

APPENDIX 4D

HALF-YEAR REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

(PREVIOUS CORRESPONDING PERIOD: HALF-YEAR ENDED 31 DECEMBER 2006)

CLOUGH LIMITED ABN 59 008 678 813
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RESULTS FOR ANNOUNCEMENT TO THE MARKET

				\$A'000
Revenues from ordinary activities	down	11.3%	to	* 256,514
Profit/(loss) from ordinary activities after tax attributable to members	up	217.6%	to	33,970
Net profit/(loss) for the period attributable to members	up	217.6%	to	33,970
Dividends		Amount per security		Franked amount per security
Interim dividend		0.0 ¢		0.0 ¢
Previous corresponding period		0.0 ¢		0.0 ¢
Record date for determining entitlements to the dividend				N/A
* Excludes share of revenue from associates and jointly controlled entities and other income				

Refer to the attached press release and interim financial report for further information on the results for the half-year ended 31 December 2007.

Dividends

No dividend is payable for the current period.

Amount per security	Amount per security	Franked amount per security at 30% tax rate	Amount per security of foreign source dividend
Interim dividend: Current year	- ¢	- ¢	- ¢
Previous year	- ¢	- ¢	- ¢

Dividend Plans

The Company has implemented a Dividend Reinvestment Plan.

Net Tangible Assets per Security	31 December 2007	31 December 2006
Net tangible asset backing per ordinary security	17.91¢	30.45¢

Interests in entities which are not controlled entities

Equity accounted associates and jointly controlled entities

Percentage of ownership interest held

	31 December 2007 %	31 December 2006 %
Airlie Beach Joint Venture	100	50
Aker Clough Joint Venture	-	50
Aker Kvaerner Clough Murray & Roberts Joint Venture	19.5	19.5
Al Bilad S&B Clough, Ltd	50	50
Asia Offshore Services Pte Ltd	50	100
Boulderstone Clough Joint Venture	50	50
Clough Aker Joint Venture - Angel	50	50
Clough Amec Joint Venture – CoP	50	50
Clough Amec Joint Venture - WEL	-	50
Clough Amec Pty Ltd	50	50
Clough Demol Joint Venture	80	80
Clough Diversified Northern Pipeline Joint Venture	50	-
Clough Diversified United Joint Venture	50	-
Clough Downer Joint Venture	50	50
Clough Lucas Joint Venture	-	50
Clough Lucas (Bundeena) Joint Venture	-	80
Clough Murray & Roberts Joint Venture	50	50
Clough Sandwell Joint Venture	50	50
Clough Seymour Whyte Joint Venture	-	50
Clough Seymour Whyte Joint Venture – Lake Cowal	50	50
Clough Sino-Thai Co Ltd	50	50
Elclough Pty Ltd	50	50
Harbourworks Clough Contracting Pty Ltd	51	51
Harbourworks Clough Joint Venture	50	50
Henry Walker Eltin - Clough Joint Venture	50	50
Kellogg Joint Venture - Gorgon	20	20
Kvaerner Clough Joint Venture	33.3	33.3
Maretlink Joint Venture	50	-
Mashhor Clough Sdn Bhd	50	50

Equity accounted associates and jointly controlled entities	Percentage of ownership interest held	
	31 December	31 December
	2007	2006
	%	%
Mermaid Clough Pty Ltd	50	50
Mernda (Lot 6) Joint Venture	50	50
Moltoni Clough (No. 2) Joint Venture	-	50
Nambeelup Joint Venture	50	50
Petrosea Calibre Roberts & Schaeffer Joint Operation	33.3	33.3
PT LOR Indonesia Joint Operation	50	50
PT Santan Batubara	50	50
PT Tirta Kencana Cahaya Mandiri	47	47
PTSC Clough Joint Venture	-	50
Rapley Clough Joint Venture	50	50
Shedden Uhde Pty Ltd	-	50
Sonsub Clough Partnership	-	50
St Quentin's Claremont Pty Ltd	50	-
St Quentin's Claremont Unit Trust	50	-
Tom's Gully Mining Pty Ltd	-	50
Yunderup Joint Venture	-	50

The contribution to net profit/(loss) from the above associates and jointly controlled entities was \$7,672,000 (2006 : \$8,576,000).


JOHN SMITH
Chief Executive Officer

20 February 2008

SUPPLEMENTARY INFORMATION
For the Half-Year Ended 31 December 2007

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 associated 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.

	31 December 2007 \$'000	31 December 2006 \$'000
CONSOLIDATED GROUP TURNOVER		
Construction projects	249,366	284,326
Other revenue	7,148	4,786
	<hr/> 256,514	<hr/> 289,112
Share of revenue from jointly controlled entities and associates	98,564	77,182
	<hr/> 355,078	<hr/> 366,294

Clough Limited
Interim financial report
for the half-year ended 31 December
2007

Contents

	Page
Directors' report	2
Condensed consolidated income statement	5
Condensed consolidated balance sheet	6
Condensed consolidated statement of changes in equity	7
Condensed consolidated cash flow statement	8
Notes to the condensed financial statements	9
Directors' declaration	12
Independent review report to the members	13

DIRECTORS' REPORT

The Directors of Clough Limited ABN 59 008 678 813 present the financial statements of the Clough Group, the consolidated entity, for the half-year ended 31 December 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
JD Cooper	BSc(Building)(Hons), FIEAust, FAIM, FAICD	Director
RW Kelly	AM, BE(Hons), FAICD	Director
RW Rees	BSc(Econ)(Hons), FCA	Director

All Directors held office during the whole of the half-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 resigned as Managing Director & Chief Executive Officer on 1 August 2007 but remains as a Non-Executive Director.
- RW Rees who was appointed as a Non-Executive Director on 24 August 2007.
- JM Clough who resigned as a Non-Executive Director on 24 August 2007.
- WH Clough who resigned as a Non-Executive Director on 26 October 2007.
- N Jorek who resigned as a Non-Executive Director on 24 August 2007.
- MB Robinson who retired as a Non-Executive Director on 23 November 2007.

2. REVIEW OF OPERATIONS AND DEVELOPMENTS

The net profit attributable to members of Clough Limited for the half-year was \$34.0m after deducting income tax expense of \$3.2m and profits attributable to outside equity interests in controlled entities of \$1.0m.

The result includes incremental earnings from the sale of Shedden Udhe Pty Ltd (Shedden) of \$20.7m giving an underlying result of \$13.3m, 25% up on the corresponding period to 31 December 2006. Revenue is slightly down on the previous half-year which included higher activity on both the Panna and Maari projects. PT Petrosea have secured a number of new multi-year mining contracts which have contributed to an increase in work-in-hand to \$1 billion.

The balance sheet reflects the recapitalisation approved by the shareholders at the AGM in November. Cash proceeds of \$45m were received in late December from the rights issue along with the proceeds from the sale of Shedden (\$40m) contributing to the increase in cash balances to \$142.2m and improved net debt of \$12.0m (compared to \$79.5m net debt as at 30 June 2007).

The company announced in January 2008 that it had sold Clough Engineering & Maintenance Pty Ltd to Bilfinger Berger Services. On the G1 project the arbitration process is progressing with the continued emphasis on reaching a negotiated settlement.

3. AUDITOR INDEPENDENCE

A copy of the auditors' independence declaration required under section 307C of the Corporations Act 2001 is set out on page 4.

DIRECTORS' REPORT (Continued)


4. 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.

For and on behalf of the Board
PERTH
20 February 2008



John Smith
Director



Andrew John Walsh
Director

Clough Limited
Board of Directors
6th Floor, 251 St George's Terrace
Perth WA 6000

20 February 2008

Dear Board Members

Clough Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Clough Limited:

As lead audit partner for the review of the consolidated financial statements of Clough Limited for the half year ended 31 December 2007, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



A T Richards
Partner
Chartered Accountants

Clough Limited
Condensed consolidated income statement
For the half-year ended 31 December 2007

	Half-year ended	
	2007	2006
	\$'000	\$'000
Revenue	256,514	289,112
Other income	31,640	1,784
Materials, plant and subcontractor costs	(148,495)	(168,525)
Labour costs	(66,379)	(81,960)
Depreciation and amortisation expense	(8,931)	(8,352)
Other expenses	(27,249)	(18,976)
Finance costs	(6,562)	(5,033)
Share of net profits of associates and jointly controlled entities accounted for using the equity method	<u>7,672</u>	<u>8,576</u>
Profit before income tax	38,210	16,626
Income tax expense	<u>(3,207)</u>	<u>(5,149)</u>
Profit for the half-year	35,003	11,477
Profit attributable to minority interest	<u>(1,033)</u>	<u>(780)</u>
Profit attributable to members of Clough Limited	<u>33,970</u>	<u>10,697</u>
	Cents	Cents
Earnings per share attributable to the ordinary equity holders of the company:		
Basic earnings per share	5.96	1.92
Diluted earnings per share	5.24	1.90

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

Clough Limited
Condensed consolidated balance sheet
As at 31 December 2007

	31 December	30 June
	2007	2007
Notes	\$'000	\$'000
ASSETS		
Current assets		
Cash and cash equivalents	142,235	82,947
Receivables	130,849	137,439
Work in progress	119,255	116,622
Derivative financial instruments	<u>-</u>	<u>1,530</u>
	392,339	338,538
Non-current assets classified as held for sale	<u>10,658</u>	<u>12,579</u>
Total current assets	<u>402,997</u>	<u>351,117</u>
Non-current assets		
Receivables	1,479	711
Available-for-sale financial assets	1,968	1,789
Investments accounted for using the equity method	16,199	26,965
Other non-current assets	7,642	7,281
Property, plant and equipment	99,874	85,312
Intangible assets - computer software	3,385	4,206
Deferred tax assets	<u>19,646</u>	<u>18,604</u>
Total non-current assets	<u>150,193</u>	<u>144,868</u>
Total assets	<u>553,190</u>	<u>495,985</u>
LIABILITIES		
Current liabilities		
Payables	106,509	153,940
Amounts due to customers for contract work	99,904	76,538
Borrowings	72,212	106,883
Current tax liabilities	1,383	1,806
Provisions	16,220	14,940
Derivative financial instruments	<u>224</u>	<u>843</u>
Total current liabilities	<u>296,452</u>	<u>354,950</u>
Non-current liabilities		
Payables	13,850	18,200
Borrowings	82,032	55,596
Deferred tax liabilities	192	230
Provisions	<u>3,966</u>	<u>3,599</u>
Total non-current liabilities	<u>100,040</u>	<u>77,625</u>
Total liabilities	<u>396,492</u>	<u>432,575</u>
Net assets	<u>156,698</u>	<u>63,410</u>
EQUITY		
Contributed equity	3	130,232
Reserves	5(a)	(18,570)
Accumulated losses	5(b)	<u>(66,880)</u>
Parent entity interest	<u>138,720</u>	<u>44,782</u>
Minority interest	<u>17,978</u>	<u>18,628</u>
Total equity	<u>156,698</u>	<u>63,410</u>

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

Clough Limited
Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2007

	Notes	Half-year ended	
		2007 \$'000	2006 \$'000
Total equity at the beginning of the half-year		63,410	187,682
Changes in the fair value of available-for-sale financial assets, net of tax		1	(1,944)
Changes in the fair value of cash flow hedges, net of tax		(638)	(394)
Exchange differences on translation of foreign operations		<u>(2,787)</u>	<u>(7,708)</u>
Net loss recognised directly in equity		<u>(3,424)</u>	<u>(10,046)</u>
Profit for the half-year		<u>35,003</u>	<u>11,477</u>
Total recognised income and expense for the year		<u>31,579</u>	<u>1,431</u>
Transactions with equity holders in their capacity as equity holders:			
Contributions of equity, net of transaction costs	3	62,580	-
Convertible note premium reserve, net of tax		(59)	394
Employee share options		227	75
Reduction in retained profits due to change in interest in controlled entity		-	(126)
Total changes in minority interest		<u>(1,039)</u>	<u>17</u>
		<u>61,709</u>	<u>360</u>
Total equity at the end of the half-year		<u>156,698</u>	<u>189,473</u>
Total recognised income and expense for the half-year is attributable to:			
Members of Clough Limited		31,256	2,130
Minority interest		<u>323</u>	<u>(699)</u>
		<u>31,579</u>	<u>1,431</u>

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

Clough Limited
Condensed consolidated cash flow statement
For the half-year ended 31 December 2007

	Half-year ended	
	2007	2006
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	260,407	319,882
Payments to suppliers and employees (inclusive of goods and services tax)	(272,348)	(350,821)
Contract related deposit	-	(13,637)
	(11,941)	(44,576)
Dividends and distributions received from equity accounted entities	1,758	18,326
Interest received	660	873
Interest paid	(6,562)	(5,033)
Income taxes paid	(4,710)	(2,167)
Net cash outflow from operating activities	(20,795)	(32,577)
Cash flows from investing activities		
Payments for property, plant and equipment	(12,844)	(10,771)
Payments for available-for-sale financial assets	-	(1,793)
Payments for investments in equity accounted entities	-	(1,005)
Payments for non-current assets as held for sale	(417)	-
Loans (to)/from other persons	(692)	912
Loans from/(to) equity accounted entities	89	(3,028)
Proceeds from sale of property, plant and equipment	4,763	3,104
Proceeds from sale of available-for-sale financial assets	-	52
Proceeds from sale of investments in equity accounted entities	40,000	-
Proceeds from sale of non-current assets classified as held for sale	6,445	-
Net cash inflow / (outflow) from investing activities	37,344	(12,529)
Cash flows from financing activities		
Proceeds from issue of shares	47,554	-
Share issue costs	(450)	-
Proceeds from convertible note raising	-	39,248
Convertible note raising costs	-	(637)
Proceeds from borrowings	24,048	20,711
Payments to minorities for shares bought back by listed subsidiary	-	(649)
Repayment of borrowings	(25,469)	(6,177)
Dividends paid to minority interests in subsidiaries	(1,066)	-
Net cash inflow from financing activities	44,617	52,496
Net increase in cash and cash equivalents	61,166	7,390
Cash and cash equivalents at the beginning of the half-year	82,947	53,636
Effects of exchange rate changes on cash and cash equivalents	(1,878)	(2,235)
Cash and cash equivalents at end of the half-year	142,235	58,791

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

1 Summary of significant accounting policies

This general purpose financial report for the interim half-year reporting period ended 31 December 2007 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2007 and any public announcements made by Clough Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2 Segment information

(a) Primary reporting format - business segments

Half-year 2007	Oil & Gas \$'000	Minerals & Infrastructure \$'000	Property \$'000	Other \$'000	Consolidated \$'000
Sales to external customers	141,255	107,199	912	-	249,366
Share of net profits of associates and jointly controlled entities	6,524	1,141	7	-	7,672
Other revenue / income	<u>33,116</u>	<u>5,432</u>	<u>2,074</u>	<u>(1,834)</u>	<u>38,788</u>
Total revenue and other income	<u>180,895</u>	<u>113,772</u>	<u>2,993</u>	<u>(1,834)</u>	<u>295,826</u>
Segment result	<u>33,563</u>	<u>8,610</u>	<u>(200)</u>	<u>(3,763)</u>	<u>38,210</u>
Half-year 2006	Oil & Gas \$'000	Minerals & Infrastructure \$'000	Property \$'000	Other \$'000	Consolidated \$'000
Sales to external customers	189,222	92,718	2,386	-	284,326
Share of net profits of associates and jointly controlled entities	3,371	4,872	333	-	8,576
Other revenue / income	<u>4,222</u>	<u>1,622</u>	<u>175</u>	<u>551</u>	<u>6,570</u>
Total revenue and other income	<u>196,815</u>	<u>99,212</u>	<u>2,894</u>	<u>551</u>	<u>299,472</u>
Segment result	<u>13,702</u>	<u>7,858</u>	<u>(1,644)</u>	<u>(3,290)</u>	<u>16,626</u>

3 Equity securities issued

	2007 Shares	2006 Shares	2007 \$'000	2006 \$'000
Issues of ordinary shares during the half-year				
Balance at start of period	510,232,225	510,232,225	130,232	130,232
Issue of 30 million new shares at a price of 57.2 cents per share to Murray & Roberts	30,000,000	-	17,160	-
Rights issue of 108,046,445 new shares at a price of 36.8 cents per share	108,046,445	-	39,761	-
Issue of 15,306,967 new shares at a price of 36.8 cents per share to Murray & Roberts	15,306,967	-	5,633	-
Conversion of 476,244 \$1 convertible notes into 1,294,244 new shares at a conversion price of 36.8 cents per share	1,294,244	-	476	-
Issue costs of shares issued in the period	-	-	(450)	-
Balance at end of period	<u>664,879,881</u>	<u>510,232,225</u>	<u>192,812</u>	<u>130,232</u>

4 Financing

As disclosed in the 30 June 2007 financial report, Clough Limited has breached a number of its banking covenants as a direct consequence of the financial implications of the BassGas and G1 disputes. Clough Limited's Banking Syndicate has been kept continuously informed of the status of the Company's non compliance and has acknowledged the breaches at the quarterly reporting dates throughout the period. The Banking Syndicate has remained supportive of the Company throughout this time.

Subsequent to 31 December 2007, Clough Limited has fully repaid the debts provided by the Banking Syndicate.

5 Reserves and retained profits / (accumulated losses)

	31 December 2007 \$'000	30 June 2007 \$'000
(a) Reserves		
Available-for-sale investments revaluation reserve, net of tax	(250)	(251)
Convertible note premium reserve, net of tax	394	453
Hedging reserve - cash flow hedges, net of tax	(157)	481
Share-based payments reserve	464	237
Foreign currency translation reserve	(22,353)	(20,210)
Capital reserve	720	720
	<u>(21,182)</u>	<u>(18,570)</u>

(b) Retained profits / (accumulated losses)

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

	31 December 2007 \$'000	30 June 2007 \$'000
Balance start of period	(66,880)	38,506
Profit (loss) for the period attributable to members of Clough Limited	33,970	(105,260)
Transfer to minority interest due to change in interest in controlled entity	-	(126)
Balance end of period	<u>(32,910)</u>	<u>(66,880)</u>

6 Dividends

No dividends were declared or paid during the period.

7 Contingencies

Contingent liabilities

Claims

Certain claims arising out of engineering and construction contracts have been made by or against certain controlled entities in the ordinary course of business, some of which involve litigation or arbitration.

In relation to the BassGas contract, a full and final settlement was reached with Origin and its joint venture partners on 31 August 2007.

On G1, Clough and ONGC are progressing their dispute through an arbitration process. Clough has submitted its claim and a counterclaim has been received from ONGC. Their counterclaim ignores the limits of liability contained in the contract, and is substantially for the recovery of consequential damages which are explicitly excluded by the contract. Although the outcome of the arbitration process is uncertain, Clough maintains its previous guidance on this matter and is committed to continue with the rigorous pursuit of its rights under the contract as it continues to seek a negotiated settlement with ONGC.

The Directors do not consider the outcome of any other claims outside of G1 will have a material adverse impact on the financial position of the consolidated entity.

8 Events occurring after the balance sheet date

No matters or circumstances have arisen since the end of the financial period, 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 period ended 31 December 2007 apart from the matter noted below.

On 24 January 2008, the Company announced that it had sold its wholly owned subsidiary, Clough Engineering & Maintenance Pty Ltd, to Bilfinger Berger Services.

9 Sale of Shedden Uhde Pty Ltd

On 31 December 2007, Clough Limited sold its interest in the engineering company, Shedden Uhde Pty Ltd, a jointly controlled entity, for consideration of \$40 million. The Company has recorded a one-off gain of \$20.7 million which is included in earnings before tax has arisen from this transaction.

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



John Smith
Director



Andrew John Walsh
Director

PERTH
20 February 2008

Independent Auditor's Review Report to the members of Clough Limited

We have reviewed the accompanying half-year financial report of Clough Limited, which comprises the balance sheet as at 31 December 2007, and the income statement, cash flow statement, statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Clough Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Deloitte.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Clough Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

AT Richards

AT Richards

Partner

Chartered Accountants

Perth, 20 February 2008