



Macquarie WA Emerging Leaders Conference

26 October 2010

Nick Bowen Chief Executive Officer



Business overview

- Founded in 1963 - listed on the ASX in 1983
- 2010 revenue of \$1.25 billion
- 3,000 employees

Two key sectors

Mining

Provides a comprehensive mine to mill capability for both surface and underground operations. Mine a variety of minerals and base metals including coal, copper, gold, diamonds, iron ore and nickel.

Clients include BHP Billiton and Rio Tinto. The Mining Business has operations throughout Australia, as well as internationally.



Construction

Provides services in all facets of civil construction, delivering complex road, rail, water, marine and structural projects to customers.

Clients include Federal and State Governments. The Construction Business operates throughout Australia.



Financial snapshot

\$ million	2010	2009	2008	2007	2006
Total revenue	1,254.4	1,485.6	1,244.4	966.0	863.7
EBIT	55.3	29.8	74.7	59.7	46.9
NPAT	37.9	17.2	48.8	33.4	27.4
EPS (cps)	5.2	3.1	9.2	6.4	5.5
Dividend (cps)	3.0	1.5	5.5	3.0	2.0
Gearing (net debt / equity) %	-12.9	0.6	11.6	25.9	43.6
Operating cash flow	117.1	53.4	88.7	68.7	68.2
Order book	2,215	1,412	2,138	2,005	1,218

19 October announcement

Issues

- Review of September quarter results and full year forecast identified issues with Construction's financial performance
- Two problems identified:
 - o Western Australian rail contract experienced a number of issues
 - o Construction has won less work than expected
- Impact is a forecast break even result for 1st half and 2nd half profit <\$20 million

Company actions

- Independent analysis of Construction will be completed by the end of the year

Outlook for Construction

- Revenue of \$550 million locked-in for FY11
- Unlikely to reach the \$788 million revenue achieved in FY10

Other Construction projects performing to plan



Blowering Dam, State Water Corporation, New South Wales



Tiger Brennan Drive, NT / Federal Government, Northern Territory

Mining Business performing strongly

- Revenue of \$650 million locked-in for FY11
 - o On track for around \$700 million in revenue (up to 50% growth)
- Underground sector particularly strong
 - o Benefiting from clients increased production requirements
- Surface mining seeing volume growth
- International projects performing well

Mining in Australia performing well



Renison underground mine, Metals X, Tasmania



Ore Body 18, BHP Billiton, Western Australia



Argyle underground mine, Rio Tinto, Western Australia

International projects performing well

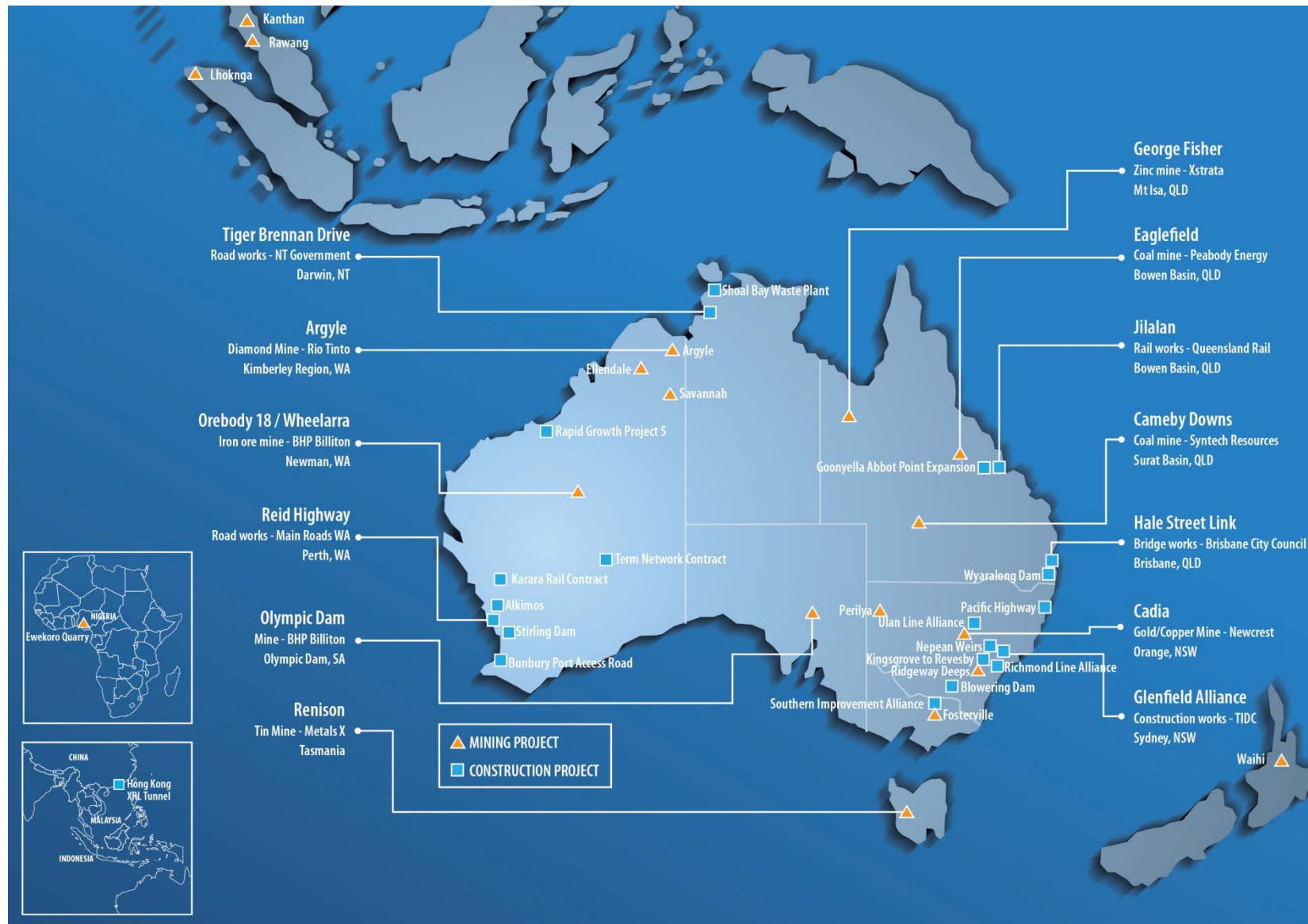


Ewekoro open cut quarry, Lafarge, Nigeria



Lhok Nga open cut quarry, Lafarge, Indonesia

Our projects



People and safety



Market conditions and outlook

Construction

- Mining expansion plans driving pipeline of construction work
- Infrastructure Partnerships Australia forecast that more than \$700 billion needs to be spent to upgrade and develop new infrastructure for Australia's growing population
- Some short term uncertainty remains but market confidence returning
- A strong pipeline of work exists 2012+

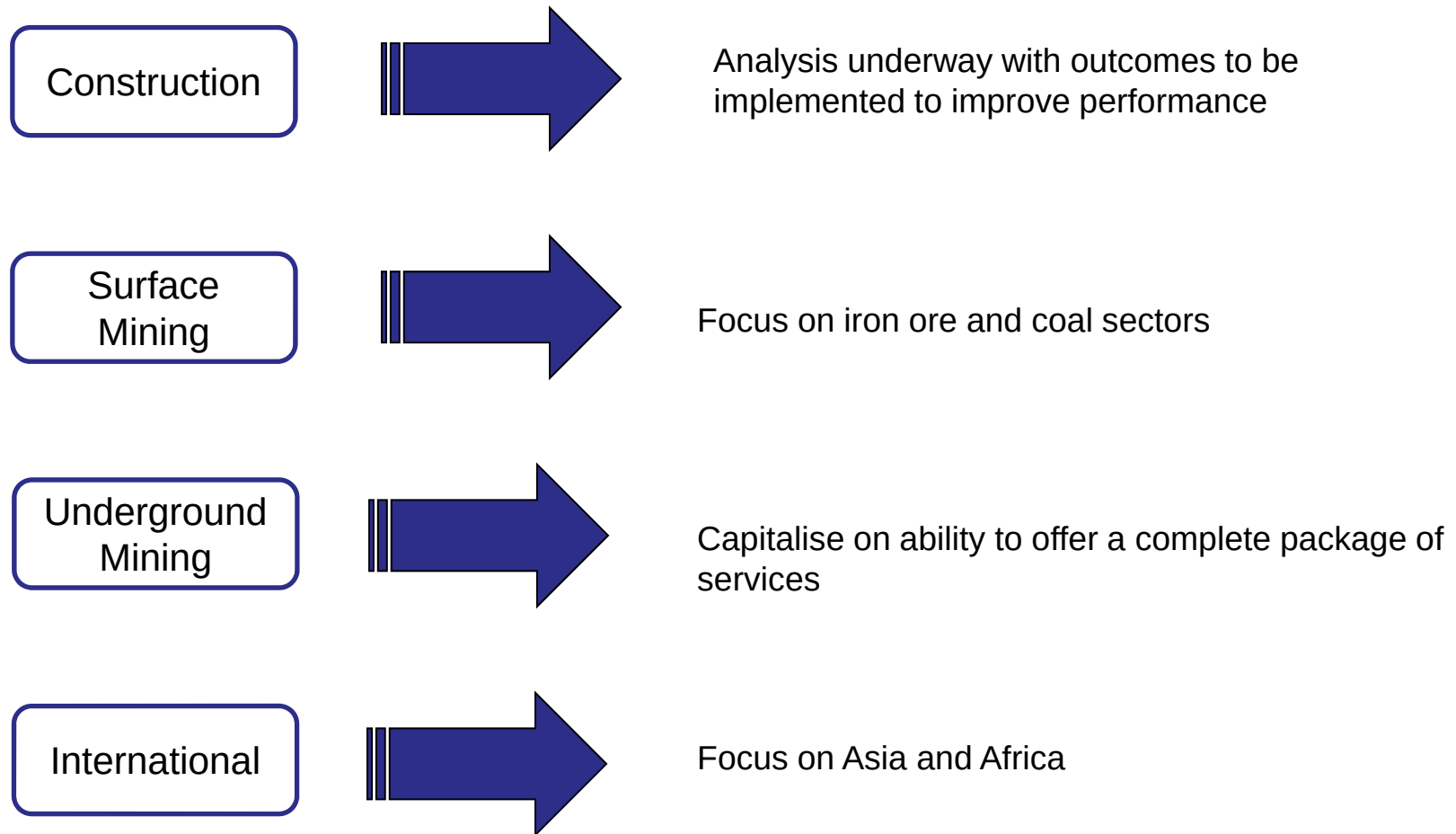
Mining work

- Significant pipeline of work in the underground market
- Asian demand driving commodity prices
- Proposed mining tax unresolved – some short term uncertainty remains in the sector

International

- Opportunities for growth in Asia and Africa

Our strategy



Outlook

Business performance

- Mining expected to perform strongly, underpinned by:
 - Positive market conditions
 - Solid pipeline of prospects in Australia and overseas
 - Robust underground sector
- Construction analysis being undertaken - will refocus business

Company outlook

- Forecasting a break even result for the six months to December 2010
- 2011 second half a profit in excess of \$20 million after tax is expected
- Tender pipeline for 2012 positive



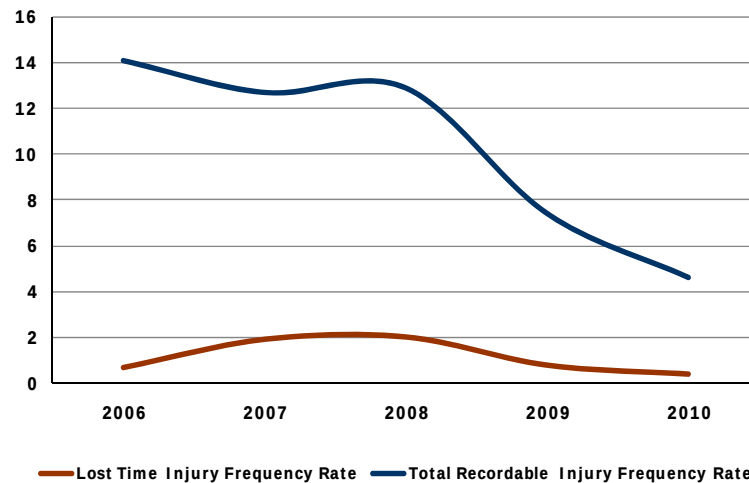
Questions?



Safety and people

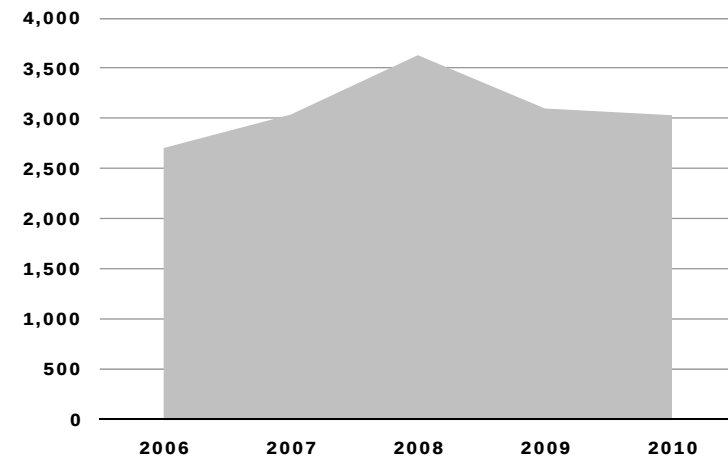
Group safety performance

(per one million man hours worked)



- Industry leading safety performance
- 38% improvement in TRIFR to 4.6
- 50% improvement in LTIFR to 0.4
- Industry leading safety performance across both the Mining and Construction

Employee numbers



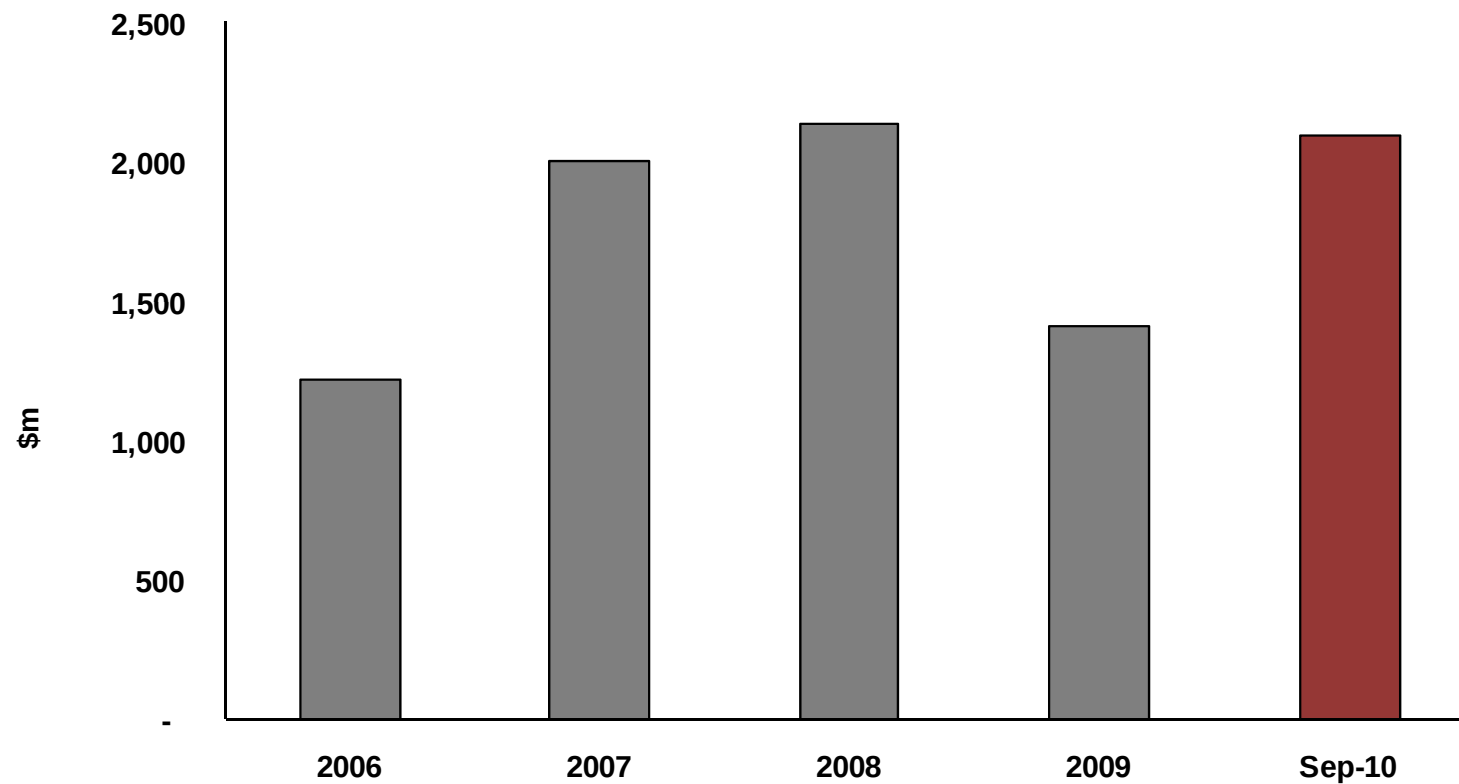
- Focus on retention and attraction of employees – training and development a key priority
- Increasing levels of Aboriginal employment and training
- Apprentice Program and graduate intake is building our future capability

Over \$1.5 billion of work awarded in calendar 2010

- Roe Highway interchange project, Main Roads, Western Australia, \$74 million
- Karara rail earthworks and track contract, Gindalbie Metals, Western Australia, \$84 million
- Waihi open cut gold mine, Newmont Mining, New Zealand, \$72m
- Eaglefield open cut coal mine, Peabody Energy, Queensland, \$150m
- Goonyella to Abbot Point rail expansion project, QR, Queensland, \$90m
- Cameby Downs open cut coal contract, Syntech Resources, Queensland, \$190m
- Hong Kong Tunnelling Contract, Hong Kong, AUD\$115m
- Orebody 18 / Wheelarra open cut iron ore, BHP Billiton, Western Australia, \$500m
- Renison underground tin mine, Metals X, Tasmania, \$60m
- Ewekoro open cut limestone quarry, Lafarge, Africa, AUD\$115m

Order book strength

Order book



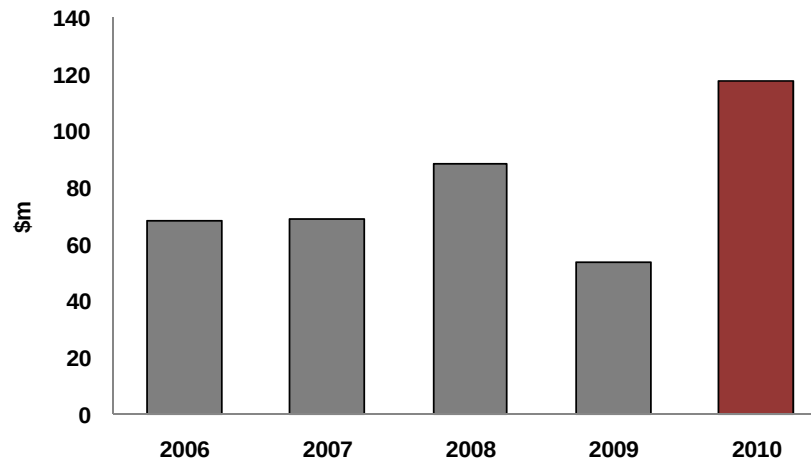
- Diverse spread of work across a number of commodities, disciplines & locations

Balance sheet

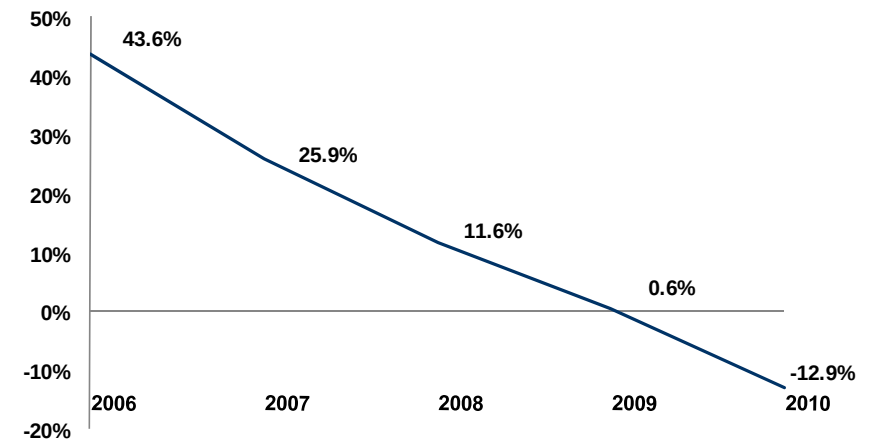
\$ million	2010	2009	Change %	
Current assets	225.6	313.3	▼	(28%)
Non current assets	353.4	319.5	▲	11%
Total assets	579.0	632.8	▼	(9%)
Net assets	339.7	311.0	▲	9%
Net debt	(43.8)	1.8		NA
Gearing (Net debt/equity) %	(12.9)	0.6		NA
Current ratio	1.3	1.4	▼	(7%)

Operating cash flow and gearing

Operating cash flow

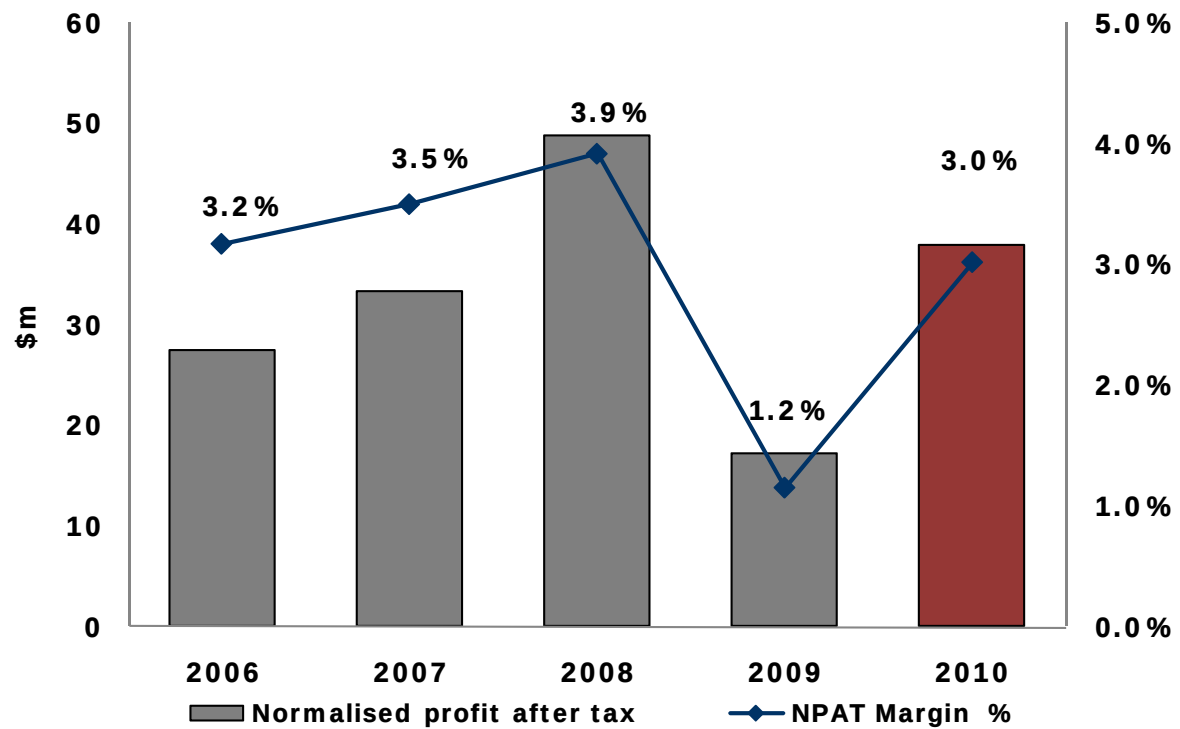


Gearing



NPAT and NPAT margin

NPAT and NPAT margin



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It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to:

actual demand, currency fluctuations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

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