



MACMAHON
HOLDINGS LIMITED

ABN 83 007 634 406

19 May 2004

Mr Brendan O'Hara
Manager Companies
Australian Stock Exchange Limited
2 The Esplanade
PERTH WA 6000

Dear Mr O'Hara

RE: MARKET UPDATE

Macmahon Holdings Limited (Macmahon) advises following the better than anticipated startup of new projects over the last 2 – 3 months that the forecast profit after tax for 2003/04 has been upgraded from \$8.5 million to between \$9 - \$10 million.

The estimated profit after tax from 2004/05 is now expected to be a profit of \$14 million on Total Sales of \$525 million.

The presentation scheduled for release in Perth later this morning will be forwarded shortly.

For further information please contact:

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Yours faithfully
MACMAHON HOLDINGS LIMITED

ELIZABETH LEE
COMPANY SECRETARY