



**WorleyParsons**

resources & energy

# Full Year Results - 30 June 2007

## EcoNomics™

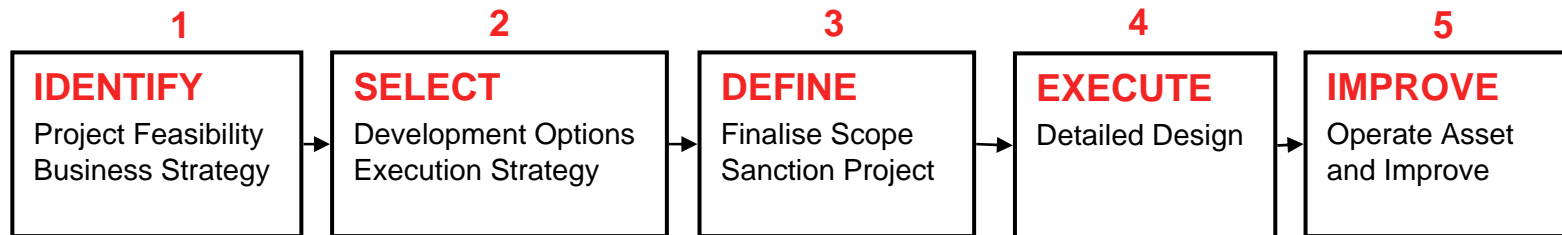
John Grill – Managing Director / Chief Executive Officer

David Housego – Chief Financial Officer





- Leading professional services provider to the Energy, Resource and Complex Process Industries
- Across all phases of projects



- Organized into 4 Customer Sector Groups:  
Hydrocarbons | Power | Minerals & Metals | Infrastructure
- Entered ASX100 in 2006
- \$1.1 billion acquisition of Colt Companies in March 2007



- Full year net profit up 61.6 % to \$224.8 million
- Colt integration and performance are positive
- Full year EBITDA growth of 60.7% to \$353.4 million
- Normalised EPS up 57.5% to 105.4 cents per share
- International operations contribute 72.4% of earnings
- EBIT and net margin expansion
- Final dividend increased to 32.5 cents per share
- Continued positive outlook for 2008

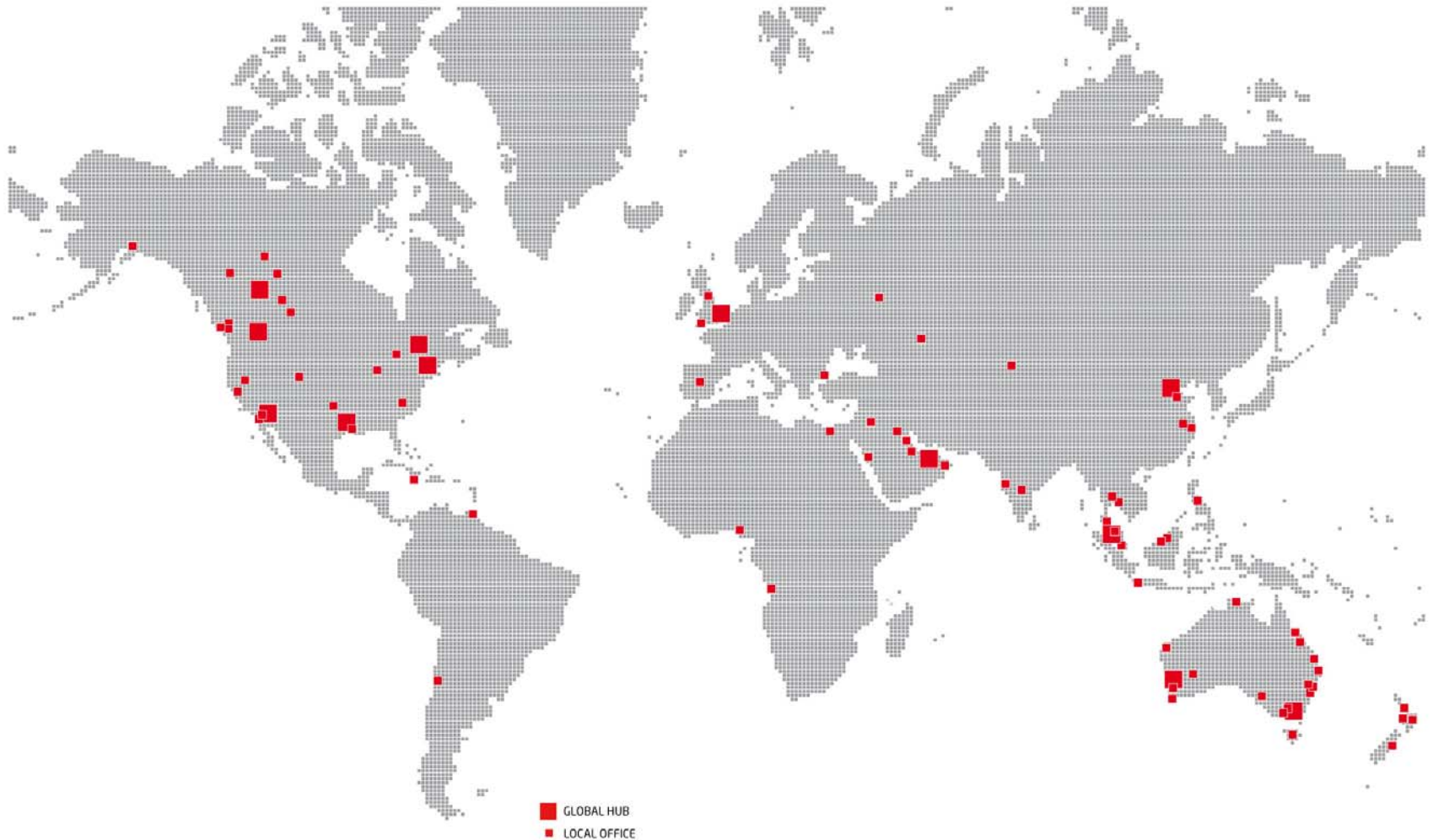
*Well balanced result; good operational performance  
in continuing buoyant markets*



- Colt integration and performance positive
- Canadian operations
  - Leader in oil sands, heavy oil and pipelines
  - Largest operation for WorleyParsons (pro forma 2007)
- Number of synergy wins since completion
  - Marsulux Sulphur Recovery
  - INCO EPCM
  - TOTAL BPM Oilsands
  - Timet Aluminum Project
- Primary demand and industry conditions in oil sands market remains strong
- Clients project assessment using oil price @ > \$50 pb
- 2008 should build on the good integration effort and see increased presence in Power, Minerals & Metals and Infrastructure markets



- Growth in organisation to approx 23,800 people
  - Colt + improved retention + new hires + smaller acquisitions
- Record number of new contracts awarded in 2007
  - Size and scope of projects continues to increase
  - Revenue length and visibility grows
- Safety performance of TRIF 0.11 and LTIF 0.02 (OSHA)
- Significant steps made in organization capability and systems
- Well balanced result; good operational performance in continuing buoyant markets
- We are looking forward to similar conditions in 2008



23,800 project services personnel | 84 offices | 32 countries



- EPCM for Emirates Aluminium (EMAL)
- EPCM for Mobil Producing Nigeria
- Project Management Services contract for Sipchem
- 2nd Phase of Belene Nuclear Project for NEK
- Umm Shaif engineering services contract
- Baytown services contract for ExxonMobil
- Extension of services contract for Tennessee Valley Authority (TVA)
- Acquisition of Australian Infrastructure firms (\$33.0m)
- Acquisition of 100% of Colt (\$1,135.9m)
- Acquisition of 100% of SEA Engineering Inc (\$32.3m)
- Formation of Chilean joint venture; ARA WorleyParsons S.A
- Acquisition of Australian power joint venture (\$14.3m)
- Formation of Indian joint venture; WorleyParsons Kirpalaney Pvt Limited

Notes:

1. Since 2006 full year results



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# Full Year Results - 30 June 2007

David Housego – Chief Financial Officer



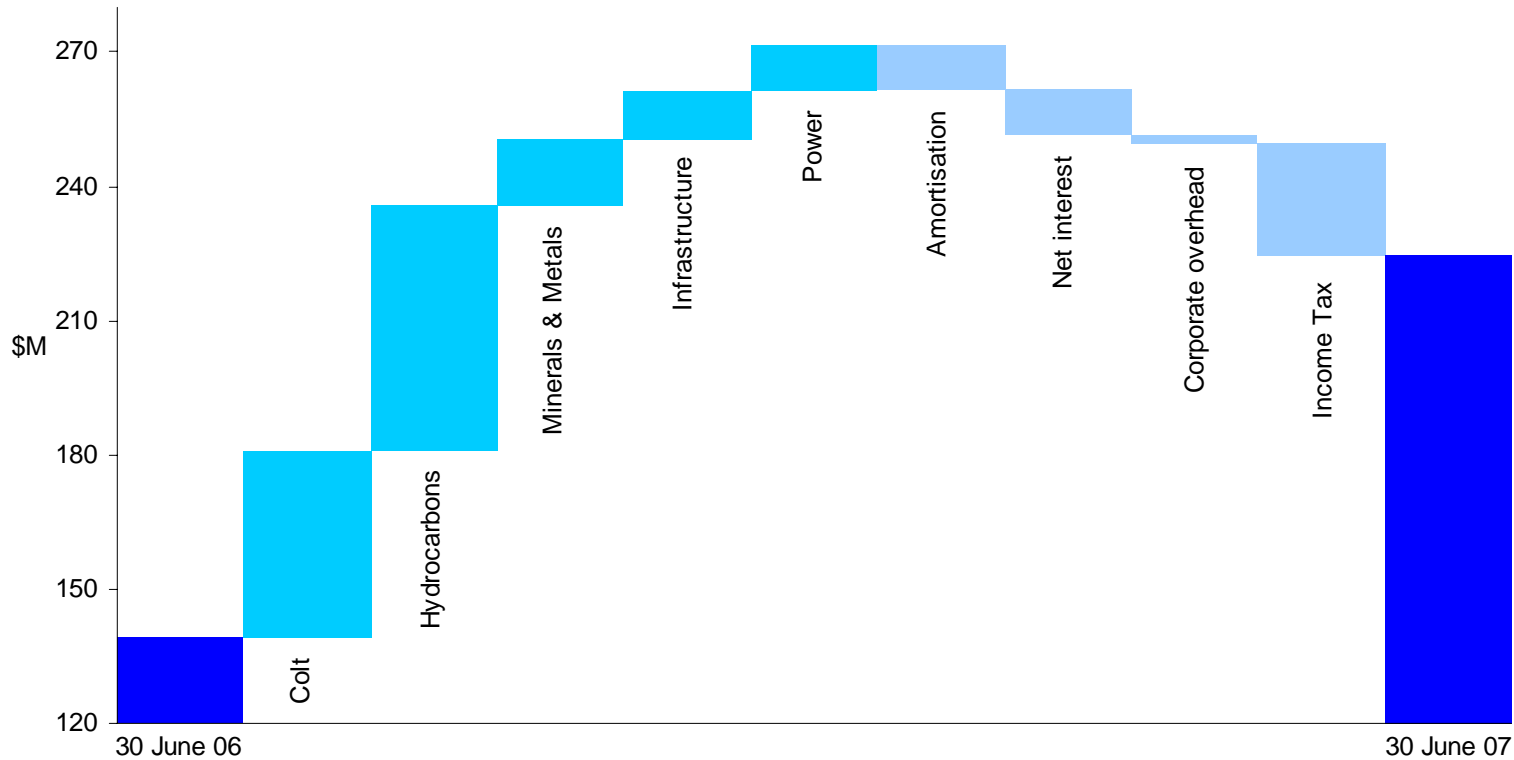


\$M	2003	2004	2005	2006	2007	% Growth on 2006
Aggregated Revenue	474.4	514.8	1,379.5	2,464.4	3,534.6	43.4%
EBIT	32.1	40.4	102.3	199.5	319.1	59.9%
EBIT margin	6.8%	7.9%	7.4%	8.1%	9.0%	
Net profit	25.9	30.7	66.5	139.1	224.8	61.6%
Net profit margin	5.5%	6.0%	4.8%	5.6%	6.4%	
CAGR <sup>1</sup>		18.5%	60.2%	75.1%	71.6%	
Normalised EPS (cps) <sup>2</sup>	20.4	22.4	35.8	66.9	105.4	57.5%

- Total Shareholder Return of 2,120% since listing in 2002
- Market capitalisation as at 30 June 2007 \$8.2bn

<sup>1</sup>CAGR (compound annual growth rate) since 2003

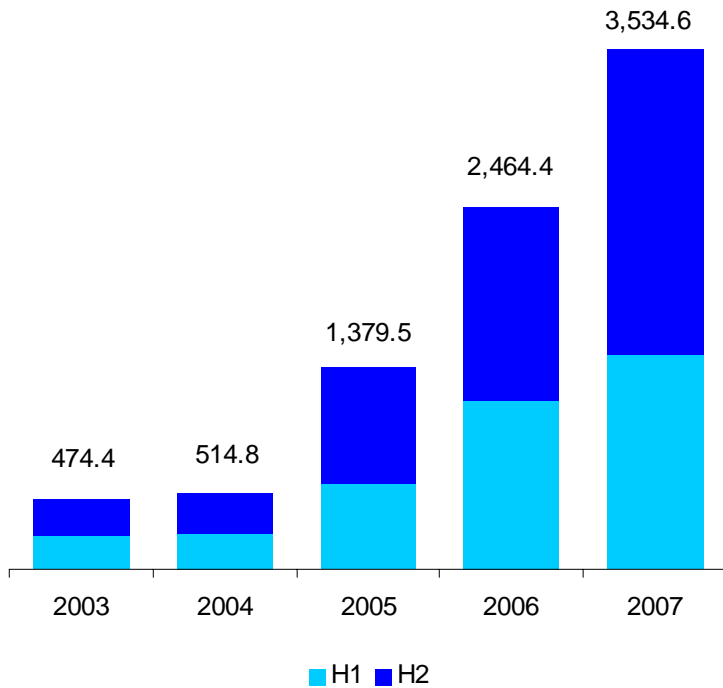
<sup>2</sup>Before amortisation of intangibles including tax effect of amortisation expense



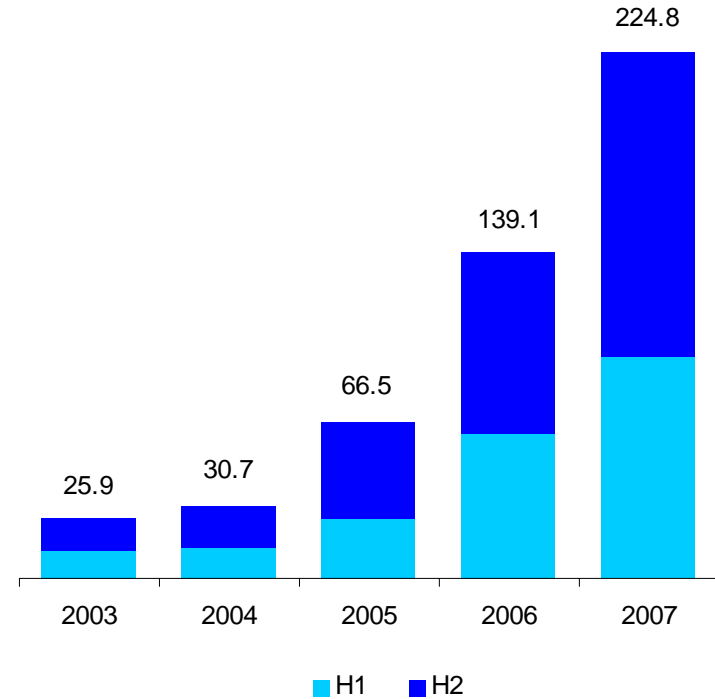
- Colt contribution of \$42.0m EBITA
- Like on like EBIT growth 43.1%
- AUD: USD 78.3c (74.7c 2006)
- Tax rate 26.1% (28.0% 2006)



Aggregated revenue \$M



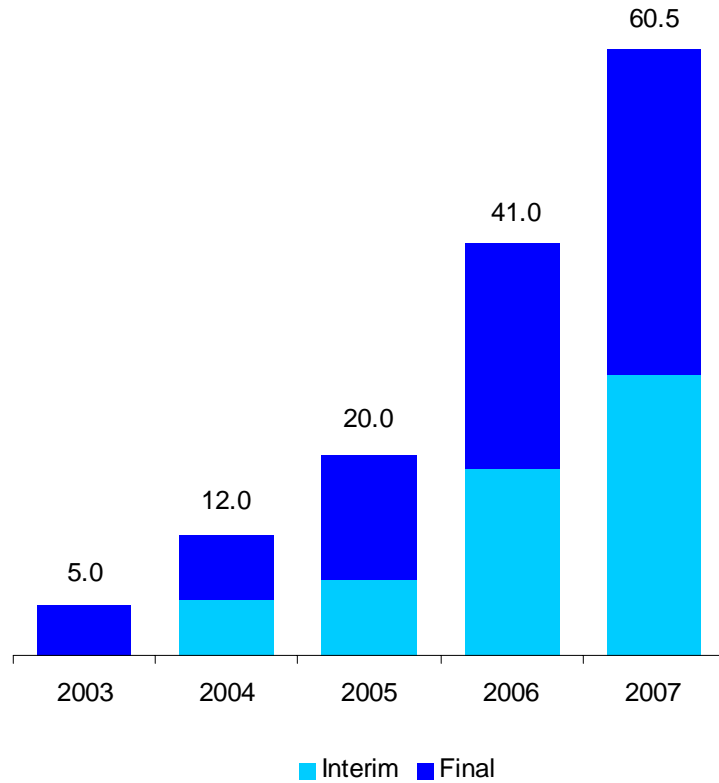
Net profit \$M



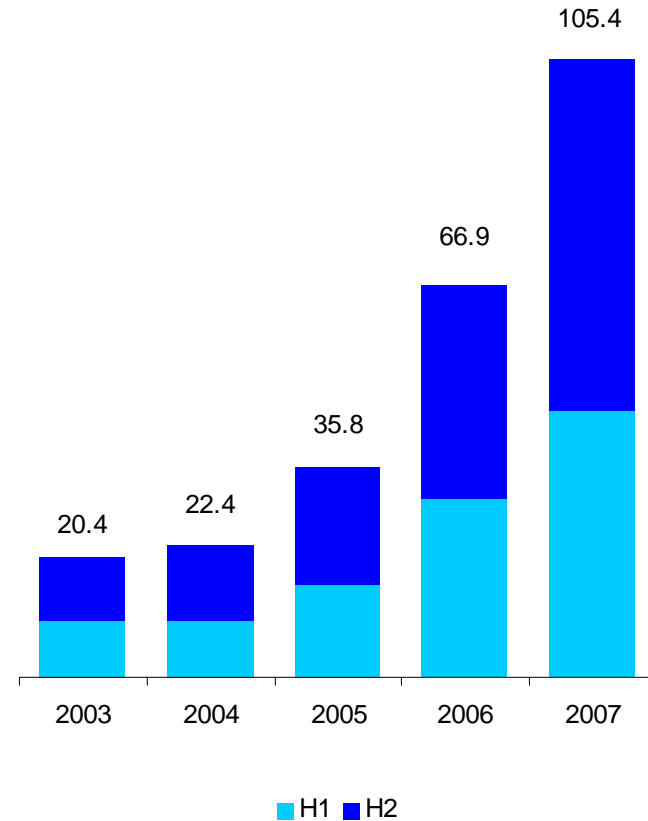
- Revenue CAGR since 2003 of 65.2%
- Net profit margin 6.4% (2006: 5.6%)



Dividends cps



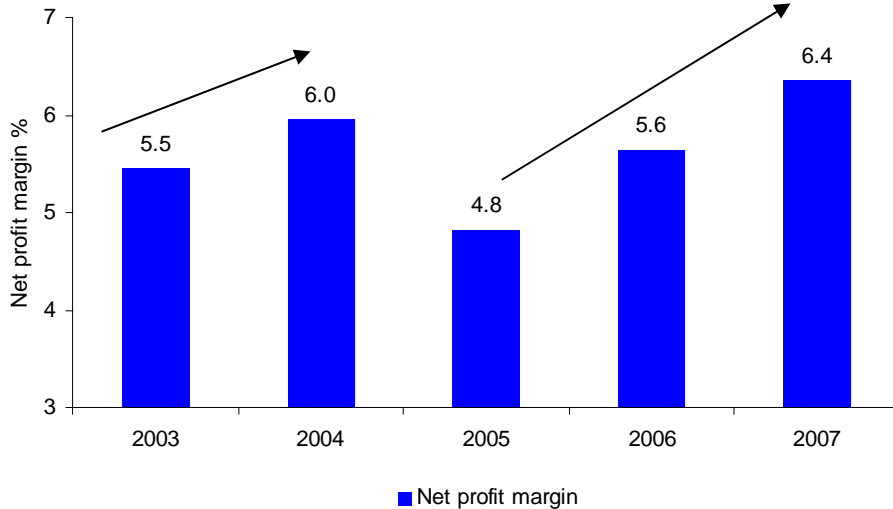
Normalised EPS



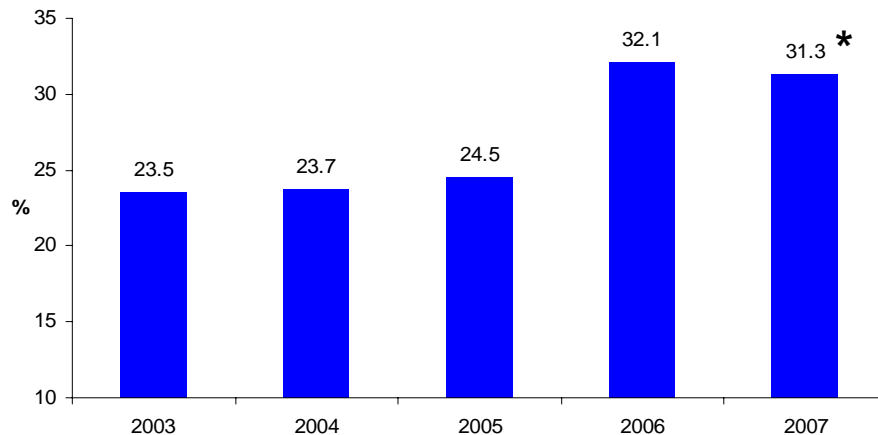
- 2007 normalised EPS up 57.5% on 2006
- Final dividend of 32.5 cps (payout 60.4%)



Profitability



Return on Equity



\* Normalised for Colt

- Positive Margin Expansion
  - Operating scale and volume
  - Reimbursable revenue profile
  - Expansion of services and products
  - Overhead management
  - Accretive acquisitions
  - Risk management
- Gearing at <25%; good financial capacity
- ROE > 25%; effective deployment of capital in business



### Operational cash flow - \$m

EBITDA	353.4
Net interest paid	(10.8)
Tax Paid	(55.1)
	<hr/>
	287.5
Increase in borrowings	55.5

### Operational cash flow - \$m

Increased working capital	91.6
Small acquisitions	63.1
P,P&E	40.0
Dividends paid	105.2

Net increase in cash \$43.1m

### Colt acquisition funding - \$m

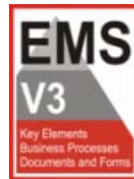
Issue of ordinary shares	470.2
Exchangeable share issue (non cash)	329.8
Increase in borrowings	332.4

Purchase of Colt 1,132.4

(Net cash position of \$118.6m: no exposure to CDO's, or CP. Investments at Moodys P1)



- Acquisition of Parsons E&C (Nov 2004) provided impetus for complete update of our project delivery systems: largest internal project undertaken



Project Execution

Standard Workflow

Integration of  
HR & Financials 2008/09

- Integrated System enables
  - Improved project definition and execution
  - Workshare and resource utilisation (regional and global)
  - Integrated and learning organisation
  - Central plank of risk management
- When complete will have contemporary world class systems



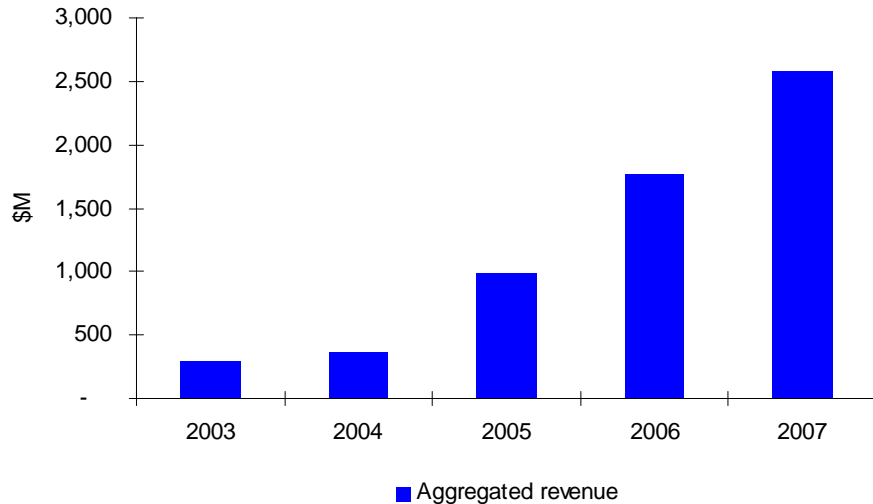
- 3 year EPS hurdle for Long Term Incentive plan (LTIP) increased to 20% compound growth. (up from 8% +CPI)
- Shareholder approval sought at AGM for increase to Non Executive Director (NED) fee pool to \$1.75m
  - Additional director(s), increased scope and size
  - Current fee pool reflects post IPO organisation
- Larry Benke as Alternate Director for Bill Hall
- Catherine Livingstone joins Board as NED
  - EX CEO Cochlear; NED at Macquarie Bank and Telstra
- Current Shareholder profile
  - Domestic Institutions            22%
  - Foreign Institutions            22%
  - Staff and Founders            41%
  - Other                            15%
- 228.5m issued shares and 12.3m exchangeables

**Colt Acquisition Purchase Price Allocation**

PPA	\$M AUD	Preliminary	Actual
Identified intangible assets		136.1	125.8
Deferred income tax liability arising from PPA		(44.6)	(39.4)
Net tangible assets		110.4	116.1
Goodwill		961.4	933.4
Consideration paid		1,158.8	1,135.9
Expected Amortisation profile of Colt PPA		Preliminary	Actual
2007		8.7	7.3
2008		27.3	23.7
2009		27.3	23.2
2010		24.0	22.2
2011		19.6	21.6
2012		17.4	17.9



Aggregated revenue

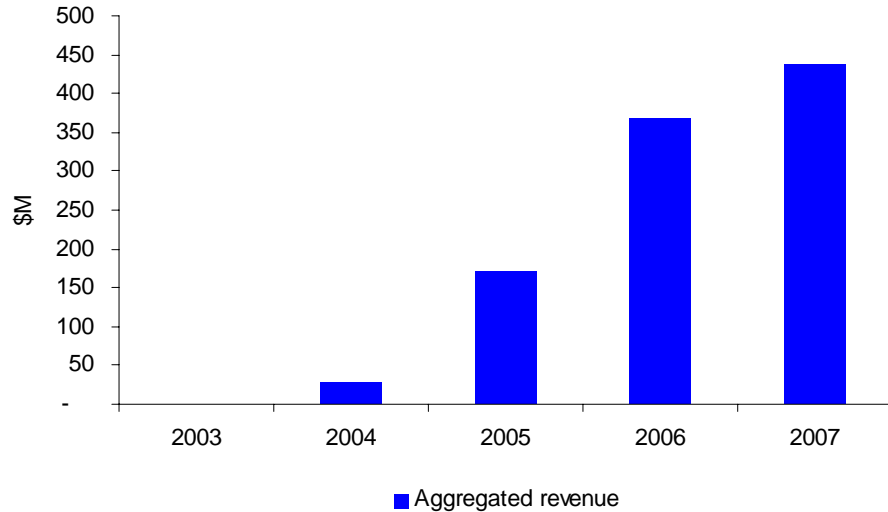


- *Outlook remains positive for 2008*

- Revenue \$2,585m, up 45%. EBIT \$240m, up 53%. EBIT margin 9.3% (2006:8.9%)
- Strong demand continued in 2007 in all segments and regions. Particularly strong growth in the Middle East and Downstream
- Colt acquisition extends oil sands, heavy oil and pipelines capability
- SEA acquisition broadens deepwater and floating production capability
- LNG capability enhanced; LNG V, PLUTO and BROWSE
- Continued growth in customer opex and minor capex spend (Oil at >\$50+pb)
- Continue to partner and joint venture for mega projects. Work share becoming the norm



Aggregated revenue

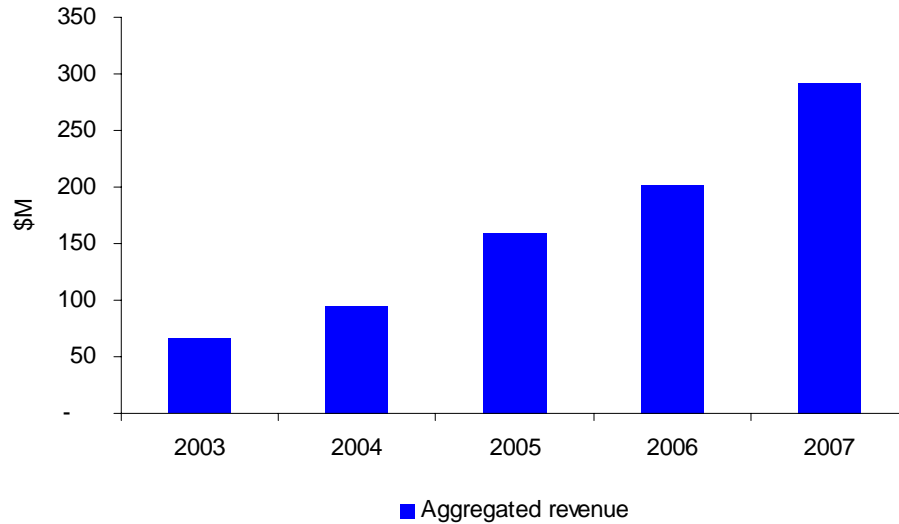


■ *Outlook remains positive for 2008*

- Revenue \$437.4m, up 19%. EBIT \$58m up 21%. EBIT margin 13.2% (2006:13.0%)
- Demand for new power generation including nuclear and air quality control projects continues
- Contract awards in solar, nuclear, coal, IGCC front end engineering and long term asset services
- Acquisition of Australian power joint venture. Formation of Transfield Worley Power Services for long term asset services
- New offices in Sacramento, California and Bratislava, Slovakia plus Colt



Aggregated revenue

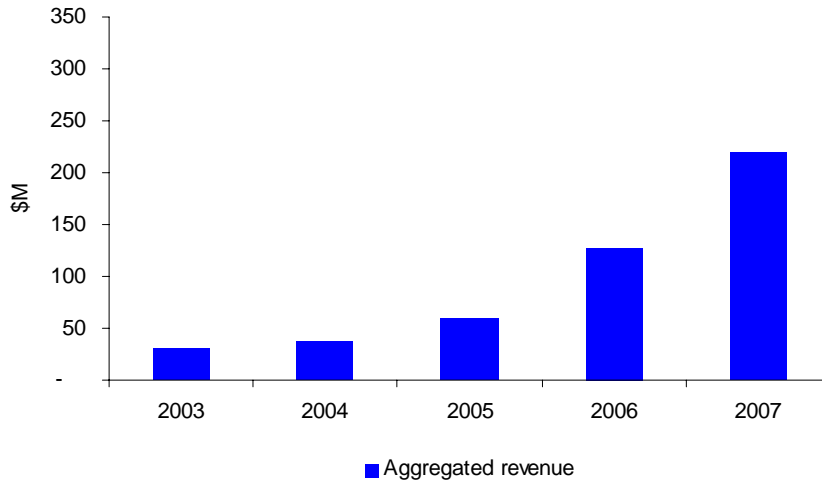


■ *Outlook remains positive for 2008*

- Revenue \$293m, up 45%. EBIT \$43m, up 54%. EBIT margin 14.6% (2006: 13.7%)
- Strong global market. ARA WorleyParsons in Chile establishes a base in Latin American
- Award of EMAL smelter EPCM; ongoing Ma'aden and FMG projects
- Successful completion of BHP Billiton's Olympic Dam Expansion pre-feasibility study
- High activity levels in Alumina market. Strong demand in gas cleaning
- Strong workload and prospects in Canada with early synergy wins
- Long-term asset services contracts continue to grow in Australia



Aggregated revenue



- Revenue \$220m, up 73%. EBIT \$20 million, up 110%. EBIT margin 9.3% (2006 7.7%)
- Infrastructure component of world scale resource projects; Ma'aden, FMG, Pluto
- Specialized services in water & wastewater, marine and rail markets provide solid base
- Environmental capabilities continue to expand in all regions
- Growth through acquisitions is expanding both regional growth and capability
- Capability to support EcoNomics™ initiative will be a key component of growth in 2008

- *Outlook remains positive for 2008*



**WorleyParsons**

resources & energy

**EcoNomics**<sup>TM</sup> Delivering profitable  
sustainability

Helping WorleyParsons Thrive in a Changing World



## What Differentiates WorleyParsons?





## What Differentiates WorleyParsons?





# EcoNomics<sup>TM</sup>

Our range of services and technologies that profitably embed environmental, social and financial sustainability into project delivery, across the asset lifecycle



# The EcoNomics™ Imperative

## Changes

resources costs



stakeholder expectations



legislation



requirement for adaptation  
& change



customer response



## Opportunity

optimise resource use

account to stakeholders

implement change

innovative technical solutions

work with our long-term customers

Our customers include the big resources & energy companies worldwide



## Definition

# Eco

A prefix meaning 'concerned with living things in relation to their environment'

From the Greek 'oikos' meaning 'house'

Used in ecology, ecosystems...

# Nomics<sup>TM</sup>

'The laws of logic and nature'

From the Greek 'nomikos' meaning 'law'

Nomic is also a game in which the rules may be changed but this counts as a move



## Approach

# EcoNomics<sup>TM</sup>

social, ecological, community

improvement in environment

sustainability perspective

assess, understand & model

understand the changes

profitable operations

improvement in business

technology perspective

deliver innovative solutions

adapt to the changes



## Capabilities & technologies

**EcoNomics™** will be delivered as a seamless extension of our established project delivery capability



- |                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                        |                                                                                                                                                                             |                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Strategic environmental &amp; economic analysis</li> <li>• Social &amp; community impact modeling</li> <li>• Risk &amp; sensitivity assessment</li> <li>• Complex marine systems analysis</li> </ul> | <ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Water efficiency</li> <li>• Rail efficiency</li> <li>• Sustainable building design</li> <li>• Advanced systems modeling</li> <li>• Logistics modeling</li> </ul> | <ul style="list-style-type: none"> <li>• Gas cleaning</li> <li>• Clean coal</li> <li>• Recycling</li> <li>• Mining tailing management</li> <li>• Water treatment</li> </ul> | <ul style="list-style-type: none"> <li>• Renewable energy</li> <li>• Carbon credits &amp; trading</li> <li>• Carbon capture &amp; storage (CCS)</li> <li>• Desalination</li> </ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



Sydney Water  
Tomago aluminium shelter

Fonterra energy efficient project

Sydney Water

FPL Energy, 250 MW thermal solar power plant

Bright Source Energy – Three 100 MWe central receiver plants (solar)

SMUD – 250 MWe parabolic trough plant (solar)

Green Island Energy – 85 MWe direct biomass combustion

Zero Waste Energy – SVBEC 50 MWe biomass gasification combined cycle

Schaffer Mountain Wind Farm electrical interconnect

Calpine – California Geysers OE for 200 MWe (geothermal)

Nucor Steel, process energy intensity evaluation

Tomago aluminium

Duke Energy, multiphase extraction and water treatment

Imperial Oil, multi and dual phase extraction systems

Central Alberta Midstream, groundwater remediation design

FPL Energy, 250 MW thermal solar power plant

Bright Source Energy – Three 100 MWe central receiver plants

SMUD – 250 MWe parabolic trough plant (solar)

Green Island Energy – 85 MWe direct biomass combustion

Zero Waste Energy – SVBEC 50 MWe biomass gasification

Schaffer Mountain Wind Farm electrical interconnect

Calpine – California Geysers OE for 200 MWe (geothermal)

## ASSESSMENT

## EFFICIENCY

## TREATMENT

## MITIGATION

Zero Gen power station

Lake Clifton sustainable coastal development

Cockburn Sound coastal studies

Terramin Resources (EIA – possibly PFS and tailings)

Zero Gen power station

Lake Clifton sustainable coastal development

Santee Cooper Pee Dee Unit 1,600 MW supercritical pulverised coal

FPL – 2 x 980 MW supercritical pulverized coal

EPCOR Genesse – 495 MWe supercritical pulverized coal

Shandong China – 1000 MW Supercritical

Sithe Energy – Multiple 300 MW CFBs waste coal

Liverpool Ranges rail study

BHP Billiton – Olympic Dam Expansion

Zinifex (Tailings dam location, regulatory approvals)

Progress Energy Carolinas, Ashville Units

Encana Weyburn coal gasification plant

United coal seam methane sequestration

Modular desalination

Lake Clifton sustainable coastal development

Cockburn Sound coastal studies

Santee Cooper Pee Dee Unit 1,600 MW supercritical pulverised coal

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Shandong China – 1000 MW Supercritical

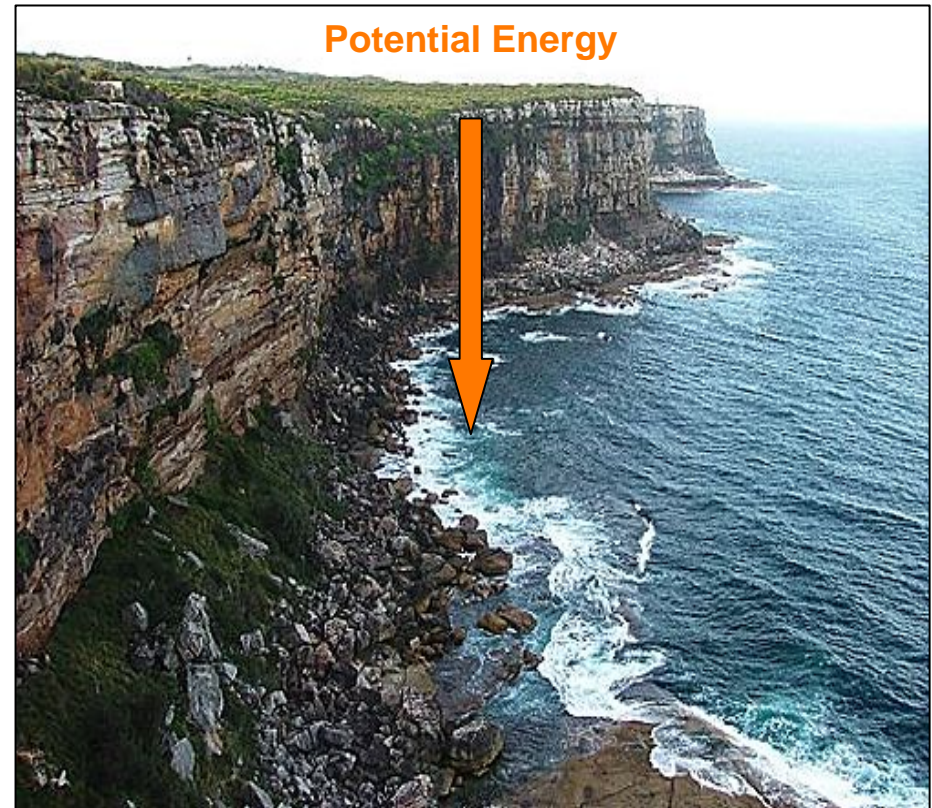
Sithe Energy – Multiple 300 MW CFBs waste coal



## Project example

# Sydney Water Renewable Energy Generation Program

- Energy Partnership with Sydney Water
- Aimed at energy efficiency
- Renewable energy implementation
  - Biogas
  - Energy recovery turbines
- 15% reduction in reliance on fossil fuels

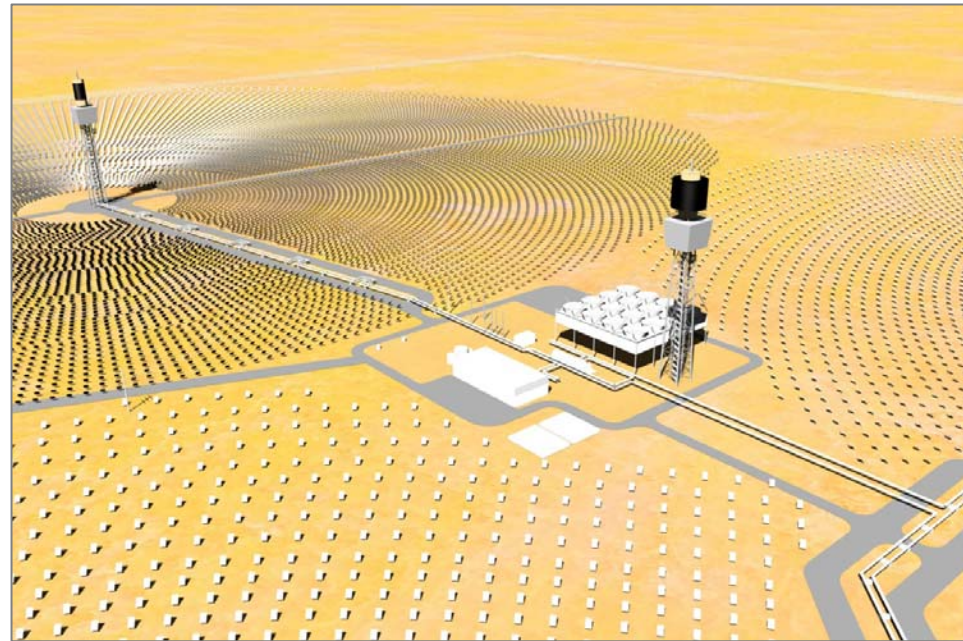




## Project example

# Ivanpah Solar Electric Generating Station

- Solar thermal power station
- World's first using dispersed "power towers"
- Engineering support to BrightSource Energy, California
- 400 MW renewable power
- Assist with the State's goal of 20% renewable power by 2010

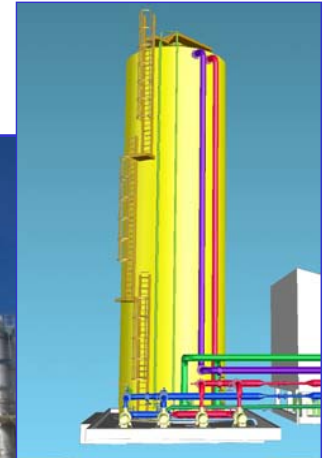




## Project example

### Fonterra Energy Reduction Project

- Manufacturing facilities, New Zealand
- Energy efficiency monitoring & assessment
- Re-thinking of project boundaries
- Complex process design
- Integration of water, heat and energy systems
- 17% overall reduction in energy use





Delivering profitable  
sustainability **EcoNomics**<sup>TM</sup>

Continue to review our own operations, worldwide.



- We expect the markets for WorleyParsons' services will remain strong. Our key markets and sectors continue to experience positive conditions and we are well positioned to respond to these opportunities. Subject to conditions remaining favorable in these markets we expect to achieve increased earnings from our existing operations and an additional eight months contribution of the Colt Group in 2008
- Our ability to support the EcoNomics™ initiative will be a key component of growth in 2008
- The company continues to evaluate opportunities for new business growth that will add to our existing capabilities and provide value for our shareholders