



Acma Engineering & Construction Group Limited

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UPDATE OF FULL YEAR OUTTURN

At the time of releasing the half year result, the Company announced that the Directors expected the second half of 2003 to be better than the first half in terms of profit performance and that this would enable the Company to resume dividend payments.

The Esperance contract entered into by wholly owned subsidiary Delco Australia Pty Limited was subject to delay in commencement resulting in a change and acceleration of the work programme. During the fourth quarter of this year the pipeline route experienced heavy and unseasonal rainfall which resulted in over 5,000 hours of lost productivity due to the wet ground conditions and flooded trenches. Variations to the final contract value are being vigorously pursued with the client.

The consequence is that the expected profitability of this contract has been severely diminished. The Group after-tax result for the year ended 31 December 2003 is not expected to be significantly different to the previous year, however the prospect of paying a dividend is deferred.

By Order of the Board

A handwritten signature in black ink, appearing to read "Nick Geddes", written over a horizontal line.

Nick Geddes
Secretary