

# Matrix Composites smashes profit forecasts

The West Australian August 9, 2010, 12:40 pm



Supplied / unknown ©

Shares in Matrix Composites & Engineering jumped after the company exceeded expectation by delivering an \$18.2 million full-year profit, up 139 per cent on its prospectus forecasts.

The result came on revenue of \$102 million, up 89 per cent on the previous corresponding period.

The company declared a final fully franked dividend of two cents a share, bringing its total annual dividend to four cents a share.

Matrix, which listed on the ASX late last year, attributed the result to strong organic growth and increased production capacity at its Malaga plant.

The company said it had an order book of \$188 million which would underpin revenue for full-year 2011.

Matrix designs and manufactures products for the offshore, subsea, mineral processing, military and manufacturing industries.

Matrix chief executive Aaron Begley said the Composite Materials division continued to benefit from buoyant operating conditions which were expected to continue well into the future, underpinned by a shift towards deep water oil & gas exploration, drilling and production.

"The oil & gas industry continues to grow, requiring new and innovative technologies and products - Matrix is uniquely positioned with the technology and capability to respond to these needs," he said.

"Matrix is pioneering new products using composite materials, syntactic foam and subsea polymer chemistry and expects to launch several new products in FY11 including Subsea, Umbilical, Riser & Flowline "SURF" ancillary products, Downhole products and specialised high performance insulation products for the LNG processing industry."

Mr Begley said the construction of its new Henderson facility had begun with full commissioning expected in December.

Matrix shares were up 22 cents, or 7.53 per cent, to \$3.14 at 1.10pm.