

27 May 2010

ASX MEDIA RELEASE

New global banking facility

Ausenco Limited (ASX: AAX) today announced the agreement of a new global banking facility with ANZ Bank and HSBC Bank.

The new joint banking facility for \$155.2 million with ANZ and HSBC increases Ausenco's global bonding capacity, incorporating extended debt and performance guarantee / bonding facilities.

Ausenco Chief Executive Officer Zimi Meka said the extended facilities provided Ausenco with funding certainty and stability to support future growth.

"This new global banking facility gives us the capacity and access we need to effectively meet bonding requirements associated with anticipated tender conversions, and provides greater flexibility in operating our global business," Mr Meka said.

"We are very appreciative of the long term relationship we have with ANZ. Expanding our financiers to include HSBC provides us with broader international coverage to support our global operations."

Operational update

Ausenco's diversification strategy has achieved positive outcomes to date. The company is currently awaiting decisions on some of the best prospects in its history with anticipated award decisions to occur over the next four to six months on project development tenders totalling US\$10.9 billion.

"These prospects have arisen directly as a result of our diversification strategy and it is this diversity that provides sustainability to our revenue base. We can balance shorter term, localised risks and fiscal uncertainties with longer term rewards from the global outcomes we deliver for our clients," Mr Meka said.

Mr Meka said momentum in the market was building; just later than initially anticipated.

"Recent project awards have delivered growth in our Australian, African and South American offices," Mr Meka said.

"South America continues to be a strong market, as we leverage our extensive footprint in the region. All our offices in this area have a depth of project opportunities that will underpin our growth.

"Project deferrals in North America have caused lower than expected financial performance for our offices in this region, resulting in further reductions in personnel and the closure of our Atlanta office."

Trading Update

Ausenco anticipates 2010 first half revenues of between \$200 and \$230 million and a reported net loss after tax of between \$9 and \$13 million. This projected result includes an office closure and surplus lease provision of up to \$7.5 million, pre-tax, but does not include any intangible impairment losses that might be assessed following the current review. Reported net profit after tax for the 2010 full year is projected to be between \$13 and \$18 million.

“Compared with the second half of 2009, Ausenco has experienced lower first half EBITDA and cash flows as a result of later than anticipated project commencements, relatively higher comparable foreign exchange rates and lower than historic resource utilisation rates. In addition, higher tender related costs and resource capacity holding costs increased the Group’s comparable cost base. This has resulted in a significantly lower 2010 first half earnings result,” Mr Meka said.

The Group expects 15% to 20% revenue growth in the second half of 2010, largely the result of utilising existing resource capacity to deliver secured projects and optimising the performance of underperforming offices. The realisation of benefits from the various initiatives taken and anticipated growth in revenues is expected to deliver second half EBITDA of between \$38 and \$45 million, providing a solid platform for growth into 2011.

Recently announced new Create (Engineering, Procurement and Construction Management) project awards are expected to generate \$128 million in additional revenue over the next two years.

Mr Meka said exchange rate fluctuations would also impact Group performance.

“With 50% of our borrowings in USD, the recent decline in the Australian dollar, if sustained, will result in higher reported Group borrowings. Despite this, our balance sheet remains strong, with relatively low net gearing levels, enabling our banking syndicate to accept compliance with our banking facility financial covenants,” Mr Meka said.

“In addition, a lack of conviction by many governments to establish meaningful greenhouse gas emission reduction targets, particularly in North America, has significantly impacted our Energy business. We are continuing to review the \$18 million carrying value of intangibles of that business line, but do not expect any potential impairment of that business to impact on compliance with our financial covenants.”

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About Ausenco

Ausenco sets high global standards for leading edge engineering and project management services in the resources and energy sectors. We're a growing company with big ambitions that thrives on reaching into new markets. Across 32 offices in 20 countries, our people seek ingenious solutions for our clients in the Energy, Environment & Sustainability, Minerals & Metals, Process Infrastructure and Program Management sectors. We're inspired to make a genuine positive impact on the world around us and in the communities in which we operate.