SPECIALIST KNOWLEDGE
EXTRAORDINARY OUTCOMES

8 August 2012

Company Announcements Office
Australian Securities Exchange - ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Via e-lodgements: Sequence #639

Dear Sir / Madam

RE: APPENDIX 4E - RESULTS FOR THE YEAR ENDED 30 JUNE 2012

Please find attached the unaudited Preliminary Final Report in relation to the Company's results for the year ended 30 June 2012.

Yours faithfully

Jennifer Waldegrave
Company Secretary

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Coffey International Limited

ABN 16 003 835 112

ASX Preliminary Final Report

Appendix 4E

Year Ended 30 June 2012

Lodged with the ASX under Listing Rule 4.3A

COFFEY INTERNATIONAL LIMITED

Results for announcement to the market

For the year ended 30 June 2012

Financial Results

				$A'000
Total revenue and other income^	decreased	(0.4%)	to	678,144
Fee revenue^	decreased	(0.5%)	to	421,527
EBITDA^ Earnings before interest, Tax, Depreciation and Amortisation	increased	98.7%	to	(503)
Underlying EBITDA^ (EBITDA before restructuring costs, vendor earn-out and impairment)	increased	22.9%	to	39,710
Earnings before interest and tax (EBIT)^	increased	80.7%	to	(9,636)
Loss after income tax for the year^	increased	51.0%	to	(34,206)
Loss after income tax for the year attributable to members^	increased	50.5%	to	(34,516)

^Includes both continuing and discontinued operations

Dividends		**Amount per security (cents)**	**Franked amount per security (cents)**
Interim dividend	- Current year	0 cents	0 cents
	- Prior year	0 cents	0 cents
Final dividend	- Current year	0 cents	0 cents
	- Prior year	0 cents	0 cents

NTA Backing

	Jun-12	**Jun-11**
Net tangible asset backing per ordinary security	9.2 cents	(23.1) cents

The capital rasing during the year has resulted in a positive NTA

Commentary on Results

The commentary of the results for the year is contained in a separate ASX announcement dated 8 August 2012 which should be read in conjuction with this preliminary final report.

COFFEY INTERNATIONAL LIMITED

Results for announcement to the market (continued)

For the year ended 30 June 2012

EBITDA reconciliation

	2012			2011		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
Profit / (loss) for the year	(36,735)	2,529	(34,206)	(61,627)	(8,217)	(69,844)
Add back:						
Net interest expense	14,844	-	14,844	15,446	-	15,446
Income tax expense	9,374	352	9,726	4,904	(522)	4,382
Depreciation and amortisation	9,077	56	9,133	10,234	86	10,320
EBITDA	**(3,440)**	**2,937**	**(503)**	**(31,043)**	**(8,653)**	**(39,696)**
Add back:						
Vendor earn-out	1,625	-	1,625	-	-	-
Restructuring costs	1,170	-	1,170	9,090	45	9,135
Impairment	37,418	-	37,418	52,715	10,153	62,868
Underlying EBITDA	**36,773**	**2,937**	**39,710**	**30,762**	**1,545**	**32,307**

Underlying EBITDA has been disclosed as it is the key measure used by the Chief Executive Officer (as Chief Operating Decision Maker) and management to monitor and assess the performance of the business. Underlying EBITDA is calculated as profit before net financing costs, depreciation, amortisation and taxation and excludes restructuring, vendor earn-out and impairment charges. The Underlying EBITDA measure has not been subject to audit or review.

Coffey International Limited
ABN 16 003 835 112

Preliminary Final Financial Report for the year ended 30 June 2012

Contents

Consolidated income statement

For the year ended 30 June 2012

	Notes	**2012 $'000**	2011 $'000
Continuing operations			
Revenue	3	667,595	662,846
Other income		1,855	1,976
Raw materials, subcontractor costs and travel		(235,556)	(232,416)
Employee benefits expense		(321,580)	(324,301)
Depreciation and amortisation	4	(9,077)	(10,234)
Occupancy costs		(23,685)	(27,234)
Other expenses	4	(55,056)	(58,203)
Impairment expense	11,12	(37,418)	(52,715)
Net foreign exchange gain / (loss)		405	(996)
Loss before interest and income tax		**(12,517)**	(41,277)
Net financing expenses	5	(14,844)	(15,446)
Loss before income tax		**(27,361)**	(56,723)
Income tax expense	6	(9,374)	(4,904)
Loss for the year – Continuing operations		**(36,735)**	(61,627)
Discontinued operations			
Profit / (loss) from discontinued operations (net of income tax)	7	2,529	(8,217)
Loss for the year		**(34,206)**	(69,844)
Loss attributable to:			
Members of Coffey International Limited		(34,516)	(69,724)
Non-controlling interest		310	(120)
Loss for the year		**(34,206)**	(69,844)
Earnings per share attributable to the ordinary equity shareholders of the Company:			
Basic earnings per share (cents)	21	(16.3)c	(52.9)c
Diluted earnings per share (cents)	21	(16.3)c	(52.9)c
Earnings per share attributable to the ordinary equity shareholders of the Company – Continuing operations			
Basic earnings per share (cents)	21	(17.5)c	(46.5)c
Diluted earnings per share (cents)	21	(17.5)c	(46.5)c

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

Consolidated statement of comprehensive income

For the year ended 30 June 2012

	2012 $'000	2011 $'000
Loss for the year	(34,206)	(69,844)
Other comprehensive income / (expense)		
Continuing operations		
Exchange differences on translation of foreign operations	807	(4,027)
Net change in fair value of cash flow hedges reclassified to profit and loss	(1,855)	(3,133)
Effective portion of changes in fair value of cash flow hedges	(568)	3,961
Ineffective hedge instruments transferred to profit and loss	2,072	777
Income tax on other comprehensive income and expense	611	(2,731)
Sub-total – continuing operations	1,067	(5,153)
Discontinued operations		
Exchange differences on translation of foreign operations	-	(583)
Transfer of foreign exchange difference on disposal of business to profit and loss	-	542
Income tax on other comprehensive income and expense	-	12
Sub-total – discontinued operations	-	(29)
Other comprehensive income / (expense) for the year, net of tax	1,067	(5,182)
Total comprehensive income / (expense) for the year	**(33,139)**	(75,026)
Total comprehensive income / (expense) attributable to:		
Members of Coffey International Limited	(33,284)	(74,719)
Non-controlling interest	145	(307)
Total comprehensive income / (expense) for the year	**(33,139)**	(75,026)

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

Consolidated statement of financial position
As at 30 June 2012

	Notes	**2012 $'000**	2011 $'000
ASSETS			
Current assets			
Cash and cash equivalents	8	34,130	23,680
Cash deposits	9	3,127	2,922
Trade and other receivables	10	112,575	111,927
Other financial assets		226	2,062
Work in progress		35,608	27,717
Income tax receivables		-	5,579
Assets classified as held for sale		-	9,954
Total current assets		**185,666**	183,841
Non-current assets			
Cash deposits	9	412	3,005
Receivables		222	222
Plant and equipment	11	25,175	26,631
Deferred tax assets		18,698	17,060
Intangible assets	12	108,636	147,080
Total non-current assets		**153,143**	193,998
Total assets		**338,809**	377,839
LIABILITIES			
Current liabilities			
Bank overdraft	8,15	-	5,948
Trade and other payables	13	52,972	57,133
Loans and borrowings	15	99	40,823
Income tax payable		101	-
Other financial liabilities		-	1,789
Deferred purchase consideration		-	3,551
Employee benefits	14	36,504	27,548
Liabilities classified as held for sale		-	1,752
Total current liabilities		**89,676**	138,544
Non-current liabilities			
Loans and borrowings	15	103,581	104,030
Other financial liabilities		4,124	3,538
Deferred tax liabilities		165	312
Employee benefits	14	1,436	1,277
Other non-current liabilities		6,443	7,703
Total non-current liabilities		**115,749**	116,860
Total liabilities		**205,425**	255,404
Net assets		**133,384**	122,435
EQUITY			
Share capital	17	239,148	195,917
Reserves		(441)	(2,530)
Accumulated losses		(106,534)	(72,018)
Equity attributable to ordinary equity holders of the Company		132,173	121,369
Non-controlling interest		1,211	1,066
Total equity		**133,384**	122,435

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 30 June 2012

	Attributable to equity holders of the Company								
	Share capital $'000	**Foreign currency translation reserve $'000**	**Share-based payments reserve $'000**	**Hedging reserve $'000**	**Put option reserve $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interest $'000**	**Total equity $'000**
Balance at 1 July 2011	195,917	(11,052)	15,653	(3,389)	(3,742)	(72,018)	121,369	1,066	122,435
Total comprehensive income for the year									
Profit / (Loss) for the year	-	-	-	-	-	(34,516)	(34,516)	310	(34,206)
Other comprehensive income									
Exchange differences on translation of foreign operations	-	972	-	-	-	-	972	(165)	807
Net change in fair value of cash flow hedges reclassified to profit and loss	-	-	-	(1,855)	-	-	(1,855)	-	(1,855)
Changes in fair value of cash flow hedges	-	-	-	(568)	-	-	(568)	-	(568)
Ineffective hedge instruments transferred to profit and loss	-	-	-	2,072	-	-	2,072	-	2,072
Income tax on other comprehensive income and expense	-	791	-	(180)	-	-	611	-	611
Total other comprehensive income	-	1,763	-	(531)	-	-	1,232	(165)	1,067
Total comprehensive income for the year	-	1,763	-	(531)	-	(34,516)	(33,284)	145	(33,139)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Issue of ordinary shares	45,500	-	-	-	-	-	45,500	-	45,500
Equity issue costs net of tax	(2,118)	-	-	-	-	-	(2,118)	-	(2,118)
Own shares acquired	(151)	-	-	-	-	-	(151)	-	(151)
Share-based payment transactions	-	-	857	-	-	-	857	-	857
Total contributions by and distributions to owners	43,231	-	857	-	-	-	44,088	-	44,088
Balance at 30 June 2012	**239,148**	**(9,289)**	**16,510**	**(3,920)**	**(3,742)**	**(106,534)**	**132,173**	**1,211**	**133,384**

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

Consolidated statement of changes in equity

For the year ended 30 June 2011

	Attributable to equity holders of the Company								
	Share capital $'000	**Foreign currency translation reserve $'000**	**Share-based payments reserve $'000**	**Hedging reserve $'000**	**Put option reserve $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interest $'000**	**Total equity $'000**
Balance at 1 July 2010	193,662	(5,873)	14,459	(3,573)	(4,193)	1,911	196,393	1,824	198,217
Total comprehensive income for the year									
Loss for the year	-	-	-	-	-	(69,724)	(69,724)	(120)	(69,844)
Other comprehensive income									
Exchange differences on translation of foreign operations	-	(4,423)	-	-	-	-	(4,423)	(187)	(4,610)
Net change in fair value of cash flow hedges reclassified to profit and loss	-	-	-	(3,133)	-	-	(3,133)	-	(3,133)
Changes in fair value of cash flow hedges	-	-	-	3,961	-	-	3,961	-	3,961
Ineffective hedge instruments transferred to profit and loss	-	-	-	777	-	-	777	-	777
Transfer of foreign exchange on disposal of business	-	542	-	-	-	-	542	-	542
Income tax on other comprehensive income and expense	-	(1,298)	-	(1,421)	-	-	(2,719)	-	(2,719)
Total other comprehensive income	-	(5,179)	-	184	-	-	(4,995)	(187)	(5,182)
Total comprehensive income for the year	-	(5,179)	-	184	-	(69,724)	(74,719)	(307)	(75,026)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Issue of ordinary shares	1,079	-	-	-	-	-	1,079	-	1,079
Dividends paid to equity holders	1,176	-	-	-	-	(4,205)	(3,029)	-	(3,029)
Share-based payment transactions	-	-	1,194	-	-	-	1,194	-	1,194
Total contributions by and distributions to owners	2,255	-	1,194	-	-	(4,205)	(756)	-	(756)
Changes in ownership interests in subsidiaries that do not result in loss of control									
Additional interest acquired	-	-	-	-	451	-	451	(451)	-
Total transactions with owners	2,255	-	1,194	-	451	(4,205)	(305)	(451)	(756)
Balance at 30 June 2011	195,917	(11,052)	15,653	(3,389)	(3,742)	(72,018)	121,369	1,066	122,435

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

Consolidated statement of cash flows

For the year ended 30 June 2012

	Notes	**2012 $'000**	2011 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		719,368	739,957
Payments to suppliers and employees (inclusive of goods and services tax)		(682,321)	(723,776)
		37,047	16,181
Interest received		255	574
Interest paid		(12,173)	(19,384)
Income taxes paid		(3,309)	(2,241)
Net cash inflow / (outflow) from operating activities	18	**21,820**	(4,870)
Cash flows from investing activities			
Payments for plant and equipment		(7,452)	(11,503)
Payments for intangible assets		(184)	(988)
Payments of deferred purchase consideration		-	(1,617)
Proceeds / (Payment) from sale of business		8,300	(94)
Proceeds from sale of plant and equipment		120	-
Net cash inflow / (outflow) from investing activities		**784**	(14,202)
Cash flows from financing activities			
Repayments of borrowings		(45,000)	-
Proceeds from borrowings		2,000	17,750
Proceeds from issue of shares, net of costs		36,948	86
Payments from share buybacks		(151)	-
Dividends paid to shareholders		-	(3,029)
Equity acquired from minority		-	(1,626)
Payments on finance lease and other liabilities		(355)	(764)
Net cash (outflow) / inflow from financing activities		**(6,558)**	12,417
Net increase / (decrease) in cash held		16,046	(6,655)
Cash and cash equivalents at the beginning of the year		17,792	26,968
Effects of exchange rate changes on cash		292	(2,521)
Cash and cash equivalents at the end of the year	8	**34,130**	17,792

The current and non-current cash deposits (note 9) have not been included in the closing cash balance for the purposes of preparing the 30 June 2012 and the prior year comparative consolidated cash flow statement as this represents restricted cash.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

1 Summary of significant accounting policies

This preliminary final report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards, other authoritative pronouncements of the Australian Accounting Standards Boards, and the *Corporations Act 2001*.

The preliminary 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 Financial Report for the year ended 30 June 2011 and any public announcements made by Coffey International Limited during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

The accounting policies applied by the Group in this preliminary final report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2011.

Certain comparative amounts have been reclassified to conform with the current year's presentation.

2 Operating segments

The Group has four reportable operating segments, as described below, which are based on the Group's service lines. The service lines are managed separately because they have different economic characteristics. For each service line, the Group's Managing Director, in his role as the chief operating decision maker, reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

a) Geosciences

The Geoscience business offers specialised environmental services, engineering consulting, technical services to the mining industry, scientific testing solutions, and work place health and safety services. This segment operates in Australia, New Zealand, Canada, United Kingdom, Brazil, Africa and the Middle East.

b) International Development

The International Development business works in markets where economic growth creates demand for mature public services and infrastructure; and in countries which are at risk of conflict or natural disaster, or which are emerging from it. The business delivers consulting and training services and outsourced service delivery solutions that contribute to sustainable growth. This segment offers international development (foreign aid) consultancy services out of Australia, United States of America, United Kingdom and the Middle East.

c) Project Management

The Project Management business provides specialist project management services in commercial and residential property, urban redevelopment, health, education, justice and transportation infrastructure projects. This segment operates in Australia, New Zealand and South Africa.

d) Other businesses

This segment offers specialist advisory services within Australia.

e) Unallocated corporate

Unallocated corporate comprises group corporate management and group treasury activities.

2 Operating segments (continued)

2012	Geosciences $'000	International Development $'000	Project Management $'000	Other Businesses $'000	Total Segments $'000	Unallocated Corporate $'000	Elimination $'000	Total $'000
Fee revenue	265,049	111,373	36,805	1,478	414,705	-	-	414,705
Inter-segments revenue	167	95	1,324	23	1,609		(1,609)	-
Reimbursable revenue								252,890
Other income								1,855
Total revenue from continuing operations								**669,450**
Segment EBITDA before impairment, vendor earn-out and restructuring costs	29,531	14,844	(334)	(1,043)	42,998	(6,225)	-	36,773
Restructure costs	-	(1,170)	-	-	(1,170)	-	-	(1,170)
Vendor earn-out	-	(1,625)	-	-	(1,625)	-	-	(1,625)
Impairment expense	-	-	(37,418)	-	(37,418)	-	-	(37,418)
Segment EBITDA	29,531	12,049	(37,752)	(1,043)	2,785	(6,225)	-	(3,440)
Depreciation and amortisation expense	(6,741)	(2,180)	(143)	(13)	(9,077)	-	-	(9,077)
Segment EBIT result	22,790	9,869	(37,895)	(1,056)	(6,292)	(6,225)	-	(12,517)
Net interest expense	-	-	-	-	-	(14,844)	-	(14,844)
Loss before income tax and discontinued operations								(27,361)
Income tax expense								(9,374)
Profit from discontinued operations								2,529
Non-controlling interest								(310)
Loss for the year attributable to members of the Company								**(34,516)**
Segment assets	180,758	122,675	21,436	1,262	326,131	12,699		338,830
Segment liabilities	52,666	36,404	9,224	474	98,768	106,962		205,730

2 Operating segments (continued)

	Geosciences	International Development	Project Management	Other Businesses	Total Segments	Unallocated Corporate	Elimination	Total
2011	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Fee revenue	234,906	122,302	46,915	6,910	411,033	-	-	411,033
Inter-segments revenue	195	-	1,161	9	1,365	-	(1,365)	-
Reimbursable revenue								251,813
Other income								1,976
Total revenue from continuing operations								**664,822**
Segment EBITDA before impairment and restructuring costs	22,741	15,412	95	(543)	37,705	(6,943)	-	30,762
Restructure costs	(3,852)	(577)	(1,152)	(1,009)	(6,590)	(2,500)	-	(9,090)
Impairment expense	(5,586)	-	(28,385)	(18,744)	(52,715)	-	-	(52,715)
Segment EBITDA	13,303	14,835	(29,442)	(20,296)	(21,600)	(9,443)	-	(31,043)
Depreciation and amortisation expense	(5,679)	(3,032)	(1,289)	(234)	(10,234)	-	-	(10,234)
Segment EBIT result	7,624	11,803	(30,731)	(20,530)	(31,834)	(9,443)	-	(41,277)
Net interest expense	-	-	-	-	-	(15,446)	-	(15,446)
Loss before income tax and discontinuing operations								(56,723)
Income tax expense								(4,904)
Loss from discontinued operations								(8,217)
Non-controlling interest								120
Loss for the year attributable to members of the Company								**(69,724)**
Segment assets	184,581	119,521	54,650	3,282	362,034	5,851	-	367,885
Assets held for sale								9,954
Total assets								377,839
Segment liabilities	52,424	40,393	10,871	1,663	105,351	148,301	-	253,652
Liabilities held for sale								1,752
Total liabilities								255,404

2 Operating segments (continued)

Geographical Information	**2012 $'000 Revenue and other income**	**2012 $'000 Non-current assets**	**2012 $'000 Deferred tax assets**	2011 $'000 Revenue and other income	2011 $'000 Non-current assets	2011 $'000 Deferred tax assets
Australia	423,491	85,912	15,842	405,610	112,005	14,524
New Zealand	17,058	6,019	790	14,163	19,856	438
Americas	166,092	28,253	1,971	188,098	28,761	1,800
UK	32,668	12,796	9	27,676	13,144	-
Middle east	24,531	730	(2)	33,064	1,333	33
Africa	14,304	735	88	11,958	1,839	265
Total	678,144	134,445	18,698	680,569	176,938	17,060
Split by:						
Continuing	669,450	134,445	18,698	664,822	176,938	17,060
Discontinuing	8,694	-	-	15,747	-	-
Total	678,144	134,445	18,698	680,569	176,938	17,060

3 Revenue and other income

	2012 $'000	2011 $'000
Continuing operations		
Fee revenue	414,705	411,033
Reimbursable revenue	252,890	251,813
Sub-total	667,595	662,846
Other income	1,855	1,976
Total – Continuing operations	669,450	664,822
Discontinued operations		
Fee revenue	6,821	12,609
Reimbursable revenue	636	3,138
Sub-total	7,457	15,747
Other income	1,237	-
Total – Discontinued operations	8,694	15,747
Total revenue and other income	678,144	680,569

4 Expenses

	2012 $'000	2011 $'000
Profit before income tax for continuing operations includes the following specific expenses:		
Depreciation		
Plant and equipment	3,764	3,969
Leasehold improvements	2,517	2,794
Motor vehicles	561	871
Total depreciation	6,842	7,634
Amortisation		
Contracts	517	1,072
Software	1,697	1,286
Other	21	242
Total amortisation	2,235	2,600
Total depreciation and amortisation	9,077	10,234
Other expenses		
Vehicle and equipment operating leases	4,741	4,320
Communication expense	4,953	6,317
Bad and doubtful debt expense	(1,794)	1,666
Net loss on disposal of plant and equipment	764	390
Other expenses	46,392	45,510
Total other expenses	55,056	58,203

5 Net finance costs

	2012 $'000	2011 $'000
Interest income	255	574
Interest expense	(13,027)	(15,243)
Ineffective hedge instruments expensed	(2,072)	(777)
Net finance costs	(14,844)	(15,446)

6 Income tax expense

	2012 $'000	2011 $'000
a) Income tax expense		
Current tax	9,306	5,029
Deferred tax	203	911
Over provision in prior years	(135)	(1,036)
Income tax expense - continuing operations	9,374	4,904
Income tax from discontinued operations	352	(522)
Total income tax expense	9,726	4,382

	2012 $'000	2011 $'000
b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss before tax from continuing operations	(27,361)	(56,723)
Profit / (Loss) before tax from discontinued operations	2,881	(8,739)
Total loss before tax	(24,480)	(65,462)
Tax at the Australian tax rate of 30% (2011: 30%)	(7,344)	(19,638)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
Share-based payments	254	213
Tax incentive allowances	(262)	-
Current year losses for which no deferred tax asset was recognised	437	1,609
Derecognition of tax losses	1,005	1,994
Impact of goodwill impairment	10,908	18,457
Effect of changes in tax legislation	1,168	-
Impact of foreign tax rates and other miscellaneous items	1,737	2,337
Non-deductible interest	868	254
Other non-deductible expenses	1,090	192
	9,861	5,418
Over provision in prior years	(135)	(1,036)
Total income tax expense	9,726	4,382
Total income tax expense is attributable to:		
Continuing operations	9,374	4,904
Discontinued operations	352	(522)
Total income tax expense	9,726	4,382

	2012 $'000	2011 $'000
c) Amounts recognised directly in equity		
Financial instruments	611	(2,719)
Equity raising	907	-
Total	1,518	(2,719)

7 Discontinued operations

In June 2011, the Group sold its Environmental consulting business based in Los Angeles, California (part of Geoscience segment), and committed to selling the Rail consulting business based in Melbourne, Victoria (part of other businesses).

At 30 June 2011, the Environmental consulting business was presented as a discontinued operation and the Rail consulting business was presented as a discontinuing operation as it was held for sale. In February 2012 the sale of the Rail consulting business was completed.

	Note	**2012**	2011
		$'000	$'000
Results of discontinued operations			
Revenue	3	7,457	15,747
Expenses		(5,813)	(14,360)
Transfer of foreign exchange on disposal of business		-	(1,102)
Transfer of net investment hedge on disposal of business		-	560
Goodwill impairment	12	-	(3,591)
Profit/(Loss) from operating activities		1,644	(2,746)
Income tax (expense)/benefit		(352)	522
Profit/(Loss) from operating activities, net of tax		1,292	(2,224)
Profit /(Loss) on sale of discontinued operations		1,237	(5,993)
Profit /(Loss) for the year		2,529	(8,217)

The profit from discontinued operations of $2,529,000 (2011: Loss of $8,217,000) is attributed entirely to the owners of the Company.

	2012	2011
	$'000	$'000
Cash flow from/(used in) discontinued operations		
Net cash from operating activities	2,604	(108)
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net cash flows for the year	2,604	(108)

Effect of disposal of the Rail consulting business on the financial position of the Group

	2012
	$'000
Intangibles	(5,185)
Property, plant and equipment	(242)
Trade and other receivables	(1,650)
Work in progress	(298)
Trade and other payables	773
Deferred tax assets	(263)
Net assets and liabilities sold	(6,865)
Net consideration	8,102
Profit on sale of the Rail business	1,237

8 Cash and cash equivalents

	2012 $'000	2011 $'000
Cash at bank and in hand	34,130	23,680
Cash at bank associated with held for sale businesses	-	60
Sub Total	34,130	23,740
Reconciliation to cash at the end of the year:		
Balances as above	34,130	23,740
Bank overdraft	-	(5,948)
Balances per statement of cash flows	34,130	17,792

9 Cash deposits

	2012 $'000	2011 $'000
Current		
Interest bearing deposits	3,127	2,922
Non-current		
Interest bearing deposits	412	3,005
Total cash deposits	3,539	5,927

The interest bearing cash deposits relate to contract revenue received in advance and held on deposit as security against a standby letter of credit on issue for those contracts. Coffey is contractually entitled to periodically step down the letter of credit in line with delivery of the contract. Each step down enables the release of a corresponding amount from the cash held on deposit.

10 Trade and other receivables

	2012 $'000	2011 $'000
Trade receivables	102,742	103,054
Less allowance for impairment losses	(3,200)	(5,859)
	99,542	97,195
Prepayments	5,510	7,125
Project advances	5,100	5,015
Other receivables	2,423	2,592
Sub total	112,575	111,927
Reclassification to assets held for sale	-	3,133
Total	112,575	115,060

11 Plant and equipment

	Plant and equipment	Leasehold improvements	Motor vehicles	Total
	$'000	**$'000**	**$'000**	**$'000**
Year ended 30 June 2012				
Opening net book amount	12,177	13,114	1,340	26,631
Additions	6,057	1,098	297	7,452
Disposals	(37)	(723)	(124)	(884)
Impairment of plant and equipment	(1,057)	-	-	(1,057)
Depreciation - continuing operations	(3,760)	(2,517)	(565)	(6,842)
Depreciation - discontinued operations	(14)	(38)	(4)	(56)
Foreign exchange rate differences	(10)	(62)	3	(69)
Closing net book amount	13,356	10,872	947	25,175
At 30 June 2012				
Cost	38,410	23,052	5,099	66,561
Accumulated depreciation	(23,987)	(12,118)	(4,155)	(40,260)
Accumulated impairment	(1,057)	-	-	(1,057)
Foreign exchange rate differences	(10)	(62)	3	(69)
Net book amount	13,356	10,872	947	25,175
Year ended 30 June 2011				
Opening net book amount	14,096	8,318	2,130	24,544
Additions	3,358	7,857	396	11,611
Disposals	(180)	-	(197)	(377)
Depreciation charge	(4,046)	(2,796)	(878)	(7,720)
Foreign exchange rate differences	(997)	(49)	(84)	(1,130)
Reclassification to assets held for sale	(54)	(216)	(27)	(297)
Closing net book amount	12,177	13,114	1,340	26,631
At 30 June 2011				
Cost	33,322	22,715	4,930	60,967
Accumulated depreciation	(21,145)	(9,601)	(3,590)	(34,336)
Net book amount	12,177	13,114	1,340	26,631

12 Intangible assets

	Contracts $'000	Software $'000	Goodwill $'000	Other Intangibles $'000	Total $'000
Year ended 30 June 2012					
Opening net book amount	852	6,281	139,926	21	147,080
Intangible additions	-	184	-	-	184
Amortisation charge	(517)	(1,697)	-	(21)	(2,235)
Impairment	-	-	(36,361)	-	(36,361)
Foreign exchange rate differences	10	(95)	53	-	(32)
Closing net book amount	345	4,673	103,618	-	108,636
At 30 June 2012					
Cost or fair value	10,987	8,998	197,860	3,700	221,545
Accumulated amortisation	(10,652)	(4,159)	-	(3,700)	(18,511)
Accumulated impairment	-	(71)	(94,295)	-	(94,366)
Foreign exchange rate differences	10	(95)	53	-	(32)
Net book amount	345	4,673	103,618	-	108,636
Year ended 30 June 2011					
Opening net book amount	2,132	6,796	216,862	265	226,055
Intangible additions	-	988	-	-	988
Disposals*	-	(34)	(5,220)	-	(5,254)
Amortisation charge	(1,073)	(1,286)	-	(241)	(2,600)
Impairment - continuing	-	-	(52,715)	-	(52,715)
Impairment - discontinuing	-	-	(3,591)	-	(3,591)
Foreign exchange rate differences	(207)	(183)	(10,225)	(3)	(10,618)
Reclassification to assets held for sale	-	-	(5,185)	-	(5,185)
Closing net book amount	852	6,281	139,926	21	147,080
At 30 June 2011					
Cost or fair value	10,987	8,814	197,860	3,700	221,361
Accumulated amortisation	(10,135)	(2,462)	-	(3,679)	(16,276)
Accumulated impairment	-	(71)	(57,934)	-	(58,005)
Net book amount	852	6,281	139,926	21	147,080

* The disposal of $5,220,000 in goodwill in 2011 relates to the sale of the Environmental consulting business in Los Angeles.

12 Intangible assets (continued)

a) Impairment tests for goodwill

Goodwill is allocated to the Group's cash generating units (CGUs) or groups of CGUs identified on a service line basis.

A summary of the goodwill allocation as at 30 June 2012 by CGU is presented below:

	2012 $'000	2011 $'000
Continuing operations		
Geotechnics	27,645	28,469
Environments	26,294	26,294
Information	1,419	1,405
Mining	12,608	11,997
Sub-total – Geosciences	67,966	68,165
Project Management	-	37,048
International Development	35,652	34,713
Total continuing operations	103,618	139,926
Held for sale	-	5,185
Total goodwill	**103,618**	**145,111**

b) Key assumptions used for calculations

Goodwill Impairment tests for cash generating units

The recoverable amount of each CGU, or where applicable, groups of CGUs ("CGU's") is determined based on value in use (VIU) calculations for continuing operations. For discontinuing operations, the recoverable amounts have been determined on a fair value less cost to sell basis by reference to market value. The VIU calculations use cash flow projections based on financial plans approved by the Board of Directors' covering a four-year period, this being the time period over which the Company prepares its strategic plan. After year four, long-term growth rates of 3% were used.

The assumptions below have been used for the analysis for each CGU. Management prepared cashflow forecasts after assessing past performance and the future expectations for each CGU. The pre-tax discount rates used reflect the appropriate cost of capital for that CGU taking into account the specialised service line and geographical region of that CGU. In the comparative period, management engaged third party experts to determine an appropriate range of discount rates for each CGU. In the current period, management conducted an analysis of these discount rates and concluded that they still appropriately reflect the cost of capital for the company's CGUs. VIU was determined by discounting the future cashflows using the mid-point of the discount rates provided by third party experts based on the following assumptions:

Cash Generating Unit	**Forecast Cashflow Growth Rate* 2012**	**Discount rate Pre-Tax 2012**
Geosciences		
Geotechnics	13%	19.8%
Environments	13%	18.6%
Information	22%	21.8%
Mining	23%	20.5%
International Development	7%	19.7%

*Average annual forecast growth in cashflows sourced from 4 year management strategic plans (pre shared overhead allocation). The cashflow growth incorporates forecasted revenue growth, margin improvement, further operating efficiencies and working capital management.

In 2011, growth rates averaged between 3% and 39% and discount rates ranged between 18.6% and 21.8% across all CGU's.

12 Intangible assets (continued)

Geosciences - Sensitivity assumptions for impairment testing

Given the stronger growth rates forecasted in the Geoscience businesses compared to the other Coffey businesses, sensitivity analysis were performed on the growth rates used in each of the Geoscience CGU's by replacing the actual cash flows modelled with forecast cashflows that reflects the lower average industry growth rates forecast for the industries in which these consulting businesses operate. The average industry growth rates were derived from external market information which was weighted to fit with Coffey's basket of operations. Separate sensitivity analysis was also performed on the discount rates by using the high end discount rates for each CGU taking into account the specialised service line and geographical region of that CGU.

The following sensitivity assumptions were used for both the growth rates and discount rates:

	2012 Sensitivity assumptions	
	Forecast Industry Growth Rate	**High end Discount rate**
Geotechnics	5%	20.8%
Environments	9%	19.6%
Information	6%	22.9%
Mining	10%	21.5%

Geotechnics
A decrease in the average cashflows pre overhead allocation (with no other underlying changes) to the growth rates shown in the table above would result in a reduction in the headroom for Geotechnics from $119.5 million to $48.1million.

An increase in the discount rates to the high end as provided by the third party experts (with no other underlying changes) as shown in the above table would result in a reduction to the headroom from $119.5 million to $109.2 million.

No goodwill impairment would be required under any of these circumstances.

Environments
A decrease in the average cashflows pre overhead allocation (with no other underlying changes) to the growth rates shown in the table above would result in a reduction in the headroom for Environments from $109.4 million to $73.9 million.

An increase in the discount rates to the high end as provided by the third party experts (with no other underlying changes) as shown in the above table would result in a reduction to the headroom from $109.4 million to $102.8 million.

No goodwill impairment would be required under any of these circumstances.

Information
A decrease in the average cashflows pre overhead allocation (with no other underlying changes) to the growth rates shown in the table above would result in a goodwill impairment charge for Information of $1.4 million from $44.5 million of headroom.

An increase in the discount rates to the high end as provided by the third party experts (with no other underlying changes) as shown in the above table would result in a reduction to the headroom from $44.5 million to $40.6 million.

Mining
A decrease in the average cashflows pre overhead allocation (with no other underlying changes) to the growth rates shown in the table above would result in a goodwill impairment charge for Mining of $8 million from $28.5 million of headroom.

An increase in the discount rates to the high end as provided by the third party experts (with no other underlying changes) as shown in the above table would result in a reduction to the headroom from $28.5 million to $25 million.

12 Intangible assets (continued)

International Development - Sensitivity assumptions for impairment testing
A decrease in the average cashflows pre overhead allocation in International Development of 5 percentage points (with no other underlying changes) would result in a goodwill impairment charge of $4.8 million from $3.3 million of headroom.

An increase in the discount rate to the high end of 20.9% (with no other underlying changes) would result in a goodwill impairment charge of $1.5 million from $3.3 million of headroom.

Project Management - Sensitivity assumptions for impairment testing
No sensitivity analysis was performed on Project Management as the goodwill associated with this CGU was fully impaired during the current year.

c) Goodwill impairment

During the year, an impairment write down of $36,316,000 (2011: $56,306,000) was recognised in the following areas:

Continuing operations	**2012 $'000**	2011 $'000
Mining	-	5,586
Project Management	36,316	28,385
Other businesses - Commercial Advisory	-	18,744
Total continuing operations	36,316	52,715
Discontinuing operations	-	3,591
Total goodwill impairment	36,316	56,306

The goodwill impairment in the Project Management business in the current year is primarily driven by the continued weaker performance and softer recovery for that business, particularly through its exposure to the commercial property sector, for which there is increased uncertainty around the timing and magnitude of the sector's recovery. In addition the business refocused its operations primarily in Australia and New Zealand involving the significant downsizing of the Project Management business in the Middle East.

13 Trade and other payables

	2012 $'000	2011 $'000
Trade payables	23,319	19,703
Unearned revenue	5,867	8,914
Other payables*	23,786	28,516
Sub total	52,972	57,133
Reclassification to liabilities held for sale	-	988
Total	52,972	58,121

*Other payables includes provisions for onerous contracts for which provisions have been recognised relating to the provision of consulting services $ nil (2011:$242,935) for which the unavoidable costs of meeting the obligations under the contracts exceed the economic benefits expected to be derived from those contracts and vacant premises $229,435 (2011:$1,603,345) leased by the group.

14 Employee benefits

	2012 $'000	2011 $'000
Current		
Annual leave	10,794	10,947
Long service leave	9,442	8,623
Other employee benefit accruals	16,268	7,978
Sub total	36,504	27,548
Reclassification to liabilities held for sale	-	734
Current employee benefits	36,504	28,282
Non-current		
Long service leave	1,436	1,277
Reclassification to liabilities held for sale	-	30
Non-current employee benefits	1,436	1,307
Total employee benefits liabilities	37,940	29,589

15 Loans and borrowings

	2012 $'000	2011 $'000
Current		
Bills Payable	-	40,500
Finance lease and other liabilities	99	323
Sub Total	99	40,823
Bank Overdrafts	-	5,948
Total current loans and borrowings	99	46,771
Non-current		
Bills payable	105,314	106,808
Facility establishment fees	(1,765)	(2,941)
Finance lease and other liabilities	32	163
Total non-current loans and borrowings	103,581	104,030
Total loans and borrowings	103,680	150,801

15 Loans and borrowings (continued)

Credit standby arrangements

	2012 $'000	2011 $'000
Total facilities		
Secured bill and bank overdraft facility	149,000	179,000
Guarantee facility	20,000	20,000
Guarantee facility – contract specific	3,418	5,991
	172,418	204,991
Used at balance date		
Secured bill and bank overdraft facility	105,314	153,255
Guarantee facility	11,442	10,293
Guarantee facility – contract specific	3,418	5,991
	120,174	169,539
Unused at balance date		
Secured bill and bank overdraft facility	43,686	25,745
Guarantee facility	8,558	9,707
Guarantee facility – contract specific	-	-
	52,244	35,452
Bank loan facilities		
Total facilities	172,418	204,991
Used at balance date	120,174	169,539
Unused at balance date	52,244	35,452

Group bank facility

The Group cash advance and overdraft facilities of $149,000,000 are a combination of $69,000,000 for facility A, $61,650,000 for facility B and overdraft facilities of $18,350,000. In addition, the group has a general guarantee facility of $20,000,000 and a specific client contract facility of USD$3,472,968 (AUD$3,418,276).

Facility A of $69,000,000 and Facility B of $61,650,000 have a three year term ending February 2014. The overdraft and the general guarantee facility are annual revolving facilities. The Group's facilities are subject to security over certain assets of the Group.

In addition to the above facilities, the Group has a $4,000,000 credit card facility, and a $10,000,000 EFT payment facility.

16 Dividends

	2012 $'000	2011 $'000
Ordinary shares		
Dividend provided for or paid during the year	-	4,205^

^Relates to 2010 final dividend. Dividends with respect to 2012: nil, dividends with respect to 2011: nil.

17 Share capital

a) Movements in share capital

Date	Details	Shares	$'000
	Balance at the beginning of the year	**134,066,081**	**195,917**
Nov - 11	Rights issue*	105,193,946	37,856
Mar - 12	Coffey Rewards Share Plan	-	(151)
May - 12	Sale of forfeited shares	-	316
May - 12	Shares issued relating to deferred consideration for the purchase of Libra Advisory Group	16,573,138	5,210
	Balance at the end of the year	**255,833,165**	**239,148**

*Coffey International Limited raised net cash proceeds of $36,948,445 under an entitlements issue that closed 8 November 2011. In addition deferred tax on capital raising costs of $907,570 was credited to equity thus resulting in an increase of contributed equity of $ 37,856,020.The equity capital raising was for a 1 for 1.75 accelerated non-renounceable entitlement offer of new shares in the Company at $0.38 per share to eligible shareholders. An offer of any shortfall was also made to eligible shareholders and investors. These funds were used to assist with the recapitalisation of the Group balance sheet by reducing bank debt.

b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and proceeds on winding-up of the Company in proportion to the number of, and amounts paid on, the shares held.
On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

18 Reconciliation of profit after income tax to net cash inflow from operating activities

	2012	2011
	$'000	$'000
Loss for the year	(34,206)	(69,844)
Depreciation and amortisation	9,133	10,320
Non-cash employee benefits – share-based payments	857	743
Impairment expense	37,418	56,435
Changes in fair value	(322)	(2,037)
Net foreign exchange differences	(468)	(434)
(Profit) / loss from sale of business	(1,237)	5,993
Net loss on sale of non-current assets	764	392
Transfer of foreign exchange on disposal of business	-	542
Amortisation of facility costs	1,176	1,156
Non-cash vendor earn-out payment	1,625	-
Ineffective interest rate hedge	2,072	777
Change in operating assets and liabilities net of disposal of business		
(Increase) / Decrease trade debtors	(862)	2,195
(Increase) / Decrease in work in progress	(7,591)	14,182
Decrease in other current receivables	1,699	116
Decrease in non-current receivables	2,752	1,309
Increase / (Decrease) in trade payables and employee benefits	2,593	(29,158)
Decrease in tax balances	6,417	2,443
Net cash inflow / (outflow) from operating activities	21,820	(4,870)

19 Contingent liabilities

Guarantees

	2012 **$'000**	2011 $'000
Guarantees given in respect of performance under contracts and premises leases	11,442	10,293
Guarantee in respect of a specific contract	3,418	5,945
Total guarantees on issue	14,860	16,238

These guarantees may give rise to liabilities in the Group if the subsidiaries do not meet their obligations under the terms of the bank overdrafts, loans, leases or other liabilities subject to the guarantees**.**

Other
As at the date of this report, there is no current litigation or pending or threatened litigation which would not be covered by professional indemnity insurance or has not already been provided for in the financial statements of the Group, is capable of reliable measurement, or which the likelihood of a material effect on the financial performance of the Group is not considered remote.

20 Commitments

	2012 **$'000**	2011 $'000

a) Capital commitments

There are no capital commitments as at 30 June 2012.

b) Lease commitments - operating

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2012 **$'000**	2011 $'000
Within one year	17,116	18,473
Later than one year but not later than five years	39,109	32,923
Later than five years	21,748	24,192
	77,973	75,588
Representing:		
Non-cancellable operating leases	77,973	75,588

The operating lease commitments above relate primarily to commercial premises, office, IT and laboratory equipment leases which expire from within one to fifteen years. These leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

21 Earnings per share

	2012 Cents	2011 Cents
a) Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the company	(17.5)	(46.5)
From discontinued operations	1.2	(6.4)
Total basic earnings per share attributable to the ordinary equity holders of the company	(16.3)	(52.9)
b) Diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of the company	(17.5)	(46.5)
From discontinued operations	1.2	(6.4)
Total diluted earnings per share attributable to the ordinary equity holders of the company	(16.3)	(52.9)

c) Reconciliations of earnings used in calculating earnings per share

	2012 $'000	2011 $'000
Basic earnings per share		
Loss for the year	(34,206)	(69,844)
Profit /(Loss) for the year attributable to non-controlling interests	310	(120)
Profit for the year attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	(34,516)	(69,724)
Diluted earnings per share		
Profit for the year attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	(34,516)	(69,724)

d) Weighted average number of shares used as the denominator	**2012 No. of shares**	2011 No. of shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and operating earnings per share	211,290,542	132,134,692
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	211,290,542	132,134,692

As at 30 June 2012 8,993,248 shares held in trust and options (2011: 16,677,107) were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

22 Events occurring after the reporting date

No matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect:

(a) the Group's operations in future financial periods, or
(b) the results of those operations in future financial periods, or
(c) the Group's state of affairs in the future financial periods.

23 Compliance statement

This report is based on accounts in the process of being audited.