



SIX MONTHS RESULTS

Joyce Corporation Ltd today announced a net profit after tax of \$1.172 Million for the six months ended 31st December 2002. This compared most favourably with the corresponding period last year of \$393,000. The result was achieved on sales of \$35 Million.

A major influence on the improved results is a consequence of the restructuring of Joyce Corporation Ltd. Directors stated that the company has continued its focus on consolidating its position and concentrating on its core business of foam manufacturing.

Chairman Dan Smetana said "This is a sound result for the first half and is confirmation of the success of our ongoing business improvement strategy".

During the period under review new products have been introduced and have been well received by the market.

As stated previously the company has embarked on a high yielding \$3.5 Million strategic capital expenditure program to upgrade the production facilities in NSW and provide a new purpose built facility in Victoria for foam conversion and sales operations. This will offer further opportunities to improve production efficiencies and product quality. The project is currently on schedule and on budget.

Net asset backing at 31st December was of the order of 70 cents per share, excluding future tax benefits, and of the order of 0.85 cents per share, if future tax benefits were included.

At the November 2002 Annual General Meeting the Directors announced a bonus share issue and dividend. There will be a one for twenty issue of shares at 55 cents per share (the price that existed at the time of the original announcement) which will be accompanied by a bonus issue of one share for every share subscribed; and concurrently a dividend of 2.5 cents per share on all shares, including those subscribed.

The share issue and dividend will be transacted in March/April 2003.

Profit for the full year is expected to be as previously forecast at around 11 cents per share provided there is no material change in the economic environment in which we operate.