

ASX/MEDIA RELEASE

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Clough Half Year Results Announced

Engineering and construction company Clough Limited (ASX:CLO) today announced that its underlying earnings before interest and tax increased by 36% to \$41.5m in the first half of the 2009/10 financial year. Total revenue from continuing operations increased by 22% to \$404.0m in the same period and the order book closed at \$1.3b.

Highlights:

- Continuing operations:
 - Total revenue increased to \$404.0m, up 22%
 - Underlying earnings before interest and tax of \$41.5m, up 36%
 - Net profit after interest and tax (NPAT) of \$30.4m, up 13%
- Statutory NPAT of \$25.3m compared to \$23.8m in the comparable period last year.
- Work in hand at 31 December 2009 totalled \$1.3b.
- Final settlement achieved with ONGC, cash collected.
- Completion of Petrosea sale.
- Cash holdings increased to \$146m.
- Acquisition of Ocean Flow International.
- Investment in Peritus and Clough Helix Joint Venture.
- Continued improvement of HSE performance, LTIF of 0.45.

Commenting on performance, Clough's CEO John Smith stated:

"In the first half Clough has achieved a solid operational result and at the same time we have built our order book, resolved our dispute with ONGC and made significant progress in the implementation of our strategy as an Engineering-led EPC contractor to the oil and gas industry.

With our focus on gas projects it was pleasing to confirm our role in the EPCM joint venture for Gorgon and to be awarded the contracts for the upstream infrastructure and EPC of the gas plant on Exxon's PNG LNG project. These are world class undertakings.

We announced the acquisition of a controlling interest in Ocean Flow International and the investment in Peritus, which will provide the platform for growth in deepwater subsea engineering. Our investment in the Clough Helix Joint Venture will allow us to deploy a first class asset in the Asia Pacific region to offer a suite of subsea well intervention and construction activities with the opportunity for high utilisation.

Good progress has been made on initiatives to improve our construction capability for Australian gas projects including Coal Seam Gas to LNG.

With a soft vessel market globally in 2010 we have worked hard to protect the downside whilst positioning ourselves for future growth. Project timing, investment in new initiatives and a reduced contribution from marine construction mean that second half earnings are expected to be lower than the first half. Full year earnings before interest and tax from continuing operations are projected to be consistent with those of the prior year.

This will be a significant period in the building of Clough for a future in the oil and gas business”.

Ends

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About Clough

Clough delivers an integrated Engineering, Procurement and Construction service to projects in the oil and gas, mineral and infrastructure sectors in Australia, South East Asia and the USA. 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

	H1 2009/10			H1 2008/09		
	Revenue	EBIT	%	Revenue	EBIT	%
	\$m	\$m		\$m	\$m	
Marine Construction	151.3	23.9	15.8%	107.2	17.0	15.9%
Capital Projects	225.4	17.7	7.9%	187.8	13.8	7.3%
Asset Support	24.7	2.0	8.1%	20.0	1.5	7.5%
Other	2.6	(2.0)		15.1	(1.8)	
Total Underlying	* <u>404.0</u>	<u>41.5</u>	<u>10.3%</u>	<u>330.1</u>	<u>30.5</u>	<u>9.2%</u>
Interest		*	(3.4)		(2.9)	
Tax		(4.8)			(2.0)	
Business Disposals and Other Non-recurring Items		*	(2.9)		1.4	
NPAT from continuing operations (per statutory accounts)		<u>30.4</u>			<u>27.0</u>	
Discontinued Operations and Non-controlling interest		<u>(5.1)</u>			<u>(3.2)</u>	
Net Profit Attributable to Clough Shareholders		<u><u>25.3</u></u>			<u><u>23.8</u></u>	
Profit Before Tax - Continuing Operations per Statutory Accounts	*	=	35.3		29.0	