



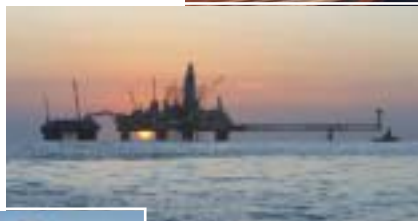
"Intelligent Engineering & Construction"

**Clough Limited**  
**2004 INTERIM FINANCIAL RESULTS**  
**Investor Presentation**

**David Singleton**

**23<sup>rd</sup> February 2005**

- Key Points
- Financial Performance Summary
- Financial Performance
- Top 10 Objectives
- Work in Hand
- Operational Initiatives Update
- Outlook



- Loss of \$42 million
- Bass Gas provision \$45.3 million
- Profit without Bass Gas \$3.3 million
- Work in Hand increase from \$510 million to \$925 million = 81% increase
- Services – Transformational contracts (Saudi Aramco, Gorgon, Bayu-Undan)
- Safety performance in top quartile for Australian contractors

## Issues

- BassGas
- First half volume impact on EPC
- Strong order intake
- Shark Bay disposal
- Cash inflow underway in second half

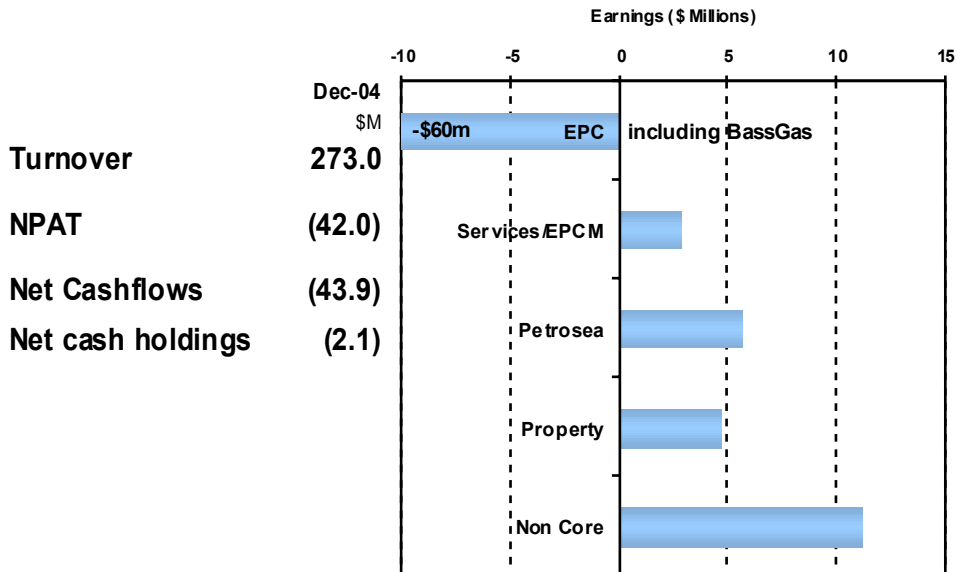


6 MONTHS TO 31 DEC 2004

	<b>2004</b>	2003
	<b>\$M</b>	\$M
Profit before Bass Gas	<b>3.3</b>	
Bass Gas	<b>(45.3)</b>	
Net Profit (Loss) after tax	<b>(42.0)</b>	3.2
Group Turnover	<b>273.0</b>	435.8
Net Operating Cash Flows	<b>(43.9)</b>	13.6
Net Cash / (Debt)	<b>(2.1)</b>	41.8*
Net Tangible Assets	<b>200.0</b>	213.0*
Order Intake - New orders	<b>827.0</b>	110.0

\*to June 04

- \$45.3 million loss made up of:
  - Completion delay costs
  - Bond costs
- Ready For Start Up (RFSU) Certificate issued by client in December
- Arbitration commenced
- Clough currently supporting plant commissioning



## Issues

- Cash
  - Impacted by BassGas
  - Recovery in Jan/Feb 05



	<b>December</b>	June
	<b>2004</b>	2004
	<b>\$M</b>	\$M
Fixed Assets and investments	<b>113.1</b>	121.5
Working Capital	<b>121.3</b>	100.6
Provisions	<b>(32.3)</b>	(51.1)
Net Assets (excl. cash)	<b>202.1</b>	171.0
Net Cash	<b>(2.1)</b>	41.8
Net Assets	<b>200.0</b>	212.8
Minority Interests	<b>(15.4)</b>	(17.7)
Shareholder Funds	<b>184.6</b>	195.1

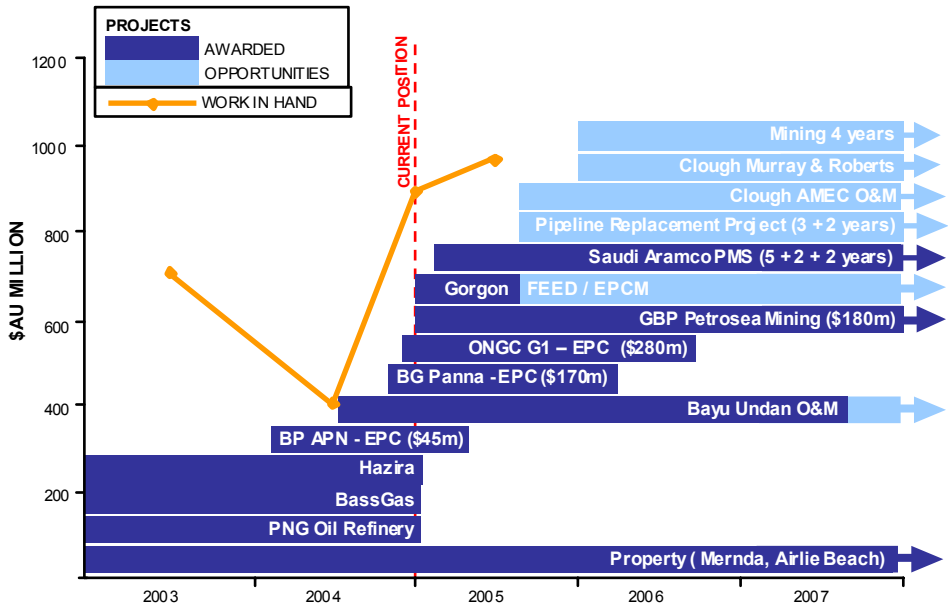
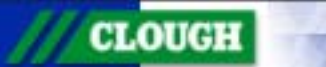
# 2004/2005 Top 10 Objectives

The logo for Clough, featuring the word "CLOUGH" in white capital letters on a green rectangular background, with two green diagonal lines to the left.

## First Half Progress

1 Rebuild order book	●	Work in Hand = A\$925m
2 50% of earnings non EPC	●	Property, GBP, Bayu Undan, Saudi Aramco, Gorgon
3 Multi-market focus	●	Minerals JV with Murray & Roberts
4 Sell down non core businesses	●	Shark Bay sold, CBH shares sold
5 Pursue a multi domestic approach to the Asian / Indian subcontinent	●	Thailand fabrication & engineering facilities. Indian office established
6 Australian focused as a property developer	●	Landmark site in Perth metro area. Airlie Beach.
7 Rebuild the infrastructure & construction business	●	Contract awards: Hegigio Bridge PNG, Bunbury Marine Piling & Cowal Gold Mine
8 Build Petrosea into strong regional company	●	Mining and mine services contracts renegotiated. PetroCOG established
9 World class processes	●	Audit team and review process. SmartPlant Foundation
10 Develop LNG capability through Australia programmes	●	Gorgon Pre-FEED awarded to KJV-Gorgon. Clough 20% partner

# Work in Hand - Timeline





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# SERVICES

## Bayu Undan - Operations & Maintenance



Photograph courtesy of ConocoPhillips Australia Pty Ltd

- Client - ConocoPhillips Australia Pty Ltd
- Location: Timor Sea, Australia
- Operations and maintenance (O&M) services for the Bayu-Undan gas recycle project.
- The three-year contract, with an option to extend for a further two years

## Saudi Aramco – In Kingdom Project Management Services

- Client: Saudi Aramco
- Location: Al Khobar, Saudi Arabia
- The Project Management Services contract is for an initial contract period 5 years with two, 2-year extension options
- Al Bilad S&B Clough, in a consortium with local partner ZFP
- Long-term reimbursable rates contract
- Front end engineering design (FEED) and project management consultant activities for onshore hydrocarbon extraction and processing facilities.



ContractSigning

- **Gorgon Pre-FEED Study**
- Client: Gorgon Joint Venture
- Location: Western Australia
- Value: \$11 Million (Jan 05)
- Kellogg Joint Venture - Gorgon comprises Kellogg Brown and Root, Clough, Hatch and JGC.
- Scope of work: pre-FEED work for the Gorgon downstream LNG project off Western Australia's north west coast.
- Opportunity for WA to indigenise key LNG technology



## BP Pakistan

- Clough has established a “Design House” in Karachi, Pakistan
- 3 year contract with 2 x 1 year extension options
- Scope of work include engineering services, capital and sustaining projects in support of BP’s onshore oil and gas facilities.
- Provides a base load of work to enable establishment of an engineering office capable of servicing other clients and markets in the Pakistan region.



Previous Clough project in Pakistan

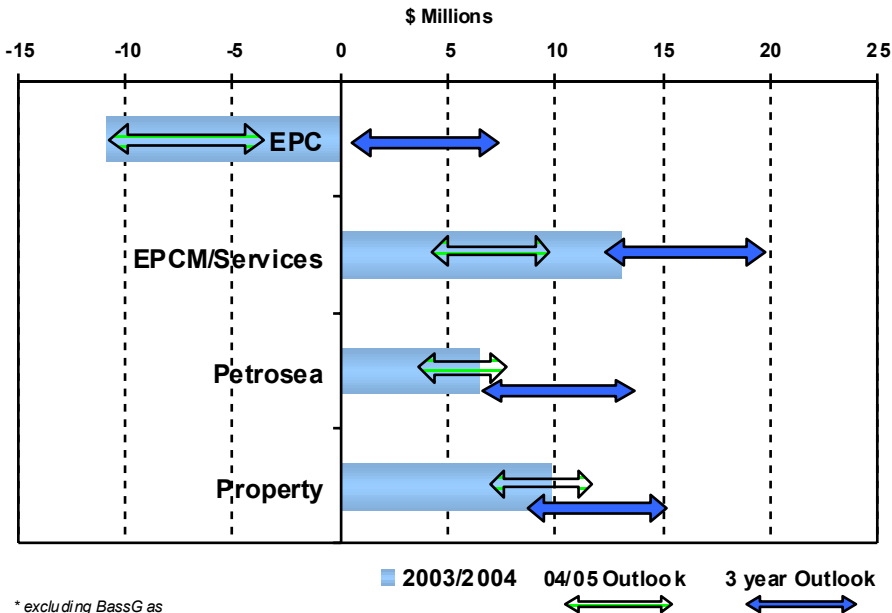


Typical module

## Clough Sino-Thai

- JV with STP&I, part of Sino-Thai group
- Established fabrication and assembly facility with deepwater port
- Clough now offers design (through Shedden Uhde Thailand), fabrication and install capability.
- JV with STP&I, part of Sino-Thai group

# Profit Outlook 04/05 (and 3 year look forward)



\* excluding BassG as

- 18 months into 5 year plan to rebuild Clough the Company is making progress on all fronts
- Order book turnaround up 81%
- Transformational new Services contracts
- BassGas – working towards resolution
- Indonesian outlook strong



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# APPENDICES

- BP West Java – APN/MM Development \$85 Million
  - PetroCOG inaugural contract
  - Three monopods in 15 to 45m water depth: design, procurement, construction & install
- Nexen Petroleum Australia Pty Ltd - Buffalo De-commissioning \$15 Million
  - Clough involved in full cycle: installation for BHP
  - Growing market in de-commissioning



APN/MM Development, Indonesia



Buffalo De-commissioning, Western Australia

- Woodside Energy Ltd – Wanaea Cossack Lambert Hermes \$14 Million
  - Tie-back of two new subsea wells to two existing manifolds
  - Achieved client satisfaction of 9/10 on final performance survey
- ONGC – G1-GS15 Field Development \$280 Million
  - Largest ever offshore contract
  - Set up regional office to access growing Indian oil & gas market

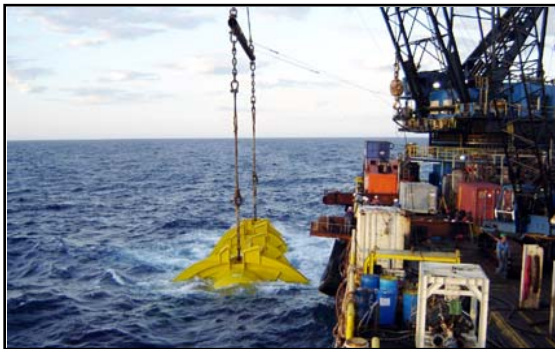


WCLH, Western Australia



G1-GS15 Field Development, India

- Santos Ltd - Mutineer & Exeter \$75 Million
  - Corrosion resistant alloy lined pipeline – Clough first
  - Supporting Santos expansion plans
- BG - Panna Field Development \$170 Million
  - Build on Hazira platform success



Mutineer & Exeter, Western Australia



Panna Field Development, India  
(similar platform shown)

- Rio Tinto – Hismelt Plant \$14 Million
  - Kvaerner Clough: EPCM contractor
  - 800,000 t/pa pig iron plant – world first for Rio Tinto
- Barrick Gold of Australia Ltd – Cowal Gold Mine \$25 Million
  - Clough Seymour Whyte JV
  - Civil & concrete works package



Hismelt Plant, Western Australia



Cowal Gold Mine , New South Wales

- Rio Tinto – Namuk Tailings Dam \$30 Million
  - Petrosea performing tailings dam upgrade works
- Gunungbay an Pratamacoal (GBP) – Overburden Stripping \$180 Million
  - Four year extension to existing contract
  - Rates based contract to underpin Petrosea earnings growth
  - Improving opportunities for PTP in this market



Namuk Tailings Dam, East Kalimantan



GBP Coal Mining Contract, East Kalimantan

- Main Roads WA – Roe Highway Stage 7 \$58 Million
  - Alliance with Main Roads WA
  - Community involvement has been key
- Worsley Alumina – Bunbury Marine Piling & Wharf Construction \$13 Million
  - Onshore completed and marine activities progressing well



Roe Highway Stage 7, Western Australia



Bunbury Marine Piling, Western Australia

- Growth portfolio
  - 2 years ago Clough Property managed \$153 million\*
  - Today Clough Property manages \$551 million\*
  - Portfolio has grown to 3.6 times
- New offices in Brisbane, Sydney & Melbourne
- Profit - A\$4.7 million



Airline 2 Residential Subdivision, Airlie Beach, Queensland



Residential Subdivision, Mernda, Victoria

\*Figures based on end sales value



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