



## **2007 annual** results

strong compound profit growth

*Engineering Success...*

## highlights

- Continued exceptional organic growth ...
  - Earnings Per Share ↑102% to **73.6c**, 05/06 ↑73%, 04/05 ↑90%
- ... driven by surge in construction activity ...
- ... and further margin improvement
- Strong balance sheet
- Market capital over \$1b and now in ASX 200
- Workforce up 28% to 4034 in tight labour market
- Strategic wins in oil & gas and water markets
- Rapid growth in electrical services
- Simplified dividend payout policy ...80-100% of NPAT



## financial highlights

		Jun-07	Jun-06	% Change
Sales Revenue	\$m	963.7	532.0	81%
EBITDA	\$m	94.0	49.0	92%
Net Profit After Tax	\$m	60.4	29.4	106%
Earnings Per Share	cps	73.6	36.5	102%
Total Dividends	cpsff	66.0	33.0	100%
Operating Cash Flow	\$m	96.3	66.8	44%

## strong balance sheet

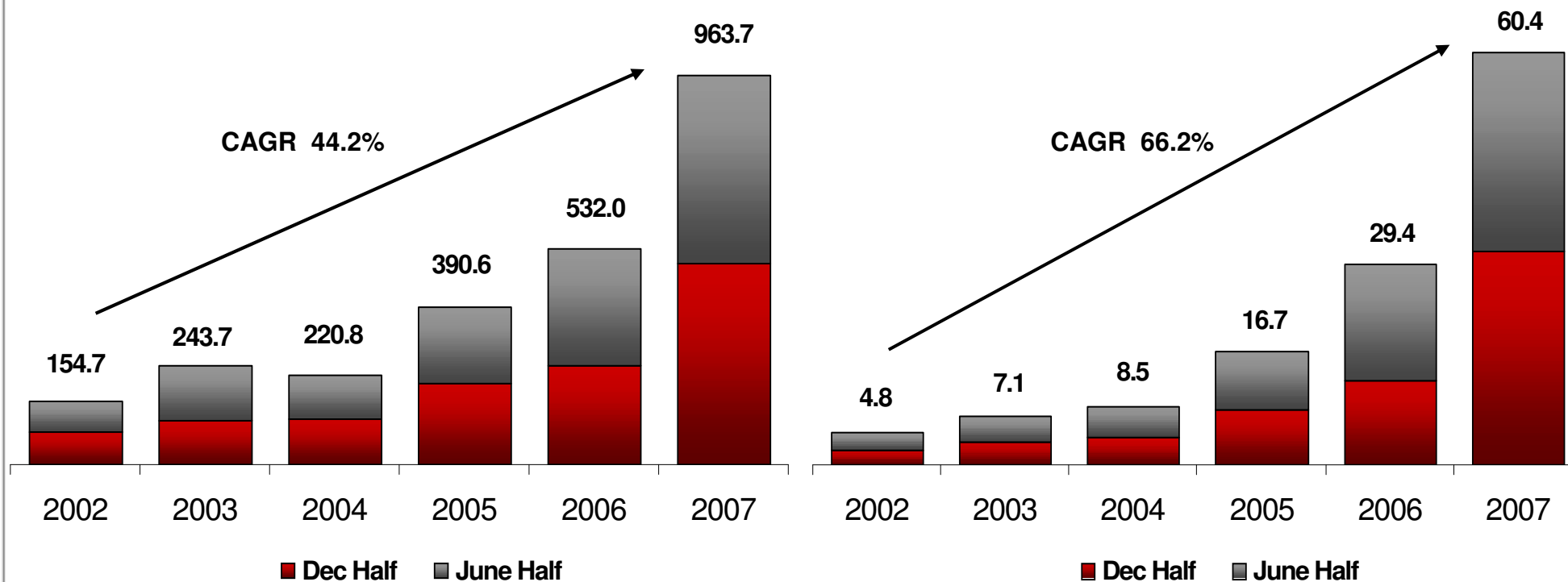
		Jun-07	Jun-06	% Change
Cash	\$m	101.4	61.7	64%
Debt	\$m	27.5	26.4	4%
Net Cash	\$m	73.9	35.3	109%
Bank guarantee facilities	\$m	145.0	72.5	100%
Capital expenditure	\$m	19.4	23.5	-18%

- Strong cash position
- 90% dividend payout (\$36.5m)
- High working capital movements and sharp increase in bank guarantee facilities

# revenue & profit growth

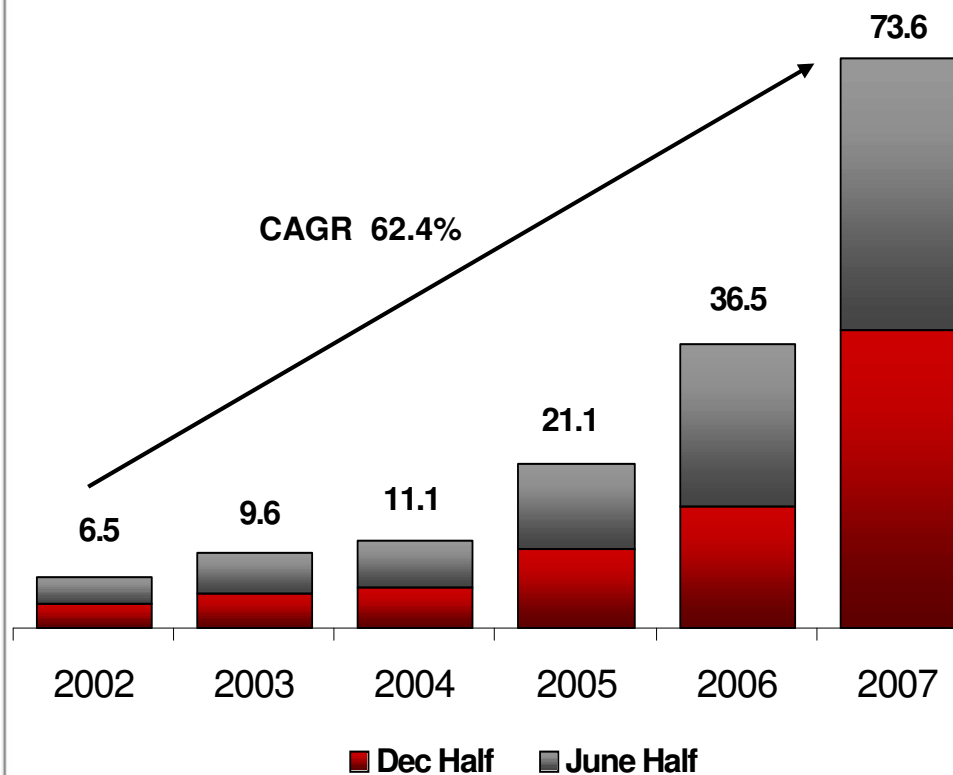
**sales revenue \$m**

**profit after tax \$m**

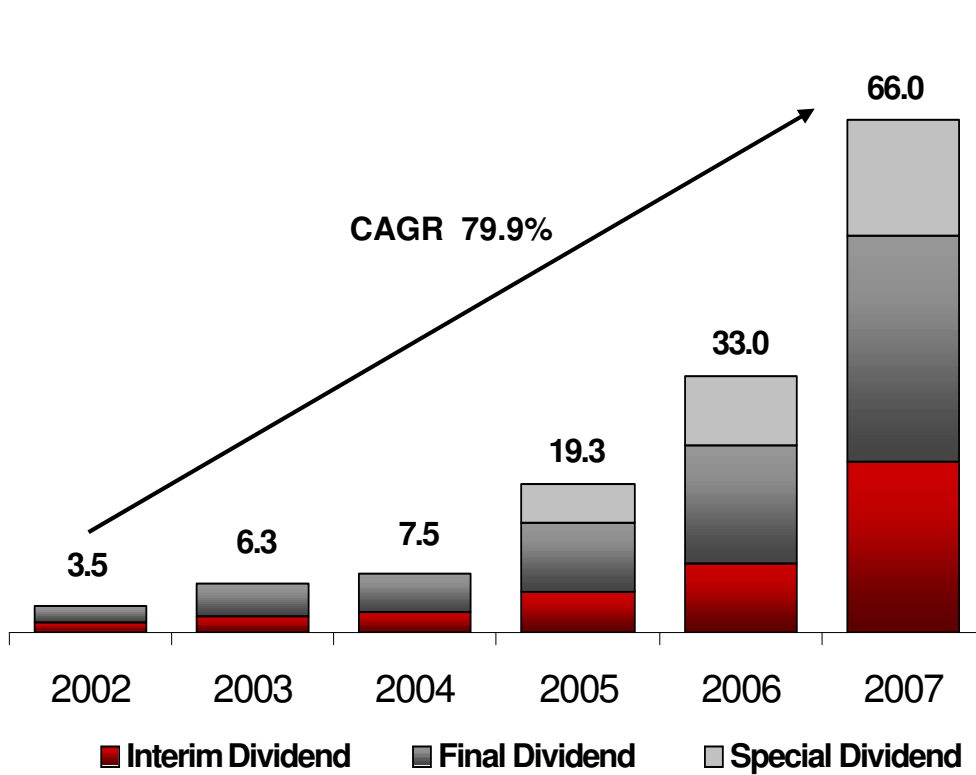


# earnings & dividend growth

## earnings per share



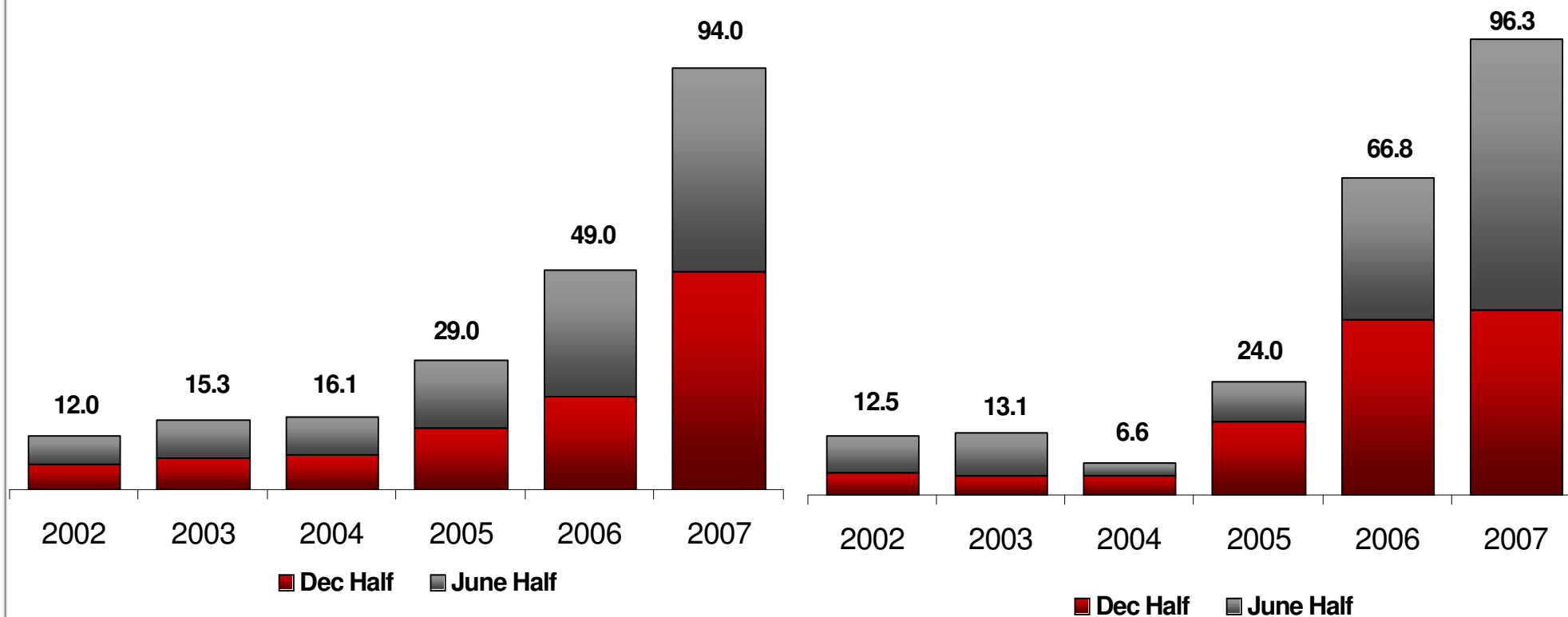
## dividend per share



# EBITDA and operating cash flow

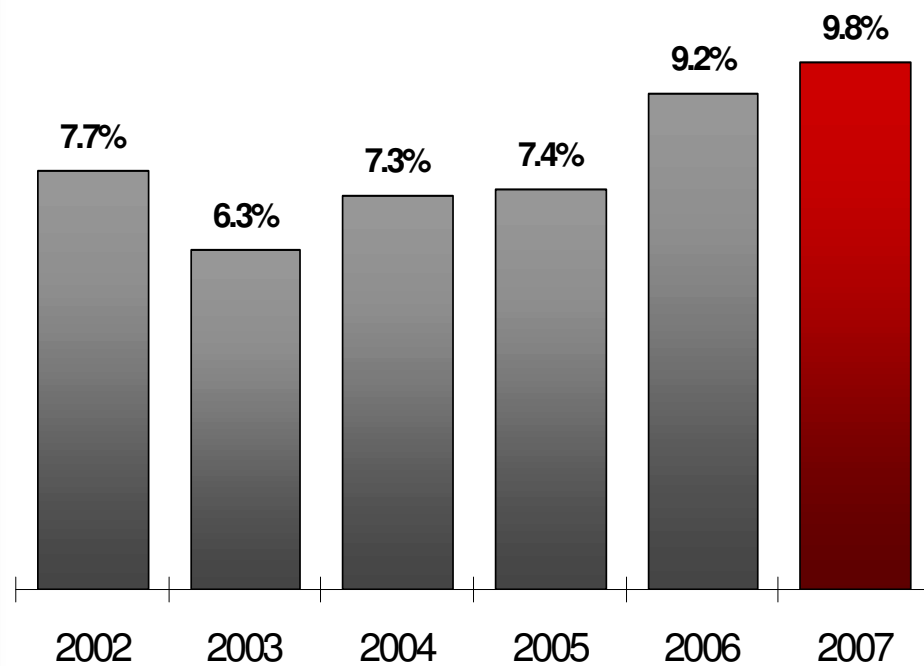
**EBITDA \$m**

**cashflow from operations \$m**

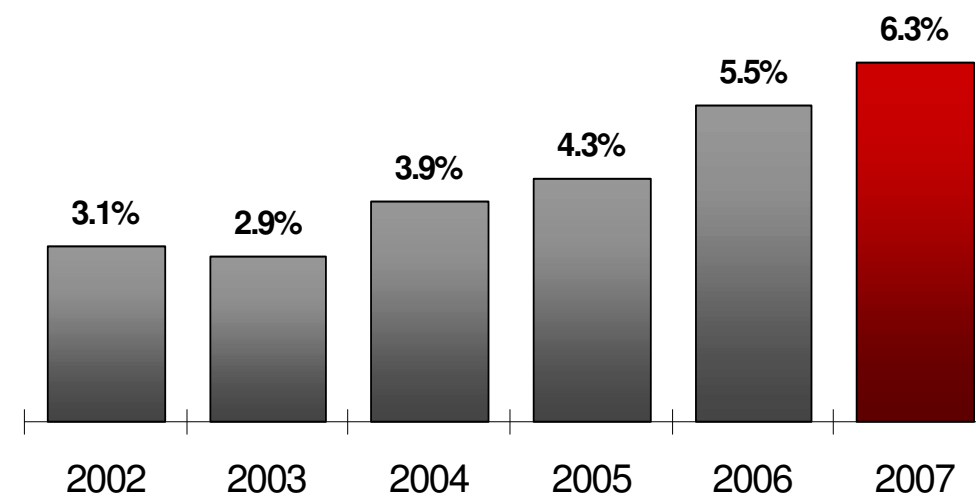


## EBITDA and PAT margins

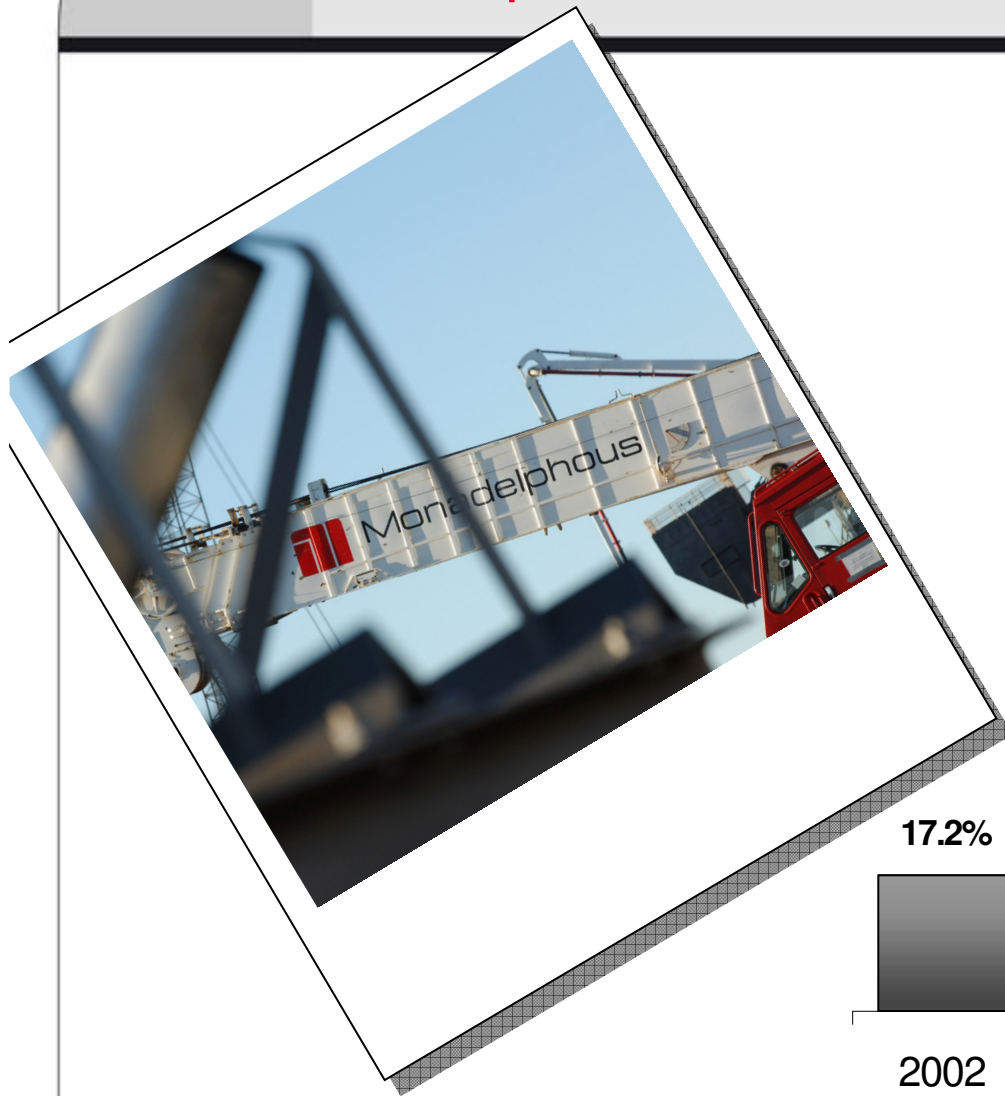
**EBITDA margin %**



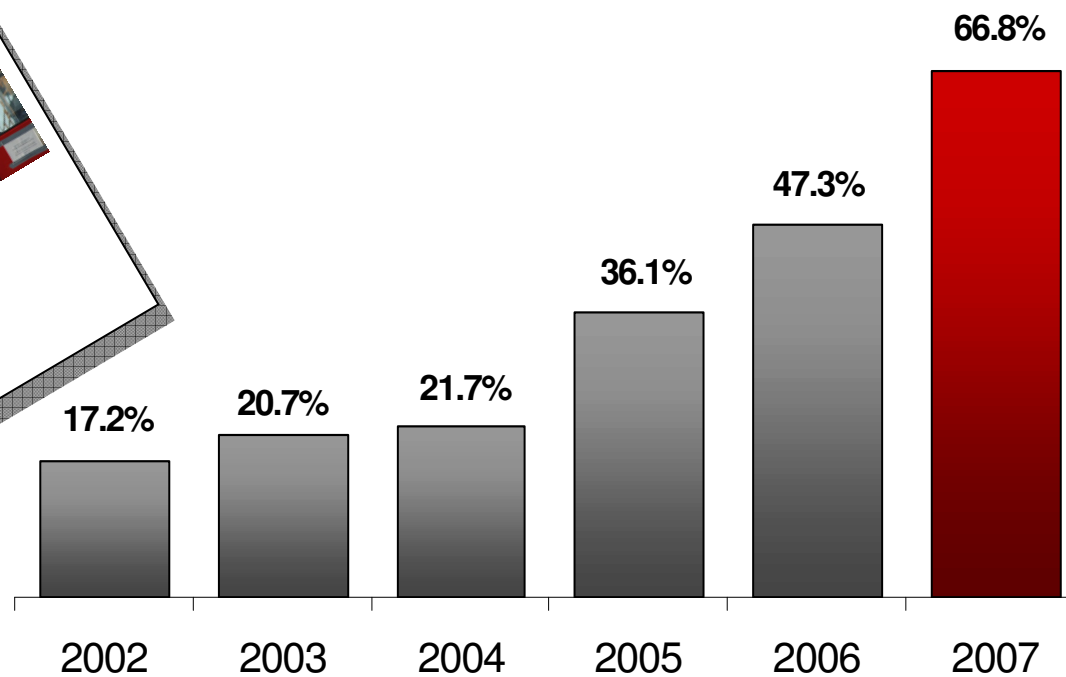
**profit after tax margin %**



# exceptional return on equity



return on equity %



# strong shareholder returns

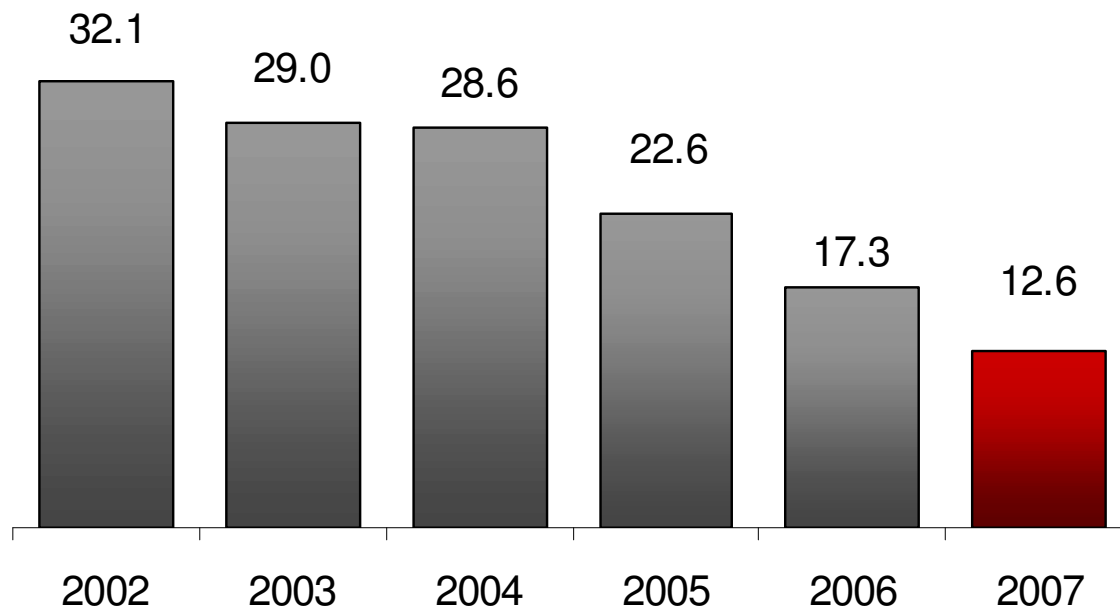
## 5 year share price history



Total shareholders returns- at June 2007:      1 year 153%      5 years 2376%

**strong** focus on safety

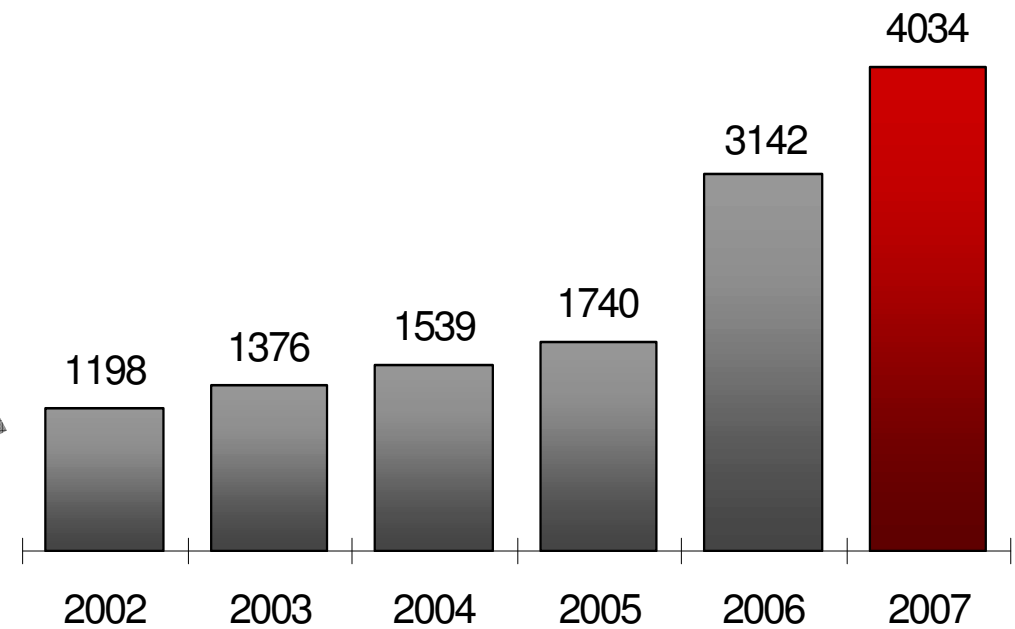
**total** case injury frequency rate (TCIFR)



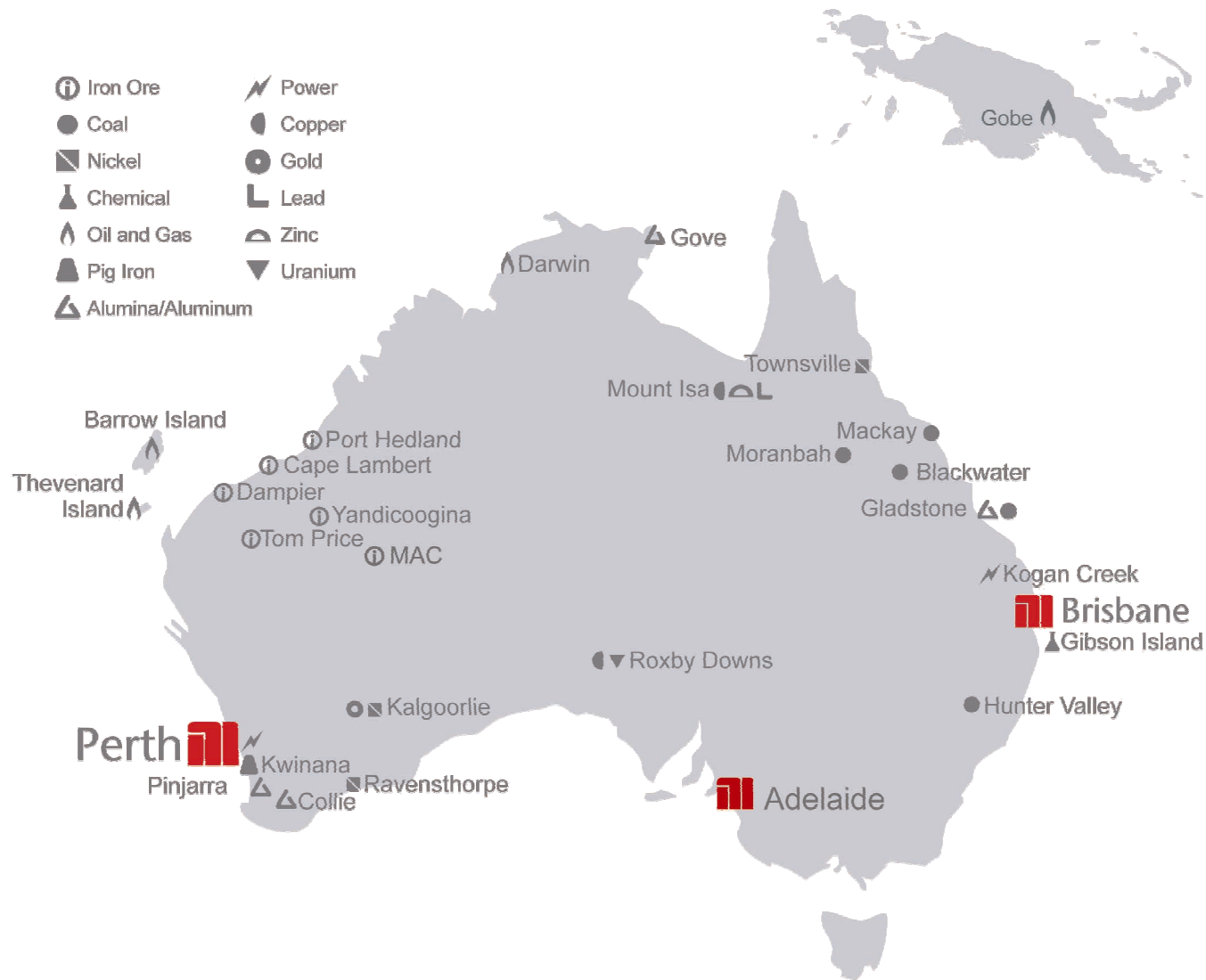
# increasing workforce



## employee numbers



# our work locations



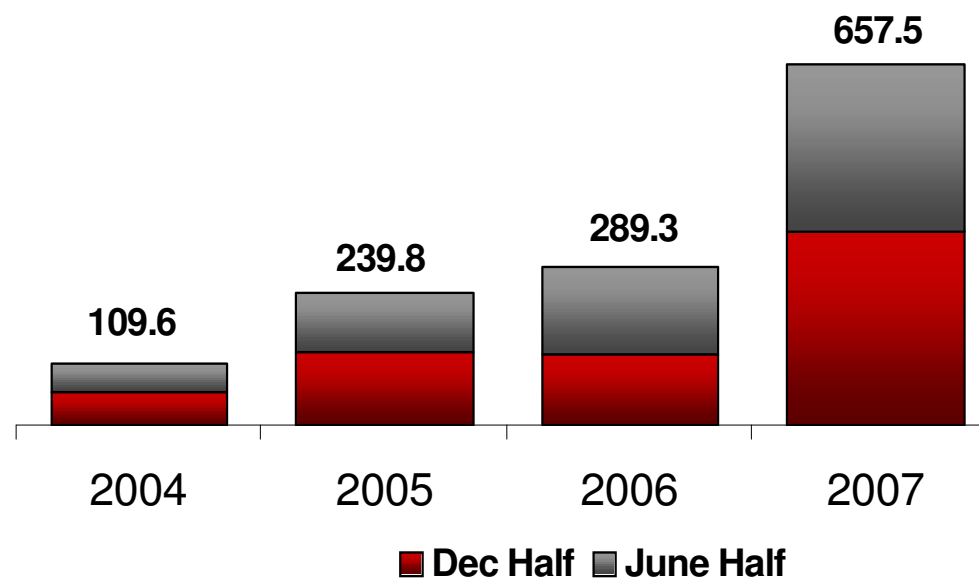
## revenue by division

		Jun-07	Jun-06	% Change
Engineering Construction	\$m	657.5	289.3	127%
Maintenance and Industrial Services	\$m	262.5	207.6	26%
Electrical and Instrumentation Services	\$m	71.8	26.0	176%
Skystar	\$m	19.2	14.8	30%
Eliminations	\$m	-47.2	-5.8	
<b>TOTAL</b>	<b>\$m</b>	<b>963.7</b>	<b>532.0</b>	<b>81%</b>

## engineering construction division



sales revenue \$m

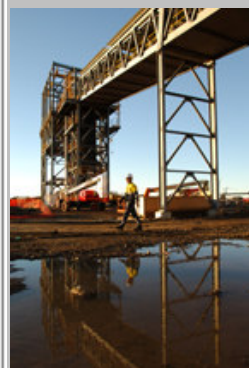


- Revenue ↑ 127% on last year – \$500m of work won in previous year
- Levelling off in second half activity did not eventuate – faster than expected progress on projects and scope growth

## EC division highlights

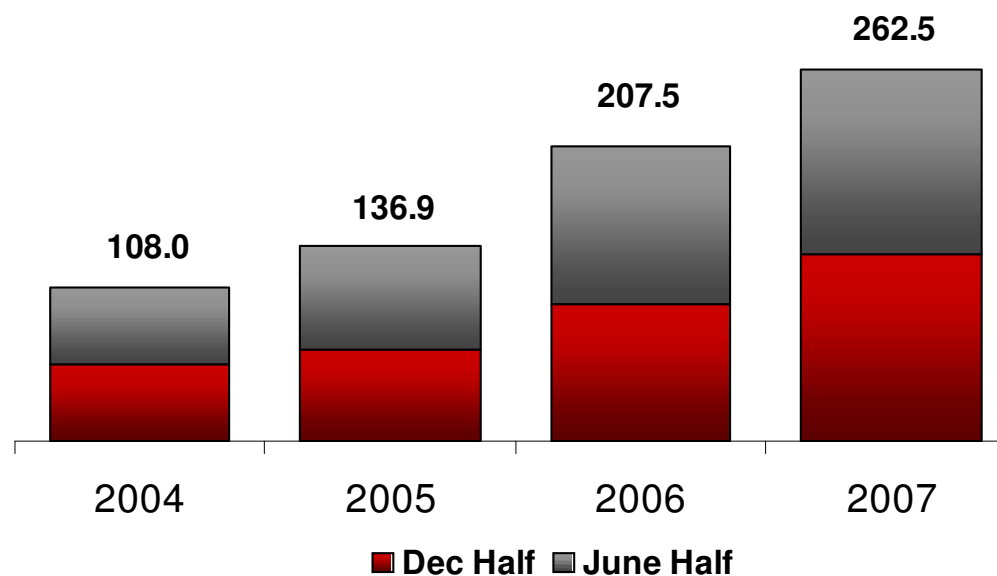
### Major contracts during 2006/07:

- BHP Billiton Iron Ore
  - RGP2 - Nelson Point & Finucane Island Port Expansion
  - RGP3 - Nelson Point & Finucane Island Port Expansion
  - RGP3 - Mining Area C Expansion
  - RGP3 - Car dumper
  
- Rio Tinto Iron Ore
  - DPU Phase B
  - Yandicoogina mine expansion
  - Yandi Junction South East mine expansion
  
- BHP Billiton
  - Yabulu Nickel Refinery extension project
  - Ravensthorpe Nickel Project - Sulphuric acid plant
  - Ravensthorpe Nickel Project - Nickel facility construction
  
- BMA Coal
  - Hay Point Coal Terminal - Stockpile capacity extension
  
- CPQA
  - Gladstone Port - Rail receipt station
  
- Water Corporation
  - Wyndham water treatment plant



## maintenance & industrial services division

sales revenue \$m



- Revenue ↑ 26% on last year
- Retention of all major contracts and increased service volumes
- Full period revenues from newly established contracts
- Significant further expansion into the oil and gas sector and expansion of geographical and customer base



## M&IS division highlights

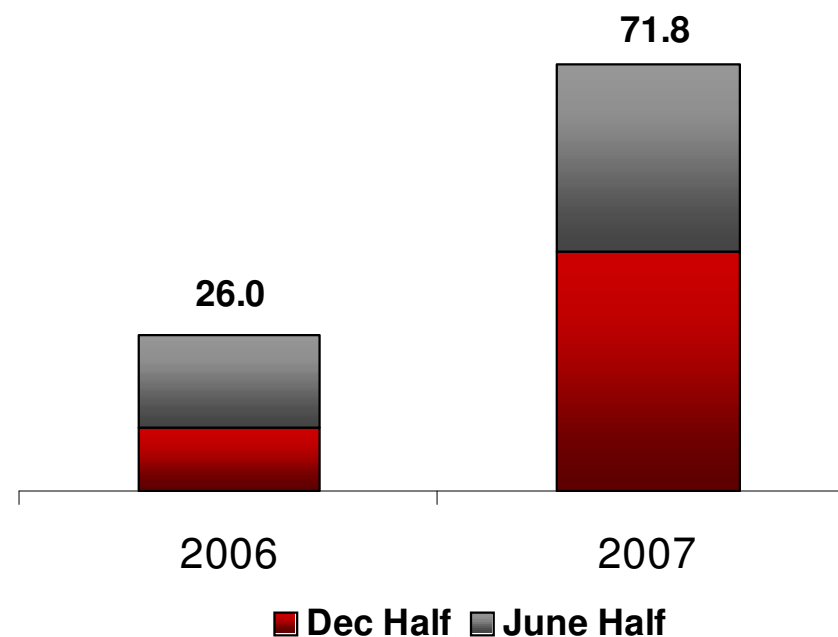


- Ellavale Engineering acquisition to expand coal services in NSW and Qld
- Oil and Gas Contracts
  - ConocoPhillips - Darwin LNG facility maintenance support services
  - Oil Search – PNG Facility Construction Services
  - Chevron - Barrow & Thevenard Island maintenance services extended to 2010
- Incitec Pivot – Major maintenance shutdown at Gibson Island
- Alcoa WA Mechanical Trades contract extended to 2010
- New Mackay operation - coal market - Bowen Basin
- Opening Townsville operation – North Qld expansion

## electrical & instrumentation division



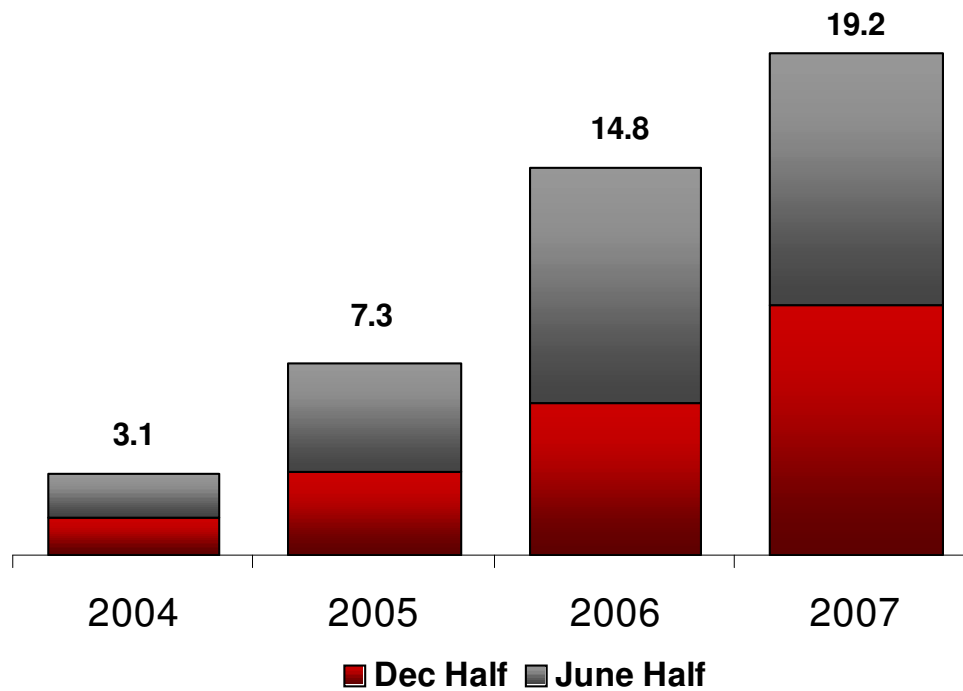
### MIE sales revenue \$m



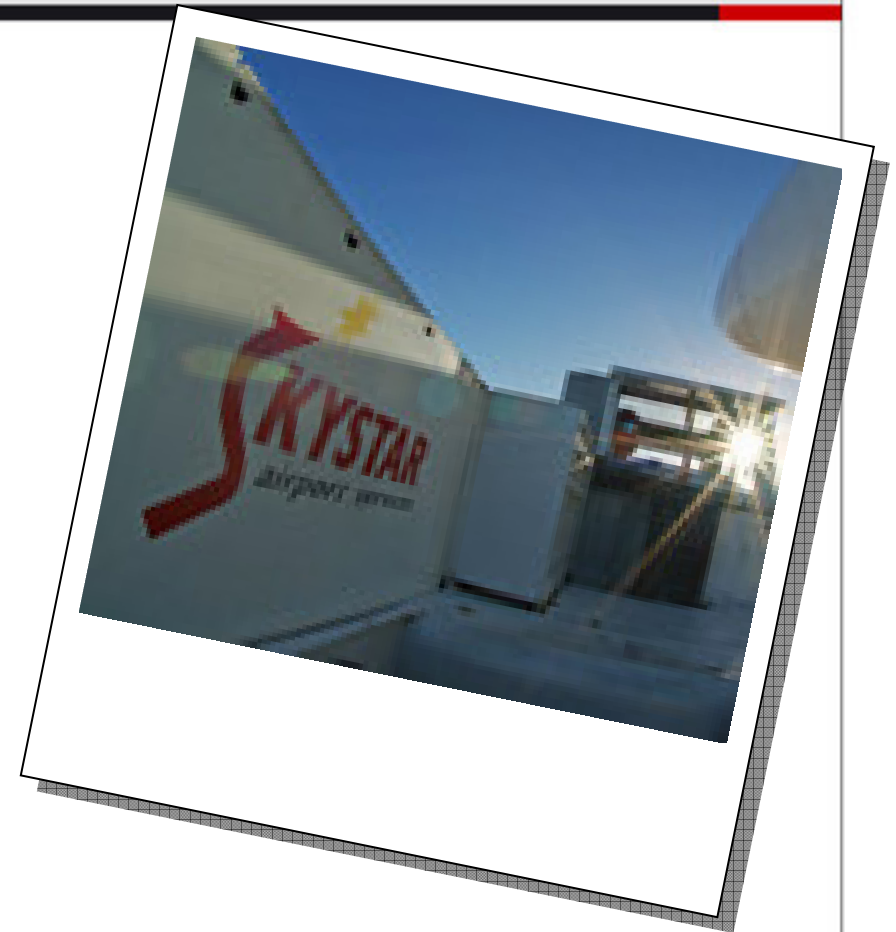
- Revenue ↑ 176% from last year
- Major works carried out through EC division, including Yabulu and CQPA
- Key strategic focus – geographic expansion into WA

## airport services division

Skystar sales revenue \$m



- Revenue ↑ 30% from last year
- Full period revenues from contracts secured last year



## our strategy

- Growth strategies:
  - Maximise returns from core markets (mineral resources)
    - Geographic (QLD, SA & NSW) and service expansion (electrical)
  - Diversify into new markets
    - Further development into oil & gas and infrastructure markets
- Support strategies:
  - Right people, right culture strategy
    - Build workforce capacity
    - attract and retain right people to protect the culture and enhance reputation
  - Right structure to deliver business growth
  - Processes and systems to match growth
  - Global sourcing strategy - constrained supply of third party services and equipment
- Acquisitions
  - Pursue opportunities that enable delivery of growth and support strategies



## outlook

- Maintaining level of construction workload in the short term will be challenging ...
- ... however construction pipeline remains strong
- Quality and timing of projects together with capacity are critical factors
- Maintenance services market to grow from new operations coming on stream
- Margins likely to be maintained with continued strong demand conditions
- Resources are stretched – focus on protecting our strong reputation
- 2007/08 viewed as a year of consolidation
- Build platform for next growth phase – focus on the long term