



WorleyParsons

resources & energy

EcoNomics™

APPENDIX 4D AND INTERIM FINANCIAL REPORT HALF YEAR ENDED 31 DECEMBER 2008

WorleyParsons Limited
ABN 17 096 090 158

Level 12
141 Walker Street
North Sydney NSW 2060
Australia
Ph: +61 2 8923 6866
Fax: +61 2 8923 6877
www.worleyparsons.com



APPENDIX 4D AND INTERIM FINANCIAL REPORT HALF YEAR ENDED 31 DECEMBER 2008

CONTENTS

1.	RESULTS FOR ANNOUNCEMENT TO THE MARKET	3
2.	DIRECTORS' REPORT	5
3.	CONSOLIDATED INCOME STATEMENT	8
4.	CONSOLIDATED BALANCE SHEET	9
5.	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	10
6.	CONSOLIDATED CASH FLOW STATEMENT	11
7.	NOTES TO THE FINANCIAL STATEMENTS	12
8.	DIRECTORS' DECLARATION	24
9.	INDEPENDENT REVIEW REPORT	25
10.	CORPORATE INFORMATION	27

WORLEYPARSONS
APPENDIX 4D
HALF YEAR ENDED 31 DECEMBER 2008

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Change %	31 December 2008 \$'M	31 December 2007 \$'M
Revenue and other income	39.2	3,150.3	2,262.5
Earnings before interest, income tax expense, depreciation and amortisation (EBITDA)	34.7	354.5	263.1
Profit before income tax expense	34.5	293.8	218.4
Profit attributable to members of WorleyParsons Limited	29.3	197.5	152.7
Basic earnings per share (cents)	28.9	81.6	63.3
Diluted earnings per share (cents)	29.1	80.8	62.6
Aggregated revenue			
Revenue and other income		3,150.3	2,262.5
Less: Procurement services revenue		173.4	97.7
Revenue excluding procurement services revenue		2,976.9	2,164.8
Share of revenue from associates		410.1	397.2
Less: Procurement services revenue of associates		102.6	182.5
Net revenue from associates		307.5	214.7
Share of net profits of associates accounted for using the equity method		(24.8)	(17.6)
Aggregated revenue¹		3,259.6	2,361.9
EBITDA margin on aggregated revenue		10.9%	11.1%

¹ Aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates less procurement services revenue at nil margin. The Directors of WorleyParsons Limited believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the WorleyParsons Limited Group.

WORLEYPARSONS
APPENDIX 4D
HALF YEAR ENDED 31 DECEMBER 2008

Dividends	Amount per share	Franked amount per share
Interim dividend (cents):		
Six months to 31 December 2008	38.0	28.9
Six months to 31 December 2007	38.0	11.4
Record date for determining entitlement to dividend	11 March 2009	
Date dividend is to be paid	9 April 2009	

REVIEW OF OPERATIONS

Commentary on the results for the half year is contained in the press release dated 25 February 2009, accompanying this Appendix 4D and interim financial report.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

2. DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of WorleyParsons Limited ("Company") and the entities it controlled ("consolidated entity" or "Group") at the end of, or during, the half year ended 31 December 2008.

DIRECTORS

The following persons were Directors of the Company throughout the entire half year and until the date of this report:

Ron McNeilly (Chairman)

Grahame Campbell

Erich Fraunschiel

John Green

John Grill (Chief Executive Officer)

Eric Gwee

William Hall

David Housego

Catherine Livingstone, AO

Larry Benke (alternate executive director for William Hall).

PRINCIPAL ACTIVITIES

During the half year, the principal activities of the consolidated entity consisted of:

- provision of design and project services to the following sectors:
 - Hydrocarbons;
 - Power;
 - Minerals & Metals; and
 - Infrastructure & Environment;
- provision of maintenance and reliability support services to these sectors.

REVIEW OF OPERATIONS

The profit attributable to members of the Company for the half year ended 31 December 2008 was \$197.5 million, an increase of 29.3% on the \$152.7 million net profit reported for the same period to 31 December 2007 and an increase of 3.3% on the \$191.2 million reported in the second half of the 2008 financial year. The result was earned on aggregated revenue of \$3,259.6 million, an increase of 38.0% on the \$2,361.9 million reported in the previous corresponding period.

The commentary on the results for the half year is contained in the press release dated 25 February 2009, accompanying this interim financial report and the Appendix 4D.

SUBSEQUENT EVENTS

Subsequent to 31 December 2008 the Group refinanced US\$190.0 million and A\$115.0 million of loan facilities, of which A\$93.9 million was drawn, that was to mature within 12 months. The new syndication facility limit is US\$300.0 million with US\$60.0 million maturing in February 2010 and US\$240.0 million maturing February 2012.

Since the end of the half year, the Directors have declared an interim dividend of 38.0 cents (28.9 cents franked) (31 December 2007: 38.0 cents – 11.4 cents franked) per share. The aggregate amount of the proposed interim dividend of \$92.2 million (31 December 2007: \$91.9 million) is not recognised as a liability as at 31 December 2008.

No other material matter or transaction has arisen since 31 December 2008 that has significantly affected the Group's operations or state of affairs.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out below.



Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001
Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

Auditor's Independence Declaration to the Directors of WorleyParsons Limited

In relation to our review of the financial report of WorleyParsons Limited for the half-year ended 31 December 2008, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Jeff Chamberlain
Partner

25 February 2009

Liability limited by a scheme approved
under Professional Standards Legislation

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

ROUNDING OF AMOUNTS

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 the Directors' Report and financial statements. Amounts have been rounded off to the nearest hundred thousand dollars in accordance with that Class Order. Amounts shown as 0.0 represent amounts less than \$50,000 that have been rounded down.

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



Ron McNeilly
Chairman

Sydney, 25 February 2009

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

3. CONSOLIDATED INCOME STATEMENT

	Notes	31 December 2008 \$'M	31 December 2007 \$'M
Revenue and other income			
Services		3,120.8	2,234.6
Sale of goods		1.2	1.3
Total revenue		3,122.0	2,235.9
Interest		3.5	7.8
Other		-	1.2
Share of net profits of associates accounted for using the equity method		24.8	17.6
Revenue and other income		3,150.3	2,262.5
Expenses			
Staff costs		(1,862.6)	(1,274.6)
Contract-related reimbursable costs		(591.4)	(495.2)
Office and administration costs		(219.7)	(142.8)
Depreciation		(12.5)	(10.9)
Amortisation		(27.4)	(20.5)
Borrowing costs		(24.3)	(21.1)
Other		(118.6)	(79.0)
Profit before income tax expense		293.8	218.4
Income tax expense	7.3	(91.5)	(63.8)
Net profit for the half year		202.3	154.6
This is represented by:			
Profit attributable to members of WorleyParsons Limited		197.5	152.7
Profit attributable to minority interests		4.8	1.9
		202.3	154.6
Basic earnings per share (cents)	7.1	81.6	63.3
Diluted earnings per share (cents)	7.1	80.8	62.6

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

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

4. CONSOLIDATED BALANCE SHEET

	Notes	31 December 2008 \$'M	30 June 2008 \$'M
Current assets			
Cash and cash equivalents	7.11	121.2	82.2
Trade and other receivables	7.4	1,486.9	1,217.2
Inventories		0.5	0.4
Prepayments		64.0	51.7
Assets held for sale		58.7	59.0
Derivatives		1.8	5.9
Total current assets		1,733.1	1,416.4
Non-current assets			
Equity accounted investments		132.6	91.8
Property, plant and equipment		140.4	81.7
Intangible assets	7.5	1,874.1	1,562.4
Deferred tax assets		96.0	60.7
Derivatives		37.2	1.3
Other non-current assets		7.0	3.2
Total non-current assets		2,287.3	1,801.1
Total assets		4,020.4	3,217.5
Current liabilities			
Trade and other payables		699.2	595.7
Interest bearing loans and borrowings	7.6	106.7	38.5
Income tax payable		59.5	53.1
Provisions		325.6	245.8
Liabilities held for sale		31.4	27.4
Derivatives		3.4	0.2
Total current liabilities		1,225.8	960.7
Non-current liabilities			
Interest bearing loans and borrowings	7.6	855.6	672.9
Deferred tax liabilities		133.1	124.9
Provisions		38.6	32.1
Derivatives		-	10.4
Total non-current liabilities		1,027.3	840.3
Total liabilities		2,253.1	1,801.0
Net assets		1,767.3	1,416.5
Equity			
Issued capital	7.7	1,141.9	1,132.5
Reserves	7.8	96.0	(157.8)
Retained profits	7.9	521.6	438.8
Parent entity interest		1,759.5	1,413.5
Minority interests		7.8	3.0
Total equity		1,767.3	1,416.5

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

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	31 December 2008 \$'M	31 December 2007 \$'M
Notes		
Total equity at the beginning of the half year	1,416.5	1,387.7
Net movement in foreign currency translation reserve	254.1	53.7
Net movement in hedge reserve	-	2.0
Net income recognised directly in equity	254.1	55.7
Profit after income tax expense	202.3	154.6
Total recognised income and expense	456.4	210.3
Performance rights expense	8.9	6.4
Dividends paid	7.2 (114.7)	(78.1)
Contributions of equity	0.2	-
Minority interest movement	-	(0.9)
Total equity at the end of the half year	1,767.3	1,525.4
Total recognised income and expense for the half year is attributable to:		
Members of WorleyParsons Limited	451.6	208.4
Minority interests	4.8	1.9
	456.4	210.3

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

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

6. CONSOLIDATED CASH FLOW STATEMENT

	Notes	31 December 2008 \$'M	31 December 2007 \$'M
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		3,220.2	2,282.9
Payments to suppliers and employees (inclusive of goods and services tax)		(2,892.7)	(2,101.8)
		327.5	181.1
Dividends received from associates		9.9	5.5
Interest received		3.5	7.3
Borrowing costs paid		(24.3)	(19.0)
Income taxes paid		(82.1)	(63.3)
Net cash inflow from operating activities	7.11	234.5	111.6
Cash flows from investing activities			
Payments for acquisition of controlled entities		(4.3)	(72.7)
Cash balances in controlled entities acquired, net of bank overdraft		0.2	5.6
Payments for purchase of property, plant and equipment and computer software		(78.6)	(37.5)
Proceeds from sale of property, plant and equipment		0.3	0.6
Net cash outflow from investing activities		(82.4)	(104.0)
Cash flows from financing activities			
Proceeds from borrowings		695.5	160.1
Repayments of borrowings		(690.5)	(70.3)
Costs of bank facilities and proceeds from finance leases		(1.0)	0.5
Lease payments		(0.1)	(0.1)
Net loans to related parties		0.3	(1.0)
Dividends paid to the Company's shareholders	7.2	(114.7)	(78.1)
Dividends paid to minority interests		-	(0.9)
Net cash (outflow)/inflow from financing activities		(110.5)	10.2
Net increase in cash		41.6	17.8
Cash and cash equivalents at the beginning of the half year		76.3	108.0
Effects of exchange rate changes on cash		6.4	(0.5)
Cash and cash equivalents at the end of the half year	7.11	124.3	125.3

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

7. NOTES TO THE FINANCIAL STATEMENTS

BASIS OF PREPARATION OF THE INTERIM FINANCIAL REPORT

The interim financial report of WorleyParsons Limited ("Company") for the half year ended 31 December 2008 does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The interim financial report should be read in conjunction with the annual report of the Company as at 30 June 2008, which was prepared in accordance with Australian Accounting Standards ("AAS") and the *Corporations Act 2001*. It is also recommended that the interim financial report be considered together with any public announcements made by the Company and its controlled entities during the half year ended 31 December 2008 in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

The interim financial report has been prepared using the same accounting policies as used in the annual financial report for the year ended 30 June 2008.

(a) Basis of accounting

(i) Basis of preparation

The interim financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 "Interim Financial Reporting".

The Company is of a kind referred to in Class Order 98/100 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and financial statements. Amounts have been rounded off to the nearest hundred thousand dollars in accordance with that Class Order.

For the purpose of preparing the interim financial report, the half year has been treated as a discrete reporting period.

(ii) Historical cost convention

The interim financial report has been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged with fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.

(iii) Critical accounting estimates

In the application of AAS, management is required to make judgements, estimates, and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements. Actual results may differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of AAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable in the relevant notes to the financial statements.

(b) Changes in accounting policy

No Australian Accounting Standards issued but not yet effective have been early adopted. It is not considered early adoption of these standards would have a material impact on the results of the Group.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008	31 December 2007
7.1 EARNINGS PER SHARE		
Attributable to members		
Basic earnings per share (cents)	81.6	63.3
Diluted earnings per share (cents)	80.8	62.6

The following reflects the income and security data used in the calculation of basic and diluted earnings per share:

Earnings used in calculating basic and diluted earnings per share (\$'M)	197.5	152.7
Weighted average number of ordinary securities used in calculating basic earnings per share	242,159,431	241,062,123
Bonus element of performance rights which are considered dilutive	2,460,475	2,815,128
Adjusted weighted average number of ordinary securities used in calculating diluted earnings per share	244,619,906	243,877,251

The weighted average number of converted, lapsed or cancelled potential ordinary shares used in calculating diluted earnings per share was 10,395 (2007: 21,309).

	31 December 2008 \$'M	31 December 2007 \$'M
--	--------------------------------------	--------------------------------------

7.2 DIVIDENDS

Details of dividends paid during the half year are as follows:

Final ordinary dividend for the year ended 30 June 2008 of 47.5 cents (33.7 cents franked) per share paid on 10 October 2008	114.7	-
Final ordinary dividend for the year ended 30 June 2007 of 32.5 cents (9.5 cents franked) per share paid on 25 September 2007	-	78.1
Total dividends paid	114.7	78.1

Since the end of the half year, the Directors have declared an interim dividend of 38.0 cents (28.9 cents franked) (31 December 2007: 38.0 cents – 11.4 cents franked) per share. The aggregate amount of the proposed interim dividend of \$92.2 million (31 December 2007: \$91.9 million) is not recognised as a liability as at 31 December 2008.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$'M	31 December 2007 \$'M
--	--------------------------------------	--------------------------------------

7.3 INCOME TAX

(a) Income tax expense

Current tax	93.2	65.6
Deferred tax	1.2	(0.2)
Overprovision in previous financial periods	(2.9)	(1.6)
Income tax expense	91.5	63.8

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Profit before income tax expense	293.8	218.4
At the Group's statutory income tax rate of 30% (2007: 30%)	88.1	65.5
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible/(non-taxable) performance rights	2.4	(0.1)
Share of net profits of associates accounted for using the equity method	(7.4)	(5.3)
Research and development concession	2.0	(1.8)
Plant and machinery rebate	(0.6)	(0.7)
Benefits from income tax and capital losses not previously recognised	-	(0.1)
Overprovision in previous financial periods	(2.9)	(1.6)
Difference in overseas tax rates ¹	2.7	6.3
Other	7.2	1.6
Income tax expense	91.5	63.8

¹ Represents income tax expense for foreign tax rate differential and international withholding taxes.

(c) Amounts recognised directly in equity

Aggregate amount of tax arising in the half year and not recognised in net profit or loss but directly (credited)/charged to equity:

Current tax – credited directly to equity	-	3.0
Deferred tax – charged directly to equity	26.0	(5.6)
	26.0	(2.6)

(d) Tax losses

The Group has tax losses for which no deferred tax asset is recognised on the balance sheet.

Unused tax losses for which no deferred tax asset has been recognised	21.9	21.7
Potential tax benefit at 30%	6.6	6.5

The benefit for tax losses will only be recognised if:

- the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; or
- the losses are transferred to an eligible entity in the consolidated entity; and
- the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deductions for the losses.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$'M	30 June 2008 \$'M
7.4 TRADE AND OTHER RECEIVABLES		
Trade receivables	917.0	704.1
Unbilled contract revenue	477.5	408.0
Retentions	9.0	13.5
Allowance for doubtful debts	(39.8)	(16.5)
	1,363.7	1,109.1
Other receivables	44.7	47.9
Amount owing from related parties and associates	78.5	60.2
	1,486.9	1,217.2
Allowance for doubtful debts:		
Balance at beginning of the reporting period	16.5	13.8
Net charge to income statement	18.7	0.1
Difference arising on translation of foreign operations	4.6	2.6
Balance at end of reporting period	39.8	16.5
7.5 INTANGIBLE ASSETS		
Goodwill		
At cost	1,682.5	1,395.8
Accumulated impairment	(1.0)	(1.0)
	1,681.5	1,394.8
Customer contracts and relationships		
At cost	107.4	90.9
Accumulated amortisation	(34.1)	(20.4)
	73.3	70.5
Trade names		
At cost	74.5	68.3
Accumulated amortisation	(25.8)	(19.6)
	48.7	48.7
Favourable property leases		
At cost	11.4	9.7
Accumulated amortisation	(4.1)	(2.5)
	7.3	7.2
Computer software		
At cost	95.5	64.7
Accumulated amortisation	(35.1)	(26.2)
	60.4	38.5
Other		
At cost	4.1	3.5
Accumulated amortisation	(1.2)	(0.8)
	2.9	2.7
Total intangible assets	1,874.1	1,562.4

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

7.5 INTANGIBLE ASSETS (continued)

Reconciliations

	Goodwill \$'M	Customer contracts and relationships \$'M	Trade names \$'M	Favourable property leases \$'M	Computer software \$'M	Other \$'M	Total \$'M
Balance at 1 July 2008	1,394.8	70.5	48.7	7.2	38.5	2.7	1,562.4
Additions due to the acquisition of entities	3.3	-	-	-	-	-	3.3
Additions	-	-	-	-	28.9	-	28.9
Differences arising on translation of foreign operations	283.4	11.7	4.6	1.1	0.2	0.5	301.5
Amortisation	-	(8.9)	(4.6)	(1.0)	(7.2)	(0.3)	(22.0)
Balance at 31 December 2008	1,681.5	73.3	48.7	7.3	60.4	2.9	1,874.1
Balance at 1 July 2007	1,331.6	74.5	54.1	9.8	14.2	3.7	1,487.9
Additions due to the acquisition of entities	174.4	17.7	4.6	-	0.4	-	197.1
Additions	-	-	-	-	34.7	-	34.7
Differences arising on translation of foreign operations	(111.2)	(5.4)	(1.8)	(0.6)	(0.1)	(0.3)	(119.4)
Amortisation	-	(16.3)	(8.2)	(2.0)	(10.7)	(0.7)	(37.9)
Balance at 30 June 2008	1,394.8	70.5	48.7	7.2	38.5	2.7	1,562.4

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$'M	30 June 2008 \$'M
--	--------------------------------------	----------------------------------

7.6 INTEREST BEARING LOANS AND BORROWINGS

a) Current

Bank overdraft	2.3	9.7
Unsecured bank loan	93.9	18.2
Promissory note	10.3	9.9
Lease and hire purchase liabilities	0.2	0.7
	106.7	38.5

b) Non-current

Notes payable	726.4	515.4
Unsecured bank loan, net of borrowing costs	129.0	157.4
Lease liabilities	0.2	0.1
	855.6	672.9

The maturity profile in respect of the Group's total unsecured loan and overdraft facilities is set out below as at reporting date:

Due within one year	560.8	98.2
Due between one and four year(s)	294.1	456.8
Due after four years	667.4	515.4
	1,522.3	1,070.4

The maturity profile in respect of the Group's utilized unsecured loan and overdraft facilities is set out below as at reporting date:

Due within one year	106.7	38.5
Due between one and four year(s)	188.2	157.5
Due after four years	667.4	515.4
	962.3	711.4

Subsequent to 31 December 2008 the Group refinanced US\$190.0 million and A\$115.0 million of loan facilities, of which A\$93.9 million was drawn, that was to mature within 12 months. The new syndication facility limit is US\$300.0 million with US\$60.0 million maturing in February 2010 and US\$240.0 million maturing February 2012.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

7.7 ISSUED CAPITAL

	31 December 2008		30 June 2008	
	Number of shares	\$'M	Number of shares	\$'M
Ordinary shares, fully paid ^{1,2}	242,676,145	1,141.9	241,779,455	1,132.5
Special voting share	1	-	1	-
	242,676,146	1,141.9	241,779,456	1,132.5

	Number of shares	\$'M
Movement in shares		
Balance at 1 July 2008	241,779,456	1,132.5
Ordinary shares issued	5,194	0.2
Ordinary shares on redemption of exchangeable shares	769,888	20.6
Exchangeable shares exchanged for ordinary shares	(769,888)	(20.6)
Transfer from performance rights reserve on issuance of shares	891,496	9.2
Balance at 31 December 2008	242,676,146	1,141.9

¹ Included in ordinary shares are 9,344,434 (30 June 2008: 10,114,322) exchangeable shares. The issuance of the exchangeable shares and the attached special voting share replicates the economic effect of issuing ordinary shares in the Company. Accordingly, for accounting purposes, exchangeable shares are treated in the same single class of issued capital as ordinary shares. In addition, the Australian Securities Exchange ("ASX") treats these exchangeable shares to have been converted into ordinary shares of the Company at the time of their issue for the purposes of the ASX Listing Rules.

² The WorleyParsons Limited Plans Trust holds 278,770 (30 June 2008: 283,964) shares in the Company, which have been consolidated and eliminated in accordance with AAS.

	31 December 2008	30 June 2008
	\$'M	\$'M
Foreign currency translation reserve	76.1	(178.0)
Hedge reserve	(3.7)	(3.7)
Performance rights reserve	22.4	22.7
Asset revaluation reserve	1.2	1.2
	96.0	(157.8)

7.8 RESERVES

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$'M	30 June 2008 \$'M
--	--------------------------------------	----------------------------------

7.9 RETAINED PROFITS

Balance at beginning of the reporting period	438.8	265.0
Profit attributable to members of WorleyParsons Limited	197.5	343.9
Dividends paid	(114.7)	(170.1)
Balance at the end of the reporting period	521.6	438.8

	31 December 2008 \$	30 June 2008 \$
--	------------------------------------	--------------------------------

7.10 NET ASSETS PER SHARE

Net assets per share	7.28	5.86
Net tangible assets per share	(0.44)	(0.60)

A large proportion of the Company's assets are intangible in nature consisting of goodwill and identifiable intangible assets relating to businesses acquired. Identifiable intangible assets consist of customer contracts and relationships, trade names, favourable property leases and computer software. These assets are excluded from the calculation of net tangible assets per share.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$'M	31 December 2007 \$'M
--	-----------------------------	-----------------------------

7.11 NOTES TO THE CASH FLOW STATEMENT

The below figures are reconciled to cash at the end of the half year as shown in the cash flow statement as follows:

(a) Cash and cash equivalents reconciliation

Cash and cash equivalents per the consolidated balance sheet	121.2	126.8
Add: cash included in assets held for sale	5.4	-
Cash and cash equivalents, including cash held for sale	126.6	126.8
Less: bank overdraft	(2.3)	(1.5)
Balance per the consolidated cash flow statement	124.3	125.3

(b) Reconciliation of profit after income tax expense to net cash inflow from operating activities

Profit after income tax expense	202.3	154.6
Non-cash items		
Depreciation	12.5	10.9
Amortisation	27.4	20.5
Doubtful debts expense	18.7	4.0
Performance rights expense	8.9	10.5
Net gain on foreign exchange	(11.8)	(0.5)
Share of associate's net profits in excess of dividends received	(14.9)	(12.1)
Other	1.0	-
Cash flow adjusted for non-cash items	244.1	187.9
Changes in assets and liabilities adjusted for effects of purchase of controlled entities during the half year		
Increase in trade and other receivables	(95.3)	(80.8)
(Increase)/decrease in inventories	(0.1)	0.1
Increase in prepayments	(7.0)	(16.1)
Increase in trade and other payables	49.1	4.5
Increase in other provisions	34.4	11.4
(Increase)/decrease in deferred tax assets	(7.8)	1.0
Increase in current tax liability	11.9	0.3
Increase/(decrease) in deferred tax liabilities	5.2	(0.8)
Exchange rate movement on opening balances	-	4.1
Net cash inflow from operating activities	234.5	111.6

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

7.12 SEGMENT INFORMATION

The Group operates in four primary business segments: Hydrocarbons, Power, Minerals & Metals and Infrastructure and Environment. The Hydrocarbons segment incorporates the Oil and Gas, and Refining, Petrochemicals and Chemicals business units.

Business segments

31 December 2008	Hydrocarbons \$'M	Power \$'M	Minerals & Metals \$'M	Infra- structure & Environment \$'M	Other \$'M	Eliminations \$'M	Consolidated \$'M
Sales to external customers	2,132.5	263.6	314.5	197.9	-	-	2,908.5
Procurement services revenue	177.5	13.8	10.7	11.5	-	-	213.5
Inter-segment sales	6.8	1.4	3.2	0.1	-	(11.5)	-
Total revenue	2,316.8	278.8	328.4	209.5		(11.5)	3,122.0
Interest	-	-	-	-	3.5	-	3.5
Share of net profits of associates	16.9	4.6	3.0	0.3	-	-	24.8
Revenue and other income	2,333.7	283.4	331.4	209.8	3.5	(11.5)	3,150.3
Segment result	261.8	33.2	49.9	20.3	-	-	365.2
Amortisation expense	(13.6)	(0.4)	-	(1.0)	(7.0)	-	(22.0)
Unallocated corporate expenses	-	-	-	-	(49.4)	-	(49.4)
Profit before income tax expense	248.2	32.8	49.9	19.3	(56.4)	-	293.8
Income tax expense							(91.5)
Profit after income tax expense							202.3
Aggregated revenue							
Revenue and other income	2,333.7	283.4	331.4	209.8	3.5	(11.5)	3,150.3
Procurement services revenue of controlled entities	(157.2)	(13.8)	(1.7)	(0.7)	-	-	(173.4)
Share of revenue from associates	323.5	25.7	48.3	12.6	-	-	410.1
Procurement services revenue of associates	(102.6)	-	-	-	-	-	(102.6)
Share of net profits of associates	(16.9)	(4.6)	(3.0)	(0.3)	-	-	(24.8)
Aggregated revenue¹	2,380.5	290.7	375.0	221.4	3.5	(11.5)	3,259.6

¹ Aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates less procurement services revenue at nil margin. The Directors believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

7.12 SEGMENT INFORMATION (continued)

Business segments

31 December 2007	Hydro-carbons \$'M	Power \$'M	Minerals & Metals \$'M	Infra- structure & Environ- ment \$'M	Other \$'M	Eliminations \$'M	Consolidated \$'M
Sales to external customers	1,573.9	206.7	175.5	156.9	-	-	2,113.0
Procurement services revenue	98.1	24.8	-	-	-	-	122.9
Inter-segment sales	3.9	2.6	1.5	0.2	-	(8.2)	-
Total revenue	1,675.9	234.1	177.0	157.1	-	(8.2)	2,235.9
Interest	-	-	-	-	7.8	-	7.8
Other	1.0	0.1	0.0	0.1	-	-	1.2
Share of net profits of associates	11.0	1.4	4.7	0.5	-	-	17.6
Revenue and other income	1,687.9	235.6	181.7	157.7	7.8	(8.2)	2,262.5
Segment result	194.9	30.2	33.1	18.6	-	-	276.8
Amortisation expense	(14.0)	(0.2)	(0.3)	(0.5)	(1.1)	-	(16.1)
Unallocated corporate expenses	-	-	-	-	(42.3)	-	(42.3)
Profit before income tax expense	180.9	30.0	32.8	18.1	(43.4)	-	218.4
Income tax expense	-	-	-	-	-	-	(63.8)
Profit after income tax expense							154.6
Aggregated revenue							
Revenue and other income	1,687.9	235.6	181.7	157.7	7.8	(8.2)	2,262.5
Procurement services revenue of controlled entities	(72.9)	(24.8)	-	-	-	-	(97.7)
Share of revenue from associates	342.7	10.9	38.6	5.0	-	-	397.2
Procurement services revenue of associates	(182.5)	-	-	-	-	-	(182.5)
Share of net profits of associates	(11.0)	(1.4)	(4.7)	(0.5)	-	-	(17.6)
Aggregated revenue¹	1,764.2	220.3	215.6	162.2	7.8	(8.2)	2,361.9

¹ Aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates less procurement services revenue at nil margin. The Directors believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group.

WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$'M	31 December 2007 \$'M
7.13 CONTINGENT LIABILITIES		
(a) Guarantees		
The Group is, in the normal course of business, required to provide guarantees and letters of credit on behalf of controlled entities, associates and related parties in respect of their contractual performance-related obligations. These guarantees and letters of credit only give rise to a liability where the entity concerned fails to perform its contractual obligations.		
Bank guarantees outstanding at balance date in respect of financing facilities	30.3	0.4
Bank guarantees outstanding at balance date in respect of contractual performance	229.9	133.3
	<u>260.2</u>	<u>133.7</u>

The Group is subject to various actual and pending claims arising in the normal course of business. The Directors are of the view that the consolidated entity is adequately provided in respect of these claims.

Included in guarantees outstanding at balance date in respect of financing facilities is a guarantee for an associate, DeltaAfrik Engineering Limited. Under the terms of the guarantee, the Group has guaranteed the repayment of bank loans and performance guarantees outstanding in respect of an external borrowing facility taken on by the associate. The amount of borrowing and performance guarantee in the associate at 31 December 2008 was \$27.5 million (31 December 2007: nil).

(b) Asbestos

Certain members of the Parsons E&C Group and other subsidiaries of Parsons Corporation, have been, and continue to be, the subject of litigation relating to the handling of, or exposure to, asbestos. Based on due diligence investigations during the acquisition of Parsons E&C Corporation from Parsons Corporation, including an analysis of available insurance coverage, and in light of the continuation and extension of the existing indemnity and asbestos claims administration arrangements between Parsons Corporation and Parsons E&C Group, the Company is not aware of any circumstance that is likely to lead to a material residual contingent exposure for the Company in respect of asbestos liabilities.

7.14 SUBSEQUENT EVENTS

Subsequent to 31 December 2008 the Group refinanced US\$190.0 million and A\$115.0 million of loan facilities, of which A\$93.9 million was drawn, that was to mature within 12 months. The new syndication facility limit is US\$300.0 million with US\$60.0 million maturing in February 2010 and US\$240.0 million maturing February 2012.

Since the end of the half year, the Directors have declared an interim dividend of 38.0 cents (28.9 cents franked) (31 December 2007: 38.0 cents – 11.4 cents franked) per share. The aggregate amount of the proposed interim dividend of \$92.2 million (31 December 2007: \$91.9 million) is not recognised as a liability as at 31 December 2008.

No other material matter or transaction has arisen since 31 December 2008 that has significantly affected the Group's operations or state of affairs.

8. DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of WorleyParsons Limited ("Company"), we state that in the opinion of the Directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2008 and the performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Ron McNeilly
Chairman

Sydney, 25 February 2009



Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001
Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

Independent Auditor's Report to the members of WorleyParsons Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of WorleyParsons Limited which comprises the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the 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 and Other Financial Reports 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 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 2008 and its performance for the half-year period ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory financial reporting requirements in Australia. As the auditor of WorleyParsons Limited and the entities it controlled during half-year, 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.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Liability limited by a scheme approved
under Professional Standards Legislation



Conclusion

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

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A handwritten signature in cursive script that reads "Ernst & Young".

Ernst & Young

A handwritten signature in cursive script that reads "Jeff Chamberlain".

Jeff Chamberlain
Partner
Sydney

25 February 2009

**WORLEYPARSONS
INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2008**

10. CORPORATE INFORMATION

DIRECTORS

Ron McNeilly (Chairman)
Grahame Campbell
Erich Fraunschiel
John Green
John Grill (Chief Executive Officer)
Eric Gwee
William Hall
David Housego
Catherine Livingstone, AO
Larry Benke (alternate executive director for William Hall)

COMPANY SECRETARY

Peter Janu

REGISTERED OFFICE

Level 12
141 Walker Street
North Sydney NSW 2060

AUDITORS

Ernst & Young

BANKERS

HSBC
The Royal Bank of Scotland
Westpac Banking Corporation
JPMorgan Chase
Commonwealth Bank of Australia
Royal Bank of Canada

LAWYERS

Freehills
Baker & McKenzie

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
Sydney NSW 2000
Australia