

WHAT WE DO

DELTA Utility Services Limited is a multi-utility service contractor that provides a range of civil, electrical and other services to local authority and private sector clients. It is based in Dunedin, with service depots throughout the South Island.

- > *DELTA* achieved a ten year agreement with Jacks Point Limited for the ongoing infrastructural development and estate management of the Jacks Point subdivision near Queenstown.
- >> The Dunedin northern suburbs water reticulation scheme was completed, comprising 27km of pipeline and a large capacity reservoir in Waitati Valley (pictured).



FINANCIAL HIGHLIGHTS	2009	2008
	\$'000	\$'000
Revenue	87,891	86,245
Net surplus for the year	3,866	1,980
Shareholder's funds	18,482	17,616
Total assets	48,427	42,962

WHAT WE DID THIS YEAR

This company continues to grow strongly. During this period of economic hardship, sales at \$87.9m were up on last year and in terms of revenue this continues to make it the largest company in the group. The surplus after tax at \$3.9m is up 95% on the \$1.98m made last year.

The return to the shareholder on the value of the assets invested in *DELTA* is good. The return of 11% on equity achieved last year was pleasing and this year the return increased to 21%. This level of return continues to drive further investment.

The year saw the completion of several large subdivisions in Central Otago and the commencement of a large subdivision in Dunedin, together with major piping projects in Otago, Canterbury and Southland. The multi-disciplinary capacity of the company allows it to undertake large and technically complex projects.

DELTA's business activities continue to expand. At the start of the financial year the company became party to an agreement that provided it with preferred contractor rights to a substantial development in Luggate.

In June the company progressed its property development plans with a ten year agreement to participate in development at Jacks Point in Queenstown. Much of the infrastructure construction in that area has already been completed by *DELTA* and the current commercial arrangement will allow the consolidation of several operational bases into this area, plus ongoing work to provide full estate management services. This will include power supply, water, roads, sewage disposal and rubbish removal in a similar fashion to local government. The agreement will provide the company with both the opportunity to reduce operating costs in the general Wakatipu area as well as being a source of future growth.

The company has continued to win large contracts for water construction projects. This year it has completed a large water distribution system in Dunedin's northern coastal

communities and several rural sewerage schemes in Southland.

Health and safety issues are always important. The company has placed a lot of effort into decreasing staff accident rates and is very pleased to see that the statistics now show the effect of that effort. Some divisions of the company are managing to operate for 1,000 days without a lost-time injury. The number of lost-time incidents fell to a new low for the company dropping from 1.26 incidents for every 100,000 hours worked to 1.25.

Investments made by the company recently demonstrate that it continues to focus on growth in sectors in which it has competitive advantage. *DELTA* understands that it must employ best practice contract management and have consequently invested in leading-edge data capture and display technology. It remains committed to increasing its involvement in the management of water and/or wastewater assets where there is strong synergy with the systems and skills associated with electricity distribution asset management.

For more information visit www.4delta.co.nz

THE PEOPLE

Directors	R S Polson (Chairman)
	M O Coburn
	N G Evans
	P R Hudson
	R D Liddell
	S J McLauchlan
Chief executive	G Cameron

DELTA Utility Services Limited annual sales \$ million

