

ASX/MEDIA RELEASE

20 August 2009

Clough Delivers Solid Performance

Engineering and construction company Clough Limited (ASX:CLO) today announced that its Profit before Interest and Tax from continuing operations increased by 74% to \$56m in the 2008/09 financial year. Total Revenue from continuing operations increased by 22.5% to \$637.7m in the same period.

Highlights:

- Continuing Operations
 - Total Revenue increased to \$637.7m, up 22%
 - Profit before Interest and Tax of \$56m, up 74%
 - Net Profit after Tax from continuing operations \$45.1m
- Net Profit after Tax of \$52.4m compare to \$66.6m last year which included a contribution from the sale of Shedden Uhde and CEM businesses of \$32.1m
- Order Intake up 39% to \$714m
- Dividend increased to 2 cents per share (1 cent 08/09)
- Cash holdings post sale of Petrosea (6 July 09) increased to \$146m
- Major Capex programme completed – Java Constructor upgrade at a total cost of \$76.5m asset financed.
- Lost Time Injury Frequency reduced by 40% to 0.51
- Margins improved to 8.8% compared to 6.2% in the previous financial year
- Work in Hand at year end totalled \$402m.

Commenting on the performance CEO, John Smith noted:

“These are an excellent set of results given the challenges thrown up by the economic environment. Eliminating the 2007/08 one-off gain on the sale of the Shedden Uhde and Clough Engineering & Maintenance (CEM) businesses, the Net Profit after Tax is significantly improved which puts us in a position both to pay an increased dividend and to reinvest in the business.”

John Smith commented: “Looking forward the outlook is mixed with the economic downturn having caused a lag in customer’s commitments however in this region we have a number of major projects which we expect to proceed.”

“The Order Book does not yet include a number of significant prospects where Clough is positioned to secure substantial order value in the short term. These include the PNG Upstream Infrastructure for Exxon, the EPCM phase of Gorgon

where the final investment decision is anticipated within the next quarter, and the engineering phase of a major domestic gas project.”

“The sale of Petrosea, completed on 6 July and which realised gross proceeds of \$114.5m was a result of a strategic decision to focus on the oil and gas sector. In the coming year you will see us seeking to strengthen our engineering in both gas process and subsea, our construction capability particularly to participate in domestic LNG projects both conventional and Coal Seam Gas, and to expand our presence geographically across the Asian oil and gas region.

Ends

For further information, please contact:

John Smith, Chief Executive Officer
Kristy McGrath, Manager Marketing

+61 8 9281 9407
+61 8 9281 9344/ 0448 877 298

About Clough

Clough delivers an integrated Engineering, Procurement and Construction service to projects in the oil and gas, mineral and infrastructure sectors in Australia and across South East Asia. The Group's services range from concept development through design, construction, installation, commissioning, operations and maintenance.

We deploy a first class suite of integrated management systems and are committed to the concept of zero harm and the wellbeing of our people and to the sustainability of the environment and communities in which we work.

www.clough.com.au

CLOUGH LIMITED FINANCIAL SUMMARY

	2008/09			2007/08		
	Revenue \$m	EBIT \$m	%	Revenue \$m	EBIT \$m	%
Marine Construction	196.0	27.0	13.8%	286.4	30.7	10.7%
Capital Projects	377.3	28.9	7.7%	147.8	3.6	2.4%
Asset Support	42.2	2.9	6.9%	45.1	4.8	10.6%
Other	22.2	(2.8)		41.3	(7.0)	
Total Continuing Operations	637.7	56.0	8.8%	520.6	32.1	6.2%
Interest		(5.7)			(6.5)	
Tax		(5.2)			(2.3)	
Net Profit after Interest and Tax		45.1			23.3	
Discontinued Operations and Minorities		3.4			14.6	
Business Disposals and Other Non-recurring Items		3.9			28.7	
Net Profit Attributable to Clough Shareholders		52.4			66.6	
Profit Before Tax - per Statutory Accounts		54.2			54.3	