share capital, net of issue costs		807	680	971
Issue of share capital to non controlling interest		-	186	188
Net cash inflow/(outflow) from financing activities		924	(1,393)	(2,166)
Net decrease in cash held		(7,206)	(3,571)	(4,733)
Add cash and cash equivalents at beginning of the period		1,327	6,060	6,060
Balance at end of the period		(5,879)	2,489	1,327
Comprised of:				
Cash and cash equivalents		509	2,489	1,327
Bank overdraft		(6,388)	-	-
		(5,879)	2,489	1,327

NOTES TO AND FORMING PART OF THE INTERIM FINANCIAL STATEMENTS

For the Six Months Ended 28 February 2014

1. FINANCIAL STATEMENTS

Statement of Compliance

The unaudited interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standard 34 ("NZ IAS-34") "Interim Financial Reporting" and other applicable financial reporting standards as appropriate for profit orientated entities. Compliance with NZ IAS-34 ensures compliance with International Accounting Standard 34 "Interim Financial Reporting".

These financial statements have been prepared using the same accounting policies as the previously published annual financial statements as at 31 August 2013. These interim financial statements should be read in conjunction with the policies disclosed in the annual financial statements.

2. NOTES TO THE CASHFLOW STATEMENT

	6 mths 28 Feb 14 (Unaudited) $'000s	6 mths 28 Feb 13 (Unaudited) $'000s	12 mths 31 Aug 13 (Audited) $'000s
Net surplus for the period	820	2,197	5,140
Adjustments for non-cash items:			
Depreciation and amortisation	641	530	1,109
Net loss/(gain) on sale of property, plant and equipment	(23)	-	78
Deferred tax	316	(299)	(479)
Share of net deficit/(surplus) of joint ventures and associates	215	(43)	(132)
Movement in exchange translation reserve	40	42	215
Add/(less) movement in working capital:			
Trade debtors	(6,034)	3,881	(214)
Other financial assets - derivatives	(892)	(297)	(154)
Sundry debtors and prepayments	795	(217)	(723)
Inventories	1,316	(563)	(1,478)
Contract work in progress	3,945	(205)	(2,625)
Taxation payable	(816)	(1,354)	(1,084)
Trade creditors and accruals	(3,000)	(4,681)	(1,779)
Other financial liabilities - derivatives	(161)	(13)	206
Employee entitlements	(1,342)	(715)	(13)
Net cash outflow from operating activities	(4,180)	(1,737)	(1,933)

3. CONTINGENT LIABILITIES

	6 mths 28 Feb 14 (Unaudited) $'000s	6 mths 28 Feb 13 (Unaudited) $'000s	12 mths 31 Aug 13 (Audited) $'000s
Payment guarantees and performance bonds	1,163	447	1,628
Stock Exchange bond	75	75	75
Maximum contract penalty clause exposure	2,283	2,827	2,361
Guarantee of joint venture's banking facilities	750	750	750
Guarantee of subsidiary's banking facilities	660	660	660
Guarantee of industry loan	-	41	-

3. CONTINGENT LIABILITIES (CONT.)

Payment guarantees are provided to customers in respect of advance payments received by the Group for contract work in progress, while performance bonds are provided to some customers for a period of up to one year from final acceptance of the equipment.

Scott Technology Limited has a payment bond to the value of $75,000 in place with ANZ Bank New Zealand Limited in favour of the New Zealand Stock Exchange.

The Group has exposure to penalty clauses on its projects. These clauses relate to delivery criteria and are becoming increasingly common in international contractual agreements. There is a clearly defined sequence of events that needs to occur before penalty clauses are imposed.

Scott Technology Limited has provided a guarantee of up to $750,000 in respect of joint venture borrowings by Robotic Technologies Limited from the Bank of New Zealand Limited. These borrowings totalled $Nil as at 28 February 2014 (28 February 2013: $359,000).

Scott Technology Limited has provided a guarantee of up to $660,000 in respect of QMT Machinery Technology (Qingdao) Co Limited's banking facilities. These borrowings totalled $Nil as at 28 February 2014 (28 February 2013: $Nil).

Scott Technology Limited has provided a guarantee of an industry development loan to a subsidiary which was repaid during the 2013 financial year.

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

		Ownership Interest			Carrying Value		
Name of Entity	Country of Incorporation	28 Feb 14 %	28 Feb 13 %	31 Aug 13 %	28 Feb 14 $'000s	28 Feb 13 $'000s	31 Aug 12 $'000s
Joint Ventures							
Robotic Technologies Limited (i)	New Zealand	50	50	50	455	404	487
Scott Technology Euro Limited (ii)	Ireland	50	50	50	69	60	64
NS Innovations Pty Limited (iii)	Australia	50	50	50	14	14	14
Scott Separation Technology Limited (iv)	New Zealand	50	50	50	26	-	38
XRock Automation Pty Limited (v)	Australia	50	50	50	175	150	180
Scott Technology S.A. (vi)	Chile	50	-	50	-	-	64
Rocklabs Automation Canada Limited (vii)	Canada	50	-	-	-	-	-
Associates							
Robot Vision Lab Limited (viii)	New Zealand	40	40	40	-	16	8
					739	644	855

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONT.)

(i) Scott Technology Limited's joint venture with Silver Fern Farms Limited, Robotic Technologies Limited (RTL), was formed in October 2003 and has a balance date of 31 August. RTL's principal activity is the marketing and development of (primarily lamb) meat processing equipment and the management of the intellectual property associated with these developments. Scott Technology Limited's share of RTL's net loss was $32,000 for the six months ended 28 February 2014 (six months ended 28 February 2013: net profit of $56,000).

(ii) Scott Technology Euro Limited (Scott Euro) is Scott Technology Limited's European sales agency and is a joint venture between Scott Technology Limited and Industrial Process Solution of Italy. Scott Euro was formed in 2008 and has a balance date of 31 August. Scott Technology Limited's share of Scott Euro's net profit was $2,000 for the six months ended 28 February 2014, (six months ended 28 February 2013: $Nil).

(iii) NS Innovations Pty Limited (NSIL) is a joint venture between Scott Technology Limited and Northern Co-Operative Meat Company Limited of Australia. NSIL was formed in August 2010 and has a balance date of 31 August. NSIL's principal activity is the marketing and development of (primarily beef) meat processing equipment and the management of the intellectual property associated with these developments. Scott Technology Limited's share of NSIL's net surplus was $Nil for the six months ended 28 February 2014 (six months ended 28 February 2013: $Nil).

(iv) Scott Separation Technology Limited (SSTL) is a joint venture between Scott Technology Limited and private individuals. SSTL was formed in December 2011 and has a balance date of 31 August. SSTL's principal activity is the marketing and development of patented centrifuge technology which has particular application to the honey and fish processing industries. Scott Technology Limited's share of SSTL's net loss was $12,000 for the six months ended 28 February 2014 (six months ended 28 February 2013: net loss of $32,000).

(v) XRock Automation Pty Limited (XRA) is a joint venture between Scott Technology Limited and XRF Scientific Limited, an Australian publicly listed company. XRA commenced trading in July 2012 and has a balance date of 30 June. XRA's principal activity is the development and marketing of automated laboratory sampling equipment for the mining industry in Australia. Scott Technology Limited's share of XRA's net loss was $2,000 for the six months ended 28 February 2014 (six months ended 28 February 2013: $19,000).

(vi) Scott Technology S.A. (STSA) is a joint venture between Scott Technology Limited and Canadian private company STG Holdings Limited. STSA commenced trading in June 2013. STSA is a sales agency for mining equipment in the Americas. Scott Technology Limited's share of STSA's net deficit for the six months ended 28 February 2014 was $137,000 (six months ended 28 February 2013: $Nil).

(vii) Rocklabs Automation Canada Limited (RAC) is a joint venture between Scott Technology Limited and Canadian private company STG Holdings Limited. RAC commenced trading in 2013. RAC is a sales agency for mining equipment in the Americas. Scott Technology Limited's share of RAC's net deficit for the six months ended 28 February 2014 was $20,000 (six months ended 28 February 2013: $Nil).

(viii) Robot Vision Lab Limited (RVL) was established in the 2011 financial year to provide specialised vision and robotics services to its customers. Scott Technology Limited's 40% shareholding in RVL provides the Group with preferred access to RVL's services. Scott Technology Limited's share of RVL's net loss was $14,000 for the six months ended 28 February 2014 (six months ended 28 February 2013: $Nil).

5. CAPITAL COMMITMENTS

There were no capital commitments as at 28 February 2014 (28 February 2013: $Nil).

6. SEGMENT INFORMATION

6.1 Products and Services from which Reportable Segments Derive Their Revenues
The Group's reportable segments under NZ IFRS-8 are as follows:

- Standard production equipment
- Automated production systems (designed and manufactured to order)

Information regarding the Group's reporting segments is presented below. Amounts reported for the prior periods have been restated to conform to the requirements of NZ IFRS-8.

6.2 Segment Revenues and Results
The following is an analysis of the Group's revenue and results by reportable segment. Design and manufacturing activities for all segments are undertaken at all of the Group's manufacturing sites (Dunedin, Christchurch, Wellington, Auckland and Qingdao, China), with projects being allocated to manufacturing sites based on available resources, rather than by segment. The Group does not allocate certain resources and shared support services by segment for internal reporting purposes. For the purposes of NZ IFRS-8 allocations are based on a combination of revenue contribution by segment, gross margin and senior management's contribution to the segment. These allocations may not result in a meaningful and comparable measure of profitability by segment.

	Standard Equipment $'000s	Automated Equipment $'000s	Unallocated $'000s	Total $'000s
SIX MONTHS ENDED 28 FEBRUARY 2014				
Revenue	8,201	17,075	-	25,276
Segment profit	1,666	855	-	2,521
Depreciation and amortisation	(105)	(330)	(206)	(641)
Share of profits of joint ventures	-	-	(215)	(215)
Interest revenue	-	-	80	80
Government grants	-	-	617	617
Central administration costs	-	-	(901)	(901)
Finance costs	-	-	(213)	(213)
Net profit before taxation	1,561	525	(838)	1,248
Taxation expense	(535)	(180)	287	(428)
Net profit after taxation	1,026	345	(551)	820

6. SEGMENT INFORMATION (CONT.)

6.2 Segment Revenues and Results (cont.)

	Standard Equipment $'000s	Automated Equipment $'000s	Unallocated $'000s	Total $'000s
SIX MONTHS ENDED 28 FEBRUARY 2013				
Revenue	14,425	12,389	-	26,814
Segment profit	3,677	27	-	3,704
Depreciation and amortisation	(117)	(261)	(152)	(530)
Share of profits of joint ventures	-	-	43	43
Interest revenue	-	-	33	33
Government grants	-	-	1,097	1,097
Central administration costs	-	-	(1,290)	(1,290)
Finance costs	-	-	(99)	(99)
Net profit before taxation	3,560	(234)	(368)	2,958
Taxation expense	(916)	60	95	(761)
Net profit after taxation	2,644	(174)	(273)	2,197

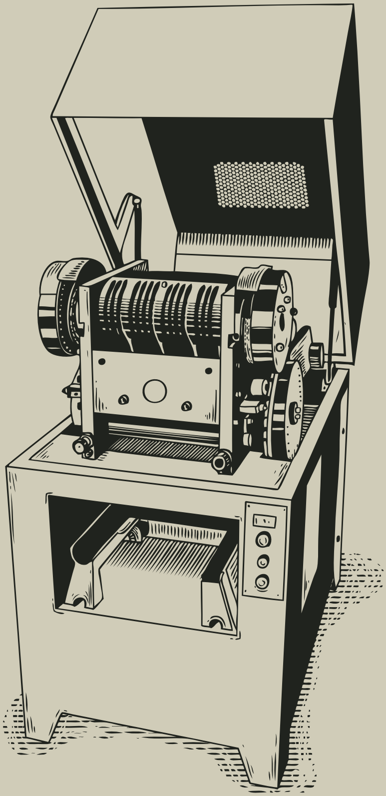
	Standard Equipment $'000s	Automated Equipment $'000s	Unallocated $'000s	Total $'000s
TWELVE MONTHS ENDED 31 AUGUST 2013				
Revenue	27,695	32,339	-	60,034
Segment profit	7,694	3,457	-	11,151
Depreciation and amortisation	(252)	(539)	(318)	(1,109)
Share of profits of joint ventures	-	-	132	132
Interest revenue	3	-	65	68
Central administration costs	-	-	(2,928)	(2,928)
Finance costs	(4)	-	(164)	(168)
Net profit before taxation	7,441	2,918	(3,213)	7,146
Taxation expense	(2,089)	(819)	902	(2,006)
Net profit after taxation	5,352	2,099	(2,311)	5,140

Revenue reported above represents revenue generated from external customers. Inter-segment sales were $Nil for the six months ended 28 February 2014 (six months ended 28 February 2013: $Nil).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 1. Segment profit represents the profit earned by each segment without allocation of central administration costs, share of profits of joint ventures and associates, investment revenue and finance costs.

7. SUBSEQUENT EVENTS

On 28 March 2014 the Board of Directors approved an interim dividend of two and a half cents per share with full imputation credits attached to be paid for the 2014 year (2013 interim dividend: two and a half cents per share).



A Boyd rock crusher which has been a key product for the Rocklabs business.

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