



MEDIA RELEASE
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SAUDI ARAMCO CONSULTING DEAL TO BOOST SERVICES EARNINGS CONTRIBUTION

The Clough group (**ASX:CLO**), in association with S&B from Houston and Al Bilad from Saudi Arabia, in equal joint venture with Zuhair Fayeze Partnership Consultants (ZFP) from Saudi Arabia has been awarded a Project Management Services (PMS) contract by Saudi Aramco of Saudi Arabia - the world's largest oil producing company.

The PMS contract is for an initial period of five years with two, two-year extension options.

Saudi Aramco currently produces around 9.5 million barrels of oil or oil equivalent per day. Production is expected to increase to 12.5 million barrels of oil by 2010. A prime requirement of this contract is to support Saudi Aramco's current production capacity along with its expansion plans.

Simon High, CEO of Clough's Services Division said, "We are delighted to have been selected by Saudi Aramco, from a list of the best global Oil & Gas contracting companies, to support them with this very significant contract. We also look forward to the challenge of undertaking the work "In Kingdom" (IK) and building a leading contracting company based in Saudi Arabia. Being a long-term reimbursable contract it fits well with the Services Division's strategy and will be a major foundation of our growth for many years to come.

"Whilst the contract does not specify any minimum amount of work, historically Saudi Aramco has outsourced well in excess of six hundred thousand man hours per annum for this services work. Our aim would be to build the local capability as quickly and competently as possible, such that we can execute around 1 million man hours per annum servicing Saudi Aramco and the existing client base in the region.

"We have already implemented a detailed mobilisation plan and will be recruiting several hundred people using our regional centres in Indonesia, Thailand and India, in addition to Australia."

Mr David Singleton, CEO and Managing Director of Clough Limited said, "The Saudi Aramco IK PMS is the most significant step taken in providing a balance in the group's order book in line with our strategic thrust of generating 50% of earnings from non lump sum high risk contracts. It is undoubtedly our most important and impressive contract win for some time.

Saudi PMC 6_02_05B

“The Saudi Aramco IK PMS validates our strategic decision to focus on growing the Clough Services Division. It is a major success for the Services Division and demonstrates the capability of Clough with a very exacting client.”

The Saudi Aramco IK PMS contract is being undertaken by, Al Bilad S&B Clough Limited, a registered Saudi Arabian company. From this entity, Clough will take the lead role for the execution of the services in conjunction with local consortium partner ZFP. ZFP has a strong local presence and a long successful track record of working with Saudi Aramco.

The consortium will act as the client’s project management consultants, performing predominantly Front End Engineering and Design (FEED) and project management consultant activities for onshore hydrocarbon extraction and processing facilities. All works will be performed in Al Khobar, Saudi Arabia.

This contract follows on from Clough, last month, being awarded the pre-FEED contract for the Gorgon Development as part of the Kellogg Joint Venture. In addition Clough has recently established a “Design House” in Karachi, Pakistan to provide engineering services for BP Pakistan Exploration and Production Inc over a period of three to five years.

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Clough is one of Australia’s largest multi-disciplinary engineering and construction groups. Clough operates globally in industry sectors such as onshore and offshore oil and gas, petrochemicals, minerals, infrastructure and property and has a significant capability in project management and engineering.

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