

Monadelphous Group Limited

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18 August 2009

Company Announcements
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000
Australia

Dear Sir/Madam

RE: Monadelphous delivers on double digit profit growth forecast

Please find attached a copy of the Media Release to be issued today by Monadelphous Group Limited as part of the company's full year 2009 results release.

Sincerely



Philip Trueman
Company Secretary



ASX MEDIA RELEASE
18 August 2009

**MONADELPHOUS DELIVERS ON
DOUBLE DIGIT PROFIT GROWTH FORECAST**

• Sales Revenue	\$1,122.5M	(+17.7%)
• EBITDA	\$116.1M	(+11.1%)
• Operating Cash flow	\$113.8M	(+23.1%)
• Profit after Tax	\$74.2M	(+12.1%)
• Earnings per Share	87.5c	(+10.6%)
• Final Dividend	44cps ff	(+2.3%)
• Net Cash Position	\$127.3M	(+25.4%)

Perth: Leading Australian engineering company Monadelphous Group Limited (**ASX: MND**) (“Monadelphous” or “the company”) today announced an after tax profit of \$74.2 million for the full year ended 30 June 2009. The 12.1 per cent increase met the company’s forecast at the 2008 Annual General Meeting for double digit growth in underlying profit after tax.

The record net profit was achieved after all of the company’s operating divisions achieved solid organic growth, with total sales revenue increasing 17.7 per cent to a record \$1.12 billion.

The company was awarded approximately \$700 million in new contracts and contract extensions during the 2008/09 reporting period across all key markets – resources, energy and infrastructure.

Earnings before interest, tax, depreciation and amortisation were \$116.1 million, up 11.1 per cent. Earnings per share rose 10.6 per cent to 87.5 cents.

The board has declared a final dividend of 44 cents per share fully franked. This takes the total full year dividend payout to 74 cents per share fully franked, a 2.8 per cent increase on the previous corresponding period.

Managing Director Rob Velletri said the current high level of demand for tenders for new work was providing increasing confidence for healthy business activity levels in 2009/10.

“Our competitive market advantage in terms of capacity, track record and client relationships means we are well placed to be able to take on the major projects ahead,” Mr Velletri said.

“While our traditional minerals markets have softened, opportunities were still reasonably strong, particularly in the iron ore sector.

“At the same time, Monadelphous has made considerable progress towards diversifying our business model away from traditional mining and minerals. To this end, we secured approximately \$250 million in oil and gas and infrastructure work across a range of customers in 2008/09. This will be important in carrying the company forward.

“The awarding of a \$170 million contract in May with Woodside for the Pluto LNG Project in WA was a strategic milestone. It underlines Monadelphous’ sound positioning for participating in the oil and gas projects coming on stream and establishes this sector as a core market for the company.

“Another milestone contract win was the award of a \$30 million contract to upgrade the Burpengary East Sewerage Treatment Plant in Queensland – the company’s fourth and largest water infrastructure project. This points towards the infrastructure market as a major growth market in the next phase of development for Monadelphous.”

Mr Velletri said group margins remained healthy but had been coming under pressure as a result of the global economic environment. The company had been meeting this challenge by consolidating the organisational structure to improve operating efficiencies; focussing on improving productivity; and successfully reducing operating and fixed costs.

Sound operating cash flow performance continued to be a key feature of Monadelphous’ business in 2008-09, increasing 23.1 per cent to \$113.8 million. The net cash position grew 25.4 per cent to \$127.3 million.

The past year saw a welcomed easing in labour market conditions. This has supported the development of a more experienced and skilled workforce, further enhancing business productivity.

The company’s workforce numbers increased in line with work levels, ending the reporting period with 4,211 employees – an increase of 9 per cent over the past year.

Outlook

Monadelphous has entered 2009/10 with a healthy forward workload as industry conditions begin to ease and normalise.

Over the last year, many of Monadelphous’ traditional resources customers had responded to the changing global economic environment by reducing capital expenditure and operating costs. Despite this, the majority of the company’s committed projects are proceeding as planned.

Although uncertainty remains, the company’s broadening market exposure in the oil and gas and infrastructure sectors continues to provide a relatively healthy pipeline of opportunities – testified to by the current high demand for tendering.

Dividend Entitlements

The final dividend of 44 cents per share fully franked will be paid to shareholders on 11 September 2009, with the record date for entitlements being 4 September 2009.

FURTHER INFORMATION:

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OPERATIONAL DIVISIONS REVIEW

Annual Sales Revenues

Engineering Construction	\$674.8M	(+17.2%)
Maintenance and Industrial	\$351.9M	(+11.1%)
Electrical and Instrumentation	\$100.2M	(+31.8%)
Skystar Airport Services	\$10.5M	(+42.7%) *

*underlying % change

During the period, the company embarked on a strategic and operational review aimed at dealing with the challenges of a more uncertain economic environment. This recognised the need to change the company's focus from expanding capacity to maximising efficiency.

To support this thrust and realise synergies between the Engineering Construction and MiE divisions, the company merged the two divisions, effective 1 July 2009. The restructure will enable more efficient and effective delivery of multi-disciplinary structural, mechanical and electrical installation services to Monadelphous' customers.

Engineering Construction

The Engineering Construction division experienced record levels of activity reflecting the strong forward workload entering the year, plus scope extensions on a number of construction contracts. During 2008/09, the Division was awarded more than \$500 million in new construction contracts across a broad base of resources, energy and infrastructure sectors.

The division recorded sales revenue of \$674.8 million, an increase of 17.2 per cent on the previous corresponding period.

Subsequent to the reporting period, in July 2009 the division was awarded two new construction contracts with a combined value of \$50 million in the iron ore and oil and gas markets with major customers Rio Tinto and Woodside. These project wins were associated with Rio Tinto Iron Ore's Mesa A and Woodside's Pluto Offshore HUC (Hook-Up and Commissioning) Projects.

Major projects substantially completed during the period included:

- Structural, mechanical and piping works at the Newman Hub associated with BHP Billiton Iron Ore's Rapid Growth Project 4 (RGP4) in Western Australia (WA).
- Structural, mechanical and piping works associated with Newmont's Boddington Gold Mine Expansion in WA.
- Construction of the onshore gas treatment plant associated with Eni's Blacktip Development Project in the Northern Territory.
- Structural, mechanical and piping works associated with Rio Tinto Iron Ore's Cape Lambert Upgrade 80Mtpa Project in WA.
- Structural, mechanical and piping works associated with OZ Minerals' Prominent Hill Copper/Gold project in South Australia (SA).
- Construction of the Lake Cathie/Bonnie Hills Sewerage Treatment Plant for the Port Macquarie-Hastings Council in New South Wales (NSW).
- Structural, mechanical and electrical works associated with the Dalrymple Bay Coal Terminal expansion in Queensland (Qld).

Major projects in progress at the end of the reporting period included:

- Structural, mechanical and piping works associated with Woodside's Pluto Liquefied Natural Gas (LNG) Project in WA.
- Structural, mechanical, piping, electrical and instrumentation works as part of Worsley Alumina's Efficiency and Growth Expansion Project in WA.

- Structural, mechanical and electrical works associated with Ports Corporation of Queensland's Abbot Point Coal Terminal X50 Expansion Project.
- Construction of the Burpengary East Sewerage Treatment Plant Upgrade for the Moreton Bay Regional Council, Qld.
- Installation of an Automated Alumina Delivery System and ancillary infrastructure associated with Rio Tinto's Boyne Smelter Development Project, Qld.
- Structural and mechanical pre-works at Nelson Point associated with BHP Billiton Iron Ore's Rapid Growth Project 6 (RGP6) in WA.
- Construction of a Coal Handling Preparation Plant as part of Rio Tinto's Clermont Mine Project in Qld.

Maintenance and Industrial Services

The Maintenance and Industrial Services 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 per cent to \$351.9 million driven by new project wins, increased service volumes on existing contracts and continued high customer retention levels.

The division successfully expanded into a number of new services (electrical and instrumentation), geographic areas (Pilbara in WA and Bowen Basin in Qld) and commodity markets (coal and power).

A total of approximately \$200 million in new contracts and re-competes were awarded over the past year. These included:

- A new three-year contract for the provision of major shutdown services across all of BHP Billiton Nickel West sites including Kalgoorlie, Kwinana, Leinster and Mt Keith in WA.
- An alliance contract with Incitec Pivot for shutdown services until December 2010, across their Queensland operations.
- A new maintenance contract for the provision of two dragline shutdowns for BHP Billiton Mitsubishi Alliance (BMA) at its Blackwater Coal Mine in the Bowen Basin, Qld.
- Contract extensions at ConocoPhillips' Darwin LNG Plant (three years); Rio Tinto Iron Ore's Structural Integrity Projects (two years); BHP Billiton's Olympic Dam Operations in SA (two years); Anglo Coal Dawson Mine in Qld; and Rio Tinto Alcan's Yarwun Alumina Refinery, Qld.

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.

Electrical and Instrumentation Services (MiE)

The MiE division consolidated its national electrical and instrumentation services capability following the awarding of a number of significant projects and the substantial completion of other contracts. The division recorded sales of \$100.2 million, up 31.8 per cent on the previous corresponding period.

Key highlights of the period included:

- Substantial completion of a major electrical and instrumentation installation contract associated with Newmont's Boddington Gold Mine Expansion in WA.
- The award of major electrical and instrumentation works associated with the Worsley Alumina Efficiency and Growth Expansion Project in WA.
- A contract award for the high-voltage and associated electrical works for the Abbot Point Coal Terminal X50 Expansion Project in Qld.
- The award of electrical and installation works associated with Vale's Carborough Downs Mine Expansion Project in Qld.

Skystar

Skystar Airport Services (Skystar) has continued to deliver healthy underlying business growth across 2008/09. Underlying sales were up 42.7 per cent to \$10.5 million, driven by strong volume growth and new customer contracts.

Skystar continued its core focus on service delivery to its key customer, the Qantas Group, while extending its customer relationships to other regional Australian carriers.

– ENDS –

ABOUT MONADELPHOUS

Monadelphous Group Limited is a leading Australian engineering group providing services to the resources, energy and infrastructure industry sectors. The Company has a solid track record in the safe and effective delivery of complex and large-scale engineering construction projects and maintenance and industrial services for industry throughout Australia. Monadelphous' capabilities encompass civil, mechanical, structural and electrical disciplines. Although the mining sector has been the major focus of Monadelphous' work, the Company is becoming increasingly diversified with growing involvement in the energy and infrastructure sectors. For more information or to join our free email alerts service visit:

www.monadelphous.com.au