

2010 Half Year Results

Zimi Meka - Chief Executive Officer

Craig Allen - Chief Financial Officer

25 August 2010

Today's agenda

- Half-year overview
- Financial review
- Operational review
- Strategy and outlook

“At Ausenco we set high global standards for leading edge engineering and project management services in the global resources and energy sectors”

Half-year results reflect difficult market conditions

- **Financial performance in line with guidance**
 - Operating revenue of \$219.6 million
 - Underlying EBITDA loss of \$6.6 million
 - Underlying earnings loss of \$8.1 million
 - Attributable loss after tax of \$19.6 million
 - Impairment charge (non-cash) and office closure and severance costs – \$14.9 million (pre-tax)
- **Earnings reflect strategic growth investment**
 - Secured \$1.5 billion new Create phase work, up 150%
 - Stronger average AUD – negative impact of \$14.5 million on revenue and \$0.7 million EBITDA
 - One Ausenco rebranding and office rationalisations – \$6.1 million
 - Tender related costs – \$2.4 million
 - Capacity retention – \$8.7 million
 - Strategic global offices – \$1.7 million
- **Strong balance sheet with conservative gearing** – net debt \$14.1 million, with net gearing ratio of 5.6%

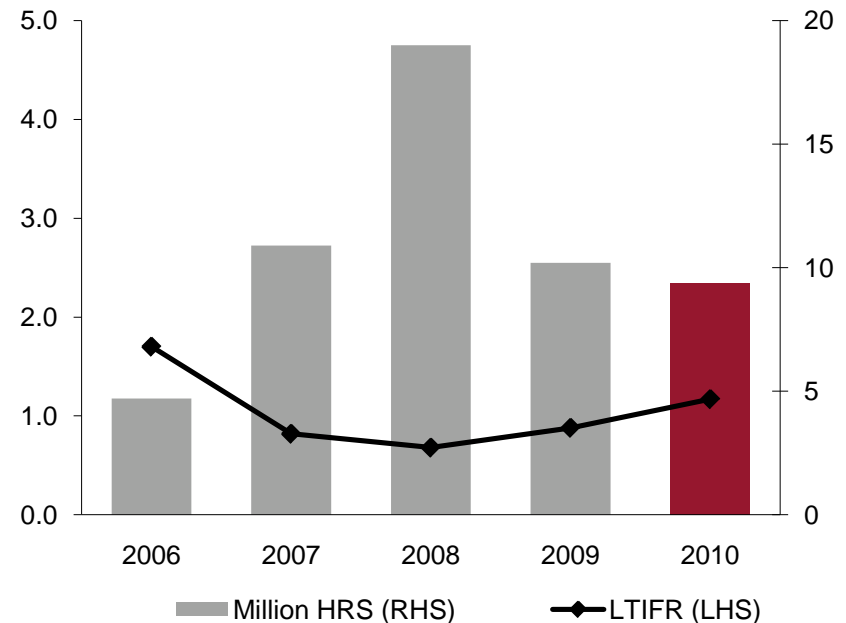
Platform for growth – momentum building

- **Targeting larger, globally diverse, higher value projects**
 - Strengthened pipeline of globally diverse tender opportunities – at 30 June 2010 we had 38 active tenders with potential work under management of US\$16.5 billion
 - New Create phase projects being developed increased 150% to US\$2.5 billion
- **Continued strategic growth investment to drive future earnings**
 - Completed One Ausenco rebranding, integration and office rationalisation
 - Maintained skill base, as well as presence in key geographic markets – MENA, India and China
 - Key growth sectors – Energy, Process Infrastructure and Program Management
- **Early signs of recovery in business confidence**
 - Record earnings and activity in early stage Environment & Sustainability business
 - Improving backlog and utilisation rates post 30 June 2010
 - Growing global project and tender pipeline – now at US\$27.0 billion

Our commitment to safety, environment and the community

- Key focus – commitment to zero harm to deliver a safer workplace for all:
 - Improved reporting of incidents and near hits
- Continuous improvement expected through implementation of:
 - Balanced scorecard approach to measuring safety performance
 - Hazard and risk assessment procedures
 - Standardised ISO compliant safety and environmental management systems
- Implementation of green office initiatives to further reduce greenhouse gas footprint

Lost Time Injury Frequency Rate (LTIFR)



Financial review

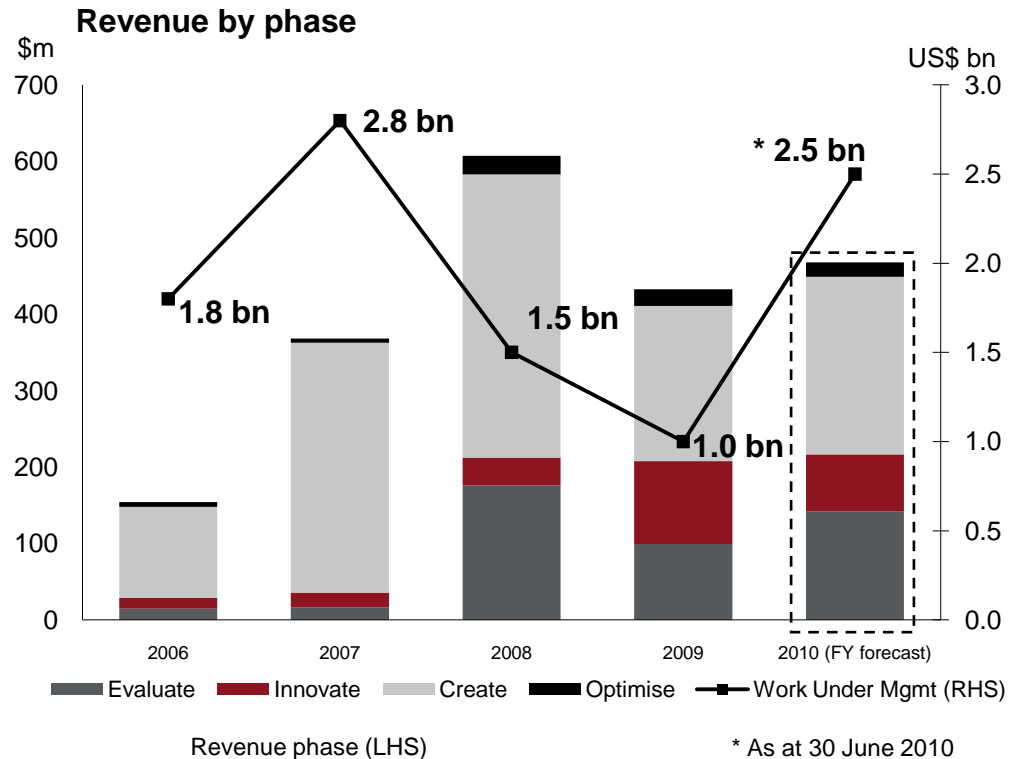


Results reflect difficult market conditions

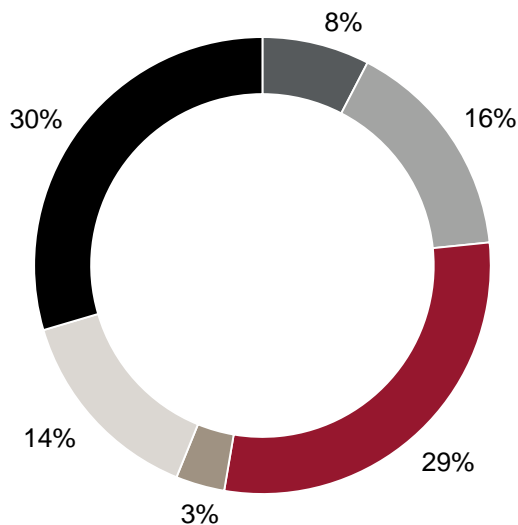
Six months ended 30 June (\$m)	2010	2009	
Revenue from operations	219.6	241.0	↓
Underlying EBITDA	(6.6)	24.3	↓
Underlying EBITDA margin (%)	(3.0%)	10.1%	↓
Net profit / (loss) before tax	(28.7)	9.5	↓
Attributable profit / (loss) after tax	(19.6)	12.2	↓
Underlying earnings	(8.1)	16.8	↓
Basic earnings per share (cents)	(16.2)	13.2	↓
Net operating cash flow	(7.4)	(22.6)	↑
Underlying EBITDA interest coverage	(2.1)	6.0	↓
Dividend per share (cents)	-	5.0	↓

Strategic focus on Create phase revenues

- Strategic focus on cross-selling, broadening service capacity and increasing Create phase EPCM / EPC revenues
- Over 70% of our service revenues are generated on projects outside Australia
- Create phase projects being developed now at US\$2.5 billion, up US\$1.5 billion in 2010
- Conversion of US\$10.5 billion in Evaluate and Innovate phase work into Create phase work expected to continue as clients make investment decisions over next 12 months
- Since 2008 acquisitions, annual Evaluate and Innovate phase revenues provide stable pre-development earnings base of \$200 million to \$220 million (up from \$36 million in 2007)

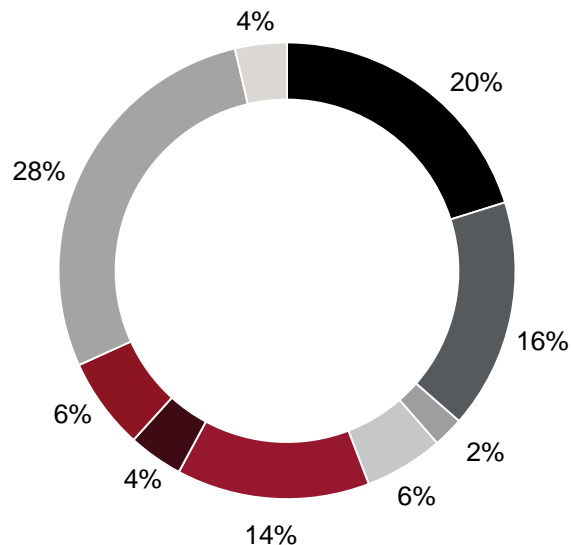


Diversified services revenue base



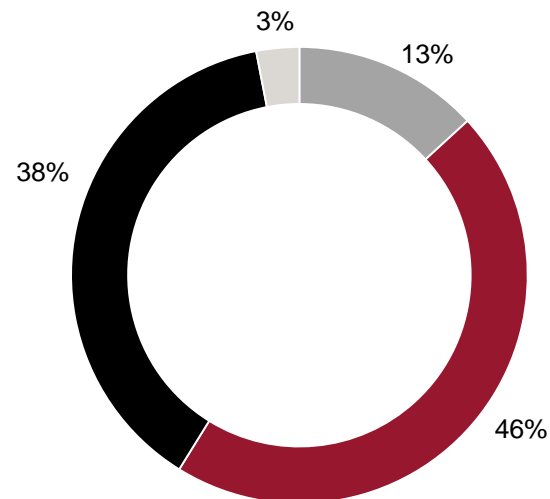
By geography

- Africa 8%
- Asia 16%
- Australia 29%
- MENA 3%
- North America 14%
- South America 30%



By commodity

- Base metals 20%
- Coal 16%
- Energy 2%
- Iron ore 14%
- Mineral sands 4%
- Other 6%
- Uranium 4%
- Precious metals 28%



By business line

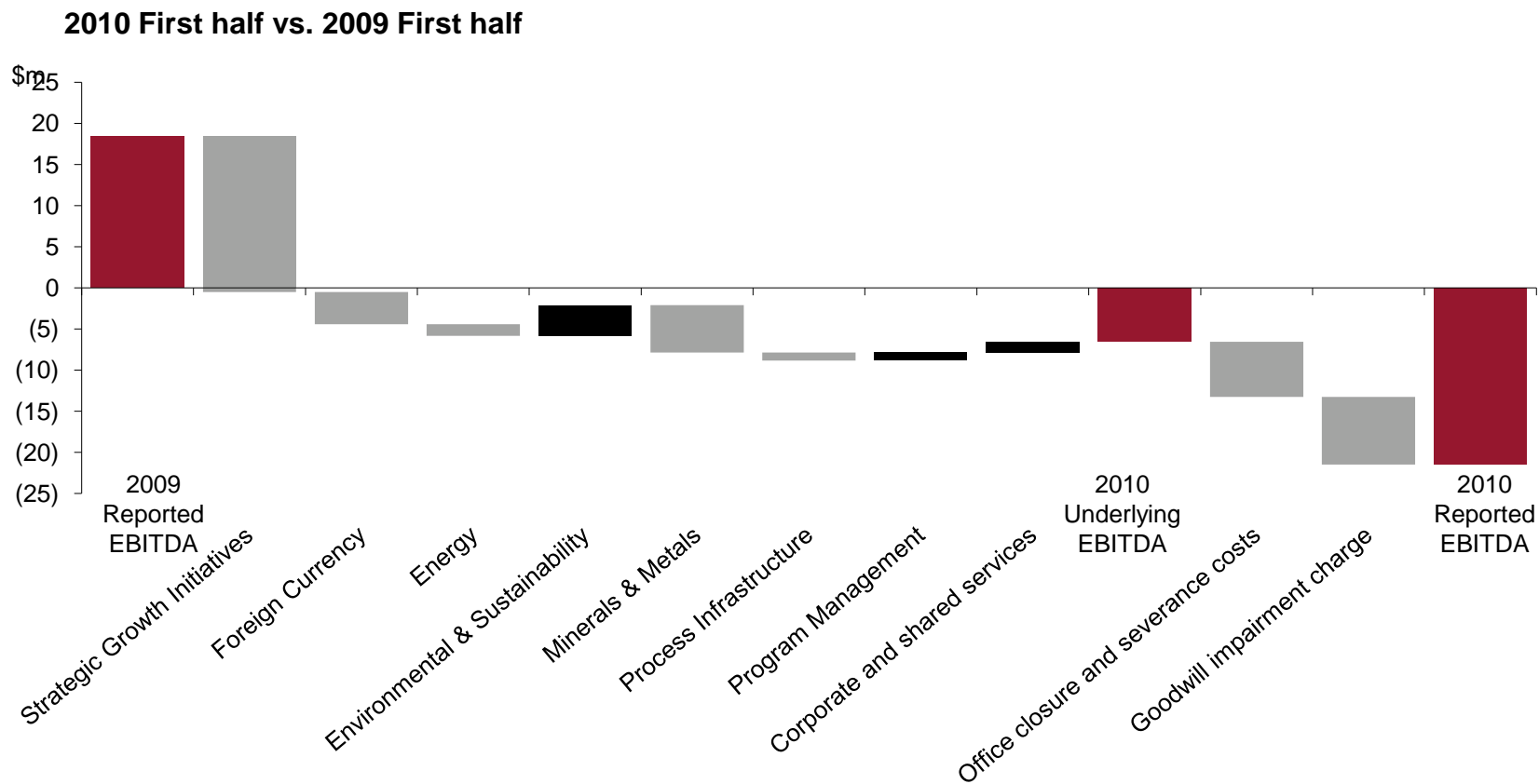
- Environment & Sustainability 13%
- Minerals & Metals 46%
- Process Infrastructure 38%
- Program Management 3%

Earnings reflect strategic growth investment

- Underlying EBITDA loss of \$6.6 million includes \$18.9 million strategic investment costs to capitalise on market recovery:
 - One Ausenco rebranding and office rationalisations – \$6.1 million
 - Tender related costs – \$2.4 million
 - Capacity retention – \$8.7 million
 - Strategic global offices – \$1.7 million
- Underlying EBITDA also includes net foreign exchange loss of \$0.7 million (down from 1H09 \$3.2 million FX gain)
- Improving backlog and utilisation rates post 30 June 2010

\$m	2010	2009
Underlying EBITDA	(6.6)	24.3
Business downsizing costs	-	(5.9)
Office closure and severance costs	(6.7)	-
Goodwill impairment charge	(8.2)	-
EBITDA	(21.5)	18.4

Key drivers for half year EBITDA



Improved cash flow management

- Operating cash outflow of \$7.4 million
- \$17.0 million improvement in working capital due to increased focus on debtor management and collection
- Tax paid of \$1.7 million reflects lower earnings
- Decrease in net interest expense due to lower debt levels
- Capital expenditure of \$5.9 million largely due to office consolidations in major service centres
- Full year 2010 total capital expenditure estimated at \$8 million to \$9 million

Operating cash flow (\$m)	2010	2009
EBIT	(27.5)	12.9
Depreciation and amortisation	6.0	5.4
Goodwill impairment charge	8.2	-
Cash from operations pre working capital	(13.3)	18.3
Net working capital movements	5.6	(11.4)
Reversal of billings in advance	3.9	(6.7)
Tax paid	(1.7)	(18.9)
Net interest expense	(1.9)	(3.9)
Cash from operations	(7.4)	(22.6)
PPE capital expenditure	5.9	6.2

Strong balance sheet with conservative gearing

- Significant bonding and funding capacity of \$125.1 million available under existing facilities
- Bank acceptance of financial covenant outcomes
- Balanced debt maturity profile:
 - 0-1 years - \$26.3 million
 - 1-2 years - \$27.3 million
 - 2-5 years - \$29.1 million
- Strong balance sheet with net debt of \$14.1 million
- Conservative gearing with net gearing ratio (net debt / net debt + equity) of 5.6%

Funding summary (\$m)	2010	2009
Total facilities	163.1	182.3
Less: Cash facilities utilised	(80.9)	(73.0)
Less: Non cash facilities utilised	(27.8)	(16.7)
Available facilities	54.4	92.6
Plus: Cash	70.7	78.7
Total cash/funding facilities available	125.1	171.3
Facility utilisation	67%	49%

Key financial ratios	2010	2009
Net debt	\$14.1m	\$0.5 m
Net gearing ratio	5.6%	0.2%
Average cost of debt	6.2%	6.6%
Average debt maturity	2.0 yrs	2.5 yrs
Underlying EBITDA coverage	(2.1) x	6.0 x

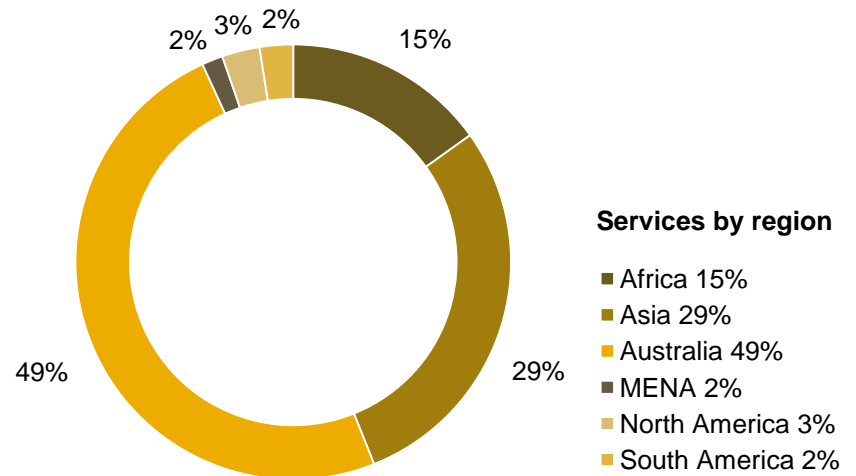
Operational review



Minerals & Metals

- Revenue up slightly to \$119.3 million
- Underlying EBITDA down to \$11.6 million:
 - Investment in strategic initiatives (lower utilisation rates and higher tender costs)
 - Impact of longer project award lead times
- Strengthened management team:
 - Dave Lawson appointed President – brings 30 years M&M experience
 - Brett Smith to lead large project delivery team across Ausenco
- Awarded US\$1.5 billion in new Create phase work – Kestrel underground, Kestrel CHPP, Ernest Henry, Prosperity, Cadia East, Chatree

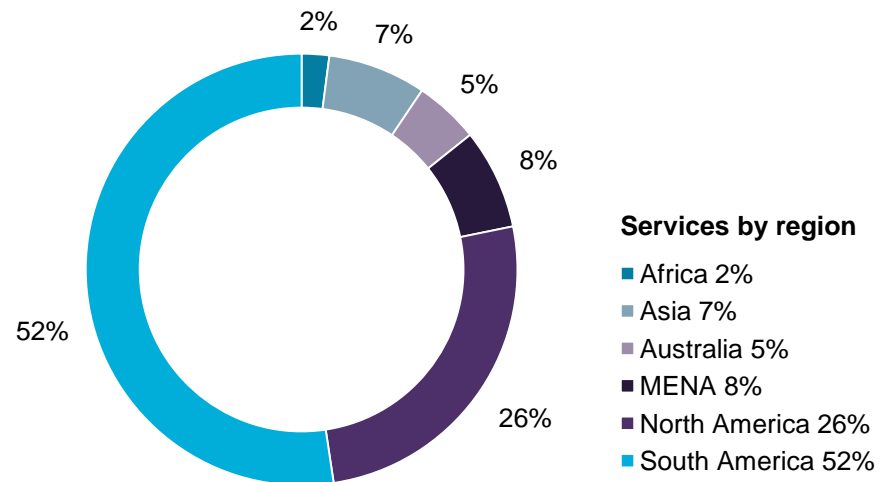
\$m	2010	2009
Operating revenue	119.3	115.8
Underlying EBITDA	11.6	25.4
Underlying EBITDA margin	9.7%	21.9%



Process Infrastructure

- Revenue down 30% to \$69.0 million due to lower level of Create phase development projects
- Underlying EBITDA loss of \$2.2 million due to:
 - Investment in strategic initiatives (lower utilisation in North American offices and higher tender related costs)
 - Project award delays and cancellations
- Awarded several new projects:
 - \$20 million Evaluate phase work in South America – new port facilities, trucking, rail and pipeline work
 - Strategic alliance and regional diversification initiatives delivered first Evaluate phase port facility project in Southern Africa
- Ongoing focus to secure Create phase full scope EPCM awards to improve longer term operating margins

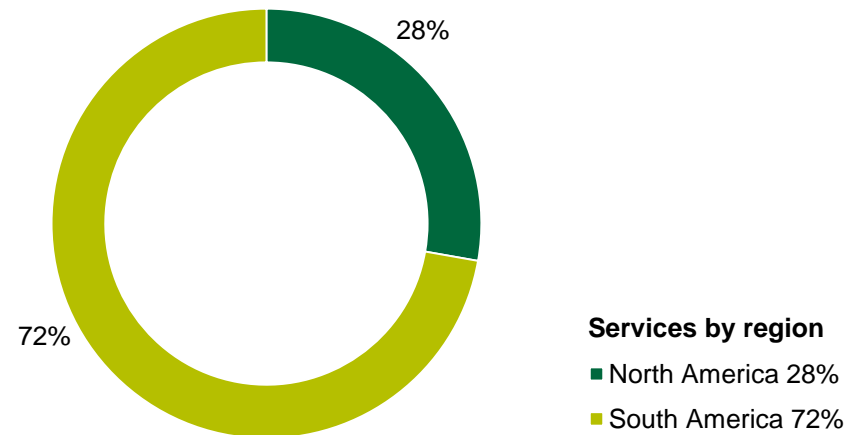
\$m	2010	2009
Operating revenue	69.0	98.7
Underlying EBITDA	(2.2)	8.7
Underlying EBITDA margin	-	8.8%



Environment & Sustainability

- Revenue up slightly to \$23.8 million due to strong performance from South American operations with record backlog levels
- Underlying EBITDA up to \$3.5 million reflecting improved first half year result due to:
 - Increased utilisation rates
 - Greater early stage project assessment activities
- Awarded \$14 million Evaluate phase work in new projects in South America including:
 - Nickel work in Colombia and ongoing copper heap leach design work in Chile
 - Cross collaboration activities within Ausenco led to award of copper conceptual engineering services in Chile

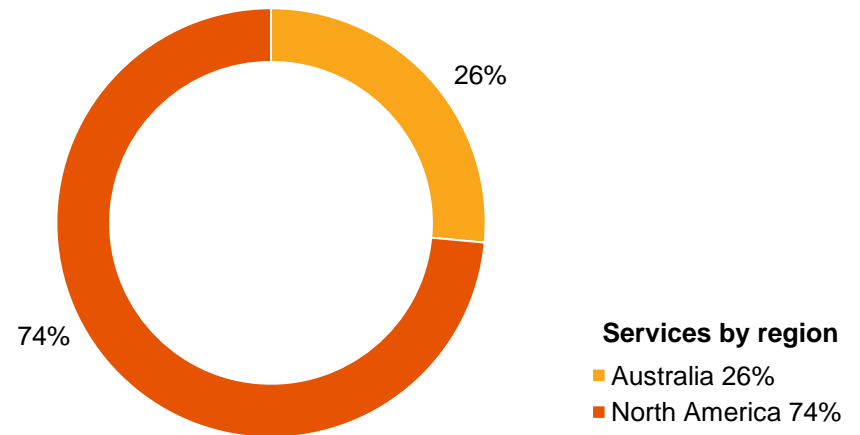
\$m	2010	2009
Operating revenue	23.8	22.8
Underlying EBITDA	3.5	0.2
Underlying EBITDA margin	14.5%	1.1%



Energy

- Revenue and underlying EBITDA down due to delays in government environmental and greenhouse initiatives, particularly in North America
- Awarded a number of new Evaluate phase studies to develop oil shale, coal seam methane and gas turbine development projects
- Ausenco remains committed to strategic diversification and expansion into the energy sector in:
 - Appointing key business development managers in key growth target markets
 - Establishing and actively marketing three new strategic alliances with well credentialed partners in power generation, wind and mineral energy resource projects

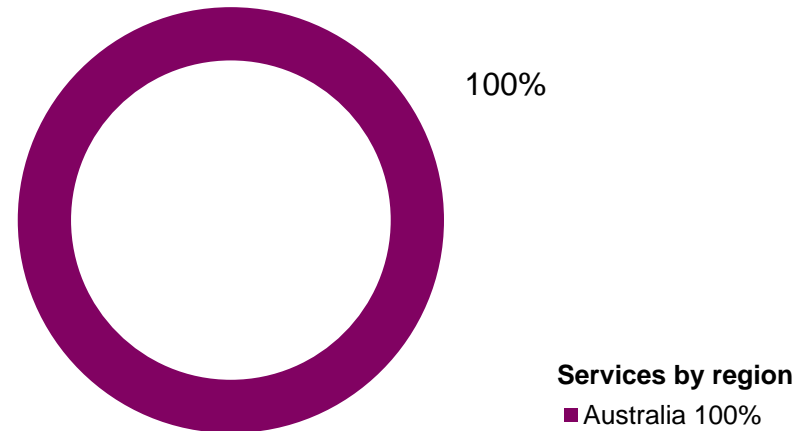
\$m	2010	2009
Operating revenue	0.05	2.6
Underlying EBITDA	(0.9)	0.8
Underlying EBITDA margin	-	31.4%



Program Management

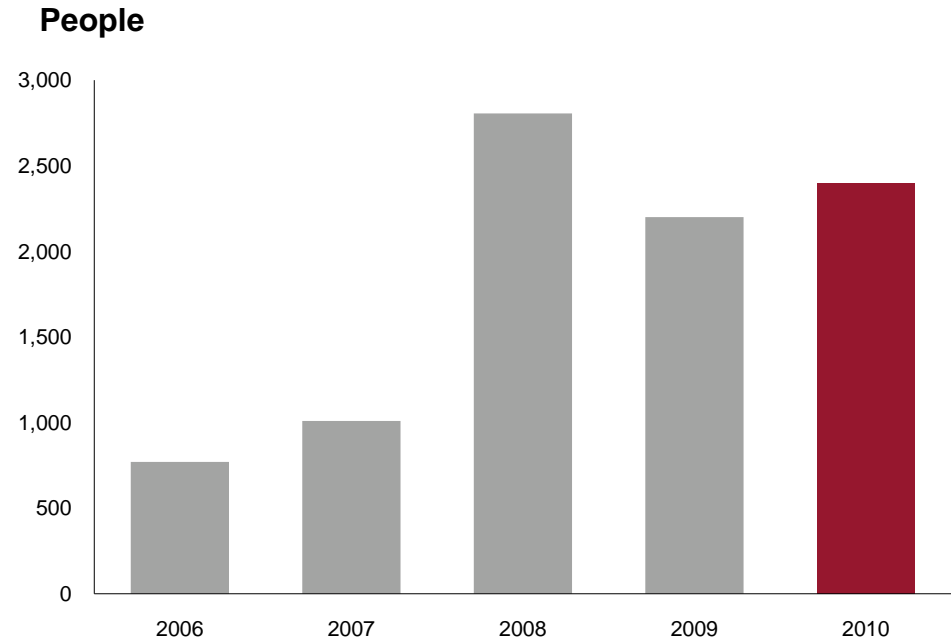
- Operationally from 1 April 2010, we aligned management of our Ausenco Operations team within the Program Management business
- Program Management team tendering US\$1 billion of new work

\$m	2010	2009
Operating revenue	5.5	0.1
Underlying EBITDA	0.3	(0.5)
Underlying EBITDA margin	5.5%	-

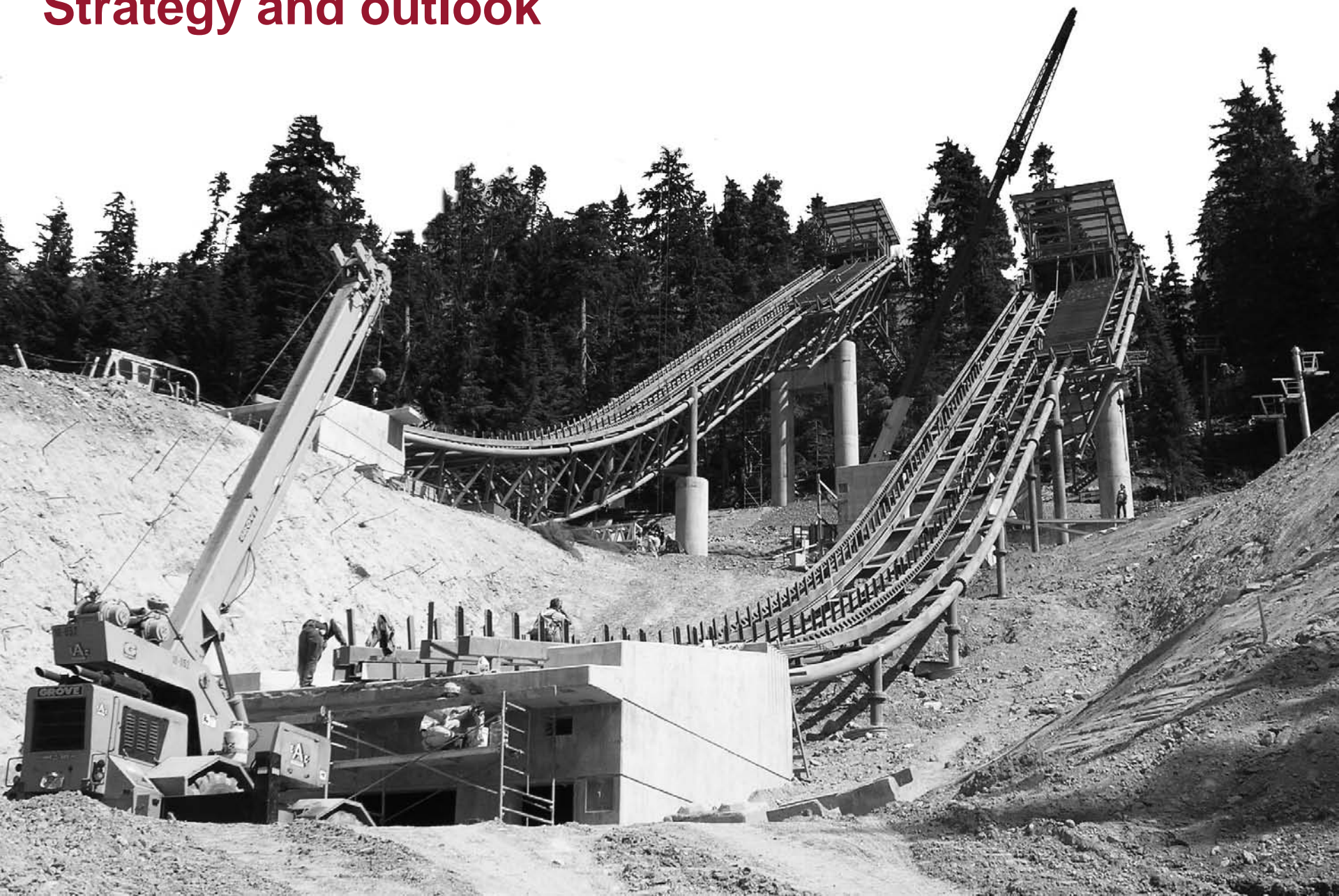


It all revolves around our people

- 2,400 personnel across global business
- Up 200 personnel from 2009 in those offices delivering new project awards
- In key global offices and service centres, deliberate strategic decision to maintain people and capabilities through the cycle
- Continued investment in personnel and leadership development initiatives
- Maintaining capability for anticipated upcoming work



Strategy and outlook



Focused strategy providing platform for growth



\$18.9 million investment in strategic growth initiatives

<p>Broaden services and geographic reach</p>	<ul style="list-style-type: none"> ✓ Prior year joint venture initiatives in coal and South Africa won new work ✓ Continued investment in business opportunities in China, India and MENA ✓ Recurring revenue targets for all business line leaders
<p>Provide solutions that deliver balanced, sustainable returns across the full value chain</p>	<ul style="list-style-type: none"> ✓ Global business development network focused on key collaboration projects ✓ Record tender book, with \$16.5 billion in potential Create phase projects ✓ Planning associated with active portfolio management well advanced
<p>Build long-term inspiring client relationships</p>	<ul style="list-style-type: none"> ✓ Appointed key executive to deliver and manage large projects ✓ Inspiring client relationship program and Client Relationship Management system implemented ✓ Secured Ausenco's third strategic alliance agreement with globally diversified resource client in Process Infrastructure
<p>Grow and enhance market leading positions</p>	<ul style="list-style-type: none"> ✓ Secured three joint alliances to enhance capabilities in our target Energy markets ✓ One Ausenco rebranding program completed ✓ Office consolidations completed in key service delivery centres

Underlying market fundamentals are improving

“\$13 billion of capital investment expected over the next 18 months”

Tom Albanese – Chief Executive Officer, Rio Tinto (Interim Results Presentation, 5 August 2010)

“In total, 15 major growth projects are now approved and in the construction phase, representing a total of US\$14 billion of capital investment”

Mick Davis – Chief Executive Officer, Xstrata plc (Half-Yearly Report, 3 August 2010)

Capital expenditure 2009-2013 of US\$174.4 billion

José Sergio Gabrielli de Azevedo – Chief Executive Officer, Petrobras (Presentation to the Brazil-Texas Chamber of Commerce, 8 March 2010)

“We have ... a world-class pipeline of approved growth projects totalling around 120 billion rands (\$17 billion), with a further 330 billion rands (\$44 billion) of unapproved projects.”

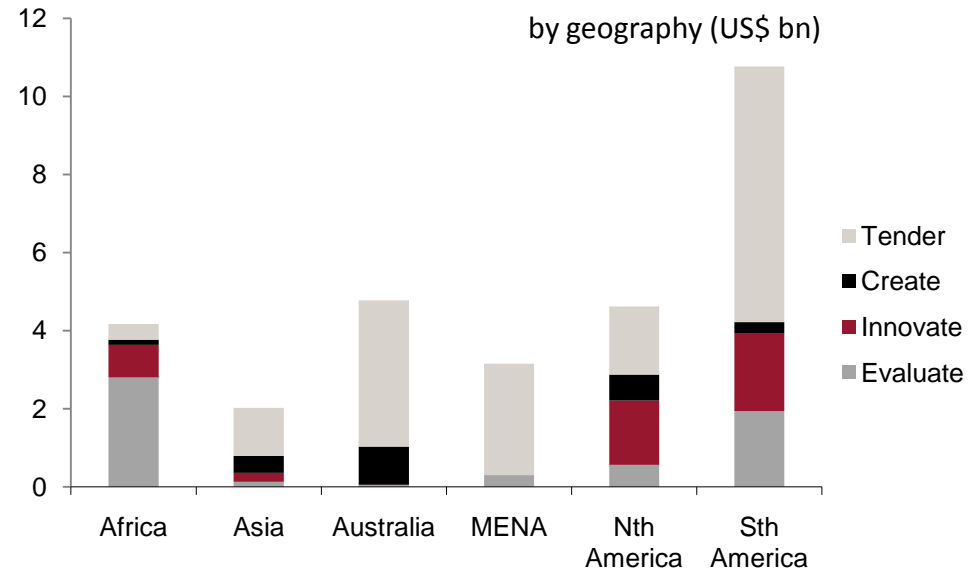
Cynthia Carroll – Chief Executive Officer, Anglo American (Address to the Mining Indaba, 2 February 2010)

In the next five years, Codelco to invest another 15 billion dollars in new projects, in order to maintain and increase production to 2 million tons of fine copper per year.

Codelco Announcement (June 2010)

Growing pipeline of potential Create phase opportunities

- US\$1.5 billion new Create phase projects awarded to Ausenco from tender pipeline
- Evaluate phase and tender pipeline opportunities increased to US\$27.0 billion
- Strong presence in South America to take advantage of US\$10.5 billion of development pipeline across 22 new project opportunities
- One Ausenco initiatives have provided the Process Infrastructure business with US\$12.9 billion in Create phase opportunities



Evaluate
 US\$5.8 bn
 +
Innovate
 US\$4.7 bn
 +
Tenders
 US\$16.5 bn

**Pipeline of
 74 Create
 Phase
 Projects**
 US\$27.0 bn

* Values represent Installed Capital Value of project development work

Outlook

- **Early signs of business confidence improving**
 - Spend on large process infrastructure projects recommencing
 - Increased levels of project development enquiries
 - Record levels of tender opportunities – 38 tenders across US\$16.5 billion of projects
 - Increasing 2011 and 2012 backlog providing improving future earnings visibility
- **Focus on leveraging benefits of previous acquisitions**
 - More closely integrating businesses – One Ausenco now complete
 - Active portfolio management to deploy resources globally
 - Strategic alliances to enhance project award opportunities
 - Larger scale, higher value projects being pursued
- **Continued strategic investment**
 - Maintained skill base, as well as presence in key geographic markets – MENA, India and China
 - Diversified industry and solution offering to improve longer term sustainable earnings
- **Improving backlog and utilisation rates post 30 June 2010**

In summary

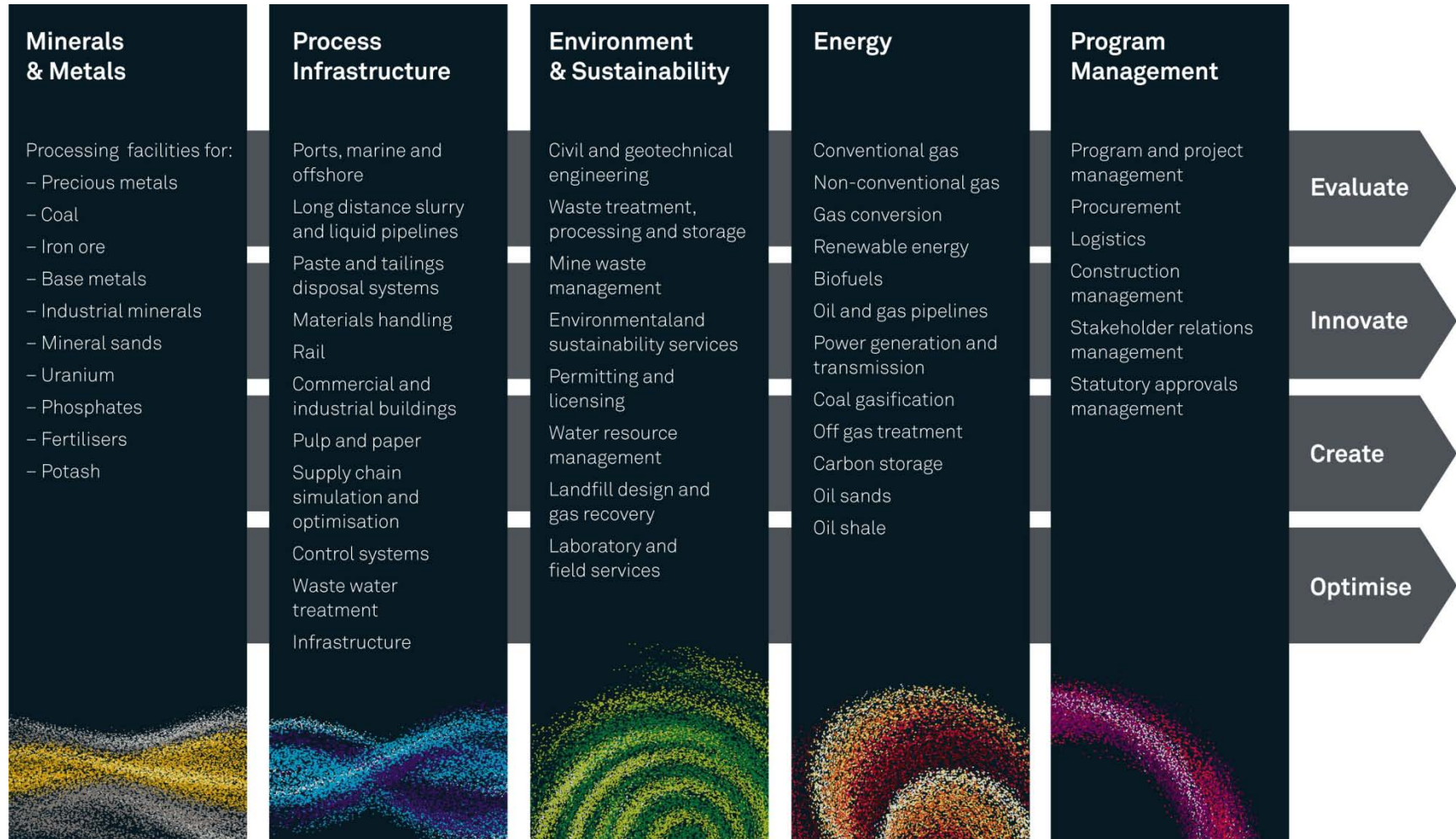
- **Half year performance was in line with guidance and reflects costs of strategic initiatives and the difficult market conditions**
- **Ausenco's focused strategy to provide platform for growth**
 - Emphasis on building for long term growth
 - Growth through diversity
 - Capability to pursue larger, higher value projects
- **Market fundamentals are improving**
 - Demand for commodities strong
 - Spend on large projects recommencing
 - Record levels of project and tender opportunities
- **Ausenco has a solid platform for growth**
 - Continued strategic growth investment
 - Strong balance sheet
- **Well positioned to grow shareholder value**

Thank you

Appendices



Our business lines and value solutions



Global footprint – 32 offices across 21 countries



Offices

Brisbane – Corporate Office

Africa

Johannesburg, South Africa

Asia

Bangkok, Thailand
Beijing, China
Jakarta, Indonesia
Mumbai, India

Australia / South Pacific

Adelaide, Australia
Apia, Samoa
Brisbane, Australia
Honiara, Solomon Islands
Nuku'alofa, Tonga
Perth, Australia
Port Moresby, Papua New Guinea
Port Vila, Vanuatu
Suva, Fiji

Middle East / North Africa

Jeddah, Saudi Arabia

North America

Burlington, Canada
Calgary, Canada
Concord, USA
Denver, USA
Grass Valley, USA
Houston, USA
Montreal, Canada
Reno, USA
Tucson, USA
Toronto, Canada
Vancouver, Canada

South America

Belo Horizonte, Brazil
Bogota, Colombia
Lima, Peru
Mendoza, Argentina
Rio de Janeiro, Brazil
Santiago, Chile

Delivering solutions across value chain

Phase	Activities	Typical contract duration	H1 2010 Revenues \$m	FY 2009 Revenues \$m
Evaluate	Pre-feasibility, feasibility and conceptual design services	3-12 mths	55.7	99.5
Innovate	Front end engineering and design services (FEED)	6-18 mths	44.0	108.1
Create	Engineering, Procurement, Construction Management (EPCM) and Engineering Procurement Construction (EPC) contracts	2-4 years	108.6	203.3
Optimise	Onsite engineering and operations and maintenance support services	4-5 years	9.3	21.6

- Over \$108.5 million in revenues from client pre construction phases – Evaluate, Innovate and Create (detailed engineering phase only)
- Create phase project delivery revenues expected to grow as client capital commitments firm
- Strategic focus on cross-selling and broadening service capacity and increasing Create phase EPCM / EPC revenues