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This concise financial report to shareholders is a short form overview that is designed to give readers an easy to read concise summary of the activities and financial position for the year ended 30 June 2007. This concise financial report has been derived from the full financial report. A copy of the full financial report is available to all shareholders, and upon request will be sent to shareholders without charge. A copy can be requested by telephone 61 8 9281 9310. Readers can also access both the concise financial report and the full financial report via the internet at www.clough.com.au.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Clough Limited and its controlled entities as the full financial report.

The Directors of Clough Limited ABN 59 008 678 813 present the financial statements of the Company and of the Clough Group, the consolidated entity, for the financial year ended 30 June 2007 and in accordance with a resolution of the Directors' report as follows:

1. Directors

The Directors of Clough Limited at the date of this report are:

Director	Qualifications	Main Duties
RM Harding	MSc (Mech.Eng)	Chairman
J Smith	BSc (Mech.Eng), C.Eng, M.I.Mech.E(UK)	Chief Executive Officer & Managing Director
AJ Walsh	ACMA	Chief Financial Officer
CM Anderson	BEc, ASA	Director
BC Bruce	PrEng, BSc(Eng), DEng(hc), Hon FSAICE	Director
WH Clough	AO, OBE, BE(Hons), MS(Calif), Hon FIEAust, CPEng, Hon DE(UWA), FTSE, FAICD, FAIM	Director
JD Cooper	BSc(Building)(Hons), FIEAust, FAIM, FAICD	Director
RW Kelly	AM, BE(Hons), FAICD	Director
RW Rees	BSc(Econ)(Hons), FCA	Director
MB Robinson	AO, LLB	Director

All Directors held office during the whole of the year and up to the date of this report except for:

- J Smith who was appointed as Managing Director & Chief Executive Officer on 1 August 2007.
- JD Cooper who was appointed as a Non-Executive Director on 24 August 2006 and was appointed Managing Director & Chief Executive Officer on 9 January 2007. JD Cooper resigned as Managing Director & Chief Executive Officer on 1 August 2007 but remains as a Non-Executive Director.
- DPA Singleton who resigned as Managing Director & Chief Executive Officer on 9 January 2007.
- JM Clough who resigned as a Non-Executive Director on 24 August 2007.
- RW Rees who resigned as a Non-Executive Director on 23 August 2006 and was reappointed as a Non-Executive Director on 24 August 2007.
- N Jorek who resigned as a Non-Executive Director on 24 August 2007.

Details relating to Directors' qualifications, experience and special responsibilities appear on pages 18 and 19 and these pages are incorporated in and form part of this report.

The Company Secretary is MJ Uchanski and details of his qualifications and experience appear on page 19 and this page is incorporated in and forms part of this report.

Details relating to the Directors' directorships of other listed companies over the last three years are as follows:

- J Smith was appointed as a Director of Remedial Offshore Ltd on 12 April 2007 and has been a Director of Remora ASA since 10 May 2004. J Smith resigned from Directorships of Subsea 7 AS on 8 May 2007; SeaMetric International AS on 28 June 2007; Grenland Group ASA on 10 July 2007 and Consafe Offshore AB in June 2006.
- JD Cooper is a Commissioner of PT Petrosea Tbk and was appointed on 30 May 2007.
- AJ Walsh is a Commissioner of PT Petrosea Tbk and was appointed on 9 June 2004.
- CM Anderson has been a Director of Southern Pacific Petroleum NL since 1 May 2001.
- BC Bruce and RW Rees are Directors of Murray & Roberts Holdings Limited. BC Bruce was appointed as a Director on 31 March 2000 and RW Rees was appointed as a Director on 31 August 2000. BC Bruce and RW Rees were previously Directors of Unitrans Limited (resigned 18 January 2005).
- WH Clough has been a Director of Advanced Nanotechnology Ltd since 10 January 2000.
- RW Kelly has been a Director of Imdex Limited since 14 January 2004.
- MB Robinson has been a Director of Tabcorp Holdings Limited since 27 June 1994. MB Robinson was previously a Director of TAB Limited (resigned 23 September 2004).
- RM Harding has been a Director of Santos Limited since 1 March 2004. RM Harding was a Director of Arc Energy Limited from 26 August 2003 until he resigned on 25 May 2007.

2. Principal Activities

The principal activities of the consolidated entity during the financial year were engineering and construction contracting, contract mining, building and property development. There were no significant changes in the nature of these activities during the year.

3. Trading Results

The net loss for the consolidated entity for the year was \$105,260,000 after deducting income tax expense of \$4,959,000 and profits attributable to outside equity interests in controlled entities of \$1,341,000.

4. Dividends

No dividends were paid during the year. No dividends have been recommended subsequent to balance date.

5. Operating And Financial Review

A review of the operations of the consolidated entity and the results of those operations and the financial review are contained in the Chairman's Report on page 4, Chief Executive Officer's Comment on page 5, Chief Financial Officer's Analysis on pages 6 and 7 and Business Sector Review from pages 8 to 13 inclusive. These pages are incorporated in and form part of this report.

6. State Of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review not otherwise disclosed in this report or the consolidated financial report.

7. Events Subsequent To Balance Date

Since the end of the financial year the Directors are not aware of any matter or circumstance not otherwise dealt with in this report or consolidated financial report that has significantly 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 subsequent financial years apart from the matter noted below.

The Company announced on 12 July 2007 its intention to recapitalise the business. The funding structure has now been finalised and will comprise a fully underwritten renounceable rights issue at 36.8 cents per share to raise \$39.4 million and a placement to Murray & Roberts at 36.8 cents per share to raise \$5.6 million. The Company has also agreed a \$25 million debt facility and a \$160 million loan guarantee facility both provided by Murray & Roberts. The recapitalisation will allow the Company to deal with the cash flow issues arising from the BassGas and G1 disputes and provide the necessary support for the capital expenditure programme announced by the Company in February 2007. Additionally the Company announced its intention to complete the disposal of non-core assets, the details of which are being worked through.

8. Likely Developments

Disclosure of information relating to likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years, which will not in the opinion of the Directors unreasonably prejudice the interests of the consolidated entity, is contained in the Chairman's Report on page 4, Chief Executive Officer's Comment on page 5 and Business Sector Review on pages 8 to 13 inclusive. These pages are incorporated in and form part of this report.

9. Environmental Regulation

The operations of the consolidated entity are subject to environmental regulations under Commonwealth, State and Territory legislation. Overseas operations are also subject to relevant environmental regulations. The standard policy of the Company in relation to the environment requires all operations to be conducted in a manner to protect and preserve the environment. The Directors are not aware of any material breaches of environmental regulations during or since the end of the financial year.

10. Remuneration Report

10.1 Principles used to determine the nature and amount of remuneration

Remuneration levels are set with the objective of attracting and retaining appropriately qualified and experienced senior executives. Remuneration packages are structured to recognise, encourage and reward improved performance and business growth, balanced between short term and long term goals. In establishing appropriate levels of remuneration external advice is regularly sought.

Remuneration levels of the current executive management team recognise the objective of improving Company performance as defined in the Company's goal of servicing our shareholders with growth in market capitalisation and earnings per share. Short term incentive plans are structured to achieve improved business performance. Long term incentives are aligned to increase value for shareholders through the Executive Option Plan. The Company's Board has broadened the long term incentive plan to include key executives and managers to encourage sustained business improvement and to provide an improved retention package in the current heated market.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board also has agreed to the advice of independent remuneration consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of Non-Executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration. Non-Executive Directors do not receive share options.

Directors' fees

The current base remuneration was last reviewed with effect from 9 November 2005. The Chairman's remuneration is inclusive of committee fees while Non-Executive Directors who chair a committee receive additional yearly fees.

10. Remuneration Report (Cont'd)

Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum aggregate amount of fees that may be paid per annum currently stands at \$900,000 and was approved at the Annual General Meeting of the Company held on 9 November 2005.

Remuneration Committee

The Remuneration Committee, consisting of three Non-Executive Directors, advises the Board on remuneration policies and practices generally, and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other senior executives and Non-Executive Directors.

Executive pay

The executive pay and reward framework has four components:

- base pay and benefits
- short-term performance incentives
- long-term incentives through participation in the Clough Limited Executive Option Plan, and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards, structured as a total employment cost package which may be delivered as a mix of cash and prescribed non-financial benefits at the executives' discretion.

External remuneration consultants provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion. There are no guaranteed base pay increases fixed in any senior executives' contracts.

Benefits

Executives receive benefits including salary continuance, group life insurance and motor vehicle allowances.

Retirement benefits

Retirement benefits are delivered under the Clough Superannuation Fund. This Fund provides defined lump sum benefits based on contributions made. Other retirement benefits may be provided directly by the Company if approved by shareholders.

Short-term incentives

Executive Directors and senior executives have the opportunity to qualify for participation in the Clough Incentive Scheme. The objective of the scheme is to align the interests of executives with those of shareholders through the payment of bonuses linked to pre-agreed targets and performance standards. The performance standards include earnings before interest and tax, order intake and operating cash flow. The potential bonus consists of a number of elements:

- Business Unit performance – A bonus percentage will be calculated on the basis of the Clough Group, and business unit achieving all or some of its Key Performance Indicators.
- Individual performance – A performance multiplier is calculated on the basis of individual performance.
- Stretch targets – A bonus percentage will be calculated if performance exceeds plan. These pre-agreed stretch targets are determined by the Bonus Review Committee whose members include the Chief Executive Officer and the Chief Financial Officer. The stretch targets for the Chief Executive Officer and the Chief Financial Officer are determined by the Remuneration Committee and ratified by the Board.

Each year, the Remuneration Committee considers the appropriate targets and key performance indicators to link the Short Term Incentive plan and the level of payout if targets are met. This includes setting any maximum payout under the Short Term Incentive plan, and minimum levels of performance to trigger payment of Short Term Incentive.

The short term bonus payments may be adjusted up or down in line with under or over achievement against the target performance levels. This is at the discretion of the Remuneration Committee.

The Short Term Incentive target annual payment is reviewed annually.

Executive Option Plan

Information on the Clough Limited Executive Option Plan is set out in Section 10.4.

10.2 Details of remuneration

Amounts of remuneration

Details of the nature and amount of each element of the remuneration of each Non-Executive Director and Executive Director of Clough Limited and the key management personnel (including the five executives who received the highest remuneration) of the consolidated entity are set out in the following tables. The cash bonuses are dependent on the satisfaction of performance conditions as set out in the section headed Short-term incentives above. All other elements of remuneration are not directly related to performance.

10. Remuneration Report (Cont'd)

Non-Executive Directors of Clough Limited

2007	Short-Term Benefits					Post-Employment Benefits	Total
	Directors' Fee	Consultancy Fee	Travel Allowance	Non-Monetary Benefits	Other	Superannuation	
Name	\$	\$	\$	\$	\$	\$	\$
CM Anderson	65,000	-	25,000	-	-	8,100	98,100
BC Bruce (i)	84,996	-	-	-	-	-	84,996
JM Clough (iii)	97,042	37,333	-	-	1,190	11,096	146,661
WH Clough	65,000	-	-	-	2,885	-	67,885
RM Harding	53,401	-	8,333	-	1,133	104,990	167,857
N Jorek (i), (iv)	84,996	-	-	-	-	-	84,996
RW Kelly	80,000	-	-	-	-	7,200	87,200
RW Rees (i), (ii)	12,338	-	-	-	-	-	12,338
MB Robinson	-	-	-	-	-	98,100	98,100

2006	Short-Term Benefits					Post-Employment Benefits	Total
	Directors' Fee	Consultancy Fee	Travel Allowance	Non-Monetary Benefits	Other	Superannuation	
Name	\$	\$	\$	\$	\$	\$	\$
CM Anderson	59,659	-	25,000	-	235	7,619	92,513
BC Bruce (i)	53,124	-	-	-	-	-	53,124
JM Clough	165,000	105,000	1,114	4,730	2,509	24,300	302,653
WH Clough	52,182	-	-	4,730	2,540	-	59,452
RM Harding	10,000	-	4,167	-	20	1,275	15,462
N Jorek (i)	53,124	-	-	-	-	-	53,124
RW Kelly	69,318	-	-	-	-	6,239	75,557
RW Rees (i), (ii)	53,124	-	-	-	-	-	53,124
MB Robinson	54,242	-	22,917	-	-	15,119	92,278

(i) The Directors' fees for BC Bruce, N Jorek and RW Rees are paid to Murray & Roberts Limited.

(ii) RW Rees was appointed as a Director on 9 November 2005, resigned as a Director on 23 August 2006 and was reappointed as a Director on 24 August 2007.

(iii) JM Clough resigned as a Director on 24 August 2007.

(iv) N Jorek resigned as a Director on 24 August 2007.

Executive Directors of Clough Limited

2007	Short-Term Benefits					Post-Employment Benefits	Termination Benefits	Share-Based Payments	Total	Proportion of Remuneration Performance Related	Value of Options as Proportion of Remuneration
	Cash Salary	Retention Payment #	Cash Bonus	Non-Monetary Benefits	Other	Superannuation	Termination Benefits	Options			
Name	\$	\$	\$	\$	\$	\$	\$	\$	\$		
JD Cooper (i)	401,868	-	-	5,275	83,908	103,918	-	-	594,969	-%	-%
DPA Singleton (ii)	470,778	-	-	3,101	1,774	22,725	1,237,500	-	1,735,878	-%	-%
AJ Walsh	587,668	238,000	-	5,916	7,690	65,393	-	310	904,977	-%	-%

2006	Short-Term Benefits				Post-Employment Benefits	Share-Based Payments	Total	Proportion of Remuneration Performance Related	Value of Options as Proportion of Remuneration
	Cash Salary	Cash Bonus	Non-Monetary Benefits	Other	Superannuation	Options			
Name	\$	\$	\$	\$	\$	\$	\$		
DPA Singleton	754,478	150,000	5,160	100,840	39,522	82	1,050,082	14%	1%
AJ Walsh	538,478	60,000	5,160	16,840	39,522	3,143	663,143	9%	1%

(i) JD Cooper was appointed as a Non-Executive Director on 24 August 2006 and was appointed as Managing Director & Chief Executive Officer on 9 January 2007. Amounts shown above include all JD Cooper's remuneration during the reporting period, whether as a Director or as Managing Director & Chief Executive Officer. Amounts received in his position as Managing Director & Chief Executive Officer amounted to \$569,475, made up of cash salary of \$378,750, non-monetary benefits of \$2,899, superannuation of \$103,918 and other benefits of \$83,908.

(ii) DPA Singleton resigned as Managing Director & Chief Executive Officer on 9 January 2007. He received a termination payment of \$1,237,500 which included a bonus of \$337,500.

10. Remuneration Report (Cont'd)

Other Key Management Personnel of the Consolidated Entity

2007 Name	Short-Term Benefits					Post-Employment Benefits	Termination Benefits	Share-Based Payments	Total	Proportion of Remuneration Performance Related	Value of Options as Proportion of Remuneration
	Cash Salary \$	Retention Payment #	Cash Bonus \$	Non-Monetary Benefits \$	Other \$	Superannuation \$	Termination Benefits \$	Options \$	\$		
ME Anderson * Group Manager – Project Execution	375,738	111,383	-	5,916	41,660	105,113	-	17,051	656,861	-%	3%
K Cain (i) Chief Operating Officer – Offshore Oil & Gas	193,089	122,611	-	2,130	1,193	15,847	-	2,369	337,239	-%	1%
SR High * Chief Operating Officer – Services & Construction	410,669	122,472	-	5,916	4,460	88,238	-	38,839	670,594	-%	6%
DJ Kucan (ii) Former Group Manager – HR & QHSE	197,409	-	-	3,733	2,135	25,353	-	10,791	239,421	-%	5%
PC Loots Group General Counsel	320,741	74,000	-	5,916	2,504	28,867	-	6,868	438,896	-%	2%
IG Meares * Group Manager – Business Development	384,875	75,600	-	5,916	4,356	34,605	-	6,316	511,668	-%	1%
GL Miller (iii), (v) Former Chief Operating Officer – Infrastructure & Construction	276,785	-	7,718	3,733	713	20,820	-	5,396	315,165	2%	2%
S Rogers (iv) Former Chief Operating Officer – Oil & Gas	263,678	-	-	3,609	2,782	98,823	-	13,080	381,972	-%	3%
JFB Sheridan * (vi) President Director – PT Petrosea Tbk	417,576	83,818	-	-	157,352	-	-	26,051	684,797	-%	4%
JE Tucker * (v), (vii) Former General Manager – Property	261,555	-	50,530	5,295	2,689	70,009	203,008	-	593,086	9%	-%

Retention Payments

The Company's remuneration policy includes an incentive scheme that is designed to align the interests of executives with those of the shareholders. Incentive scheme targets for the year ended 30 June 2007 have not been met as a result of provisions taken in the year and consequently no short term bonuses will be paid.

The Board has agreed to make incentive and retention payments to staff to ensure the Company retains the people needed to pursue the business plan and in recognition of the current labour market.

10. Remuneration Report (Cont'd)

Other Key Management Personnel of the Consolidated Entity (cont'd)

2006	Short-Term Benefits				Post-Employment Benefits	Share-Based Payments	Total	Proportion of Remuneration Performance Related	Value of Options as Proportion of Remuneration
	Cash Salary	Cash Bonus	Non-Monetary Benefits	Other	Superannuation	Options			
Name	\$	\$	\$	\$	\$	\$	\$		
ME Anderson * Group Manager – Project Execution	340,174	93,182	5,160	36,873	100,365	10,511	586,265	16%	2%
SR High * Chief Operating Officer – Services	385,540	188,370	5,160	3,060	84,745	21,022	687,897	27%	3%
DJ Kucan Group Manager – HR & QHSE	296,953	58,894	5,160	1,757	37,582	10,511	410,857	14%	2%
PC Loots (viii) Group General Counsel	197,566	37,500	4,300	939	17,776	1,314	259,395	14%	1%
IG Meares (ix) Group Manager – Business Development	131,218	23,333	1,720	1,010	11,810	-	169,091	14%	-%
GL Miller * Chief Operating Officer – Infrastructure & Construction	361,359	91,507	5,160	847	32,287	5,255	496,415	18%	1%
S Rogers * Chief Operating Officer – Oil & Gas	355,873	90,000	5,160	2,285	112,855	13,139	579,312	16%	2%
JFB Sheridan * (vi) President Director – PT Petrosea Tbk	402,330	60,000	-	177,297	-	13,139	652,766	9%	2%
JE Tucker General Manager – Property	277,894	45,373	5,160	1,917	24,883	-	355,227	13%	-%

(i) K Cain was appointed as a key management person on 9 February 2007.

(ii) DJ Kucan resigned from the Clough Group on 16 February 2007.

(iii) GL Miller resigned from the Clough Group on 16 February 2007.

(iv) S Rogers resigned from the Clough Group on 9 February 2007. S Rogers received a payment in lieu of notice of \$51,404 which is included in cash salary.

(v) GL Miller's and JE Tucker's cash bonus for 2007 comprises an adjustment for prior year bonus under accrued.

(vi) Other includes benefits for executives located overseas.

(vii) JE Tucker resigned from the Clough Group on 29 June 2007. JE Tucker received a termination payment of \$203,008.

(viii) PC Loots commenced employment on 8 September 2005.

(ix) IG Meares commenced employment on 22 February 2006.

* Denotes one of the 5 highest paid executives of the Group, as required to be disclosed under the Corporations Act 2001.

10. Remuneration Report (Cont'd)

Cash bonuses and options

For the financial year ended 30 June 2007, the percentage of the available bonus that vested in the year, and the percentage that was forfeited because either the Company or Business Unit did not meet the performance criteria is set out below. Details of the grant value of options relating to future financial years is also set out below.

Name	Cash Bonus		Year granted	Vested	Forfeited	Options		
	Paid	Forfeited				Financial years in which options may vest	Minimum total value of grant yet to vest \$	Maximum total value of grant yet to vest \$
	%	%		%	%			
AJ Walsh	-	100	2003	80	-	30/06/2008	nil	79
ME Anderson	-	100	2005	-	-	30/06/2009	nil	23,638
K Cain	-	100	2007	-	-	30/06/2010	nil	35,806
JD Cooper	-	100	-	-	-	-	-	-
SR High	-	100	2007	-	-	30/06/2010	nil	71,613
			2005	-	-	30/06/2009	nil	47,276
DJ Kucan	-	100	2005	-	100	-	-	-
PC Loots	-	100	2007	-	-	30/06/2010	nil	71,613
			2005	-	-	30/06/2009	nil	2,955
IG Meares	-	100	2007	-	-	30/06/2010	nil	95,484
GL Miller	-	100	2005	-	100	-	-	-
S Rogers	-	100	2005	-	100	-	-	-
JFB Sheridan	-	100	2007	-	-	30/06/2010	nil	71,613
			2005	-	-	30/06/2009	nil	29,547
DPA Singleton	-	100	2003	80	20	-	-	-
JE Tucker	-	100	-	-	-	-	-	-

10.3 Service Agreements

Remuneration and other terms of employment for the Chief Executive Officer and the Chief Financial Officer are formalised in service agreements. Major provisions of the agreements relating to remuneration are set out below.

J Smith Chief Executive Officer (from 1 August 2007)

- Employment commenced on 1 August 2007.
- Total fixed cost of employment of \$1,300,000 per annum, including base salary, all allocations to superannuation and all taxes including any fringe benefits tax.
- An annual incentive payment of up to 80% of base salary based on successful performance to the satisfaction of the Board.
- Relocation costs of up to \$10,000 per month for up to 12 months for short term accommodation until permanent accommodation is arranged.
- Reasonable legal costs and stamp duty incurred in purchasing a home in Perth.
- A lump sum of \$90,000 to cover sundry costs of relocation.
- Return flights between Perth and Norway for each completed 12 months service will be provided to Mr Smith, his spouse and children.
- Cover under a Salary Continuance Plan and Life Insurance Plan.

Subject to shareholder approval Mr Smith will also be issued with 6 million options in the Company with the following conditions:

- Options will be exercisable at a premium of 10% to the average market price during the week prior to the date of execution of the contract of employment.
- Options can be exercised after the third (3 million), fourth (1 million), fifth (1 million) and sixth (1 million) anniversary dates of the commencement of employment, subject to certain performance criteria.

10. Remuneration Report (Cont'd)

JD Cooper Chief Executive Officer (9 January 2007 – 1 August 2007)

- Commenced as Chief Executive Officer on 9 January 2007 and resigned on 1 August 2007.
- Base package inclusive of superannuation of \$1,080,000 per annum effective from 9 January 2007.
- An annual incentive payment of up to 35% of the total fixed cost of employment based on successful performance to the satisfaction of the Board.
- Non-cash package comprising of a living away from home allowance of up to a maximum of \$10,000 per month (less any taxes), four business class return flights between Perth and Sydney for each 12 months of service for use of the CEO's spouse and cover under a Salary Continuance Plan.

DPA Singleton Former Chief Executive Officer (until 9 January 2007)

- Employment commenced in 2003 and was terminated on 9 January 2007.
- Base package inclusive of superannuation of \$900,000 per annum to be reviewed annually by the Remuneration Committee.
- An annual cash bonus of up to 100% of the salary package based on the achievement of agreed targets and objectives established by the Board in the first month of each financial year.
- Payment of termination benefit on early termination by the employer, other than for gross misconduct, if terminated within the first 12 months, twice the prevailing package. If terminated between 1 and 2 years, one and a half times the prevailing package. If terminated between 2 to 5 years, one times the prevailing package. If terminated after 5 years, one half times the prevailing package.

DPA Singleton resigned on 9 January 2007 and he received a termination payment of \$1,237,500 which included a bonus of \$337,500. The service agreement with DPA Singleton was terminated when he left.

AJ Walsh Chief Financial Officer

- Employment commenced in 2003 and will continue thereafter unless and until terminated.
- Base package inclusive of superannuation of \$700,000 per annum effective from 1 November 2006, to be reviewed annually by the Remuneration Committee.
- An annual cash bonus of up to 80% of the salary package based on the achievement of agreed targets and objectives established by the Board in the first month of each financial year.
- Payment of termination benefit on early termination by the employer, other than for gross misconduct, if terminated within the first 12 months, twice the prevailing package. If terminated between 1 and 2 years, one and a half times the prevailing package. If terminated between 2 to 5 years, one times the prevailing package. If terminated after 5 years, one half times the prevailing package.

10.4 Share-based compensation

Options are granted under the Clough Limited Executive Option Plan which was approved by special resolution at the Annual General Meeting of the Company held on 16 November 1998. The Board of Directors of the Company determines the eligibility of executives and their entitlement having regard to, amongst other things, the performance and future potential contribution of each executive. Participation by Executive Directors is subject to prior approval of a general meeting of the Company.

The maximum number of shares that can be issued or acquired under the Plan is 0.5% of the number of issued shares in the Company in each year from the commencement of the Plan. If less than 0.5% is issued or acquired in one year, the remainder can be added to issues in subsequent years.

The Company believes it is appropriate that the options be subject to suitable performance criteria. This may involve setting the exercise price of options above the current market price of the shares in the Company, or it may involve imposing performance conditions that must be satisfied before the options can be exercised. The Board will review and set the performance criteria attaching to options, as it considers appropriate. The exercise price of options as a minimum must not be less than the market price of shares in the Company at the time the options were granted.

The rules of the Plan permit the Directors, in their discretion, to provide loans to executives to assist them in meeting the exercise price payable on the exercise of options. Options will only be exercisable between 3 and 6 years after they are granted. Any options not exercised during that time will lapse.

During the year the Company issued 2,835,000 options under the Executive Option Plan. The number of options that lapsed during the year totalled 2,435,000. No options were exercised during the year.

10. Remuneration Report (Cont'd)

The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

Grant date	Vesting date	Exercise price	Value per option at grant date	Date exercisable
14 November 2003	26/09/06	\$1.42	\$0.006	14/11/07 – 14/11/08
14 November 2003	26/09/07	\$1.67	\$0.002	14/11/07 – 14/11/08
17 November 2005	17/11/08	\$0.39	\$0.128	17/11/08 – 17/11/11
23 April 2007	23/04/10	\$0.63	\$0.2545	23/04/10 – 23/04/13

Options granted under the plan carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share in Clough Limited.

Details of options over ordinary shares in the Company provided as remuneration to each Director of Clough Limited and other key management personnel (including the five executives who received the highest remuneration) of the Group are set out below.

Name	Number of options granted during the year	Number of options vested during the year
Directors of Clough Limited		
No options were issued to Directors of Clough Limited during the year		
Other key management personnel of the Group		
K Cain	150,000	-
SR High	300,000	-
PC Loots	300,000	-
IG Meares	400,000	-
JFB Sheridan	300,000	-

The assessed fair value at grant date of options granted to Directors and other key management personnel is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Binomial option pricing model that takes into account the exercise price, the term of the option, the vesting and expected life, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2007 included:

a. options are granted for no consideration, have a six year life and are exercisable at any time between the vesting date and the expiry date

b. exercise price:	\$0.63
c. grant date:	23 April 2007
d. vesting date:	23 April 2010
e. expiry date:	23 April 2013
f. expected exercise date:	23 October 2011
g. share price at grant date:	\$0.615
h. expected price volatility of the Company's shares:	39.91%
i. expected dividend yield:	0%
j. risk-free interest rate:	6.06%

11. Share Options

Further details relating to options are set out below.

Name	A Remuneration consisting of options	B Value at grant date \$	C Value at exercise date \$	D Value at lapse date \$	Total of columns B-D \$
AJ Walsh	-	-	-	-	-
ME Anderson	3%	-	-	-	-
K Cain	1%	38,175	-	-	38,175
JD Cooper	-	-	-	-	-
SR High	6%	76,350	-	-	76,350
DJ Kucan	5%	-	-	-	-
PC Loots	2%	76,350	-	-	76,350
IG Meares	1%	101,800	-	-	101,800
GL Miller	2%	-	-	-	-
S Rogers	3%	-	-	-	-
JFB Sheridan	4%	76,350	-	-	76,350
DPA Singleton	-	-	-	-	-
JE Tucker	-	-	-	-	-

A = The percentage of the value of remuneration consisting of options, based on the value of options expensed during the current year.

B = The value at grant date calculated in accordance with AASB 2 *Share-based Payment* of options granted during year as part of remuneration.

C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year, being the intrinsic value of options at that date.

D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year. Lapsed options refer to options that vested but expired unexercised.

Unissued ordinary shares of Clough Limited under option at the date of this report are as follows:

Issue Date	Vesting Date	Number of Options	Exercise Price to Shares	Exercise Period
14/11/03	Vested	600,000	\$0.67	14/11/07 – 14/11/08
14/11/03	Vested	600,000	\$0.92	14/11/07 – 14/11/08
14/11/03	Vested	600,000	\$1.17	14/11/07 – 14/11/08
14/11/03	Vested	600,000	\$1.42	14/11/07 – 14/11/08
14/11/03	26/09/07	600,000*	\$1.67	14/11/07 – 14/11/08
17/11/05	17/11/08	2,530,000*	\$0.39	17/11/08 – 17/11/11
23/04/07	23/04/10	2,835,000*	\$0.63	23/04/10 – 23/04/13

* These options will vest on the above vesting dates provided the executive is employed on the respective vesting dates.

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

12. Rounding Off Of Amounts

Clough Limited is a company of the kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report. All amounts have been rounded off to the nearest thousand dollars, unless otherwise stated.

13. Directors' Interests

Interests of Directors of Clough Limited in the Company at the date of this report are:

Director	Ordinary Shares	Options	Convertible Notes
CM Anderson	75,000	-	5,770
JM Clough, WH Clough & families through McRae Investments Pty Ltd	106,280,208	-	8,175,401
RW Kelly	150,000	-	11,538
MB Robinson	53,363	-	4,105
AJ Walsh	402,000	3,000,000	25,693

14. Directors' Meetings

The number of Directors meetings and number of meetings attended by each of the Directors of Clough Limited during the financial year are as follows:

Director	Board of Directors' Meetings		Special Directors' Meetings *		Audit & Risks Committee Meetings		Remuneration & HR Committee Meetings		Governance & Nomination Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
CM Anderson	7	7	5	5	3	3	3	3	**	**
BC Bruce	7	7	5	5	**	**	3	3	**	**
JM Clough	7	7	5	5	**	**	3	1	1	1
WH Clough	7	7	5	5	3	3	3	3	**	**
JD Cooper ~	5	5	5	5	**	**	**	**	**	**
RM Harding	7	6	5	4	**	**	3	3	1	1
N Jorek	7	7	5	5	**	**	**	**	1	1
RW Kelly	7	7	5	4	3	3	6	3	**	**
RW Rees #	2	2	-	-	**	**	**	**	**	**
MB Robinson	7	7	5	5	3	3	**	**	1	1
DPA Singleton +	4	4	2	2	**	**	**	**	**	**
AJ Walsh	7	7	5	5	**	**	**	**	**	**

The number of meetings held represents the time the Director held office or was a member of the committee during the year.

** Not a member of the relevant committee.

* Special meetings relate to Murray & Roberts, McRae Investments Pty Ltd & related project issue transactions during the time of the Director's appointment.

RW Rees resigned as a Director on 23 August 2006.

~ JD Cooper was appointed as a Director on 24 August 2006.

+ DPA Singleton resigned as a Director on 9 January 2007.

15. Indemnification And Insurance Of Officers

The Company has entered into agreements to indemnify all Directors of the Company named in paragraph 1 of this report and current and former executive officers of the Company and its controlled entities against all liabilities to persons (other than the Company or a related body corporate) which arise out of the performance of their normal duties as Director or executive officer unless the liability relates to conduct involving a lack of good faith.

The Company has agreed to indemnify the Directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

During the financial year the Company and the Directors paid insurance premiums in respect of Directors' and Officers' Liability insurance. The policy does not specify the premium for individual Directors and executive officers. Disclosure of the premium paid is subject to confidentiality requirements under the contract of insurance.

16. Auditor Independence And Non-audit Services

A copy of the auditors' independence declaration required under section 307C of the Corporations Act 2001 is set out on page 36.

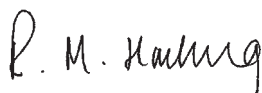
The following non-audit services were provided by the entity's auditors, PricewaterhouseCoopers. The Board of Directors has considered the position and in accordance with the advice received from the Audit Committee is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

PricewaterhouseCoopers received or are due to receive the following amounts for provision of non-audit services:

PricewaterhouseCoopers Australia	\$
Provision of software and support for ValueFinancials financial reporting package	13,261
Review of prospectus for Convertible Note issue	5,453
Taxation advice	25,650
PricewaterhouseCoopers Overseas	
Taxation services	88,450

This report is made in accordance with a resolution of the Directors.

PERTH
27 August 2007



Richard Michael (Mike) Harding
Director



Andrew John Walsh
Director

Annual Report / Auditors' Independence
2007 Declaration

As lead auditor for the audit of Clough Limited for the year ended 30 June 2007, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Clough Limited and the entities it controlled during the period.

Perth
27 August 2007



John O'Connor
Partner

PricewaterhouseCoopers

Annual Report / Consolidated Income Statement
2007 / For the year ended 30 June 2007

	Notes	2007 \$'000	2006 \$'000
Revenue	4	579,656	641,140
Other income		6,024	12,659
Materials, plant and subcontractor costs		(449,620)	(488,105)
Labour costs		(160,982)	(141,746)
Other expenses		(62,799)	(49,826)
Depreciation and amortisation expense		(17,547)	(15,123)
Finance costs		(11,130)	(6,431)
Share of net profits of associates and jointly controlled entities accounted for using the equity method		17,438	36,715
Loss before income tax		(98,960)	(10,717)
Income tax expense		(4,959)	(2,624)
Loss for the year		(103,919)	(13,341)
Profit attributable to minority interest		(1,341)	(1,736)
Loss attributable to members of Clough Limited		(105,260)	(15,077)
		Cents	Cents
Loss per share attributable to the ordinary equity holders of the Company:			
Basic loss per share		(20.63)	(3.02)
Diluted loss per share		(20.63)	(3.02)

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

Annual Report / Consolidated Balance Sheet
2007 / As at 30 June 2007

	Notes	2007 \$'000	2006 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		82,947	53,636
Receivables		137,439	192,418
Work in progress		116,622	145,439
Derivative financial instruments		1,530	286
		338,538	391,779
Non-current assets classified as held for sale		12,579	-
Total current assets		351,117	391,779
Non-current assets			
Receivables		711	11,455
Available-for-sale financial assets		1,789	11,279
Investments accounted for using the equity method		26,965	44,257
Other non-current assets		7,281	7,617
Property, plant and equipment		85,312	84,335
Intangible assets - computer software		4,206	5,713
Deferred tax assets		18,604	16,429
Total non-current assets		144,868	181,085
Total assets		495,985	572,864
LIABILITIES			
Current liabilities			
Payables		153,940	219,285
Amounts due to customers for contract work		76,538	12,902
Interest bearing liabilities		106,883	73,719
Current tax liabilities		1,806	506
Provisions		14,940	15,342
Derivative financial instruments		843	-
Total current liabilities		354,950	321,754
Non-current liabilities			
Payables		4,346	15,515
Interest bearing liabilities		55,596	40,357
Non interest bearing liabilities		13,854	-
Deferred tax liabilities		230	248
Provisions		3,599	7,308
Total non-current liabilities		77,625	63,428
Total liabilities		432,575	385,182
Net assets		63,410	187,682
EQUITY			
Contributed equity		130,232	130,232
Reserves	5(a)	(18,570)	(1,493)
Retained profits/(accumulated losses)	5(b)	(66,880)	38,506
Parent entity interest		44,782	167,245
Minority interest		18,628	20,437
Total equity		63,410	187,682

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

Annual Report / Consolidated Statement of Changes in Equity
2007 / For the year ended 30 June 2007

	2007	2006
	\$'000	\$'000
Total equity at the beginning of the financial year	187,682	175,439
Adjustment on adoption of AASB 132 and AASB 139, net of tax, to:		
Reserves	-	1,059
Restated total equity at the beginning of the financial year	187,682	176,498
Changes in the fair value of available-for-sale financial assets, net of tax	(2,942)	2,731
Changes in fair value of cash flow hedges, net of tax	281	(965)
Exchange differences on translation of foreign entities	(17,696)	5,500
Net income/(loss) recognised directly in equity	(20,357)	7,266
Loss for the year	(103,919)	(13,341)
Total recognised income and expense for the year	(124,276)	(6,075)
Transactions with equity holders in their capacity as equity holders:		
Contributions of equity, net of transaction costs	-	14,720
Employee share options	112	111
Convertible note premium reserve, net of tax	453	-
Increase/(decrease) in retained profits due to change in interest in controlled entity	(126)	404
Total changes in minority interest	(435)	2,992
Dividends paid to minority interests in subsidiaries	-	(968)
	4	17,259
Total equity at the end of the financial year	63,410	187,682
Total recognised income and expense for the year is attributable to:		
Members of Clough Limited	(122,902)	(8,268)
Minority interest	(1,374)	2,193
	(124,276)	(6,075)

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

Annual Report / Consolidated Cash Flow Statement
2007 / For the year ended 30 June 2007

	2007	2006
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	634,905	651,586
Payments to suppliers and employees (inclusive of goods and services tax)	(660,025)	(710,279)
	(25,120)	(58,693)
Interest received	2,265	1,225
Dividends and distributions received from equity accounted entities	28,707	9,253
Dividends received from other persons	-	88
Interest paid	(12,894)	(6,431)
Income taxes paid	(5,852)	(5,850)
Net cash outflow from operating activities	(12,894)	(60,408)
Cash flows from investing activities		
Payment for purchase of subsidiary, net of cash acquired	(550)	280
Payments for property, plant and equipment	(19,850)	(22,631)
Payments for intangible assets - computer software	(38)	(3,614)
Payments for available-for-sale financial assets	(1,760)	(1,000)
Payments for investments in equity accounted entities	(6,736)	(6,672)
Loans (to)/from equity accounted entities	657	(1,832)
Loans to other persons	(2,845)	(95)
Proceeds from sale of property, plant and equipment	3,629	8,575
Proceeds from sale of available-for-sale financial assets	1,138	8,998
Proceeds from sale of investments in equity accounted entities	16,000	14,354
Proceeds from partial sale of interest in listed subsidiary	-	467
Proceeds from disposal of subsidiary, net of cash disposed	3,221	-
Net cash outflow from investing activities	(7,134)	(3,170)
Cash flows from financing activities		
Proceeds from issue of shares	-	15,000
Share issue costs	-	(280)
Proceeds from convertible note issue	39,248	-
Convertible note issue costs	(637)	-
Payments to minorities for shares bought back by listed subsidiary	(649)	(918)
Proceeds from borrowings	43,889	58,348
Repayment of borrowings	(27,730)	(20,548)
Dividends paid to minority interests in subsidiaries	-	(968)
Net cash inflow from financing activities	54,121	50,634
Net increase/(decrease) in cash and cash equivalents	34,093	(12,944)
Cash and cash equivalents at the beginning of the financial year	53,636	64,908
Effects of exchange rate changes on cash and cash equivalents	(4,782)	1,672
Cash and cash equivalents at end of year	82,947	53,636

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

1. Concise financial report

This concise financial report relates to the consolidated entity consisting of Clough Limited and the entities it controlled at the end of, or during, the year ended 30 June 2007. The accounting policies adopted have been consistently applied to all the years presented, unless otherwise stated below.

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in financial reports. Amounts in the concise financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

2. Presentation currency

The presentation currency used in this concise financial report is Australian dollars.

3. Segment information

Primary reporting format - business segments

2007	Oil & Gas	Minerals & Infrastructure	Property	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	338,764	192,463	32,194	-	563,421
Share of net profits of associates and jointly controlled entities	6,334	10,838	266	-	17,438
Other revenue/income	9,131	9,767	1,716	1,645	22,259
Total segment revenue/income	354,229	213,068	34,176	1,645	603,118
Segment result	(110,767)	16,419	1,447	(6,059)	(98,960)
Segment assets	159,888	162,812	105,760	67,525	495,985
Segment liabilities	170,618	69,324	59,879	132,754	432,575

2006	Oil & Gas	Minerals & Infrastructure	Property	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	416,344	203,515	12,266	-	632,125
Share of net profits of associates and jointly controlled entities	9,225	13,244	13,855	391	36,715
Other revenue/income	8,361	3,036	7,500	2,777	21,674
Total segment revenue/income	433,930	219,795	33,621	3,168	690,514
Segment result	(48,603)	25,656	15,425	(3,195)	(10,717)
Segment assets	261,672	163,739	93,571	53,882	572,864
Segment liabilities	189,636	57,345	37,453	100,748	385,182

4. Revenue

	2007	2006
	\$'000	\$'000
<i>Sales revenue</i>		
Construction projects	531,227	619,859
Property development	32,194	12,266
	563,421	632,125
<i>Other revenue</i>		
Rents	608	5
Interest income	2,265	1,225
Dividends	-	88
Other revenue	13,362	7,697
	16,235	9,015
	579,656	641,140

5. Reserves and retained profits/(accumulated losses)

	2007 \$'000	2006 \$'000
(a) Reserves		
Available-for-sale investments revaluation reserve	(251)	2,625
Convertible note premium reserve	453	-
Hedging reserve - cash flow hedges	481	200
Share-based payments reserve	237	125
Foreign currency translation reserve	(20,210)	(5,163)
Capital reserve	720	720
	(18,570)	(1,493)
Movements:		
<i>Foreign currency translation reserve</i>		
Balance 1 July	(5,163)	(10,206)
Currency translation differences arising during the year	(15,047)	5,043
Balance 30 June	(20,210)	(5,163)

(b) Retained profits/(accumulated losses)

Movements in retained profits/(accumulated losses) were as follows:

	2007 \$'000	2006 \$'000
Balance 1 July	38,506	53,179
Net loss for the year	(105,260)	(15,077)
Increase/(decrease) in retained profits arising from transactions with minority interests	(126)	404
Balance 30 June	(66,880)	38,506

6. Dividends

No dividends were paid or declared during the year or subsequent to the year end (2006: Nil).

7. 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 2007, apart from the matter noted below.

The Company announced on 12 July 2007 its intention to recapitalise the business. The funding structure has now been finalised and will comprise a fully underwritten renounceable rights issue at 36.8 cents per share to raise \$39.4 million and a placement to Murray & Roberts at 36.8 cents per share to raise \$5.6 million. The Company has also agreed a \$25 million debt facility and a \$160 million loan guarantee facility both provided by Murray & Roberts. The recapitalisation will allow the Company to deal with the cash flow issues arising from the BassGas and G1 disputes and provide the necessary support for the capital expenditure programme announced by the Company in February 2007. Additionally the Company announced its intention to complete the disposal of non-core assets, the details of which are being worked through.

Annual Report / Directors' Declaration
2007 / 30 June 2007

The directors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 30 June 2007 as set out on pages 37 to 42 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

The financial statements and specific disclosures included in this concise financial report have been derived from the full financial report for the year ended 30 June 2007.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which is available on request.

This declaration is made in accordance with a resolution of the directors.

For and on behalf of the Board
PERTH
27 August 2007



Richard Michael (Mike) Harding
Director



Andrew John Walsh
Director

Report on the Concise Financial Report

The accompanying concise financial report of Clough Limited comprises the balance sheet as at 30 June 2007, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Clough Limited for the year ended 30 June 2007. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Clough Limited for the year ended 30 June 2007. Our audit report on the financial report for the year was signed on 27 August 2007 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Clough Limited on 27 August 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion, the concise financial report of Clough Limited for the year ended 30 June 2007 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

Perth
27 August 2007



PricewaterhouseCoopers



John O'Connor
Partner

Group Turnover

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 associate companies.
- the share of profits or losses are equity accounted in the income statement.

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

CONSOLIDATED GROUP TURNOVER	2007 \$'000	2006 \$'000
Construction projects	563,421	632,125
Other revenue	16,235	9,015
Revenue	579,656	641,140
Share of revenue from jointly controlled entities and associates	181,567	280,826
	761,223	921,966

The shareholder information set out below was applicable as at 31 August 2007.

Distribution Of Members And Their Holdings

Size of holding	Number of Holders	
	Ordinary Shares	Options over Ordinary shares
1	264	-
1,001	1,189	10
5,001	622	28
10,001	881	51
100,001 and over	151	7
	3,107	96

There were 177 holders of less than a marketable parcel of ordinary shares.

Twenty Largest Shareholders

Name	Percentage of Issued Capital %	Number of Ordinary shares held
Zero Nominees Pty Ltd (Murray & Roberts Holdings Ltd)	49.12	250,650,000
McRae Investments Pty Ltd	20.83	106,280,208
JP Morgan Nominees Australia Ltd	7.05	35,981,970
HSBC Custody Nominees (Australia) Limited	2.59	13,198,023
Citicorp Nominees Pty Ltd	2.15	10,974,338
Cogent Nominees Pty Ltd	1.58	8,071,607
ANZ Nominees Ltd Cash Income A/c	1.03	5,242,170
Chemco Pty Ltd	0.45	2,312,231
WG & BM Martin Chemco Super Fund A/c	0.45	2,300,000
Gerald Harvey	0.30	1,530,240
Geoffrey John Smith	0.22	1,125,000
Fortis Clearing Nominees Pty Ltd	0.20	1,010,000
Andrea Antoci	0.19	952,339
National Nominees Ltd	0.19	950,621
Estate Late Richard Malcolm Reid	0.18	904,992
Clough Petrosea Pty Ltd in its capacity as trustee of the Clough Share Purchase Plan	0.16	809,400
Anthony Daniel Gerard Quinlan	0.13	641,745
Parkes Holdings Pty Ltd	0.12	631,950
CS Fourth Nominees Pty Ltd	0.12	606,694
Peter Tole	0.12	605,376
	87.18	444,778,904
TOTAL NUMBER OF ISSUED SHARES		510,232,225

Substantial Shareholders

The number of shares held by substantial shareholders, as disclosed in the substantial shareholding notice given to the Company.

Shareholder	Number held
McRae Investments Pty Ltd	106,280,208
Murray & Roberts Holdings Ltd through Zero Nominees Pty Ltd (notice dated 3 January 2007)	250,650,000

Unquoted Equity Securities

Options

There are 8,365,000 options issued to 96 executives under the Clough Limited Executive Option Plan to take up ordinary shares.

Convertible notes

There are 39,248,633 unsecured convertible notes issued to 759 note holders.

Substantial convertible note holders	Number held
McRae Investments Pty Ltd	8,175,401
Murray & Roberts Holdings Ltd through Zero Nominees Pty Ltd	23,192,019

Voting Rights

Ordinary shares carry voting rights of one vote per share.

Options have no voting rights.

Shareholder Inquiries

Shareholders can obtain information about their shares or dividend payments by contacting the Company's share registry:

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth, Western Australia 6000
Telephone +618 9323 2000
Facsimile +618 9323 2033
www.computershare.com

Stock Exchange Listing

Securities in Clough Limited are quoted on the Australian Securities Exchange Limited.

Change Of Address

Shareholders should notify the share registry in writing immediately there is a change of their registered address or change in banking details for dividends electronically credited to a bank account in Australia.

Publications

The annual report is the main source of information for shareholders.

Removal From Annual Report Mailing List

Shareholders who do not wish to receive the annual report, or who are receiving more than one copy, should advise the share registry in writing.

Clough Limited Website

Clough Limited has an Internet address at www.clough.com.au

This contains the Company's latest annual report, interim reports and media statements released through the Australian Securities Exchange.

Corporate Directory

Clough Limited ABN 59 008 678 813

Registered Office

Level 6, 251 St Georges Terrace
Perth, Western Australia 6000

T +61 8 9281 9281

F +61 8 9481 6699

E clough@clough.com.au

www.clough.com.au

Principal Auditors

PricewaterhouseCoopers

Main Bankers

BNP Paribas

Commonwealth Bank of Australia

HSBC Bank Australia Limited

Directors

RM Harding – Chairman

J Smith – Chief Executive Officer

AJ Walsh – Chief Financial Officer

CM Anderson

BC Bruce

WH Clough, AO, OBE

JD Cooper

RW Kelly, AM

RW Rees

MB Robinson, AO

Company Secretary

MJ Uchanski

Governance & Nomination Committee

MB Robinson, AO - Chairman

RM Harding

Audit & Risk Committee

RW Kelly, AM – Chairman

CM Anderson

WH Clough, AO, OBE

MB Robinson, AO

Remuneration & Human Resources Committee

CM Anderson – Chairman

RM Harding

RW Kelly, AM





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