

25th May 2010

Market Update

With the end of the financial year fast approaching, LaserBond Ltd feels it important to update shareholders on expected financial results, in particular the signs of strengthening in the Central Queensland market which has recently affected the results of the Queensland Division.

LaserBond Ltd (Ingleburn, NSW division)

The Board is pleased with the results for the Ingleburn (Head Office) operations, which continue to grow in line with expectations.

To the end of June 2010, Ingleburn's sales are expected to have increased by 28% per annum compounded over the last 2 years. Estimated profit before tax for the 2009/2010 financial year is expected to reach 12% to 14% of sales, compared to 7-8% in previous years.

LaserBond (Qld)

As mentioned in the Director's Report included with the most recent Half Yearly Financial Report, the Gladstone division has struggled with reduced revenue, attributed to the effect of the Global Financial Crisis within the Gladstone and the Central Queensland region, as well as some management issues following the acquisition. The focus for LaserBond (Qld) during these months has been on cash preservation, reducing costs and on the generation of sales and new customers.

Since February 2010, clients in Gladstone and the surrounding regions have begun discussions again in regards to opportunities, projects, tenders and specific work. From March 2010, the level of quoting from the Gladstone division has increased significantly, showing a strengthening economy building in Central Queensland.

It is with great satisfaction that the result of this strengthening local economy has provided the success of winning two significant projects for the next few months totaling approximately \$455,000. These projects are expected to be the first stages of ongoing revenue from these clients.

With the evidence of the Central Queensland regions strengthening economy, and the recent Quality Certification and hiring of the new Business Development Manager for the Gladstone division, LaserBond is looking forward to the increased revenue and profits, with an expected strong start to the 2010-2011 Financial Year.

2010 Consolidated Results

Expectations for Consolidated financial results to end June 2010 are a 10% increase in revenue from 2008-2009, with a Profit (Estimated Before Tax) of 3% to 4%. Despite the issues with the market in Central Queensland and associated reduced revenue, the Board is pleased to continue to show consolidated profit for the 2010 Financial Year.

LaserBond is currently in the process of finalising strategic plans and financial forecasts. The results for 2010-2011 are expected to show significant growth in sales and profits.



Matthew Twist
Company Secretary