

MEDIA RELEASE

“CEC GROUP REVIEW OF OPERATION”

For immediate release – Cairns, 29 Feb 2008

Like virtually every public company in Australia, the CEC Group has the potential to be affected by the far-reaching impact of the sub prime crisis in the USA. Institutions have tightened lending whilst the full impact is being ascertained and it is time for organisations to review their operations both nationally and globally.

“We have a duty to our staff, our shareholders, our suppliers and the communities where we operate to be solid and secure corporate citizens. Part of this is ensuring our long-term viability in tough times. We are currently reviewing every aspect of our operation to minimise risk and to ensure that we are secure in moving forward for another 30 years” stated CEC Group CEO, Mr Roy Lavis.

“Part of this process will be to look at ways to improve our efficiency, particularly in our RapidBuild unit. With efficiency comes reduced costs in the form of less labour being required. Unfortunately this means the loss of some jobs in this division. Where possible any people affected will have the opportunity to apply for other positions within the CEC Group” explained Mr Lavis.

“Whilst we don’t like any jobs to be lost, our view is to build the company in a sensible and commercially strategic manner, under the guidance of our corporate advisors. We have grown from 200 staff to over 600 staff in the last couple of years and now is a good time to consolidate and prepare for the opportunities that will emerge in Queensland in the coming years” said Mr Lavis.

The CEC Group Chairman, the Hon Robert Borbidge AO, further emphasised “in Queensland we are very used to managing challenging situations, whether they be caused by natural disasters or global economic issues. As a former Premier of this state the importance of taking proactive action has always been at the forefront of my decision making process. The CEC Group is an old, solid and smartly built company with a large and growing asset base. We believe that there will be more opportunities as a result of the current situation which we are positioning the company to be able to take advantage of”.

The CEC Group has operations in Cairns, Townsville, Mt Isa and Cooktown with three core business divisions including property development, constructions and waste management.

For more information please contact CEC Group Media Spokesperson – Andrew Griffiths, 0409 264 293.



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