



*Celebrating 30 years of maintenance for Alcoa at the Bunbury Port, Western Australia
Photo courtesy of Bunbury Port Authority ©*

RCR TOMLINSON LTD

HY2011 APPENDIX 4D & HALF-YEAR FINANCIAL REPORT

For the 6 Months Ending 31 December 2010

Issued 24 February 2011

For more information please contact:

Chief Executive Officer

Paul Dalglish

RCR Tomlinson Ltd

Chief Financial Officer

Andrew Walsh

RCR Tomlinson Ltd

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ABN 81 008 898 486

RESULTS FOR ANNOUNCEMENT TO THE MARKET**RCR Tomlinson Ltd | ABN 81 008 898 486**

The current reporting period is the half- year ending 31 December 2010. The previous corresponding period is the half-year ending 31 December 2009.

Results		Change %		31 Dec 2010 \$'million
Revenue from ordinary activities	up	12.9%	to	300.0
Profit from ordinary activities after tax attributable to members	up	5.2%	to	6.9
Net profit for the period attributable to members	up	5.2%	to	6.9

For a brief description of the figures reported above is contained in the attached Half Year Financial Report.

Dividends

No Interim Dividend will be paid in relation to the half-year ended 31 December 2010.

NTA Backing	Current 31 Dec 2010	Previous 30 June 2010
Net tangible assets per share (cents per share)	91.4c	88.4c

Commentary on the Results for the Period

This report should be read in conjunction with the attached Directors' Report, audited financial statements and notes contained in the Half Year Financial Report.

Audit Status

The results are based on accounts which have been subject to an audit review and the audit report contains no qualifications.

Control Gained or Lost over Entities having a Material Effect

No material control over any entity was gained or lost during the six months ending 31 December 2010.

Details of Associates and Joint Venture Entities

Details of the consolidated entity's Joint Venture entities are set out in Note 12 in the 2010 Annual Report.

Chief Financial Officer

Andrew Walsh

Date: 24 February 2011



AND CONTROLLED ENTITIES
(ABN 81 008 898 486)

**Half Year Report
for the Half-Year Ended 31 December 2010**

DIRECTORS' REPORT

The Directors present their report on the consolidated entity comprising RCR Tomlinson Ltd ("RCR" or "the Company") and its controlled entities ("the consolidated entity") for the half-year ended 31 December 2010.

DIRECTORS

The names of Directors of the Company during or since the end of the half-year are:

Name	Position
Mr Roderick Brown	Chairman and Independent Non-Executive Director
Ms Eva Skira	Independent Non-Executive Director
Mr Kevin Edwards	Independent Non-Executive Director
Mr Paul (David) Dippie	Non-Executive Director
Mr Jeffrey Charles Hogan	Non-Executive Director
Mr Charles Birmingham	Non-Executive Director

The above named Directors held office during and since the end of the half-year except for:

Mr Charles Birmingham – retired 18 November 2010

Mr Jeffrey Charles Hogan – deceased 8 December 2010

REVIEW OF OPERATIONS

Results for the half-year and review of operations

The consolidated entity recorded a net profit after tax (NPAT) of \$6.9 million for the six months ending 31 December 2010, compared to a NPAT of \$6.6 million in the previous comparable period. Revenues of \$300.0 million were 13% higher than the six months ending 31 December 2009 mostly due to increased activity on Energy projects and increases in the Mining business as workload recovers from the effects of the global financial crisis experienced during 2009.

Profit before interest and tax of \$11.1 million increased substantially, approximately double over the previous comparable period reflecting improved operating performance across the business units. Income tax recognised in the period reflected levels of tax with only minor benefits from research and development (R&D) activities compared to the six months ending 31 December 2009, which included a substantial tax credit from R&D activity in the financial year ending 30 June 2009.

The business is organised into four reporting units, the performance of which is outlined below.

The Resources business provides specialist Structural Mechanical and Piping (SMP) construction and supervised shutdown and maintenance services. The business generated revenues of \$101.3 million in the half-year slightly down on last year's equivalent period (Dec 2009: \$102.4 million). Earnings at \$5.5 million improved over last year which was impacted by a number of contract write downs. The business successfully bid on the underground SMP work for Newcrest's Cadia mine extension. The work commenced late in the first half and will therefore contribute to group earnings from the second half. A number of clients in the resources sector have announced major investment programs which are expected to maintain growth.

The Mining business is a leader in the design, manufacture and maintenance of materials and mechanical handling equipment. Revenues in the half-year of \$93.8 million were higher than last year's equivalent period (Dec 2009: \$77.7 million) reflecting an improved sector activity rate for both new materials handling equipment and mine maintenance expenditure. Earnings of \$3.1 million were at a similar level despite the higher revenues reflecting a different project mix and especially the commencement of several new projects where profit is yet to be recognised. The business continues to see record levels of enquires for its products on the back of continued mining investment.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF OPERATIONS (CONTINUED)

Results for the half-year and review of operations (continued)

The Power business provides end to end solutions for design through to installation of electrical control and instrumentation systems to the Resources and Infrastructure sectors. Revenues at \$31.1 million were at similar levels to last year's first half. Earnings however improved to \$0.8 million compared to a \$1.2 million loss in the six months ending 31 December 2009. The result in the first six months of this year continues the trend started at the beginning of 2010 to return the business to acceptable levels of profitability.

The Energy business provides solutions for both energy and power projects for industrial and infrastructure clients. Revenues at \$98.1 million were well ahead of last year's equivalent period (Dec 2009: \$72.1 million), mostly due to projects secured in FY2010 for delivery in the current financial year. Earnings of \$2.3 million were slightly down on last year (Dec 2009: \$2.7 million) mostly in the Laser business which has been impacted by depressed general market conditions through the last six to nine months. The Energy business is in advanced stages of negotiations with an existing client for a new project in New Zealand and has a number of other prospects.

Cash and Net Debt

The consolidated entity reported a continued decrease in net debt in the six month period. Overall net debt levels reduced to \$21.5 million compared to \$23.1 million at the start of the financial year. The debt to equity ratio improved from 11.3% at the end of last financial year to 11.0% at 31 December 2010. The movement in Net Debt is after the payment of dividends in the period of \$4.0 million. Working Capital increases reflected delays by some clients from their normal payment cycle in December which are anticipated to recover in the second half.

Shareholder returns and capital structure

During the reporting period Total Shareholder Returns increased by 78%.

At 31 December 2010, there were 131,892,672 ordinary fully paid shares on issue, 9,515,990 options and 3,866,666 performance rights on issue.

On 16 September 2010, as part of a capital management strategy the Company announced an on-market buy-back program. At 31 December 2010, a total of 97,500 shares had been acquired on-market. The buy-back will remain open until 30 September 2011.

Dividends

On 22 October 2010, a fully franked final dividend, up 20% on the previous year, of 3 cents per share (2009: 2.5 cents per share) was paid in respect of the financial year ended 30 June 2010. The amount of this dividend was \$4.0 million (2009: \$3.3 million).

Employees

The consolidated entity employed 2,510 employees as at 30 December 2010 (30 June 2010: 2,162).

Significant changes in the state of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the reporting period under review.

Events subsequent to the end of the financial year

There has not arisen, in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material or unusual nature which, in the opinion of the Directors has, or may, significantly affect the operations or financial position of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future periods.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF OPERATIONS (CONTINUED)

Likely developments

Further information about the likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the consolidated entity.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a declaration of independence from Deloitte Touche Tohmatsu, the consolidated entity's auditors.

ROUNDING OFF OF AMOUNTS

The Company is of a type referred to in Class Order 98/100 issued by ASIC and in accordance with that Class Order, amounts in the Directors' Report and Financial Report, have been rounded to the nearest thousand dollars.

Signed in accordance with a resolution of Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



RODERICK BROWN
CHAIRMAN
PERTH, 23 February 2011

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	<u>Consolidated</u>	
	31-Dec-10	31-Dec-09
	\$'000	\$'000
	<hr/>	<hr/>
Revenue	300,039	265,804
Cost of sales	(272,389)	(244,419)
Gross profit	<hr/> 27,650	<hr/> 21,385
Other income	426	164
Administration expenses	(8,976)	(7,284)
Depreciation and amortisation	(7,166)	(8,839)
Finance costs	(2,543)	(2,033)
Other expenses	(840)	(524)
	<hr/> (19,099)	<hr/> (18,516)
Profit before income tax expense	8,551	2,869
Income tax (expense)/benefit	(1,636)	3,705
	<hr/> 6,915	<hr/> 6,574
Other comprehensive loss		
Exchange differences arising on translation of foreign operations	(751)	(2)
Income tax relating to components of other comprehensive income	-	-
	<hr/> (751)	<hr/> (2)
Other comprehensive loss for the period (net of tax)		
	<hr/> 6,164	<hr/> 6,572
Earnings per share		
Basic earnings per share (cents)	5.2	5.0
Diluted earnings per share (cents)	5.2	5.0

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010**

		<u>Consolidated</u>	
		31-Dec-10	30-Jun-10
		\$'000	\$'000
Current Assets	Note		
Cash and cash equivalents		15,428	30,004
Trade and other receivables		119,748	112,740
Inventories		31,266	30,641
Other current assets		4,199	2,365
Non-current assets classified as held for sale		2,051	3,930
Total Current Assets		172,692	179,680
Non-Current Assets			
Investments accounted for using the equity method		26	1,456
Other financial assets		15	15
Property, plant and equipment		67,670	69,567
Deferred tax assets		9,504	11,028
Other intangible assets		72,525	74,281
Total Non-Current Assets		149,740	156,347
Total Assets		322,432	336,027
Current Liabilities			
Trade and other payables		71,512	74,708
Borrowings		1,723	2,698
Provisions		17,463	14,106
Total Current Liabilities		90,698	91,512
Non-Current Liabilities			
Borrowings	7	35,235	50,415
Deferred tax liabilities		1,947	1,856
Provisions		1,413	1,473
Total Non-Current Liabilities		38,595	53,744
Total Liabilities		129,293	145,256
Net Assets		193,139	190,771
Equity			
Issued capital	3	120,175	120,016
Reserves		(1,461)	(710)
Retained earnings		74,425	71,465
Total Equity		193,139	190,771

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	Issued Capital	Retained Earnings	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2010	120,016	71,465	130	(840)	190,771
Profit for the period	-	6,915	-	-	6,915
Other comprehensive loss for the period	-	-	-	(751)	(751)
Total comprehensive income for the period	-	6,915	-	(751)	6,164
Shares issued	6	-	-	-	6
Transaction costs from shares issued	(3)	-	-	-	(3)
Share buy-back	(126)	-	-	-	(126)
Share-based payments	282	-	-	-	282
Dividends paid	-	(3,955)	-	-	(3,955)
Balance at 31 December 2010	120,175	74,425	130	(1,591)	193,139
Balance at 1 July 2009	115,442	57,281	130	(1,031)	171,822
Profit for the period	-	6,574	-	-	6,574
Other comprehensive loss for the period	-	-	-	(2)	(2)
Total comprehensive income for the period	-	6,574	-	(2)	6,572
Shares issued	4,439	-	-	-	4,439
Share-based payments	(379)	-	-	-	(379)
Dividends paid or provided for	-	(3,273)	-	-	(3,273)
Balance at 31 December 2009	119,502	60,582	130	(1,033)	179,181

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	<u>Consolidated</u>	
	31-Dec-10	31-Dec-09
	\$'000	\$'000
	<hr/>	<hr/>
Cash Flow From Operating Activities		
Receipts from customers	293,297	269,929
Payments to suppliers and employees	(282,709)	(260,718)
Interest and costs of finance paid	(2,543)	(2,033)
Income tax refund	-	3,637
Other receipts	520	987
Net Cash Flow from Operating Activities	<hr/> 8,565	<hr/> 11,802
Cash Flow From Investing Activities		
Interest received	193	31
Dividends received	1	-
Proceeds from sale of non-current assets	2,118	249
Purchase of non-current assets	(5,222)	(5,264)
Net Cash Flow from Investing Activities	<hr/> (2,910)	<hr/> (4,984)
Cash Flow From Financing Activities		
Proceeds from issue of shares	6	945
Payment for share buy-back	(126)	-
Proceeds from borrowings	-	5,020
Payment of dividends	(3,955)	(2,323)
Repayments of borrowings	(16,156)	(2,832)
Net Cash Flow from Financing Activities	<hr/> (20,231)	<hr/> 810
Net increase/(decrease) in cash held	(14,576)	7,628
Cash at beginning of period	30,004	10,212
Cash at end of period	<hr/> 15,428	<hr/> 17,840

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

1. BASIS OF PREPARATION

The financial report covers the consolidated entity of RCR Tomlinson Ltd and Controlled Entities. RCR Tomlinson Ltd is a listed public company incorporated and domiciled in Australia.

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report. It is also recommended that the half-year financial report be considered together with any public announcements made by RCR Tomlinson Ltd and Controlled Entities during the half-year ended 31 December 2010 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

The Company is of a type referred to in Class Order 98/100 issued by ASIC and in accordance with that Class Order, amounts in the Directors' Report and Financial Report, have been rounded to the nearest thousand dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted in the annual financial report for the year ended 30 June 2010, except as set out below.

(a) New and revised standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Group include:

- Amendments to AASB 5, 8, 101, 107, 117, 118, 136 and 139 as a consequence of AASB 2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

AASB 2009-5 Introduces amendments into Accounting Standards that are equivalent to those made by the IASB under its program of annual improvements to its standards. A number of the amendments are largely technical, clarifying particular terms, or eliminating unintended consequences. Other changes are more substantial, such as the current/non-current classification of convertible instruments, the classification of expenditures on unrecognized assets in the statement of cash flows and the classification of leases of land and buildings.

The adoption of these amendments has not resulted in any changes to the Group's accounting policies and have no effect on the amounts reported for the current or prior periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

1. BASIS OF PREPARATION (CONTINUED)

(b) Change in accounting policy

During the year, the consolidated entity has adopted a change in accounting policy in relation to the measurement of land and buildings within property, plant and equipment. Land and buildings that were previously measured under the revaluation model are now measured under the cost model as from this financial year, as allowed by AASB 116 Property, Plant and Equipment.

This change in accounting policy is considered to result in the financial statements providing reliable and more relevant information since the change in accounting policy would result in RCR measuring its land and buildings on the same basis as its peers so that their financial statements would be more comparable and users of the financial statements would be better able to make economic decisions. The change in accounting policy has been applied retrospectively and comparative information has been restated in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The adjustments to each statement of financial position and statement of changes in equity line item affected are set out in note 6 in the financial statements. This also affects the balance sheet segment note prior period comparatives in note 5.

(c) Reporting basis and conventions

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

2. DIVIDENDS PAID

	<u>Consolidated</u>	
	<u>31-Dec-10</u>	<u>30-Dec-09</u>
	\$'000	\$'000
Final dividend of 3.0c per share (2009: 2.5c per share) in respect of the year ended 30 June 2010 paid on 22 October 2010	<u>3,955</u>	<u>3,273</u>

For the half-year ending 31 December 2009, an amount of \$950,000 in dividends was re-invested under the company's dividend re-investment plan (DRP). On 23 August 2010, the DRP was suspended.

3. ISSUED CAPITAL

	<u>31-Dec-10</u>	<u>30-Jun-10</u>
	\$'000	\$'000
a) Paid up capital Ordinary shares	<u>120,175</u>	<u>119,502</u>
b) Movements	<u>No. Of Shares</u>	<u>Paid Up Capital</u>
		\$'000
Balance 1 July 2010	131,860,172	120,016
Issue of shares upon vesting of performance rights	125,000	-
Exercise of employee options	5,000	6
Transaction costs from share issue	-	(3)
Share buy back	(97,500)	(126)
Share based payment expense	-	282
Total issued capital	<u>131,892,672</u>	<u>120,175</u>

4. CONTINGENT LIABILITIES AND COMMITMENTS

There have been no significant changes in the composition of the contingent liabilities and commitments since the last annual financial report for the year ended 30 June 2010.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

5. SEGMENT REPORTING

The consolidated entity has applied AASB 8 Operating Segments with effect from 1 July 2009. AASB 8 requires the entity to identify operating segments and disclose segment information on the basis of internal reports that are provided to, and reviewed by, the chief operating decision maker of the consolidated entity to allocate resources and assess performance. In the case of the consolidated entity the chief operating decision maker is the Board of Directors. Operating segments now represent the basis on which the company reports its segment information to the Board on a monthly basis. The change in policy has not resulted in a change to the disclosure presented.

The consolidated entity has the following four business segments:

RCR Mining - RCR Mining is a leader in the design and manufacture of materials handling and process equipment for the mining industry. RCR provides innovative solutions, fully supported from design, manufacture, fabrication, installation, commissioning, through life spares and off-site repair.

RCR Energy - RCR Energy provides turnkey solutions for utility, power and industrial energy projects. RCR provides comprehensive Engineer, Procure, Construct (EPC) services for new projects as well as the overhaul and refurbishment of plants utilising renewable energy, biomass, coal, gaseous and liquid fuels. In addition RCR Energy provides the sales and service of burners, packaged boilers, fired heaters, combustion systems and ancillary equipment, and steam, hot water and thermal oil heating plants. This is supported by specialist capabilities such as laser cutting.

RCR Resources - RCR Resources provides specialist structural and mechanical services to the resource industry, port and utility providers. Services include structural, mechanical and piping (SMP) manufacture, construction, installation, plant shutdown, repairs, refurbishment and planned maintenance functions.

RCR Power - RCR Power offers end to end solutions for the design, fabrication, construction, installation and maintenance of electrical and instrumentation systems to the resources and infrastructure sectors. Services include maintenance, shutdowns, high voltage services and trailing cable repair.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

5. SEGMENT REPORTING (CONTINUED)

	Mining \$'000	Energy \$'000	Resources \$'000	Power \$'000	Other (Inc Eliminations) \$'000	Consolidated \$'000
Half-Year ended 31 December 2010						
Total segment revenue	93,750	98,096	101,271	31,138	(24,216)	300,039
Segment result	3,073	2,301	5,478	842	(600)	11,094
Finance costs					(2,543)	(2,543)
Profit before income tax	3,073	2,301	5,478	842	(3,143)	8,551
Income tax (expense)					(1,636)	(1,636)
Profit after income tax	3,073	2,301	5,478	842	(4,779)	6,915
Half-Year ended 31 December 2009						
Total segment revenue	77,654	72,086	102,364	32,727	(19,027)	265,804
Segment result	2,999	2,679	947	(1,223)	(500)	4,902
Finance costs					(2,033)	(2,033)
Profit before income tax	2,999	2,679	947	(1,223)	(2,533)	2,869
Income tax benefit					3,705	3,705
Profit after income tax	2,999	2,679	947	(1,223)	1,172	6,574

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

5. SEGMENT REPORTING (CONTINUED)

	Mining \$'000	Energy \$'000	Resources \$'000	Power \$'000	Other (Inc Eliminations) \$'000	Consolidated \$'000
31 December 2010						
Segment assets	72,275	99,300	82,044	28,433	(7,235)	274,817
Allocated assets	12,466	3,198	5,300	26,651	-	47,615
Total assets	84,741	102,498	87,344	55,084	(7,235)	322,432
30 June 2010						
Segment assets	56,305	82,464	79,358	27,933	27,117	273,177
Allocated assets	17,336	12,609	5,735	27,170	-	62,850
Total assets	73,641	95,073	85,093	55,103	27,117	336,027

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

6. CHANGE IN ACCOUNTING POLICY

During the year, the consolidated entity has adopted a change in accounting policy in relation to the measurement of land and buildings within property, plant and equipment. Land and buildings that were previously measured under the revaluation model are now measured under the cost model as from this financial year, as allowed by AASB 116 Property, Plant and Equipment.

The adjustments to each statement of financial position and statement of changes in equity line item affected are set out below. This also affects the segment note prior period comparatives.

	30-Jun-10	30-Jun-10	30-Jun-10
	Previously stated	Adjustment	Restated
	\$'000	\$'000	\$'000
Property, plant and equipment	85,721	(16,154)	69,567
Non-current assets classified as held for sale	7,545	(3,615)	3,930
Deferred tax liabilities	(7,787)	5,931	(1,856)
Asset revaluation reserve	(13,968)	13,838	(130)
	<hr/>	<hr/>	<hr/>
	1-Jul-09	1-Jul-09	1-Jul-09
	Previously stated	Adjustment	Restated
	\$'000	\$'000	\$'000
Asset revaluation reserve	(13,968)	13,838	(130)
	<hr/>	<hr/>	<hr/>

The impact of additional depreciation under the revaluation model compared to the cost model on profit or loss in 2010 and in prior years is not material and has therefore not affected retained earnings, administrative expenses or earnings per share.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

7. BORROWINGS

During the period, the Company extended its existing \$145,000,000 banking facility for a further three years to 31 March 2014. This includes a \$35,000,000 cash advance facility (2009: \$50,000,000) and a \$110,000,000 multi-option facility (2009: \$95,000,000). The renewal of the facility reflects RCR's active approach to capital management and gives the Company's balance sheet the necessary flexibility for its future growth aspirations.

8. KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the company's 2010 Annual Report for the year ended 30 June 2010.

9. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No matter or circumstance has arisen since 31 December 2010 that has significantly affected, or may significantly affect:

- (a) the company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the company's state of affairs in future financial years.

DIRECTORS' DECLARATION

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors



RODERICK BROWN
CHAIRMAN
PERTH, 23 February 2011

Board of Directors
RCR Tomlinson Limited
Level 6
251 St Georges Terrace
Perth WA 6000

23 February 2011

Dear Board Members

Auditor's Independence Declaration to RCR Tomlinson Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of RCR Tomlinson Limited.

As lead audit partner for the review of the financial statements of RCR Tomlinson Limited for the half-year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



A T Richards
Partner
Chartered Accountants

Independent Auditor's Review Report to the members of RCR Tomlinson Limited

We have reviewed the accompanying half-year financial report of RCR Tomlinson Limited, which comprises the condensed statement of financial position as at 31 December 2010, and the condensed statement of comprehensive income, the condensed cash flow statement and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 17.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of RCR Tomlinson Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of RCR Tomlinson Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of RCR Tomlinson Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



A T Richards

Partner

Chartered Accountants

Perth, 23 February 2011