



## ASX/Media Release

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### **PLANNED SUSTAINABLE GROWTH DELIVERS RESULTS**

#### **Business Highlights**

- Record half year revenue of \$103.8 million, driven by ongoing strength of project performance, efficient utilisation of global engineering resources and expanded international presence.
- Record net profit after tax of \$18.0 million with improved EBIT margin contributions across all business units.
- Interim dividend of 13 cents per share, 80% franked, payable 19 September 2007.
- 860 personnel at 30 June 2007, 11.6% growth since 31 December 2006.

<b>Six months ended 30 June 2007</b>	<b>2007HY A\$'M</b>	<b>2006HY A\$'M</b>	<b>Increase</b>
Operating revenue	103.8	59.7	74%
Earnings before interest and tax	21.5	5.8	269%
<i>EBIT margin</i>	<i>20.7%</i>	<i>9.7%</i>	<i>112%</i>
Net profit before tax	22.0	5.9	274%
Attributable profit after tax	18.0	4.4	309%
<i>Net margin</i>	<i>17.4%</i>	<i>7.4%</i>	<i>135%</i>
Basic earnings per share (cents)	22.0	6.1	261%
Operating cash flow	21.2	(4.4)	589%
Dividends per share (cents)	13.0	2.5	420%

Diversified minerals process engineering and project management services provider Ausenco Limited (ASX: AAX) today announced an \$18.0 million attributable profit after tax for the half year ended 30 June 2007, a 309% rise over the previous corresponding period.

This outstanding result was achieved on operating revenue of \$103.8 million, an increase of 74% over the previous corresponding period. Net profit before tax for the half year was \$22.0 million, an increase of 274% over the \$5.9 million achieved in the half year ended 30 June 2006.

Basic earnings per share were 22.0 cents, an increase of 261% over the 6.1 cents per share in the previous corresponding period.

Ausenco's earnings before interest and tax (EBIT) margin increased to 20.7% compared to 9.7% for the previous corresponding period. The after tax profit margin of 17.4% was a strong improvement on the result of 7.4% reported for the 2006 year. The effective tax rate was lower than the previous corresponding period at 18%.

The increase in earnings reflects a focus upon a number of areas – consolidating and implementing our plans for the sustainable growth of the business, underpinning the organisation for longer term growth whilst maintaining strong margin contributions from all businesses, the growth of personnel numbers to meet client requirements and project delivery in line with anticipated costs and schedules.

The attraction and retention of key personnel to meet future project requirements remains a key focus for the business. The major project development capabilities of the business, combined with its increased global presence and the operational efficiencies which it brings to its project pipeline, are expected to result in sustained growth in revenue and earnings for 2007 and beyond.

Managing Director, Mr Zimi Meka said “Achieving sustainable growth through increasing the number, size and scope of projects we are delivering to our clients, together with growth in our personnel numbers are positioning Ausenco well for the future. Our strong project performance, expanding international presence and commitment to high quality continues to deliver significant project opportunities across the commodities spectrum and for a growing international client base.”

“Ausenco’s order book now has an installed capital value of US\$2.8 billion. With seven corporate offices worldwide and a team of talented and experienced people committed to our values and business objectives, I feel very confident that we are well positioned for a strong future” Mr Meka said.

“Our client base, which includes some of the world’s largest mining companies, continues to bring us repeat business – I believe this is a testament to our service standards and focus on our core values. It has always been our aim to forge long-term partnerships with key clients as a fundamental part of achieving long term sustainable growth for Ausenco”.

### ***Safety Performance***

Ausenco’s current 890 strong work-force is located at its corporate offices and project sites in Asia, Africa, the Americas and Oceania.

Ausenco’s safety performance for the 12 months to 30 June 2007 included a total Lost Time Injury Frequency Rate (LTIFR) of 1.1 based on 9 million hours worked. Ausenco’s safety performance continues to maintain high industry standards and international best practice.

“‘Safety in All We Do’ is one of our most important core values. So we have naturally been focusing on raising our safety profile across all of our projects and offices, “Mr Meka said. “We are ensuring compliance with Ausenco’s safety standards in a number of ways – improving our investigation processes, improving the quality of safety interactions with all staff, endeavouring to identify and manage critical and high level risks earlier and, most importantly, strengthening our safety leadership and accountability for safety results at the leadership level.”

### ***Finance***

Net operating cash flow, after interest and tax, increased by 589% to \$21.2 million. Ausenco continues to provide a strong financial platform for sustained growth through its relatively ungeared balance sheet and strong working capital position.

Cash at 30 June 2007 was \$37.6 million. Ausenco still maintains a relatively debt free position and has significant undrawn capacity as part of its secured funding and bonding facilities which were recently expanded to \$125.0 million. Ausenco is financially well positioned to secure projects currently in negotiation as well as in our expanding project pipeline.

## ***Dividends***

The Directors have previously outlined their plans to make regular, half yearly dividend payments of an estimated 60% of Ausenco's attributable net profit after tax (NPAT). Dividends are subject to available cash, working capital requirements, the level of borrowings and the funding requirements Ausenco's growth plans. Dividends will be franked to the maximum extent possible.

The Directors have also reviewed the future franking capacity of the company. In line with its dividend policy and that review, the Directors have declared an interim dividend of 13 cents per share, franked to 80%. The dividend represents approximately 60% of the group's half year net profit after tax and will be payable on 19 September 2007 to shareholders on the register as at midnight (Eastern Standard Time) on 5 September 2007.

## ***Operational Updates – Global Review***

Ausenco continues to demonstrate its expertise in executing a range of projects with a wide variety of scales, service scopes, remote geographic localities and commodity diversification (including base metals, precious metals, mineral sands and industrial minerals).

Importantly, during the half year, Ausenco completed the first western executed minerals project in China for Sino Gold. The experience gained in the successful delivery of Jinfeng Gold BIOX® Project, together with the services and efficiencies available from Ausenco's new Bangkok, Beijing and Manila offices, have placed Ausenco in an unrivalled position to deliver low cost engineering and procurement expertise to our clients.

The recent signing of the Didipio Gold Copper Project contract with Oceana Gold Limited in the Philippines, is an important recognition of the ability of Ausenco to service the growing Philippines mining sector with detailed engineering and project execution expertise.

Together with the recent award of the Sabodala Gold project in Senegal, the Ridgeway Deeps Gold-Copper project in Australia and the Kinsevere Stage II Copper project in the Congo Ausenco's order book has expanded to cover 13 projects representing an installed capital value under management of over US\$2.8 billion through to 2009.

Satisfactory progress continues on delivery in 2008 of the Lumwana Copper Project in Zambia for Equinox Minerals Limited. Undertaken on an engineering procurement construction (EPC) basis, in joint venture with Bateman Engineering NV, Lumwana when complete will be the largest copper project on the African continent. The successful commissioning of the Bulyanhulu expansion for Barrick Gold, additional work in west Africa and the recent award of the Kinsevere project together with a significant share of world exploration expenditure solidifies Ausenco's view that Africa continues to be highly prospective region for future work.

## ***Ascentis***

Ausenco's operating and maintenance services division continues to consolidate its position, delivering strong growth with an increased earnings contribution of \$0.5 million. As part of Ausenco's broader alliancing strategy, Ascentis is positioning itself for growth by increasing the scope of its services, expanding its management team, leveraging on previous experience and pursuing opportunities to offer its services to Ausenco's client base.

In addition to the recent award of the Matrix Metals project, and expansion of its registered training programs, Ascentis has recently provided services on the Olympic Dam Expansion project for BHP Billiton.

## **Outlook**

“Whilst focusing upon consolidating the business, Ausenco continues to diversify its activities organically with the recent expansion of the group coal processing expertise. Market conditions are expected to remain favourable through 2007 and beyond with significant investment in minerals exploration and project development continuing in our target regions. Based on these premises, the outlook is extremely positive for shareholders,” Mr Meka said.

Zimi Meka  
Managing Director

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## **About Ausenco Limited**

Diversified minerals processing engineering and project management services provider Ausenco Limited (ASX: AAX) was established in 1991 and has completed projects in 33 countries. Ausenco is currently working on projects with an installed capital value in excess of US\$2.8 billion.

Ausenco is internationally recognised for its expertise in the provision of engineering and project management services to the global mining and mineral processing industries. Its clients include the world’s foremost mining organisations including BHP Billiton, Rio Tinto, Oxiana, Barrick Gold, Newmont Mining, Harmony Gold, Equinox Minerals, Sino Gold, and Kingsgate Consolidated.