Chairman’s Introduction

2015/16 has been a year of significant progress for the Group. We have seen a return to revenue growth, with a 19 per cent increase to £239.4m. We have achieved a further improvement in underlying operating margin from 4.5 per cent in the prior year to 5.7 per cent, and have continued to strengthen our cash position. The Group’s 2015/16 underlying operating margin achieves the strategic target of 5 to 6 per cent established in 2012/13 at the time of the rights issue. This reflects the ongoing benefits of the Group’s operational improvement programme, which has impacted all aspects of our tendering and execution processes. Importantly, we are continuing to win new business across our core markets and are encouraged by our strong UK order book of £270m. This is the highest order book level for over six years providing good visibility for future growth.

The financial position of the Group remains very strong. Year-end net funds were £18.7m, an increase of £12.3m over 2014/15, a result of our excellent recent record of converting profits into cash (operating cash conversion was 145 per cent). This underlying cash generation has enabled further capital and strategic investment in 2015/16, in line with our objectives.

People
Our employees continue to make a significant contribution to the success of the business. On behalf of the board, I would like to thank them for their hard work and commitment. We recognise that the continued investment in our people is critical for future success. Accordingly, we have introduced initiatives which focus on talent management, staff and leadership development, and training to ensure that we develop and retain our existing employees and attract the right talent as the business grows.

The health and safety for our people remains a priority for the board. The Group’s AFR for the year, which includes our Indian joint venture, was 0.25. This includes an AFR of 0.44 for our UK operations which, whilst not as good as the 0.33 achieved in 2014/15, is better than the score of 0.57 achieved two years ago. New initiatives have already been implemented with more planned for 2016/17. Our Group-wide behavioural safety programme is aimed at achieving a significant and lasting benefit on the safety culture of the Group.

The board is proposing a final dividend of 1.0p per share (2015: 0.5p per share), taking the full-year dividend to 1.5p per share (2015: 0.5p per share). This reflects the board’s continued commitment to a progressive dividend policy, the improved results for the year and our confidence in the Group’s future growth and cash generation prospects. We have refined our dividend policy to establish clear priorities for the use of capital which will provide additional clarity for the Group’s stakeholders.

Read the operating review on page 30

Read more about building a sustainable business on page 42
### Strategy
We have made good progress against our strategic priorities during the year. We have seen a return to revenue growth, continued margin improvement and further investment in our facilities and people. Following the achievement of our 2015/16 operating margin target, we have now set a new target which is to double our underlying profit before tax over the next four years.

During the year we strengthened our supply chain by taking a 50 per cent investment in Composite Metal Flooring Limited (‘CMF’), a manufacturer of metal decking. Following this investment, all of our metal decking requirements are supplied by CMF. After the recruitment in 2014/15 of the legacy Mabey Bridge infrastructure team, we have continued to develop our bridge business, further improving our capability in the growing bridge and infrastructure markets.

Read more about our strategy on page 22.

### Governance
The board remains committed to the highest standards of corporate governance. During the year, the board and audit committee were involved in continuing consideration of, and work related to, risk appetite, the monitoring and disclosure of risk and the new viability statement following the revisions in 2014 to the UK Corporate Governance Code.

Read our corporate governance report on page 63.

### Outlook
We have continued to make excellent progress on the delivery of our strategic objectives during the year. The Group’s order book is currently at its highest level for over six years, our operating cash flow is strong and we are achieving continued success from our operational improvement programme. All of this positions us well to make further progress in 2016/17.

John Dodds
Non-executive chairman
15 June 2016

<table>
<thead>
<tr>
<th><strong>2015/16</strong></th>
<th><strong>2015</strong></th>
<th><strong>Change</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Underlying profit before tax</strong></td>
<td>£8.3m</td>
<td>£13.2m</td>
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<tr>
<td><strong>Order book</strong></td>
<td>£185m</td>
<td>£270m</td>
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<tr>
<td><strong>Operating cash conversion</strong></td>
<td>107%</td>
<td>145%</td>
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