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ASX/MEDIA RELEASE

RECORD HALF YEAR PROFIT \$28 MILLION, UP 55%

Business Highlights

- Strong half year financial performance: Revenue, \$274.8 million; EBIT, \$32.5 million; and Net Profit After Tax, \$28.0 million
- Basic EPS growth of 45% to 31.9 cents, with dividend payable of 18.25 cents, 60% franked
- The successful acquisition of the PSI, Sandwell and Vector businesses has expanded the range of services available to clients to include resource industry infrastructure and consulting services
- New project contracts continue to be awarded this growing secured work in hand
- 2,700 personnel, 165% growth since 31 December 2007
- Outlook remains strong as resources industry capital expenditure continues at record levels

Six months ended 30 June	2008 HY A\$'M	2007 HY A\$'M	%	
Operating revenue	274.8	189.3	45%	↑
Earnings before interest, income tax, depreciation and amortisation expense (EBITDA)	35.8	22.7	57%	↑
Earnings before interest and tax (EBIT)	32.5	21.5	52%	↑
EBIT margin	11.8%	11.3%	4%	↑
Net profit before tax	33.4	22.0	52%	↑
Attributable profit after tax	28.0	18.0	55%	↑
Net margin	10.2%	9.5%	7%	↑
Basic earnings per share (cents)	31.9	22.0	45%	↑
Operating cash flow	(25.9)	21.2	222%	↓
Dividends per share (cents)	18.25	13.00	40%	↑

Global diversified engineering services group Ausenco Limited (ASX: AAX) today announced a \$28.0 million attributable profit after tax for the half year ended 30 June 2008, a 55% rise over the previous corresponding period. The result was achieved on operating revenue of \$274.8 million, an increase of 45% over the previous corresponding period.

Net profit before tax for the half year was \$33.4 million, an increase of 52% over the \$22.0 million achieved in the half year ended 30 June 2007.

EBITDA for the period was \$35.8 million, an increase of 57% on the prior corresponding period. Basic earnings per share were 31.9 cents, an increase of 45% over the 22.0 cents per share in the previous corresponding period.

Ausenco's earnings before interest and tax (EBIT) margin increased to 11.8% compared to 11.3% for the previous corresponding period. The after tax profit margin of 10.2% was an improvement on the result of 9.5% reported for the 2007 year.

The Directors have declared an interim dividend of 18.25 cents per share, franked to 60%, with an associated foreign conduit of 40%. The interim dividend represents 60% of the group's half year net profit after tax and will be payable on 24 September 2008 to shareholders on the register as at midnight (Eastern Standard Time) on 3 September 2008.

The effective tax rate, at 16%, was lower than for the previous corresponding period.

The operating cash outflow was \$25.9 million compared to an inflow of \$21.2 million in the previous corresponding period. This was impacted by a number of factors including funding business growth and the \$28.2 million reversal in advance billings on completing projects.

Safety Performance

The Group's objective to employ the best people around the world has been strongly supported by Ausenco's commitment to maintaining world-class safety performance. The group safety performance for the six months to 30 June 2008 included a total Lost Time Injury Frequency Rate (LTIFR) of 0.68 based upon 10.2 million man-hours worked. The teams at the Lumwana project and the Phu Kham project achieved more than four million and three million man-hours LTI free respectively.

Ausenco Chief Executive Officer, Zimi Meka said, "as we work towards zero harm, our commitment to safety in all we do is delivering a safer workplace for all. The group's focus on safety involves personnel at all our locations collaborating and sharing information to strengthen our safety culture and improve our safety performance."

"The safety results achieved at Lumwana, in Zambia, and Phu Kham, in Laos, are extremely pleasing and are a clear demonstration that outstanding outcomes can be achieved in remote and often difficult to access locations when safety is a clear focus for all personnel. We have established a firm foundation for the continued improvement of Ausenco's safety performance."

Capital Management

The group's gross cash position at 30 June 2008 was \$38.1 million. Following the group's first long term bank borrowing, to partially fund the three acquisitions completed in the half year, net debt has increased to \$14.5 million and the net gearing ratio has increased to 8.4% of shareholder's equity. The EBITDA to total interest expense ratio was 32 times (2007: 227 times).

Net operating cash outflow for the period was \$25.9 million, compared to net operating cash inflow of \$21.2 million in the previous corresponding period. The decrease in net operating cash flow is largely attributable to the reversal of \$28.2 million in advance billings, as key projects progressed towards completion, and expenses related to business growth such as the opening of new offices and gearing up for and commencing new projects.

The funding requirement for the acquisition of the PSI, Sandwell and Vector businesses amounted to \$161 million. Of this amount \$96 million was funded by new equity issued during the period, including \$35 million in vendor placements. The balance was funded with \$45 million of long term US dollar denominated debt and \$20 million from available cash reserves. The new debt amortises over the period to 2013, with \$4.5 million (10%) maturing within one year and the balance within 5 years. The interest rate has been fixed at an average cost of 5.6% pa.

At 30 June 2008, \$107 million of the group's overall \$177 million banking facility was available for working capital, project security and new business acquisition requirements. The group was in compliance with all financial covenants of the debt facility at 30 June 2008.

Corporate Governance

The Board is pleased to announce the appointment of Mr Greg Moynihan as a non-executive director of Ausenco Limited. Mr Moynihan has spent more than 25 years in the finance and banking industry with Citibank and Suncorp-Metway Ltd, including as Chief Executive Officer of Metway Bank and as Head of Banking for Suncorp-Metway Limited. He is currently a director of a boutique fund manager, and he also serves as a non-executive director of a number of public

and private companies. Mr Moynihan has also accepted the position as Chairman of the Ausenco Limited Audit Committee replacing Mr Hank Tuten.

The Board is also pleased to confirm the appointment of Ms Belinda Smith as Assistant Company Secretary to Ausenco Limited. Ms Smith joins Ausenco from a senior management role with Macarthur Coal Limited.

Group Enhancement Program

Ausenco successfully acquired and integrated three new businesses during the half year, positioning it as a 'mine to port' diversified engineering services provider to the global resources sector and strengthening its ability to deliver sustainable earnings growth. The new businesses are: PSI, a long distance slurry pipeline engineering group; Sandwell, a specialist ports and marine engineering group; and Vector, an environmental and geotechnical consulting group. Following these acquisitions the group has been restructured along three service lines: Minerals (Ausenco Minerals and Ascentis), Process Infrastructure (PSI and Sandwell) and Consulting (Vector).

Management of these business units has been consolidated under the group's new Chief Operating Officer, Mr Nick Bell. Mr Bell joins Ausenco following a career in engineering, operational management and servicing of multi-disciplinary process and mining related industries, most recently with the Aveng Group in South Africa.

Each of the acquired businesses is performing well. The group's enhancement program, which is designed to optimise the cross-selling benefits across all geographic markets, workplaces and clients, is delivering to expectations. A very positive outcome has been the recent award to Sandwell of the EPCM contract for the US\$2.2 billion Corumbá iron project in Brazil for Rio Tinto. In addition to its port and marine engineering capabilities, Sandwell also has considerable experience in the development of material transport solutions for iron ore projects and has worked with Rio Tinto on Corumbá since 1998. The Corumbá project alone is expected to deliver group revenues of US\$140 million (equivalent to approximately 80% of Sandwell's 2007 revenue) over the next two years.

Minerals Operational Review

Six months ended 30 June	2008 HY A\$'M	The Minerals Business Unit is focused on the delivery of studies, EPCM projects and operations and maintenance services to the global minerals sector through the Ausenco Minerals and Ascentis businesses.
Operating revenue	213.4	
EBIT	25.3	
EBIT margin	11.8%	

During the half year Ausenco Minerals successfully completed the Phu Kham copper-gold project in Laos and commenced work as preferred contractor on the US\$309 million Martabe gold-silver project in Indonesia for Oxiana, now Oz Minerals. New offices were opened in Adelaide and Johannesburg to establish a local presence in those cities and identify and capture regional business and new project opportunities.

The Lumwana Copper Project progressed satisfactorily during the period, with commissioning on major plant areas nearing completion in June. However, on 7 July 2008 fire damaged the main 20MVA transformer and adjacent substation and delayed Ausenco in achieving the scheduled practical completion of the project. The replacement transformer and switchboard have been ordered, with the project expected to be ready for hand over to the client in late October 2008. As a result of the delayed hand-over Ausenco has provided \$8 million (after-tax) in additional project costs in the 30 June 2008 half year accounts. Investigations into the cause of the fire are continuing.

Ausenco Minerals' strategy to diversify into the coal sector resulted in the award of an EPCM contract for the delivery of a new coal wash plant and coal handling facility at the Carborough Downs Mine (80% owned by Vale) in Central Queensland. In addition, Ausenco Minerals entered

into a joint venture with Taggart Global USA to pursue coal preparation plant engineering opportunities.

Ascentis commenced operating the Isaac Plains Coal Handling and Preparation Plant (CHPP) in January 2008 for the Vale/Aquila Joint Venture on a four year contract with a two year option to extend. Since commencement Ascentis has consistently achieved results ahead of production forecasts at the processing facility.

Process Infrastructure Operational Review

Six months ended 30 June ¹	2008 HY A\$'M	The Process Infrastructure Business Unit is focused on the delivery of engineering studies and EPCM services to the global port, marine and transport infrastructure sector through the PSI and Sandwell businesses.
Operating revenue	52.3	
EBIT	5.9	
EBIT margin	11.3%	

¹ PSI and Sandwell were purchased during the year with the results being for the four months ended 30 June 2008

Sandwell won a number of significant contracts during the period demonstrating Sandwell's capabilities and the strength of the markets in which it operates, particularly in Brazil. New projects included the award of an EPCM contract for the US\$2.2 billion expansion of Rio Tinto's high-grade Corumbá iron ore project. In addition, Sandwell's secured work in hand was extended with the execution of a conceptual and basic engineering contract for the proposed Porto Brasil eleven berth multiproduct port facilities for LLX in Sao Paulo, Brazil.

PSI is the world leader in the delivery of long distance slurry pipelines. In Morocco, PSI was recently selected to design a 192km phosphate slurry transportation system. In India, PSI was awarded a contract for the design and engineering of a 225km iron ore slurry pipeline from Barbil to Angul.

In July 2008, Ausenco acquired the 50% interest of PSI's joint venture partner in its Chile and Peru businesses further contributing to earnings from South America. This enabled operating synergies to be obtained and strengthened PSI's capabilities in these key markets.

Consulting Operational Review

Six months ended 30 June ¹	2008 HY A\$'M	The Consulting Business Unit is focused on the delivery of consulting services, including geotechnical and environmental engineering, to the global resources sector through the Vector business.
Operating revenue	9.4	
EBIT	1.3	
EBIT margin	14.2%	

¹ Vector was purchased on 31 March 2008 and the results are for the three months ended 30 June 2008

Vector was recently named as one of the top 200 environmental firms by Engineering News-Record (ENR) and continues to experience strong growth in the demand in South America for its engineering and consulting services. New offices were opened in Bogota, Manila and Brisbane during the half year.

Recent project awards for Vector include a number of new concept and pre-feasibility studies for nickel heap leach projects in South and Central America, Indonesia, the Philippines and the United States. During the period, Vector commenced basic engineering for the expansion of the heap leach at Freeport's Cerro Verde copper mine in Peru and provided engineering services for the Phase 3 expansion of the Tucari gold project. In Chile, Vector is providing engineering and related services to BHP Billiton's Escondida copper oxide leach expansion project and to Phase IV of Xstrata's Lomas Bayas copper project.

Outlook

Mr Meka said “the early wins from the group enhancement program are a strong endorsement of our global diversification strategy. In addition to increased project opportunities, Sandwell and Vector have opened offices in Australia and Ausenco Minerals has increased its presence in South America. The program also focuses on our people. Initiatives such as the Ausenco Project Academy are well underway and we are continuing to attract and retain high calibre personnel.”

Mr Meka said that, despite the recent decreases in commodity prices, the company is continuing to experience a high level of new project and study enquiries from new and existing clients. Australian project demand for new iron ore, coal and infrastructure development also continues at record levels, with the expectation that many medium term opportunities will be pursued by the group. Ausenco monitors trends in commodity markets and expects that the demand for mineral commodities and coal will support a strong pipeline of opportunities for the group for at least the next 3 to 5 years. Committed and planned expenditure of new resource projects globally are at record levels and, as a result, the demand for our services remains strong.

“Whilst we have seen a slight change in near term project emphasis from base and precious metal projects to bulk commodities such as coal and iron ore, our expanded capabilities in the bulk commodities sector will continue to ensure that our secured project work in hand remains strong. The record levels of exploration expenditure worldwide and the extent of committed project expenditure by resource companies are a direct reflection of the continuing strong demand for global infrastructure.”

“South America is providing the group with a number of exciting opportunities, including the Corumbá iron ore project and the Porto Brasil multiproduct port engineering project. In Brazil, global resource companies are currently evaluating more than 10 new or expanded port opportunities and projected investment in iron ore and nickel projects exceeds US\$20 billion.”

“The global market remains strong and we expect growth to continue. The cross-selling benefits from our diversified ‘mine to port’ service delivery model are being more broadly recognised and generating new business opportunities. In these volatile financial markets, we remain focussed on ensuring that our workload is well diversified with regard to commodity, geography and clients.”

ENDS

Further information Contact:

Zimi Meka
Chief Executive Officer

Craig Allen
Chief Financial Officer

Ausenco Limited
Ph: (07) 3112 8200

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About Ausenco Limited

The Ausenco Group (ASX: AAX), one of the top 200 companies listed on the Australian Securities Exchange (ASX), provides world leading engineering, project management and operations solutions to the global resources industries. The Group combines the expertise, experience and resource capabilities of five significant global engineering and project management services businesses in Ascentis, Ausenco Minerals, Pipeline Systems Incorporated, Sandwell and Vector Engineering.

With a presence in key markets and to best service client needs, the Group operates globally with more than 2,700 people in more than 30 offices across 13 countries. Along with its values, diversity, strategic strength and financial management, Ausenco’s people are the foundation of its success.