Clough Limited
ASX Preliminary final report
for the year ended 30 June 2009

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ASX Preliminary final report - 30 June 2009

Lodged with the ASX under listing Rule 4.3A

Contents

Clough Limited
For the year ended 30 June 2009
(Previous corresponding period: Year ended 30 June 2008)

Results for Announcement to the Market
30 June 2009

				$'000
Total Revenue from continuing operations including share of revenue from jointly controlled entities #	up	11 %	to	637,678
Revenue from ordinary activities * *(Appendix 4E item 2.1)*	up	15 %	to	690,060
Profit / (loss) from ordinary activities after tax attributable to members ^ *(Appendix 4E item 2.2)*	down	21 %	to	52,426
Net profit / (loss) for the period attributable to members ^ *(Appendix 4E item 2.3)*	down	21 %	to	52,426

Dividends / distributions *(Appendix 4E item 2.4)*	Amount per security	Franked amount per security
Final dividend - declared	2 cents	0.5 cents
Interim dividend	-	-

Record date for determining entitlements to the final dividend	16 September 2009
Date the final dividend is payable	7 October 2009

Excludes revenue from discontinued operations comprising Petrosea and the property business.

* Excludes share of revenue from jointly controlled entities.

^ The prior year included gains from the sale of a jointly controlled entity (Shedden Udhe Pty Ltd) of $20,824,000 and a controlled entity (Clough Engineering & Maintenance Pty Ltd) of $11,315,000.

Refer to the attached press release and ASX preliminary final report for further information on the results for the year ended 30 June 2009.

Clough Limited
Preliminary income statement
For the year ended 30 June 2009

	Notes	Consolidated 2009 $'000	2008 $'000
Revenue	3	**459,655**	421,735
Other income	4	**4,606**	36,194
Material, plant and subcontractor costs		**(120,636)**	(179,166)
Labour costs		**(205,906)**	(166,057)
Other expenses	5	**(82,439)**	(59,524)
Depreciation and amortisation expense	5	**(7,699)**	(5,641)
Finance costs	5	**(7,708)**	(9,359)
Share of net profits of associates and jointly controlled entities accounted for using the equity method		**14,326**	16,140
Profit before income tax		**54,199**	54,322
Income tax expense	6	**(5,179)**	(2,329)
Profit from continuing operations		**49,020**	51,993
Profit from discontinued operations	7	**3,754**	16,422
Profit for the year		**52,774**	68,415
Profit is attributable to:			
Equity holders of Clough Limited		**52,426**	66,605
Profit attributable to minority interest		**348**	1,810
		52,774	68,415
		Cents	Cents
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	15	**7.33**	8.77
Diluted earnings per share	15	**6.73**	7.86
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	15	**7.84**	11.23
Diluted earnings per share	15	**7.17**	9.95

The above preliminary income statement should be read in conjunction with the accompanying notes.

Clough Limited
Preliminary balance sheet
As at 30 June 2009

	Notes	Consolidated 2009 $'000	2008 $'000
ASSETS			
Current assets			
Cash and cash equivalents		**36,587**	120,629
Other current assets		**2,474**	-
Receivables		**38,806**	116,489
Work in progress		**57,855**	138,005
Derivative financial instruments		**2,735**	89
		138,457	375,212
Assets classified as held for sale	7	**56,773**	10,905
Assets of a disposal group held for sale	7	**275,840**	-
Total current assets		**471,070**	386,117
Non-current assets			
Receivables		**4,475**	1,784
Investments accounted for using the equity method		**12,982**	19,458
Available-for-sale financial assets		**-**	1,478
Other non-current assets		**-**	1,696
Property, plant and equipment		**128,182**	117,616
Intangible assets - computer software		**1,782**	2,697
Deferred tax assets		**26,306**	24,266
Total non-current assets		**173,727**	168,995
Total assets		**644,797**	555,112
LIABILITIES			
Current liabilities			
Payables		**61,868**	154,607
Amounts due to customers for contract work		**13,558**	59,229
Borrowings		**43,080**	27,319
Current tax liabilities		**5,160**	1,751
Provisions		**29,211**	27,837
Derivative financial instruments		**370**	-
		153,247	270,743
Liabilities directly associated with assets classified as held for sale	7	**31,043**	-
Liabilities directly associated with a disposal group held for sale	7	**156,669**	-
Total current liabilities		**340,959**	270,743
Non-current liabilities			
Payables		**-**	13,850
Borrowings		**53,837**	82,137
Deferred tax liabilities		**129**	74
Provisions		**3,281**	5,432
Total non-current liabilities		**57,247**	101,493
Total liabilities		**398,206**	372,236
Net assets		**246,591**	182,876
EQUITY			
Contributed equity	8	**194,636**	193,885
Reserves	9(a)	**(11,895)**	(26,605)
Retained profits	9(b)	**46,010**	264
Parent entity interest		**228,751**	167,544
Minority interest		**17,840**	15,332
Total equity		**246,591**	182,876

The above preliminary balance sheet should be read in conjunction with the accompanying notes.

Clough Limited
Preliminary statement of changes in equity
For the year ended 30 June 2009

	Notes	Consolidated 2009 $'000	2008 $'000
Total equity at the beginning of the financial year		**182,876**	63,410
Changes in the fair value of available-for-sale financial assets, net of tax		**-**	317
Changes in fair value of cash flow hedges, net of tax		**570**	(419)
Exchange differences on translation of foreign entities		**14,883**	(10,715)
Net profit (loss) recognised directly in equity		**15,453**	(10,817)
Profit for the year		**52,774**	68,415
Total recognised income and expense for the year		**68,227**	57,598
Transactions with equity holders in their capacity as equity holders:			
Contributions of equity, net of transaction costs	8	**751**	63,653
Employee share options	9	**1,675**	829
Convertible note premium reserve, net of tax		**-**	(59)
Dividends provided for or paid	10	**(6,680)**	-
Increase in retained profits due to change in interest in controlled entity		**-**	539
Total changes in minority interest		**(258)**	(3,094)
		(4,512)	61,868
Total equity at the end of the financial year		**246,591**	182,876
Total recognised income and expense for the year is attributable to:			
Equity holders of Clough Limited		**65,461**	57,800
Minority interest		**2,766**	(202)
		68,227	57,598

The above preliminary statement of changes in equity should be read in conjunction with the accompanying notes.

	Notes	Consolidated 2009 $'000	2008 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**729,025**	626,599
Payments to suppliers and employees (inclusive of goods and services tax)		**(775,365)**	(586,470)
		(46,340)	40,129
Interest received		**2,739**	2,857
Dividends and distributions received from equity accounted entities		**17,537**	6,773
Interest paid		**(14,821)**	(13,835)
Income taxes paid		**(12,200)**	(9,676)
Net cash inflow (outflow) from operating activities	14	**(53,085)**	26,248
Cash flows from investing activities			
Payment for purchase of subsidiary, net of cash acquired		**-**	517
Payments for property, plant and equipment		**(73,703)**	(42,857)
Payments for intangible assets - computer software		**(258)**	(149)
Payments for acquisition of non-current assets		**(2,474)**	-
Payments for non-current assets classified as held for sale		**-**	(654)
Loans to equity accounted entities		**(1,754)**	(675)
Loans to other persons		**(4,227)**	(1,088)
Repayment of loans from equity accounted entities		**88**	(632)
Proceeds from sale of property, plant and equipment		**1,684**	5,340
Proceeds from sale of available-for-sale financial assets		**1,478**	-
Proceeds from sale of investments in equity accounted entities		**-**	40,000
Proceeds from sale of other non-current assets		**3,643**	2,696
Proceeds from sale of non-current assets classified as held for sale		**6,435**	6,445
Loans from equity accounted entities		**5,784**	15
Repayment of loans made to equity accounted entities		**(15)**	-
Repayment of loans made to other persons		**4,161**	35
Proceeds from disposal of subsidiary, net of cash disposed		**5,000**	17,044
Net cash inflow (outflow) from investing activities		**(54,158)**	26,037
Cash flows from financing activities			
Proceeds from issue of shares		**-**	47,554
Share issue costs		**-**	(536)
Proceeds from conversion of options		**22**	-
Proceeds from borrowings		**45,458**	26,392
Repayment of borrowings		**(15,701)**	(80,162)
Dividends paid		**(6,680)**	-
Dividends paid to minority interests in subsidiaries		**-**	(1,032)
Net cash inflow (outflow) from financing activities		**23,099**	(7,784)
Net increase (decrease) in cash and cash equivalents		**(84,144)**	44,501
Cash and cash equivalents at the beginning of the financial year		**120,629**	82,947
Effects of exchange rate changes on cash and cash equivalents		**7,713**	(6,819)
Cash and cash equivalents at end of year		**44,198**	120,629

The above preliminary cash flow statement should be read in conjunction with the accompanying notes.

1 Basis of preparation of preliminary financial report

This preliminary financial report has been prepared in accordance with the Australian Stock Exchange Listing rules as they relate to Appendix 4E and in accordance with the measurement requirements of Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

As such, this preliminary financial report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the annual report for the year ended 30 June 2009 and with any public announcements made by Clough Limited during the reporting period in accordance with the disclosure requirements of the Corporations Act 2001.

The audit report, which was unqualified, will be made available with the Company's financial report.

The accounting policies adopted are consistent with those disclosed in the annual financial report for the year ended 30 June 2008.

2 Segment information

(a) Description of segments

Business segments
The consolidated entity comprises the following main business segments:

Oil & Gas
Provides both onshore and offshore turnkey services including complex design, procurement, construction, commissioning, operations and maintenance. Onshore capabilities incorporate processing facilities, pipelines, refineries and petrochemical plants. Offshore activities include installations in deep or shallow water and marginal fields ranging from moorings, flowlines, subsea systems and offshore platforms.

Minerals and Infrastructure
Provides engineering, construction, procurement, operations and maintenance services. Includes infrastructure capabilities in water, power, pipelines, transport, harbour works, buildings, waste management facilities and mine infrastructure. Other services and capabilities provided include contract mining, ore preparation, materials handling systems, process plant and equipment hire capabilities.

Other
Includes costs for continuing businesses, net of other income and unallocated costs, assets and liabilities.

Discontinued Operations
Comprises the operations of PT Petrosea Tbk and its controlled entities (Petrosea) and the property business.

Petrosea was classified as a disposal group held for sale at 31 December 2008 and was sold on 6 July 2009. For further details, refer to note 7.

Property comprises property development from residential land subdivision. For further details, refer to note 7.

Geographical segments
The group operates in the main geographical areas of Australia and Asia.

2 Segment information (continued)

(b) Primary reporting format - business segments

2009	Oil & Gas $'000	Minerals & Infrastructure $'000	Other $'000	Total continuing operations $'000	Discontinued operations Property (note 7) $'000	Discontinued operations Petrosea (note 7) $'000	Total $'000
Sales to external customers	367,101	80,757	-	447,858	123	224,336	672,317
Share of net profits of associates and jointly controlled entities	10,647	3,679	-	14,326	(58)	1,002	15,270
Other revenue/income	6,934	7,951	1,518	16,403	459	19,783	36,645
Total segment revenue/income	384,682	92,387	1,518	478,587	524	245,121	724,232
Segment result	46,443	9,037	(1,281)	54,199	(9,318)	10,162	55,043
Income tax expense							(2,269)
Profit for the year							52,774
Segment assets	238,011	19,939	49,247	307,197	61,760	275,840	644,797
Segment liabilities	102,326	11,314	95,071	208,711	32,826	156,669	398,206
Investments in associates and jointly controlled entities	11,468	1,514	-	12,982	5,669	923	19,574
Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	80,975	-	7,185	88,160	-	85,894	174,054
Depreciation and amortisation expense	5,543	22	2,134	7,699	6	9,764	17,469
Other non-cash expenses	1,946	-	-	1,946	6,754	30,947	39,647

2008	Oil & Gas $'000	Minerals & Infrastructure $'000	Other $'000	Total continuing operations $'000	Discontinued operations Property (note 7) $'000	Discontinued operations Petrosea (note 7) $'000	Total $'000
Sales to external customers	335,006	71,227	-	406,233	2,504	171,743	580,480
Share of net profits of associates and jointly controlled entities	14,880	1,260	-	16,140	139	1,195	17,474
Other revenue/income	34,209	16,051	1,437	51,697	4,623	5,761	62,081
Total segment revenue/income	384,095	88,538	1,437	474,070	7,266	178,699	660,035
Segment result	35,503	22,367	(3,548)	54,322	1,741	16,156	72,219
Income tax expense							(3,804)
Profit for the year							68,415
Segment assets *	217,828	179,080	76,691	473,599	81,513	-	555,112
Segment liabilities *	165,758	91,522	79,273	336,553	35,683	-	372,236
Investments in associates and jointly controlled entities *	12,429	2,776	-	15,205	4,253	-	19,458
Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	24,134	15	2,521	26,670	-	38,170	64,840
Depreciation and amortisation expense	3,293	219	2,129	5,641	7	13,069	18,717
Other non-cash expenses	416	-	-	416	1,096	946	2,458

* The assets and liabilities of Petrosea at 30 June 2008 are not separately presented in the balance sheet and therefore have not been separated for segment reporting purposes.

2 Segment information (continued)

(c) Secondary reporting format - geographical segments

	Segment revenues from sales to external customers		Segment assets		Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000	**2009 $'000**	2008 $'000
Australia	**271,298**	121,459	**191,131**	217,257	**25,271**	10,254
Asia	**295,682**	256,573	**443,442**	316,039	**148,783**	54,586
New Zealand	**30,839**	165,943	**1,840**	21,142	**-**	-
Other countries	**74,498**	36,505	**8,384**	674	**-**	-
	672,317	580,480	**644,797**	555,112	**174,054**	64,840

3 Revenue

	Consolidated	
	2009 $'000	2008 $'000
Construction projects	**447,858**	406,233
Other revenue		
Rents	**-**	145
Interest income	**1,624**	2,072
Other revenue	**10,173**	13,285
	11,797	15,502
Total revenue	**459,655**	421,735
From discontinued operations (note 7)		
Revenue		
Construction projects	**224,459**	174,247
Other revenue		
Interest income	**1,115**	786
Other revenue	**4,831**	3,309
	5,946	4,095
	230,405	178,342

3 Revenue (continued)

Revenue - Group and joint ventures

The consolidated entity's share of revenue from joint ventures is excluded from Revenue noted above and from the income statement in accordance with Accounting Standards. The delivery of a number of projects by the consolidated entity is through various joint venture arrangements. Details of the consolidated entity's share of joint ventures' revenue is provided as additional information below as Revenue - Group and joint ventures. Revenue - joint ventures represents the Group's share of the operations of the joint ventures.

	Consolidated	
	2009	2008
From continuing operations	**$'000**	$'000
Revenue - Group and joint ventures		
Revenue - Group	**447,858**	406,233
Revenue - Joint Ventures	**178,023**	152,247
	625,881	558,480
Other revenue	**11,797**	15,502
	637,678	573,982

4 Other income

	Consolidated	
	2009	2008
	$'000	$'000
Net gain on disposal of other non-current assets	**59**	2,707
Net gain on disposal of controlled entities	**4,480**	12,168
Net gain on disposal of interests in jointly controlled entities	**-**	20,824
Other income	**67**	147
Foreign exchange gains (net)	**-**	348
	4,606	36,194

5 Expenses

	Consolidated	
	2009	2008
	$'000	$'000
Profit before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	**6,113**	3,947
Freehold and leasehold land and buildings	**76**	36
Total depreciation	**6,189**	3,983
Amortisation		
Plant and equipment under finance leases	**338**	-
Computer software	**1,172**	1,658
Total amortisation	**1,510**	1,658
Total depreciation and amortisation	**7,699**	5,641
Finance costs		
Interest and finance charges paid/payable	**9,776**	9,359
Amount capitalised	**(2,068)**	-
Finance costs expensed	**7,708**	9,359
Rental expense relating to operating leases		
Minimum lease payments	**36,225**	25,784
Foreign exchange gains and losses (net gain in 2008 - see note 4)		
Net foreign exchange losses	**1,110**	-
Defined contribution superannuation expense	**14,061**	10,351
Impairment losses - financial assets		
Trade receivables	**1,946**	381

6 Income tax expense

	Consolidated	
	2009	2008
	$'000	$'000
(a) Income tax expense		
Current tax	**15,044**	9,596
Deferred tax	**(12,603)**	(6,265)
Under provided in prior years	**(172)**	473
	2,269	3,804
Income tax expense (benefit) is attributable to:		
Profit from continuing operations	**5,179**	2,329
Profit from discontinued operations	**(2,910)**	1,475
Aggregate income tax expense	**2,269**	3,804
Deferred income tax (benefit) expense included in income tax expense comprises:		
Increase in deferred tax assets	**(12,685)**	(6,288)
Increase in deferred tax liabilities	**82**	23
	(12,603)	(6,265)

6 Income tax expense (continued)

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Profit from continuing operations before income tax expense	**54,199**	54,322
Profit from discontinuing operations before income tax expense	**844**	17,897
	55,043	72,219
Tax at the Australian tax rate of 30% (2008 - 30%)	**16,513**	21,665
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Profits from incorporated equity accounted investments	**115**	(1,917)
Share based payment	**503**	249
Benefit in kind	**1,631**	1,212
Entertainment	**34**	60
Donations	**-**	24
Other sundry items	**(2,392)**	251
	16,404	21,544
Difference in overseas tax rates including withholding tax on foreign revenue	**292**	(12)
Under (over) provision in prior years	**(172)**	473
Reversals of prior year deferred tax assets not recognised	**-**	4,644
Deferred tax assets previously not recognised now brought into account	**(635)**	(15,339)
Losses utilised in current period not previously brought to account	**(9,557)**	(6,274)
Tax losses not previously recognised now brought to account	**(4,419)**	(1,569)
Tax losses not brought to account	**356**	337
Total income tax expense	**2,269**	3,804

7 Discontinued operations

Discontinued Operation - PT Petrosea Tbk and controlled entities

(a) Description

The Company, having undertaken a strategic review of its operations during the year, confirmed its intent to concentrate activities within the Oil and Gas market, resulting in the decision to dispose of its 82% holding in PT Petrosea Tbk and controlled entities (Petrosea), which is now almost entirely focused on the Indonesian coal sector.

On 26 February 2009, the Company announced that it had entered into a binding Heads of Agreement to sell its shareholding in Petrosea to PT Indika Energy Tbk (PT Indika) for cash consideration of US$83.8 million. The sale of Petrosea was completed subsequent to year end, on 6 July 2009.

The results of Petrosea have been recorded in these financial statements as being a discontinued operation and the assets and liabilities of Petrosea have been recorded as assets of a disposal group held for sale and liabilities directly associated with a disposal group held for sale respectively. Financial information relating to Petrosea for the year is set out below. Further information is set out in note 2 - segment information and notes 12 and 13.

7 Discontinued operations (continued)

(b) Financial performance information

The financial performance of Petrosea for the years ended 30 June 2009 and 2008 are detailed below.

	Consolidated	
	2009	2008
	$'000	$'000
Profit for the year from discontinued operations - Petrosea		
Revenue	**229,823**	175,252
Other income (including gain on forward exchange contracts)	**14,296**	2,252
Share of net profit of associates and joint venture entities accounted for using the equity method	**1,002**	1,195
Expenses	**(234,959)**	(162,543)
Profit before income tax	**10,162**	16,156
Income tax (expense) benefit	**1,739**	(6,114)
Profit after income tax of Petrosea	**11,901**	10,042

(c) Carrying amounts of assets and liabilities

The carrying amounts of assets and liabilities of Petrosea as at 30 June 2009 are:

	Consolidated	
	30 June 2009	30 June 2008
	$'000	$'000
Cash and cash equivalents	**7,611**	-
Receivables	**56,131**	-
Work in progress	**35,750**	-
Investments accounted for using the equity method	**923**	-
Other assets	**377**	-
Property, plant and equipment	**152,426**	-
Deferred tax assets	**11,355**	-
Derivative financial instruments	**11,267**	-
Total assets	**275,840**	-
Payables	**(45,623)**	-
Amounts due to customers for contract work	**(3,021)**	-
Borrowings	**(102,533)**	-
Provisions	**(3,982)**	-
Derivative financial instruments	**(1,510)**	-
Total liabilities	**(156,669)**	-
Net assets	**119,171**	-
Amounts recognised directly in equity as at 30 June 2009		
Hedging reserve, net of tax	**(838)**	-
Foreign currency translation reserve	**(12,264)**	-
Minority interests	**17,840**	-
Net equity	**4,738**	-

7 Discontinued operations (continued)

Discontinued Operation - Property business

(a) Description

During the year ended 30 June 2007, the Company announced its intention to divest of the Clough Property business as it was considered to be a non-core activity. The Company determined that this would be achieved through a combination of individual asset disposals and the completion of certain projects by the Company.

During the current year, the Company determined that it was going to exit from the property business altogether and an active sales process is currently underway. It is expected that these disposals will be completed within the next 12 months. As a result, the property business has been reported in this financial report as a discontinued operation. The assets of the property business have been presented in the balance sheet as assets classified as held for sale and the associated liabilities have been presented as liabilities directly associated with assets classified as held for sale.

Financial information relating to the property business for the year is set out below. Further information is set out in note 2 - segment information.

(b) Financial performance information

The financial performance of the property business for the years ended 30 June 2009 and 2008 are detailed below.

	Consolidated	
	2009	2008
	$'000	$'000
Revenue	**582**	3,090
Other income	**-**	4,037
Share of net profit of joint venture entities accounted for using the equity method	**(58)**	139
Impairment of property development inventory and investments	**(6,754)**	(1,088)
Expenses	**(3,088)**	(4,437)
Profit (loss) before income tax	**(9,318)**	1,741
Income tax benefit	**1,171**	4,639
Profit (loss) after income tax of the property business	**(8,147)**	6,380

(c) Carrying amounts of assets and liabilities

The carrying amounts of assets and liabilities of the property business as at 30 June 2009 are:

	Consolidated	
	30 June 2009	30 June 2008
	$'000	$'000
Assets classified as held for sale		
Unlisted investment	**-**	-
Interests in jointly controlled entities	**5,669**	-
Property development inventories	**51,104**	-
Total assets	**56,773**	-
Liabilities directly associated with assets classified as held for sale		
Bank loans	**(17,193)**	-
Loan from jointly controlled entity	**(13,850)**	-
Total liabilities	**(31,043)**	-
Net assets	**25,730**	-

8 Contributed equity

	Parent entity		Parent entity	
	2009 **Shares**	2008 Shares	**2009** **$'000**	2008 $'000
(a) Share capital				
Ordinary shares				
Fully paid	**670,116,757**	667,941,092	**194,636**	193,885

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Issue price	$'000
1 July 2007	Opening balance	510,232,225		130,232
31 October 2007	Issue of 30 million new shares at a price of 57.2 cents per share to Murray & Roberts	30,000,000	$0.572	17,160
31 December 2007	Rights issue of 108,046,445 new shares at a price of 36.8 cents per share	108,046,445	$0.368	39,761
31 December 2007	Issue of 15,306,967 new shares at a price of 36.8 cents per share to Murray & Roberts	15,306,967	$0.368	5,633
31 December 2007	Conversion of 476,244 $1 convertible notes into 1,294,244 new shares at a conversion price of 36.8 cents per share	1,294,244	$0.368	476
31 March 2008	Conversion of 1,053,529 $1 convertible notes into 2,862,873 new shares at a conversion price of 36.8 cents per share	2,862,873	$0.368	1,054
30 June 2008	Conversion of 72,984 $1 convertible notes into 198,338 new shares at a conversion price of 36.8 cents per share	198,338	$0.368	73
	Issue costs of shares issued in the period, net of tax			(504)
30 June 2008	Balance	667,941,092		193,885
1 July 2008	Opening balance	667,941,092		193,885
30 September 2008	Conversion of 35,560 $1 convertible notes into 96,638 new shares at a conversion price of 36.8 cents per share	96,638	$0.368	36
28 November 2008	Exercise of 50,000 options with an exercise price of 31 cents per share	50,000	$0.31	16
31 December 2008	Conversion of 350,578 $1 convertible notes into 952,665 new shares at a conversion price of 36.8 cents per share	952,665	$0.368	351
18 February 2009	Exercise of 800,000 options with an exercise price of 31 cents per share	800,000	$0.31	248
31 March 2009	Conversion of 3,121 $1 convertible notes into 8,482 new shares at a conversion price of 36.8 cents per share	8,482	$0.368	3
15 June 2009	Exercise of 20,000 options with an exercise price of 31 cents per share	20,000	$0.31	6
30 June 2009	Conversion of 91,216 $1 convertible notes into 247,880 new shares at a conversion price of 36.8 cents per share	247,880	$0.368	91
30 June 2009	Balance	670,116,757		194,636

9 Reserves and retained profits

(a) Reserves

	Consolidated 2009 $'000	Consolidated 2008 $'000
Convertible note premium reserve	**394**	394
Hedging reserve - cash flow hedges	**817**	62
Share-based payments reserve	**2,741**	1,066
Foreign currency translation reserve	**(16,567)**	(28,847)
Capital reserve	**720**	720
	(11,895)	(26,605)

	Consolidated 2009 $'000	Consolidated 2008 $'000
Convertible note premium reserve		
Balance 1 July	**394**	453
Deferred tax	**-**	(59)
Balance 30 June	**394**	394
Hedging reserve - cash flow hedges		
Balance 1 July	**62**	481
Revaluation - gross	**1,527**	89
Deferred tax	**(710)**	(27)
Transfer to asset - gross	**(89)**	(687)
Deferred tax	**27**	206
Balance 30 June	**817**	62
Share-based payments reserve		
Balance 1 July	**1,066**	237
Option expense	**1,675**	829
Balance 30 June	**2,741**	1,066
Foreign currency translation reserve		
Balance 1 July	**(28,847)**	(20,210)
Currency translation differences arising during the year	**12,280**	(8,637)
Balance 30 June	**(16,567)**	(28,847)

(b) Retained profits

Movements in retained profits were as follows:

	Consolidated 2009 $'000	Consolidated 2008 $'000
Balance 1 July	**264**	(66,880)
Net profit for the year	**52,426**	66,605
Dividends	**(6,680)**	-
Increase in retained profits arising from transactions with minority interests	**-**	539
Balance 30 June	**46,010**	264

9 Reserves and retained profits (continued)

(i) Convertible note premium reserve
The convertible note premium reserve is used to record the equity conversion component of the convertible notes issued on 15 December 2006 and the associated deferred tax liability.

(ii) Hedging reserve - cash flow hedges
The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised directly in equity. Amounts are recognised in profit and loss when the associated hedged transaction affects profit and loss.

(iii) Share-based payments reserve
The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not exercised.

(iv) Foreign currency translation reserve
Exchange differences arising on translation of foreign entities are taken to the foreign currency translation reserve. The reserve is recognised in profit and loss when the net investment in a foreign entity is disposed of.

10 Dividends

	Parent entity	
	2009	2008
	$'000	$'000
(a) Ordinary shares		
Final dividend for the year ended 30 June 2008 of 1 cent (2007 - nil) per fully paid share paid on 29 October 2008		
Fully franked based on tax paid at 30% - 1 cent per share	**6,680**	-
Total dividends provided for or paid	**6,680**	-

	Parent entity	
	2009	2008
	$'000	$'000
(b) Dividends not recognised at year end		
In addition to the above dividend, since the year end the directors have recommended the payment of a final dividend of 2 cents per fully paid ordinary share franked to 25%, (2008 - 1 cent fully franked) based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 7 October 2009 out of profits, but not recognised as a liability at year end, is	**13,402**	6,680

(c) Franked dividends

The franked portions of the final dividends recommended after 30 June 2009 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30 June 2010.

	Consolidated	
	2009	2008
	$'000	$'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2008 - 30%)	**2,104**	4,967

10 Dividends (continued)

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

(a) franking credits that will arise from the payment of the amount of the provision for income tax

(b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date, and

(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

The impact on the franking account of the dividend recommended by the directors since year end, but not recognised as a liability at year end, will be a reduction in the franking account of $1,436,000 (2008 - $2,863,000).

11 Contingencies

Contingent liabilities

Claims
Certain claims arising out of engineering and construction contracts have been made by or against certain controlled entities in the ordinary course of business, some of which involve litigation or arbitration. At this stage it is not possible to reliably estimate the maximum exposure under these claims.

Clough and ONGC have continued to negotiate a settlement to the dispute on the G1 contract using the offices of Murray & Roberts. Those negotiations have progressed well but have not as yet reached an agreement which would result in any other outcome than that envisaged when the Company established its accounting position on the contract outcome in the 2006/07 accounts.

The Directors do not consider the outcome of any other claims outside of G1 will have a material adverse impact on the financial position of the consolidated entity.

12 Events occurring after the balance sheet date

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in periods subsequent to the year ended 30 June 2009, apart from the matters noted below.

On 6 July 2009, the Group completed the sale of PT Petrosea Tbk and controlled entities (Petrosea) for cash consideration of US$83.8 million. The financial effects of the transaction have not been brought into account at 30 June 2009. The operating results and assets and liabilities of Petrosea will be deconsolidated on 6 July 2009. For further details, refer to notes 7 and 13.

On 17 August 2009, Clough announced that it had acquired 70% of the shares of Ocean Flow International LLC, a subsea engineering and construction management company headquartered in Houston, USA.

Subsequent to the year end, the Directors have recommended the payment of a final dividend of 2 cents per fully paid ordinary share franked to 25%. For further details, refer to note 10.

13 Impact of selling PT Petrosea Tbk and its controlled entities subsequent to 30 June 2009

(1) Reconciliation of balance sheet reported at 30 June 2009 to proforma balance sheet reflecting sale of PT Petrosea Tbk and its controlled entities

On 6 July 2009, the Group completed the sale of PT Petrosea Tbk and controlled entities (Petrosea) for cash consideration of US$83.8 million. The financial effects of the disposal of Petrosea have not been brought into account at 30 June 2009. The proforma balance sheet below sets out the balance sheet of the Group assuming that Petrosea had been sold as at 30 June 2009 so that the financial impact of the disposal on the Group can be understood.

	Consolidated		
	Original 30 June 2009 $'000	$'000	Restated 30 June 2009 $'000
ASSETS			
Current assets			
Cash and cash equivalents	36,587	109,370	145,957
Other current assets	2,474	-	2,474
Receivables	38,806	5,713	44,519
Work in progress	57,855	-	57,855
Derivative financial instruments	2,735	-	2,735
	138,457	115,083	253,540
Assets classified as held for sale	56,773	-	56,773
Assets of a disposal group held for sale	275,840	(275,840)	-
Total current assets	471,070	(160,757)	310,313
Non-current assets			
Receivables	4,475	-	4,475
Investments accounted for using the equity method	12,982	-	12,982
Property, plant and equipment	128,182	-	128,182
Intangible assets - computer software	1,782	-	1,782
Deferred tax assets	26,306	-	26,306
Total non-current assets	173,727	-	173,727
Total assets	644,797	(160,757)	484,040
LIABILITIES			
Current liabilities			
Payables	61,868	-	61,868
Amounts due to customers for contract work	13,558	-	13,558
Borrowings	43,080	-	43,080
Current tax liabilities	5,160	-	5,160
Provisions	29,211	-	29,211
Derivative financial instruments	370	-	370
	153,247	-	153,247
Liabilities directly associated with assets classified as held for sale	31,043	-	31,043
Liabilities directly associated with a disposal group held for sale	156,669	(156,669)	-
Total current liabilities	340,959	(156,669)	184,290

13 Impact of selling PT Petrosea Tbk and its controlled entities subsequent to 30 June 2009 (continued)

Non-current liabilities			
Borrowings	53,837	-	53,837
Deferred tax liabilities	129	-	129
Provisions	3,281	-	3,281
Total non-current liabilities	57,247	-	57,247
Total liabilities	398,206	(156,669)	241,537
Net assets	246,591	(4,088)	242,503
EQUITY			
Contributed equity	194,636	-	194,636
Reserves	(11,895)	13,102	1,207
Retained profits	46,010	650	46,660
Parent entity interest	228,751	13,752	242,503
Minority interest	17,840	(17,840)	-
Total equity	246,591	(4,088)	242,503

(2) Notes to the proforma financial statements

PT Petrosea Tbk was sold for US$83,834,850 on 6 July 2009.

The Group expects to record a net gain on the disposal of PT Petrosea Tbk of approximately $650,000 after transaction costs.

The proforma balance sheet above shows the impact of selling PT Petrosea Tbk and controlled entities (Petrosea) on the Clough Group balance sheet as at 30 June 2009.

The following assumptions have been made in preparing the proforma balance sheet:

- No transactions have taken place in the period from 1 July 2009 to 6 July 2009 apart from the sale of Petrosea.
- There have been no movements in exchange rates in the period from 1 July 2009 to 6 July 2009.
- The cash received is net of the related costs of the disposal of Petrosea.

14 Reconciliation of profit after income tax to net cash inflow (outflow) from operating activities

	Consolidated	
	2009 **$'000**	2008 $'000
Profit for the year	**52,774**	68,415
Depreciation and amortisation	**17,145**	18,717
Write off of trade receivables	**32,893**	650
Non-cash employee benefits expense - share-based payments	**1,675**	829
Net loss (gain) on disposal of property, plant and equipment	**214**	(657)
Net gain on sale of other non-current assets	**(1,929)**	(2,707)
Net loss (gain) on disposal of non-current assets classified as held for sale	**33**	(4,038)
Net gain on disposal of jointly controlled entities	**-**	(20,824)
Net gain on disposal of controlled entities	**(4,480)**	(12,168)
Impairment of non-current asset classified as held for sale	**3,000**	1,088
Impairment of property development inventories classified as held for sale	**3,754**	-
Impairment of investment classified as an available-for-sale financial asset	**-**	720
Difference between equity accounted profits of associates and jointly controlled entities and dividends or distributions received	**2,640**	(10,701)
Net exchange differences and other non-cash items	**(40,383)**	(3,460)
Change in operating assets and liabilities, net of effects from sale/purchase of controlled entities		
Decrease (increase) in receivables	**(13,043)**	16,226
Decrease (increase) in work in progress	**(10,458)**	(22,188)
Decrease (increase) in deferred tax assets	**(13,395)**	(5,661)
Decrease (increase) in other assets	**5,861**	5,532
Increase (decrease) in payables	**(53,405)**	(968)
Increase (decrease) in amounts due to customers for contract work	**(42,650)**	(17,309)
Increase (decrease) in provision for income taxes payable	**3,409**	(55)
Increase (decrease) in deferred tax liabilities	**55**	(156)
Increase (decrease) in other provisions	**3,205**	14,963
Net cash inflow (outflow) from operating activities	**(53,085)**	26,248

15 Earnings per share

	Consolidated	
	2009 **Cents**	2008 Cents
(a) Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the Company	**7.33**	8.77
From discontinued operations	**0.51**	2.46
Total basic earnings per share attributable to the ordinary equity holders of the Company	**7.84**	11.23
(b) Diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of the Company	**6.73**	7.86
From discontinued operations	**0.44**	2.09
Total diluted earnings per share attributable to the ordinary equity holders of the Company	**7.17**	9.95

15 Earnings per share (continued)

(c) Reconciliations of earnings used in calculating basic and diluted earnings per share

	Consolidated	
	2009 $'000	2008 $'000
Basic earnings per share		
Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share		
Profit from continuing operations	**49,020**	51,993
Profit from discontinued operations	**3,754**	16,422
Profit from discontinued operations attributable to minority interests	**(348)**	(1,810)
	52,426	66,605
Diluted earnings per share		
Profit from continuing operations attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	**49,020**	51,993
Interest savings on convertible notes, after tax	**2,904**	3,002
Profit from continuing operations attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	**51,924**	54,995
Profit from discontinued operations	**3,754**	16,422
Profit from discontinued operations attributable to minority interests	**(348)**	(1,810)
Profit attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	**55,330**	69,607

(d) Weighted average number of shares used as the denominator

	Consolidated	
	2009 Number	2008 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**668,807,356**	592,845,326
Adjustments for calculation of diluted earnings per share:		
Options	**1,252,188**	1,235,864
Convertible notes	**101,751,764**	105,298,501
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**771,811,308**	699,379,691

16 Ultimate parent entity

The ultimate parent entity is Murray & Roberts Holdings Limited, a company incorporated in South Africa.

Additional dividend information

Details of dividends declared or paid during or subsequent to the year ended 30 June 2009 are as follows:

Amount per security		Amount per security	Franked amount per security at 30% tax rate	Amount per security of foreign source dividend
Final dividend:	Current year	2 ¢	0.15 ¢	- ¢
	Previous year	1¢	0.3¢	- ¢
Interim dividend:	Current year	- ¢	- ¢	- ¢

Dividend Plans

The Company has suspended the dividend reinvestment plan.

Net Tangible Assets per Security	30 June 2009	30 June 2008
Net tangible asset backing per ordinary security	**28.52¢**	21.45¢

Interests in entities which are not controlled entities

Equity accounted associates and jointly controlled entities	Percentage of ownership interest held 30 June 2009 %	30 June 2008 %
Aker Kvaerner Clough Murray & Roberts Joint Venture	19.5	19.5
Al Bilad S&B Clough, Ltd	50	50
Asia Offshore Services Pte Ltd	50	50
Baulderstone Clough Joint Venture	50	50
Clough Aker Joint Venture - Angel	50	50
Clough Amec Joint Venture – CoP	50	50
Clough Amec Pty Ltd	50	50
Clough Curtain Joint Venture	65	-
Clough Demol Joint Venture	80	80
Clough Diversified Joint Venture	50	-
Clough Diversified Northern Pipeline Joint Venture	50	50
Clough Diversified United Joint Venture	33.3	33.3
Clough Downer Joint Venture	50	50
Clough Murray & Roberts Joint Venture	50	50
Clough Sandwell Joint Venture	50	50
Clough Seymour Whyte Joint Venture – Lake Cowal	50	50
Clough Sino-Thai Co Ltd	-	50
Elclough Pty Ltd	50	50
Harbourworks Clough Contracting Pty Ltd	51	51
Harbourworks Clough Joint Venture	50	50
Henry Walker Eltin - Clough Joint Venture	50	50
Kellogg Joint Venture - Gorgon	20	20
Kvaerner Clough Joint Venture	33.3	33.3
Maretlink Joint Venture	50	50
Mashhor Clough Sdn Bhd	50	50
Mernda (Lot 6) Joint Venture	50	50
Nambeelup Joint Venture	-	50

Equity accounted associates and jointly controlled entities	**Percentage of ownership interest held**	
	30 June 2009 %	30 June 2008 %
Petrosea Calibre Roberts & Schaeffer Joint Operation	33.3	33.3
PT LOR Indonesia Joint Operation	50	50
PT Santan Batubara	50	50
PT Tirta Kencana Cahaya Mandiri	47	47
Rapley Clough Joint Venture	-	50
St Quentin's Claremont Pty Ltd	50	50
St Quentin's Claremont Unit Trust	50	50

The contribution to net profit/(loss) from the above associates and jointly controlled entities was $15,270,000 (2008 : $17,474,000).

Annual Meeting
The Annual General Meeting will be held at 12 noon on Wednesday 28 October 2009 at the Perth Parmelia Hilton Hotel. The Annual Report will be available in late September 2009.

John Smith
Director

Andrew John Walsh
Director

19 August 2009

SUPPLEMENTARY INFORMATION
For the Year Ended 30 June 2009

GROUP TOTAL REVENUE

A significant proportion of the Clough Group's operations are performed through jointly controlled entities.

The Clough Group operates through two types of jointly controlled entities:

Unincorporated Joint Ventures
- these are unincorporated arrangements.
- the share of profits or losses are equity accounted in the income statement.

Joint Venture Entities
- these are incorporated arrangements such as jointly held companies and associated companies.
- the share of profits or losses are equity accounted in the income statement.

The Clough Group's total revenue is made up of revenue and its share of revenue from jointly controlled entities and associated companies.

CONSOLIDATED GROUP TOTAL REVENUE	**30 June 2009 $'000**	30 June 2008 $'000
Construction projects	**672,317**	**580,480**
Other revenue	**17,743**	**19,597**
	690,060	**600,077**
Share of revenue from jointly controlled entities and associates	**194,246**	**169,332**
	884,306	**769,409**

CONSOLIDATED GROUP TOTAL REVENUE		
From continuing operations	**637,678**	**573,982**
From discontinued operation	**246,628**	**195,427**
	884,306	**769,409**