



Highlights

- Retention of all key customers, contracts and sites
- Record sales **\$351.9 million** up **11.1%**
- Awarded **\$200 million** in new contracts and re-competes

Dampier Port Upgrade Phase B, Dampier WA

Operations in Focus Maintenance and Industrial Services



The Maintenance and Industrial Services division ('the Division') produced a record result for the year to 30 June 2009, as market conditions eased in the second half. Sales revenue for the period grew 11.1% to \$351.9 million driven by new project wins, increased service volumes on existing contracts and continued high customer retention levels.

Instrumental to the continued success of the Division has been its relentless strategic focus to (a) retain all existing customers and contracts, (b) increase service volumes and (c) secure new sites and customers. This long term strategy has yielded the Division a cumulative average sales growth rate of 26.6% per annum over the past five years.

The Division continued to succeed in its long term focus and strategy following the retention of all key customers, contracts and sites as well as market expansion in a number of new services (electrical and instrumentation), geographic areas (Pilbara in WA, Darwin in NT and Bowen Basin in Qld) and commodity (coal and power) markets. In total, the Division was awarded approximately \$200 million in new contracts and re-competes over the past year.

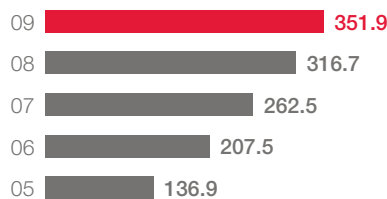
During the period, the Division developed a number of new customer relationships including those with Geodynamics and Sandvik. We have also maintained strong relationships with existing customers across a range of services, markets and geographies.

Strong health, safety and environment (HSE) performance this year continued to underpin high levels of customer retention and longer term business development opportunities. Our ongoing HSE focus and program of initiatives has produced a consistent trend towards zero harm in the workplace. Total case injury frequency rates (TCIFR), a key safety measure, fell by more than 10% this period. More broadly, the Division

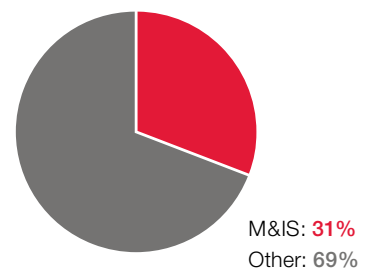
continues to work with our customers and communities to minimise our environmental footprint. We continue to invest time and resources into this increasingly important area of our business.

The Division continued to invest significant time and resources in its people including various safety programs, site-based leadership development initiatives and various career planning initiatives. Substantial time, resources and focus has been directed to further develop key systems, processes, risk management, quality and assurance programs with the aim of providing superior maintenance and industrial services to customers.

Sales Revenue (\$M)



Sales Contribution (%)



Maintenance and Industrial Services (Continued)



Key Activities

During 2008/09, the Division undertook a record level of service activity for a number of customers across a variety of sites, geographies and markets.

The Division extended its strong footprint in core markets (oil & gas, iron ore and mineral processing) while making further inroads into key diversification markets (power and coal).

Strong long term customer relationships were reaffirmed following the renewal of all key customers, contracts and sites.

These included those for BHP Billiton's Olympic Dam Operations (2 years), ConocoPhillips' Darwin LNG Plant (3 years), Rio Tinto's Iron Ore Operations (2 years), Anglo Coal Dawson Mine and Rio Tinto Alcan's Yarwun Refinery.

The Division also achieved considerable success in its long term strategy to enter the Bowen Basin coal market following two significant contract wins with Australia's largest coal miner and exporter, BMA.

BMA, Blackwater and Peak Downs Mines, QLD

In May 2009, the Division was awarded one contract to execute two major dragline shutdowns for BMA in the Bowen Basin, central Queensland.

The two dragline shutdowns will be run as one job and managed sequentially to minimise costs and production impacts. The scope of work is quite extensive for both machines, involving repairs to the main motions mechanical and electrical components as well as a major upgrade to the fan houses. Each dragline shutdown will require in excess of 55,000 man hours to complete and will have a combined peak workforce of over 400 personnel.

The award of this milestone contract represents both the continuing success of the Ellavale Engineering acquisition since March 2007 and our ability to replicate the Hunter Valley dragline and shovel shutdown and maintenance capability into the Bowen Basin.

The second contract with BMA involves the fabrication and installation of a replacement radial stacker at the Peak Downs coal mine.

These wins also support and reinforce our decision this year to develop a large scale workshop facility in Mackay, Queensland. The Mackay workshop facilities will include 14,700m² of land, a 1,600m² workshop with two 20 tonne overhead cranes and separate office facilities.

The Division continued to collaboratively work with our customers to support their business objectives. This long term approach to customer relationships has delivered high levels of customer loyalty across a number of business and commodity cycles.

W.A. Oil (Chevron), Barrow and Thevenard Islands, WA

Since 2001, we have been collaboratively working with Chevron at Barrow and Thevenard Islands off the north west coast of Western Australia.

Chevron operates oil production facilities at Barrow Island, located 135 kilometres west of Karratha. Thevenard Island, some 70 kilometres southwest of Barrow Island, provides a base for processing and storing hydrocarbons from several nearby oil fields. In 2008, total daily production for these operations was 9,000 barrels of crude oil (5,000 net).



Our General Services and Maintenance contract involves maintenance of all above sea facilities at Barrow and Thevenard Islands, including flowlines, the waterflood system, stations, pumps, tanks, vessels, central processing facility and offshore platforms.

The contract involves multi-disciplinary services including plant and equipment maintenance, heavy and light vehicle maintenance as well as capital projects such as a major flowline replacement.

The scope also includes project management, supervision, planning and execution of mechanical and electrical services. A core workforce of around 165 trades and semi-skilled personnel are employed on site.

The Division has also delivered excellent safety performance with over 1,200 days or approximately 700,000 man hours lost time injury (LTI) free.

All other key oil & gas contracts including ConocoPhillips' Darwin LNG Plant, BP's Kwinana Refinery and Oil Search's PNG Field Facilities were retained.

During the 2008/09 period, the Division undertook a number of large maintenance, shutdown and sustaining capital works services for key clients including BHP Billiton, Rio Tinto (Aluminium, Energy & Iron Ore), ConocoPhillips, Power and Water (NT), Incitec Pivot, Oil Search, Xstrata and BP.

Major plant shutdowns are a key feature of our business and continued success in this area has allowed the Division to further expand its capability in this important area. These have included a new two year alliance contract with Incitec Pivot for shutdown services across their Queensland operations. These awards further support our core business strategy to grow long term recurring revenue streams with blue chip customers.

Subsequent to the reporting period, in July 2009 the Division was selected as preferred tenderer for new maintenance services contracts worth a total of around \$100 million over three years.

Outlook

Following healthy business performance across 2008/09, retention of all key customers, contracts and sites and a number of new client wins, the Division enters the 2009/10 period with sound foundations.

Notwithstanding these sound foundations, the Division will not be immune to the more challenging and uncertain conditions pervading our customers and the broader industry. With this in mind, the Division is viewing 2009/10 as a year of consolidation.

The Division will continue to focus on service excellence, safety performance and ongoing operational efficiencies in order to best meet our customers' needs. Where appropriate, acquisition opportunities will continue to be pursued to support the Division's capability, growth profile and ultimately, its competitive position.

Over the longer term, the eventual recovery in global economic growth will again support organic growth opportunities as Australia's combined resources, energy and infrastructure capacity expands.