



Highlights

- Record sales **\$100.2 million** up **31.8%**
- **12 months** and **1 million hours** Lost Time Injury (LTI) free
- Consolidated our large scale, national multi-disciplinary project capability

Boddington Gold Mine Expansion, Boddington WA

Operations in Focus **MiE**

During the 2008/09 period, MiE ('the Division') consolidated its national electrical and instrumentation services capability following both the award of and substantial completion on a number of significant projects.

The Division recorded sales of \$100.2 million in 2008/09, up 31.8% on the prior corresponding period. This result was achieved on the back of a number of large scale, multi-disciplinary construction projects undertaken including those at Boddington (WA), Abbot Point (QLD) and Newman (WA).

By way of background, MiE has grown sales organically from around \$15 million per annum since its acquisition in May 2005. The transformation and evolution of MiE during the last four years has been critical to the Company's diversification strategy.

As customer demand has increased in recent times, the Company has undertaken an increasing number of higher value, vertically integrated packages of work including structural, mechanical, piping, and electrical and instrumentation components.

Key Activities

MiE's \$26 million electrical and instrumentation project award associated with the Boddington Gold Mine Expansion Project in March 2008 was the first major project in the Western Australian resources market. Our involvement with this landmark project is substantially complete and has exceeded expectations.

Construction and delivery of the Blacktip Development Project has also been a predominate focus of the Division to develop experience in the delivery of specialised oil & gas projects.

We have also consolidated our position in the WA market and expanded our multi-disciplinary capability. In October 2008, Monadelphous received a notice of award from Worsley Alumina for structural, mechanical, piping, electrical and instrumentation (SMPE&I) works as part of its Efficiency and Growth Expansion Project (E&G Project) in Western Australia.

The Worsley E&G Project award represents our second largest multi-disciplinary project undertaken to date. These works follow on from a long and successful history of works associated with Worsley Alumina, including a recent three year contract award for capital project services through the Maintenance and Industrial Services division.

Alongside the Engineering Construction division, MiE also undertook a number of other vertically integrated packages of work including BHP Billiton Iron Ore's Rapid Growth Project 4 (WA), Dalrymple Bay Coal Terminal R8 and S8 Conveyors Project and Rio Tinto's Clermont Mine Coal Handling and Preparation Plant Project (QLD).

The award of another substantial project for new client Ports Corporation of Queensland is another achievement for the period.

Ports Corporation of Queensland, Abbot Point Coal Terminal, Bowen QLD

In November 2008, MiE was awarded a significant package of works from Ports Corporation of Queensland for its Abbot Point Coal Terminal (APCT) X50 Expansion Project located 25 kilometres north of Bowen, Queensland.

The scope of works awarded covers High Voltage (HV) electrical infrastructure work at the coal terminal and electrical works within the stockyard conveyors.

This project represents the largest coal terminal contract package secured by MiE to date. APCT closely followed recent project awards in Western Australia and similar projects at the Dalrymple Bay, RG Tanna and Hay Point coal terminals in Queensland.

The Division also continued to grow its oil & gas capability following works undertaken for Origin at its Talinga and Talooka Gas Plant Projects in Queensland and the Eni Blacktip Development Project in the Northern Territory.

Another important milestone, during the period, was the continuation of MiE's strong safety performance recording 12 months and 1 million hours Lost Time Injury (LTI) free. This performance positions us well to capitalise on future tendering opportunities.

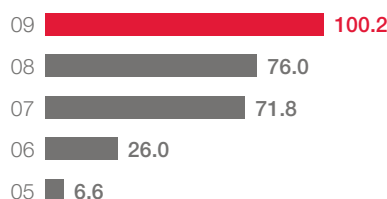
Outlook

Following strong organic growth experienced during the 2008/09 period, as well as a healthy forward workload, MiE has entered 2009/10 in good shape.

While broader industry conditions have eased and normalised, there are still a number of encouraging developments in the bulk commodities and infrastructure markets. We will continue to seek diversification into these markets, while protecting our existing Queensland coal market presence.

Finally, the decision to formally merge the Company's MiE and Engineering Construction divisions from 1 July 2009 reflects the logical progression and ongoing success of our multi-disciplinary offering in the marketplace. The restructure will enable more efficient and effective delivery of multi-disciplinary structural, mechanical and electrical installation services to our customers.

Sales Revenue (\$M)



Sales Contribution (%)

