WorleyParsons

resources & energy

Annual Report 2014

EcoNomics™ Delivering profitable sustainability

We are a professional services business, a partner in delivering sustained economic and social progress, creating opportunities for individuals, companies and communities to find and realize their own futures.

We can only do this with the support of our shareholders, earned by delivering earnings growth and a satisfactory return on their investment.

Our Values

Leadership

- Energy and excitement
- Integrity in all aspects of business
- Minimum bureaucracy
- Committed, empowered and technically capable people
- Delivering profitable sustainability

Relationships

- Open and respectful
- A trusted supplier, partner and customer
- Collaborative approach to business
- Willing to challenge and innovate
- Seeking enduring customer relationships

Agility

- Smallest assignment to world-scale developments
- Comprehensive geographic presence
- Global expertise delivered locally
- Responsive to customer preferences
- Optimum customized solutions

Performance

- Industry leadership in health, safety and environmental performance
- Delivering on our promises
- People accountable and rewarded for performance
- Innovation delivering value for our customers
- Creating sustainable value for our shareholders

WorleyParsons delivers projects, provides expertise in engineering, procurement and construction and offers a wide range of consulting and advisory services. We cover the full lifecycle, from creating new assets to sustaining and enhancing operating assets, in the hydrocarbons, mineral, metals, chemicals and infrastructure sectors. Our resources and energy are focused on responding to and meeting the needs of our customers over the long term and thereby creating value for our shareholders.

Annual General Meeting

WorleyParsons' 2014 Annual General Meeting will be held on Tuesday 28 October 2014 commencing at 2.00pm (AEDT) at The Westin Sydney, 1 Martin Place, Sydney.

We have created our 2014 Shareholder results microsite, which offers our 2014 results documents and detailed information on our business operations.

Visit us online

annualreport2014.worleyparsons.com

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Group Financial Highlights

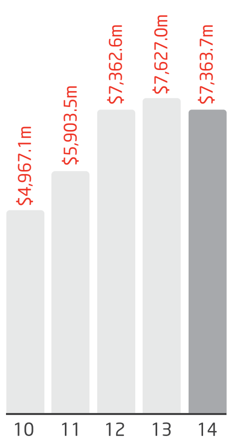
FIVE YEAR PERFORMANCE AT A GLANCE

$'M	2010	2011	2012	2013	2014	% change
Aggregated revenue[1]	4,967.1	5,903.5	7,362.6	7,627.0	7,363.7	(3.5)
EBIT	427.4	539.9	537.9	527.0	428.2	(18.7)
EBIT margin	8.6%	9.1%	7.3%	6.9%	5.8%	
Net profit after tax	291.1	364.2	353.2	322.1	249.1	(22.7)
Net profit margin	5.9%	6.2%	4.8%	4.2%	3.4%	
Cash flow from operations	279.6	293.8	437.5	443.5	550.1	24.0
Return on equity	16.7%	19.8%	18.0%	16.2%	12.5%	
Basic EPS normalized (cents)[2]	127.9	159.4	152.7	137.8	108.5	(21.3)
Basic EPS (cents)	118.5	148.3	143.7	130.8	101.0	(22.8)
Dividends (cents per share)	75.5	86.0	91.0	92.5	85.0	(8.1)

[1] Aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates less procurement revenue at nil margin, interest income and net gain on revaluation of investments previously accounted for as equity accounted associates. The directors believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group.

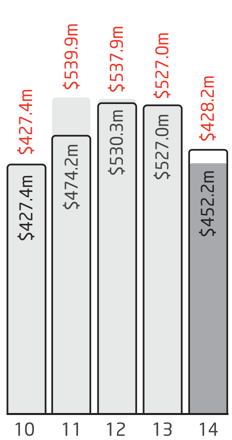
[2] Before amortization of intangibles including tax effect of amortization expense.

Aggregated revenue
$7,363.7m



The result was earned on aggregated revenue of $7,363.7m, a decrease of 3.5% on the $7,627.0m reported in 2013.

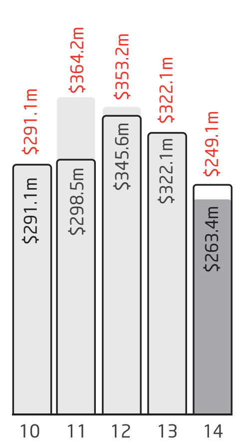
EBIT
$428.2m



EBIT was $428.2m, a decrease of 18.7% on the $527.0m reported in 2013.

Underlying EBIT, excluding fair value gain on acquisitions and restructuring costs, for the year was $452.2m, a decrease of 14.2% on the $527.0m reported in 2013.

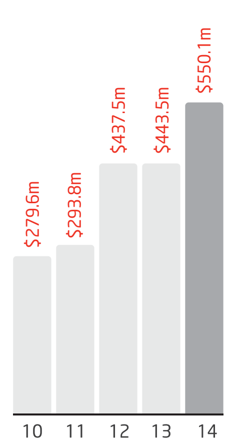
Net profit after tax
$249.1m



The full year result for 2014 was $249.1m, a decrease of 22.7% on the $322.1m net profit reported in 2013.

Underlying NPAT, excluding fair value gain on acquisitions and restructuring costs, for 2014 was $263.4m, a decrease of 18.2% on the $322.1m NPAT reported in 2013.

Cash flow from operations
$550.1m



Cash flow from operations was $550.1m, an increase of 24.0% on the $443.5m reported in 2013.

Chairman and CEOs' Review

We have taken decisive action to position the Company to take advantage of market conditions and for future growth.

Andrew Wood and John Grill AO

The 2014 financial year was a difficult year for WorleyParsons as we faced challenges in a number of our key markets. WorleyParsons is one of the most globally diverse companies in our international peer group, with a network of 157 offices in 46 countries. This global diversification has been an important factor in assisting WorleyParsons to offset challenging conditions in a number of key markets, particularly Australia, by capitalizing on opportunities in better performing markets.

To address these market conditions and to ensure we maintain an intense focus on our customers and project delivery, a number of actions were taken during the year. We simplified the corporate structure including a reorganization of the business into three business lines, refreshed the leadership team, reduced overhead costs, removed 1,700 overhead positions and initiated programs to enable our staff to deliver greater customer satisfaction. We have refocused our strategy to more aggressively leverage our broad and deep technical capabilities and diverse geographic presence.

Financial Performance

The Group reported an underlying net profit after tax of $263.4 million, excluding $35.4 million pre-tax restructuring costs and the net fair value gain on acquisition of associates of $11.4 million, down 18.2% on our 2013 underlying result. This reduction was due primarily to a significant decline in the contribution from the Australian business across all customer sectors and poor commercial performance on a project in Cord, our Canadian construction and fabrication operation. Margins remained under pressure although they improved significantly in the second half to a three-year high. It is pleasing to note that the Group delivered an impressive operating cash flow of $550.1 million and our balance sheet remains strong.

The Board has resolved to pay a final dividend of 51.0 cents per share 20.5% franked, taking the total dividends for the year to 85.0 cents per share, down 8.1% from 92.5 cents per share last year.

As the 2014 financial result was below the threshold for vesting, no Combined Incentive was awarded to Executives.

Health, Safety and Environment (HSE)

There is nothing more important to WorleyParsons than the safety of our people. To this end, the Board and management continue to strive to achieve the goal of Zero Harm across all countries in which we operate. This year, our Total Recordable Case Frequency Rate reduced to 0.10 compared with 0.13 per 200,000 manhours in the 2013 financial year. Notwithstanding this improvement, we are deeply saddened to report that we had a colleague aboard Malaysia Airlines flight MH370. This loss has been deeply felt through the organization, particularly in our Kuala Lumpur operations.

Motor vehicle travel remains the greatest risk to the safety of our employees. Our attention on this area has resulted in a 30% reduction in vehicle crashes in the last 12 months. We continue our focus on our 9 key safe driving behaviors as we strive to embed these behaviors into every area of our lives.

Our New Future

On 1 May 2014, WorleyParsons reorganized into three business lines – Services, Major Projects and *Improve*. Each of these business lines has full accountability and responsibility for customer satisfaction, generating sustainable earnings and providing a satisfactory level of return on capital invested. In addition, each business line is responsible for providing and sourcing the optimal level of operational support.

Group functions at the corporate level were streamlined with a lean corporate office responsible for strategy, governance activities and improved allocation of capital.

The Development group has implemented formal processes to harness innovation, to manage investment in the business and to nurture new ventures.

During the 2015 financial year, we will focus on embedding behaviors that will support our restructure and future success. We will continue to simplify our business processes and will be implementing a change program to:

- Refocus the organization on having an obsession with making our customers successful
- Capture our knowledge and share that knowledge to find better solutions for our customers' problems
- Build a strong culture of performance and accountability to achieve: "Delivering what we promise".

Strategically, our immediate focus is on getting better at what we do and prudently managing costs. We are more aggressively pursuing growth from our core, both into new geographies and new service offerings. In addition we are developing new ventures aligned with and complementary to our existing business. Two new ventures are being developed - our advisory business, Advisian, and Digital Enterprise. We are pleased to announce two key appointments. Iain Ross has been appointed as the CEO of Digital Enterprise to accelerate and build on the work done by Graeme Henderson and his team. As previously announced, Dennis Finn has been appointed as the CEO of Advisian. Dennis joins us from PwC and commences on 1 September 2014.

Historically, WorleyParsons has delivered above average total shareholder returns; however, we recognize that in recent times our total shareholder returns have declined along with our performance relative to our peer group. The actions taken in the second half of the 2014 financial year, including the refocusing of our strategy and investment review framework via the Development group, seek to return us to satisfactory levels of total shareholder return.

People

We are a professional services business with our employees as our most important asset. We rely on our people to meet our customers' needs. Our people continue to learn and adapt to respond to the changing needs of our customers and the dynamics of our markets.

We are pleased that the wide range of skills and deep expertise we have in the business, spread across so many countries and offices, has enabled us to respond quickly and competently to our customers' changing needs.

In establishing our future, we have had to make some difficult decisions across the business to position the Company to take advantage of market conditions. This was necessary to ensure the Company remains sustainable and profitable for the long term.

We would like to express both the Board and Group Leadership Teams' appreciation for the commitment and contribution to WorleyParsons by our people over this past year, particularly during the period of transition to the new organization.

From left to right:
Chris Parker, Ian Wilkinson, Randy Karren, Marian McLean, Mark Southey, David Steele

Board and Management Changes

On 3 April 2014, WorleyParsons announced the resignation of JB McNeill from the Board of Directors for family reasons. JB joined the WorleyParsons Board in 2010 after retiring from a 30-year career with ExxonMobil. JB was a valuable member of the Board and brought to it his extensive knowledge and understanding of the oil and gas industry globally. We thank JB for his significant contribution.

As previously mentioned, the leadership team was refreshed and is introduced in the following pictures. See page 5 for more details on the members of the Group Leadership Team.

From left to right:
Gerard Dyson, Andy Cole, Andrew Wood, Simon Holt, Peter Janu

Ethics and Corporate Responsibility

We recognize that WorleyParsons' reputation for honesty, integrity and ethical dealings is one of its key business assets and a critical factor in ensuring the Company's continued success. All of WorleyParsons' people continue to strive to maintain the standard of ethical behavior expected by our customers, suppliers and shareholders.

The Company continues to refine its corporate responsibility efforts across all the parts of the world in which we do business, in an effort to ensure that our programs are as effective and efficient as possible in delivering value to the communities we support. The Corporate Responsibility section of this Annual Report provides greater detail on these activities.

Corporate Governance

The Board remains confident that the Company has in place a strong corporate governance system, and that this system is well maintained, reviewed and updated. Our governance policies and procedures are benchmarked against those of other comparable companies to ensure that the appropriate standards are maintained.

The Group maintains a comprehensive, independent, internal audit program that reports directly to the Audit and Risk Committee. This function not only focuses on specific areas of interest, but provides an annual assurance to the Audit and Risk Committee of the adequacy and effectiveness of the Group's internal controls.

The Corporate Governance Statement 2014 can be found on the Company's website.

Conclusion

We would like to thank the WorleyParsons Group Leadership Team, and the Board of Directors, for their excellent work and contribution in what has been a challenging year for WorleyParsons. We believe that the decisive action and hard work undertaken during the year, positions the Group to take advantage of the growth opportunities available to us.

John Grill AO
Chairman and Non-Executive Director

Andrew Wood
Chief Executive Officer

GROUP LEADERSHIP TEAM

The Group Leadership Team, effective 1 May 2014, is the senior leadership team for WorleyParsons. It comprises the leaders of our three business lines, of strategy for each of our customer sectors, and of Finance, Development and Assurance and the Company Secretary. The Group Leadership Team advises the Chief Executive Officer with regard to the effective and efficient functioning of the global business of WorleyParsons.

Andy Cole, Group Sector Managing Director – Hydrocarbons
Andy is responsible for the development of the growth strategy within the Hydrocarbons sector. Prior to this role, Andy managed the global Infrastructure business. Joining WorleyParsons in 1985 in Perth as a graduate structural engineer, Andy was involved in the design of various offshore oil and gas platforms in Australia, The UK, South East Asia and the Middle East. He managed the Thailand operation from 2001 to 2003, returning to Australia to complete a Master of Business Administration (MBA) and to establish and run the global Front-End consulting division, known as Select. Andy holds a degree in Civil Engineering and an MBA from the University of Western Australia.

Gerard Dyson, Group Sector Managing Director – Infrastructure
Gerard is responsible for the development of the global strategy for Infrastructure. Gerard was previously Director of Consulting for Australia and New Zealand and before this held a number of operational, strategic and technical roles within WorleyParsons in Australia, Canada and Asia. Prior to joining WorleyParsons in 2003, Gerard worked in the civil construction industry and academia and as a geotechnical consultant. Gerard has a Bachelor of Civil Engineering and a Bachelor of Commerce (Management) from The University of Western Australia. He has also completed a PhD in Geotechnical Engineering from The University of Western Australia and an Advanced Diploma in Business Management from the University of Ballarat.

Simon Holt, Chief Financial Officer
Simon is the Chief Financial Officer and has overall responsibility for finance including Treasury, Property Leasing, Tax, Shared Services, Information Management, Corporate Procurement, Travel, Corporate Finance, Investor Relations and Commmunications and Reporting. Simon also has oversight of the Operational Finance functions, ensuring the consistent application of standardized processes, systems and corporate and financial reporting. He has previously held the roles of Deputy CFO and Group Financial Controller. Prior to joining WorleyParsons in 2007, Simon held a number of senior positions in the property sector. Simon is a Chartered Accountant and holds a degree in Business (Accounting and Marketing) from the University of Technology, Sydney.

Randy Karren, Group Managing Director – *Improve*
Randy is accountable for the growth and performance of *Improve* relationships within WorleyParsons. Through Randy's 28 years of experience with WorleyParsons and our legacy companies, he has led major EPC and EPCM projects, worked in long term *Improve* relationships and held location director roles in two major locations. Subsequent to those assignments, Randy was the Regional Managing Director in Canada prior to assuming the role in 2012 as the Group Managing Director for *Improve*. He graduated from the University of Calgary with a Bachelor of Science in Chemical Engineering.

Marian McLean, Group Managing Director – Assurance
Marian is responsible for providing business assurance on the effectiveness and efficiency of the WorleyParsons internal controls, reliability of reporting and compliance with laws and regulations. Assurance interfaces with the Board Remuneration and HSE and Audit and Risk subcommittees and also provides oversight on Corporate Responsibility and Diversity and Inclusion programs. Marian joined WorleyParsons in June 2008. She has over 20 years' experience in the manufacturing, water, construction, service and oil and gas industries. Her qualifications include: Master of Applied Science (Ergonomics) University of NSW; Graduate Diploma in Safety Science The University of NSW; and Bachelor of Physiotherapy, The University of Queensland. She is a professional member of the American Society of Safety Engineers, the Society of Petroleum Engineers and the Human Factors and Ergonomics Society of Australia.

Chris Parker, Group Managing Director – Major Projects
Chris is responsible for the Major Projects business line. Chris has over 30 years' experience across a wide range of sectors including oil and gas, petrochemicals, power generation and infrastructure. Chris joined the Company in 2004 following the acquisition of Parsons E&C. He started his career with the Ralph M. Parsons Company in 1981 where he held key positions including Regional Managing Director, US and Caribbean, Senior Vice President and General Manager Houston Operations, Vice President responsible for global execution strategies and Vice President responsible for worldwide engineering. He has a Bachelor degree in Mechanical Engineering from the University of Houston and has completed the Advanced Management Program, The Wharton School, University of Pennsylvania.

Mark Southey, Group Sector Managing Director – Minerals, Metals & Chemicals
Mark is responsible for the Minerals, Metals & Chemicals (MM&C) sector globally and has held this role since joining WorleyParsons in 2002. Mark has a background in operational, financial and strategic roles and has led the WorleyParsons MM&C business through an extended period of growth and capability development. Mark has strong financial, commercial and operational experience and has led and managed large industrial and technology-based global service businesses holding senior international management roles in Europe and Australia with Honeywell and ABB prior to joining WorleyParsons. Mark holds a Bachelor of Science Degree from the University of Portsmouth and an MBA from The University of Sydney.

David Steele, Group Managing Director – Development
David is responsible for the Development arm of the business including mergers and acquisitions, the establishment of new businesses that are adjacent and complementary to WorleyParsons' core business and the management of discretionary expenditure. David has previously held many roles within WorleyParsons including operational management at the regional level as well as global functional and customer sector roles. Prior to joining the Company in 1999, David held positions with ABB and Rolls-Royce Industrial Power (Pacific). David holds a Bachelor degree in Electrical Engineering , an MBA and is a Chartered Professional Engineer.

Ian Wilkinson, Group Managing Director – Services
Ian is responsible for leadership of the Services business line, focused on delivering global expertise to our customers, locally. Ian joined WorleyParsons in 1994 having worked in the oil and gas and resources industries in a number of countries for both service providers and operating companies. He has held a number of senior management positions within WorleyParsons in South East Asia, the Middle East and Australia, most recently holding the role of Managing Director – Australia and New Zealand. Ian graduated from The University of Queensland with degrees in Engineering and Science.

For Andrew Wood, Chief Executive Officer and Peter Janu, Company Secretary and General Counsel Corporate, details can be found on page 60.

BOARD OF DIRECTORS

Peter Janu
Company Secretary and General Counsel Corporate

Ron McNeilly
Deputy Chairman and Lead Independent Director

Ron is Deputy Chairman and Lead Independent Director of the Board and was previously Chairman of the Board. He is a member of the Audit and Risk Committee, Nominations Committee, Remuneration Committee and Health, Safety and Environment Committee.

Wang Xiao Bin
Non-Executive Director

Xiao Bin is a member of the Audit and Risk Committee and the Nominations Committee.

John Grill AO
Chairman and Non-Executive Director

John is Chairman of the Board and Chairman of the Nominations Committee and a member of the Remuneration Committee and Health, Safety and Environment Committee.

Christopher Haynes OBE
Non-Executive Director

Chris is Chairman of the Health, Safety and Environment Committee and a member of the Nominations Committee.

John M Green
Non-Executive Director

Catherine Livingstone AO
Non-Executive Director

Larry Benke
Non-Executive Director

Andrew Wood
Chief Executive Officer

Erich Fraunschiel
Non-Executive Director

John is Chairman of the Remuneration Committee and a member of the Nominations Committee.

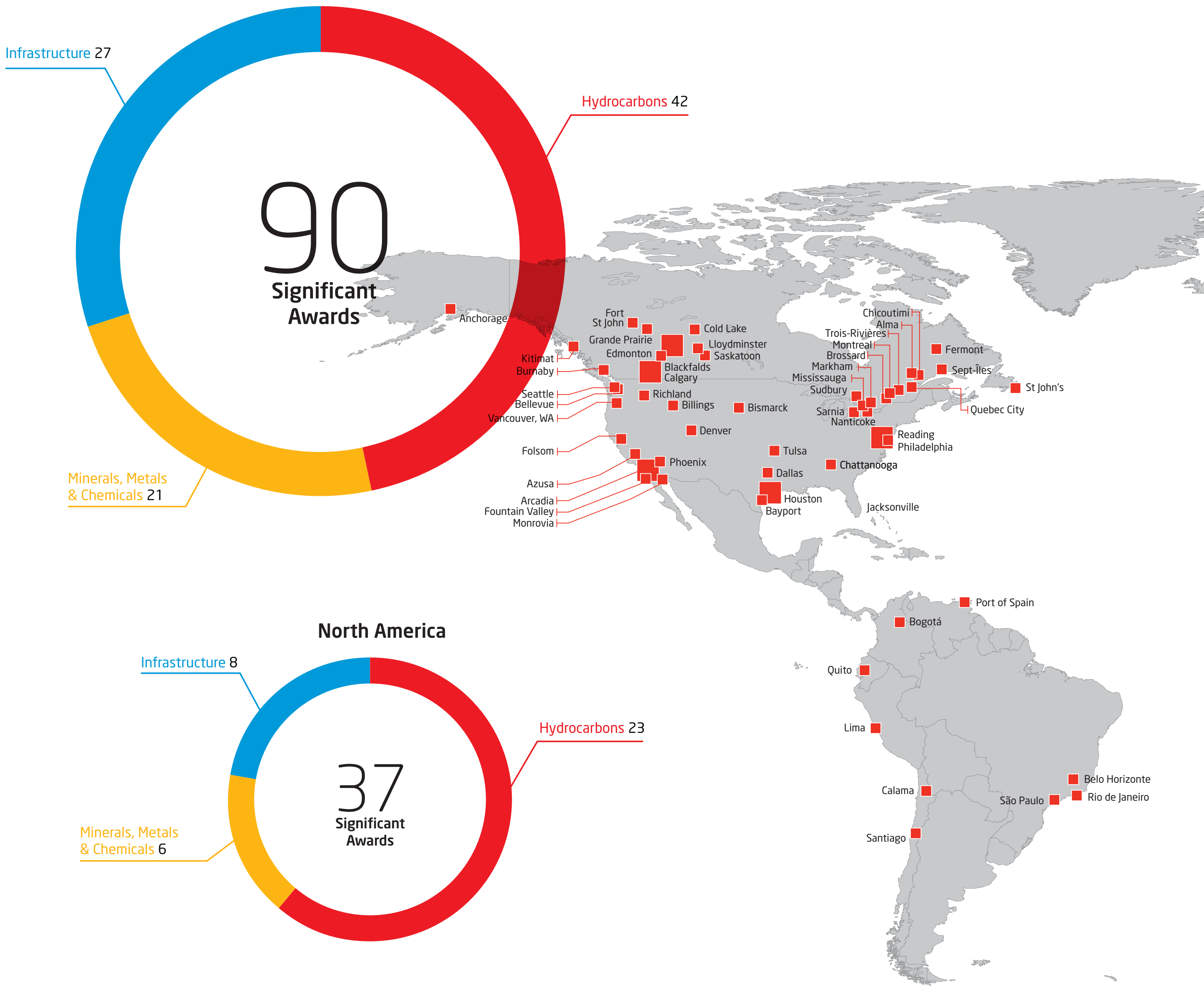
Catherine is a member of the Audit and Risk Committee and the Nominations Committee.

Larry is a member of the Nominations Committee, the Audit and Risk Committee and the Health, Safety and Environment Committee.

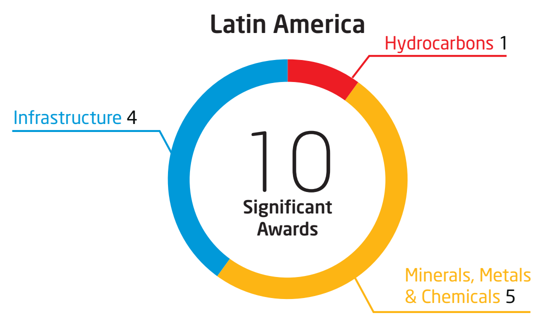
Erich is Chairman of the Audit and Risk Committee and a member of the Nominations Committee.

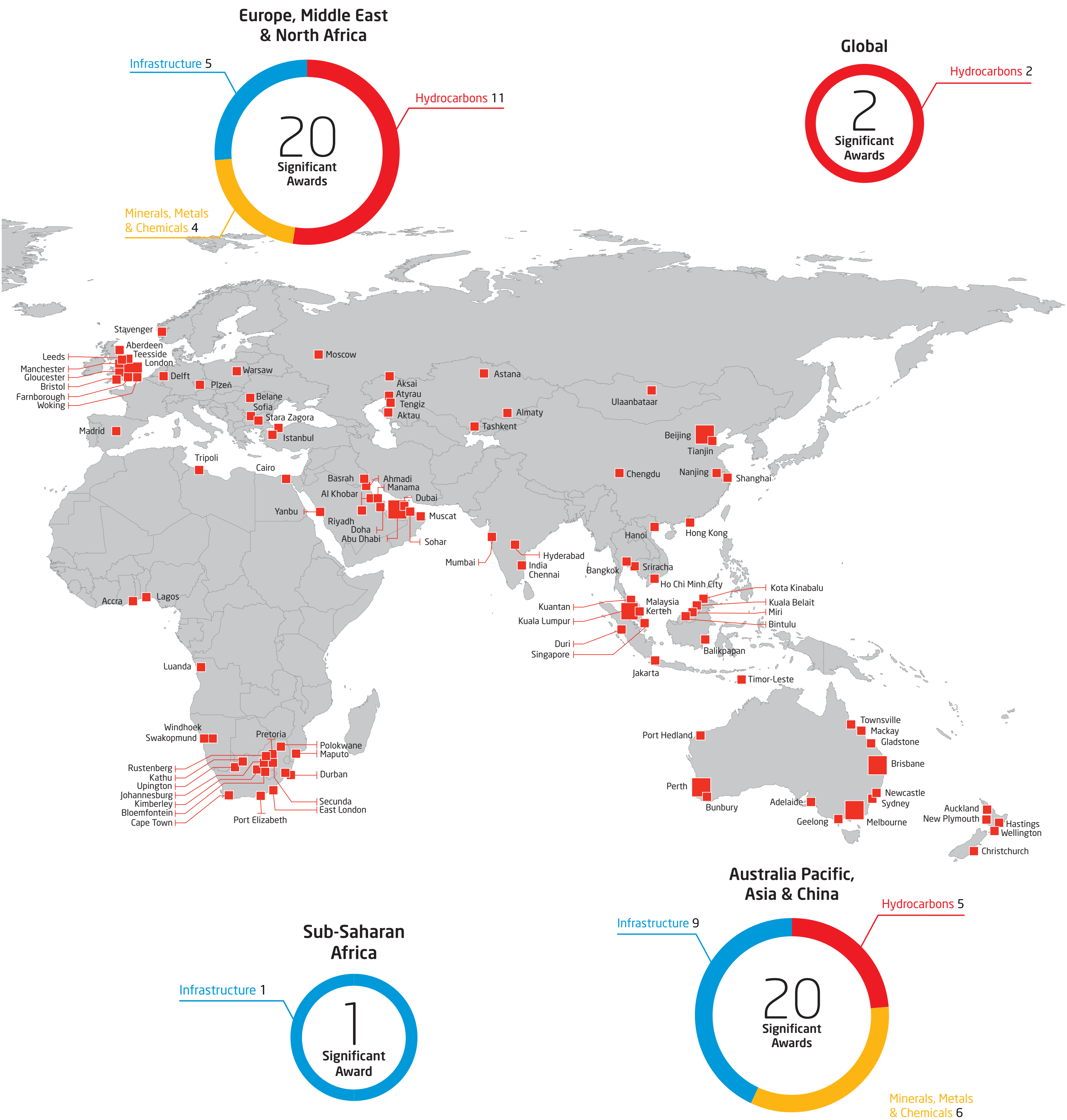
For detailed information on Directors and Company Secretary, see pages 59 to 60.

GLOBAL OPERATIONS AND SIGNIFICANT CONTRACT AWARDS



46 Countries
157 Offices
35,600 Employees




Europe, Middle East & North Africa
Infrastructure 5
Hydrocarbons 11
20 Significant Awards
Minerals, Metals & Chemicals 4
Global
Hydrocarbons 2
2 Significant Awards
Sub-Saharan Africa
Infrastructure 1
1 Significant Award
Australia Pacific, Asia & China
Infrastructure 9
Hydrocarbons 5
20 Significant Awards
Minerals, Metals & Chemicals 6
Stavenger
Aberdeen
Teesside
London
Leeds
Manchester
Gloucester
Bristol
Farnborough
Woking
Delft
Plzeň
Warsaw
Moscow
Belane
Sofia
Stara Zagora
Istanbul
Madrid
Tripoli
Cairo
Aksai
Atyrau
Tengiz
Aktau
Astana
Almaty
Tashkent
Ulaanbataar
Beijing
Tianjin
Chengdu
Nanjing
Shanghai
Basrah
Ahmadi
Manama
Al Khobar
Dubai
Yanbu
Muscat
Riyadh
Doha
Abu Dhabi
Sohar
Mumbai
Hyderabad
India
Chennai
Hanoi
Hong Kong
Bangkok
Sriracha
Ho Chi Minh City
Kota Kinabalu
Kuala Belait
Miri
Bintulu
Kuantan
Malaysia
Kerteh
Kuala Lumpur
Duri
Singapore
Balikpapan
Jakarta
Timor-Leste
Accra
Lagos
Luanda
Windhoek
Swakopmund
Pretoria
Polokwane
Maputo
Durban
Rustenberg
Kathu
Upington
Johannesburg
Kimberley
Bloemfontein
Cape Town
Secunda
East London
Port Elizabeth
Townsville
Mackay
Gladstone
Brisbane
Port Hedland
Perth
Bunbury
Adelaide
Newcastle
Sydney
Geelong
Melbourne
Auckland
New Plymouth
Hastings
Wellington
Christchurch

SIGNIFICANT CONTRACT AWARDS

	HYDROCARBONS		
	IMPROVE		
1	Imperial Oil	Engineering Integrity Services Program Alliance	Canada
2	Shell	Albian Sustaining - Asset Services	Canada
3	Imperial Oil (IOL)	Imperial Oil Sarnia Detailed Design and Engineering	Canada
4	Syncrude	CoSyn Syncrude Alliance (extension)	Canada
5	Husky	Western Canadian Downstream Engineering Services Agreement	Canada
6	Atlantic LNG	Engineering Services Master Services Agreement	Trinidad & Tobago
	MAJOR PROJECTS		
7	North West Redwater Partnership	Sturgeon Refinery Upgrader Piperacks/Flare - EPCM	Canada
8	North West Redwater Partnership	Construction Management	Canada
9	Williams Companies	Redwater Debottlenecking Modules	Canada
10	Sasol	Lake Charles GTL and Cracker Project [IPMT for FEED]	USA
11	EP PetroEcuador	Esmeraldas Refinery Rehabilitation Project	Ecuador
12	TANAP	Trans Anatolian Natural Gas Pipeline (TANAP)	Turkey
	SERVICES		
13	Queensland Gas Company (QGC)	QGC, Engineering Project Services Provider (EPSP)	Australia
14	Shell Refining Australia	Project Improve Services at Geelong Refinery	Australia
15	Oil Search Limited	Master Services Agreement (extension)	Papua New Guinea
16	PTT Group	PMC Pipeline Korat	Thailand
17	ConocoPhillips	Engineering and Procurement Services Contract	Australia
18	Brion Energy	Mackay River SAGD Field Facilities Field Construction	Canada
19	Brion Energy	Mackay River SAGD Field Facilities Module Assembly EPC	Canada
20	Pembina NGL Corporation	RFS2 Field Construction	Canada
21	Williams Companies	Horizon LEP Fabrication and Module Assembly	Canada
22	ConocoPhillips	Drill Site 2S Facilities Engineering and Procurement	USA
23	Pembina NGL Corporation	RFS2 Modules	Canada
24	EnCana	Kaybob Gas Plant	Canada
25	Statoil	Well Pad 6	Canada
26	FortisBC	Lower Mainland Gas - Pipeline Upgrade Projects (LMP-PUP) - Execution Phase	Canada
27	Golden Pass LNG	Export Pipeline Pre FEED	USA
28	TransCanada	Prince Rupert Gas Transmission Marine Pipeline FEED	Canada
29	MEG Energy	Integral Aliance, Master Services Agreement for Christina Lake Project	Canada
30	LNG Canada Development	Engineering, Procurement and Construction Management FEED	Canada
31	Petrofac	RHIP EP Contract Petroleum Development Oman	Oman
32	Kuwait Oil Company	Consultancy Services in Project Management and Related Activities	Kuwait
33	Petroleum Development Oman	Concept Engineering Services	Oman
34	Technip	Martin Linge Hook-up and Commissioning	Norway
35	Oman Tank Terminal Company	Pre-FEED Services for Ras Markaz Crude Oil Park	Oman
36	Gazprom	Vladivostok LNG	Russia
37	Petroleum Development Oman	Amal Steam Phase 1C Detail Design	Oman
38	Lukoil	Yamama Formation Development - FEED	UAE
39	BP	Sullom Voe Gas Sweetening Program - FEED	United Kingdom
40	General Electric (GE) - GE Oil & Gas	Snohvit Phase 2 Subsea Modules (Statoil)	Norway
41	Shell	Global UCOG Program	Global
42	BP	Relief Systems Program	Global

INFRASTRUCTURE

IMPROVE

1	Tennessee Valley Authority (TVA)	Renewal. TVA Engineer of Choice	USA
2	Tennessee Valley Authority	Installation of 3 MW Diesel Generator at Sequoyah and Browns Ferry	USA

SERVICES

3	Port of Hastings	Port of Hastings Marine Geotechnical Investigation	Australia
4	Port of Hastings Development Authority	Water Quality Investigation for Port of Hastings	Australia
5	QGC	Northern Water Treatment Plant Safety Case	Australia
6	QGC	Northern, Central and Southern Operational Design Safety Case	Australia
7	QGC	Northern Water Treatment Post Treatment Dosing Plant	Australia
8	Eastland Port	Marine Development Project	Australia
9	Samsung	EPC Support Services	Australia
10	Land Transport Authority - Singapore	Project Management Consultant for Supervision of Contracts T225 & T226	Singapore
11	RDTL Ministry of Public Works	Consulting Services for Infrastructure Fund Project Appraisal	East Timor
12	Los Angeles Department of Water and Power	Technical and Administrative Services to Support Integrated Resource Plan (IRP) Projects	USA
13	Consumers Energy	Karn Units 1 and 2 O&M Services	USA
14	HOLTEC	Watts Bar Dry Cask Storage	USA
15	Shell	MMLS LNG Bunkering Sarnia	USA
16	Consumers Energy	Karn Plant O&M	USA
17	Tennessee Valley Authority	Sequoyah FLEX Connections	USA
18	Arriyadh New Mobility Consortium	Project Management Services for Riyadh Metro	Saudi Arabia
19	SEPCO (Shandong Electric Power Construction Company)	Aramco Jazan 2300 MW Combine Circle Power Plant	Saudi Arabia
20	SEPCO2 (Shandong Electric Power Construction Company No.2)	Aramco Shaybah Power Expansion Project	Saudi Arabia
21	National Grid Property Holdings	Management Services for Regeneration Works	United Kingdom
22	Repsol	ACRAs	Spain
23	Metro de Santiago	Santiago Metro Line 3 Detailed Design and Construction Supervision	Chile
24	China Harbour Engineering Company	Moron Petrochemical Terminal project	Venezuela
25	Tapajos Consortium	ESHIA of Sao Luiz do Tapajos Hydro Power Plant	Brazil
26	Sociedad Puerto Industrial Aguadulce, a group company of ICTSI	Container Handling Terminal Phase 1	Colombia
27	Corredor Do Desenvolvimento Do Norte S.A (CDN)	Nacala Rail PMC	Mozambique

MINERALS, METALS & CHEMICALS

MAJOR PROJECTS

1	Morobe Mining JV	Wafi-Golpu Exploration Shaft Pre-feasibility Study	Papua New Guinea
2	Vale S11D	Construction Management extension	Brazil
3	Andes Iron	Dominga Project	Chile
4	Mineração Usiminas	Compact Project	Brazil

SERVICES

5	BHP Billiton	PPU Project Definition Phase Study	Australia
6	Glencore Coal	Glencore Coal Umbrella Engineering Services	Australia
7	Invista	Invista HMD EPCM	China
8	Solvay	Merlion Project	Singapore
9	Carpenter Technology	Steel Coil and Bar Finishing Plant	China
10	GAF Materials Corporation	Four Wide Shingle Plant Project	USA
11	Sherwin Alumina Company	Deep Bed Washer Conversion Project	USA
12	BASF	Detailed Design of Chemicals Project, Geismar, Louisiana	USA
13	BASF	FEED for Infrastructure, Freeport, Texas	USA
14	BASF	Detailed Design of Petrochemicals Project, Port Arthur, Texas	USA
15	BASF	Detailed Design of Agricultural Chemicals Project, Beaumont, Texas	USA
16	EICO	Fiber Glass, PMC for Start-up and Commissioning Phases of the Project	Saudi Arabia
17	OMPET	OMPET PTA/PET	Oman
18	Mutajadedah Energy Company	PMC for the Design and Construction of a Polysilicon Wafer Plant	Saudi Arabia
19	UC RUSAL	Eurallumina Bauxite Change Project	Italy
20	Codelco	Servicios Integrales a Proyectos Minera Gaby Período 2014-2015	Chile
21	Andes Iron	Dominga Project	Chile

SHELL PILONCILLO RANCH, TEXAS

Services

> "**Focus**,
> on developing and growing sustainable local businesses"

Ian Wilkinson

Delivering What We Promise

We cover the full project lifecycle, from creating new assets to sustaining and enhancing operating assets, in the Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure sectors.

We have three business lines which are aligned and connected; they are designed to reflect and service our customers' needs:

- Services
- Major Projects
- *Improve*.

We have formal processes to harness innovation and nurture new business ventures through our new Development group.

Our Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure Group Sector Managing Directors are responsible for the development of strategy for implementation by the business lines.

We have streamlined our corporate functions of Finance and Assurance and each business line provides its own functional support.

Major Projects

"**Delivering** commercial success for our customers and WorleyParsons"

Chris Parker

Improve

"Managing strategic long term relationships to support our customers' capital efficiency and **effectiveness**"

Randy Karren

Services

Agile, reliable, fit-for-purpose business bringing global expertise and networks to customers locally.

"WorleyParsons Services is a geographically and culturally diverse business that is home to the wide ranging technical knowledge and capability that resides in our people."

IAN WILKINSON, GROUP MANAGING DIRECTOR - SERVICES

THE BUSINESS EXISTS TO PROVIDE SERVICES TO LOCAL CUSTOMERS, UTILIZING THE KNOWLEDGE AND CAPABILITY THROUGHOUT OUR GLOBAL ORGANIZATION.

WorleyParsons Services works hand in glove with WorleyParsons Major Projects and WorleyParsons *Improve* to ensure we do what is right to deliver value to our customers and to our shareholders.

The business line provides a wide range of services from consulting, concept selection, front-end studies, small and large project delivery, and portfolio management, in greenfield and brownfield environments.

The business operates in all WorleyParsons' sectors: Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure.

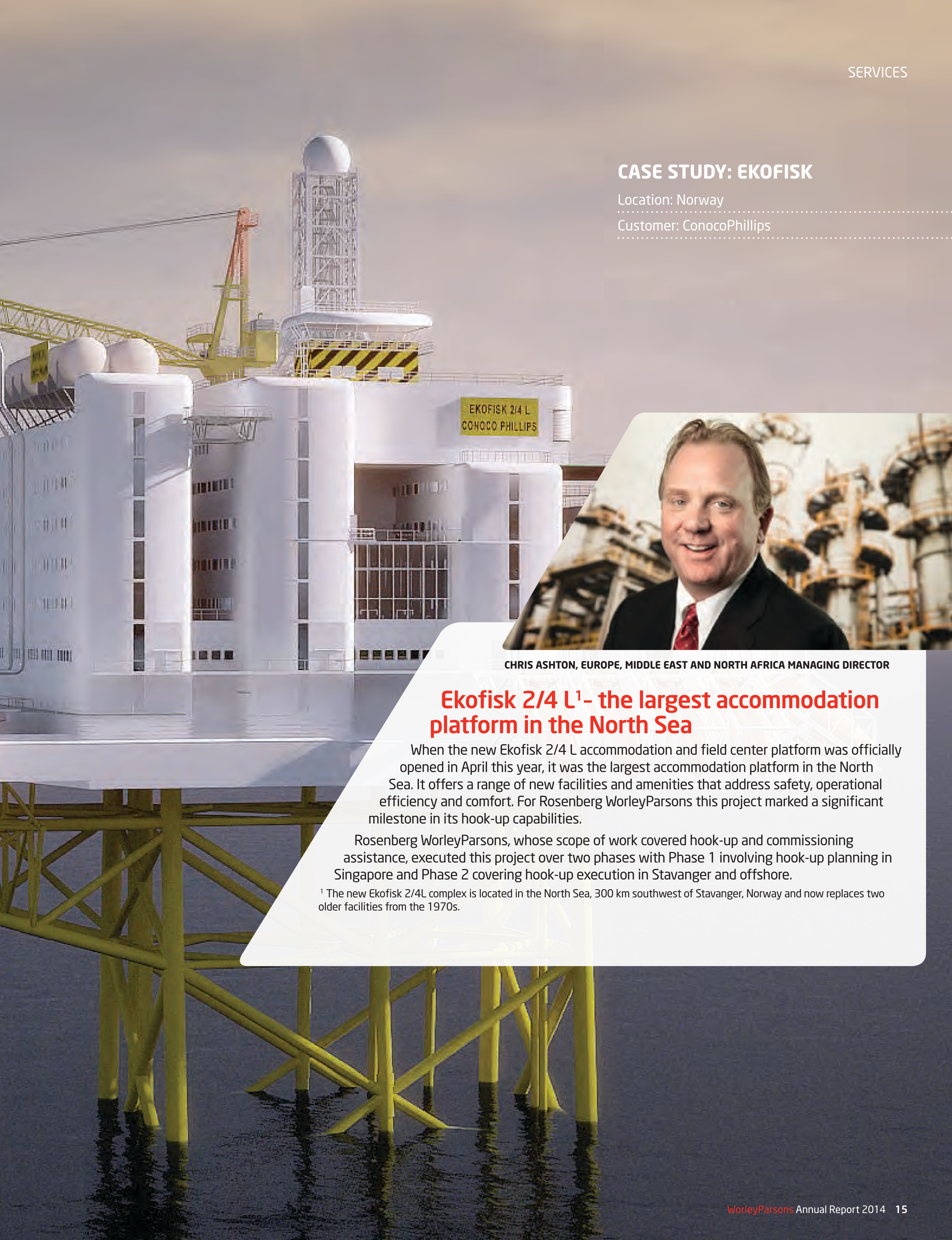
The Services business is managed as five geographic regions and two specialist global businesses.

The geographic regions are:

- Australia, Pacific, Asia and China
- North America
- Latin America
- Europe, Middle East and North Africa
- Sub-Saharan Africa.

The specialist global businesses are:

- INTECSEA
- Energy Resourcing Group.



CASE STUDY: EKOFISK

Location: Norway

Customer: ConocoPhillips

CHRIS ASHTON, EUROPE, MIDDLE EAST AND NORTH AFRICA MANAGING DIRECTOR

Ekofisk 2/4 L[1]– the largest accommodation platform in the North Sea

When the new Ekofisk 2/4 L accommodation and field center platform was officially opened in April this year, it was the largest accommodation platform in the North Sea. It offers a range of new facilities and amenities that address safety, operational efficiency and comfort. For Rosenberg WorleyParsons this project marked a significant milestone in its hook-up capabilities.

Rosenberg WorleyParsons, whose scope of work covered hook-up and commissioning assistance, executed this project over two phases with Phase 1 involving hook-up planning in Singapore and Phase 2 covering hook-up execution in Stavanger and offshore.

[1] The new Ekofisk 2/4L complex is located in the North Sea, 300 km southwest of Stavanger, Norway and now replaces two older facilities from the 1970s.

INTECSEA

INTECSEA is one of the world's leading and most experienced deepwater engineering companies, specializing in floating systems, offshore pipelines, marine riser systems, subsea systems and Arctic development. From concept to decommissioning, our customers rely on us for inherent safety through world-class design, engineered reliability through technical integrity, and a solutions-driven approach for full lifecycle asset management. INTECSEA has designed subsea production systems, pipelines and floating systems in the harshest environments, and in locations as diverse as the Black Sea, Arctic Ocean, Mediterranean Sea, Gulf of Mexico, offshore West Africa and South China Sea.

Energy Resourcing Group

Energy Resourcing Group is a leading supplier of specialist professional engineering resources and associated staffing and employment services to the oil and gas, energy and resource sectors in Australia, North and South Asia, Europe, North America and the Middle East.

It provides a range of innovative recruitment and contractor management services to WorleyParsons and other leading energy sector customers including oilfield operators, engineering design houses, refining and petrochemical corporations and major construction organizations. Energy Resourcing Group has offices in Australia, China, Thailand, Canada, the UK, Singapore and Korea.

"**INTECSEA** has designed subsea production systems, **pipelines** and floating systems in the harshest environments."

GREG CONLON, NORTH AMERICA MANAGING DIRECTOR

OKUME/EBANO TENSION LEG SPAR, OFFSHORE EQUATORIAL GUINEA

CASE STUDY: LIWAN GAS PROJECT

Location: China

Customer: Husky Oil China Limited

DENIS LUCEY, AUSTRALIA, PACIFIC ASIA AND CHINA MANAGING DIRECTOR

Liwan Gas Project – a collaboration success story

The Liwan Gas Project is the first deepwater gas project in offshore China, and is currently operated by Husky Oil China Limited (HOCL) and China National Offshore Oil Corporation (CNOOC).

Located in the South China Sea approximately 300 km southeast of Hong Kong, Liwan has taken approximately seven years to develop from discovery to first production and is considered one of the world's fastest developments for large-scale deepwater gas projects.

Since project award in 2009, WorleyParsons and INTECSEAs' integrated team has showcased the Company's capability to integrate the right technical experts from around the globe to deliver results for customers from wellhead to market.

WorleyParsons and INTECSEAs' work on this benchmark project has involved extensive collaboration by multiple offices, with work shared across four countries (China, Malaysia, Australia and the USA).

The Liwan development consists of three natural gas fields: Liwan 3-1, Liuhua 34-2 and Liuhua 29-1, which share a subsea production system, subsea pipeline transportation and onshore gas processing infrastructure.

Work began with the FEED, and included highlights such as an 80 km long tieback, first use of recirculation (gas recycle) as part of primary operating condition and design of the largest float-over, high-deck to be installed in offshore China.

First gas was produced at the Liwan 3-1 field in March 2014, and the Liuhua 34-2 field (which is currently being developed in parallel with the 3-1 field), is scheduled to be tied into the Liwan subsea infrastructure in the second half of 2014.

The Liwan Gas Project is one of many examples of successful collaboration amongst the Company's offices that have delivered for our customers.

NEIL MACKINTOSH, PRESIDENT OF INTECSEA

FRANCIS MCNIFF, SUB-SAHARAN AFRICA MANAGING DIRECTOR

Towards Zero Harm in a high risk environment – the Bakubung Platinum Mining Project

The Bakubung Platinum Mine1 Project for Wesizwe Platinum in South Africa highlights how HSE focused leadership can contribute to preventing harm in a high risk environment.

This long term project has been underway since 2006, with WorleyParsons responsible for engineering and project management in both the Consult and Deliver stages.

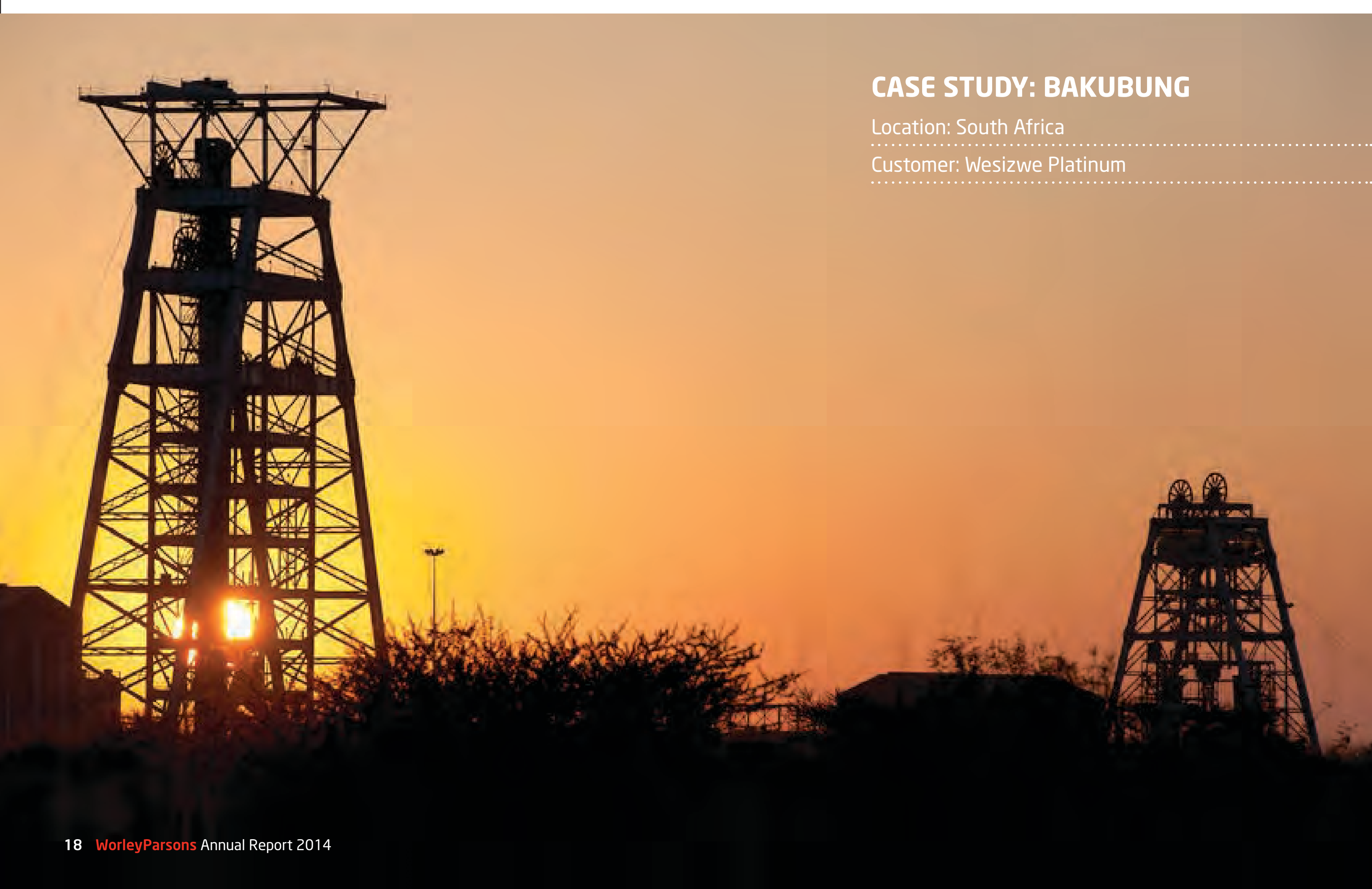
The Consult stage involved a pre-feasibility study and a bankable feasibility study in 2006/7. The Deliver/EPCM stage has been underway since 2011, with Phase 1 involving the establishment of access routes, fencing, a pollution control dam, two greenfield vertical shafts (the main shaft and a ventilation shaft), surface infrastructure and underground development. Work has progressed on schedule, with Phase 1 of the surface infrastructure successfully completed and the main 8.5m diameter shaft and the 7.5m diameter ventilation shaft sunk to a depth of 642m and 694m below collar, respectively.

Across all stages of the project, HSE has remained at the core and the team is empowered to drive HSE in all activities. It is this mind-set that has led the team to introduce a number of engineering and operational improvements on the project in addition to behavioral based training and supervisor development.

WorleyParsons is also taking a leadership position to help improve safety standards within the South African mining industry generally. The project team has embarked upon a number of industry wide safety initiatives designed to benefit all operators. Our team is proactively engaged in industry wide HSE focus groups to promote the adoption of mining techniques that significantly reduce exposure to dangerous work fronts and the development and adoption of safer tools and processes. WorleyParsons also leads a customer and contractor CEO forum to share and discuss lessons from HSE incidents.

The HSE focused leadership on the project and within the industry has proved critical to driving towards Zero Harm .

1 The Bakubung Platinum Mine is located near Sun City in the North West province of South Africa.



CASE STUDY: MET2

Location: New Zealand

Customer: Todd Energy

Todd Energy MET2 Project

WorleyParsons was engaged by Todd Energy under an EPC contract to deliver the Mangahewa gas production facility (MET2) located in Taranaki, on the west coast of New Zealand.

To meet the tight schedule, Todd Energy procured a modularized process plant, while WorleyParsons undertook the EPC contract for the balance of plant infrastructure and the installation, hook-up and pre-commission of the process modules.

The team's innovative approach with the monolithic foundation slab, modular pipe racks, and construction led engineering under a risk/reward contracting model resulted in an excellent outcome in project delivery performance. The contract was completed ahead of schedule and under budget with over 350,000 man hours completed without a lost time incident.

CASE STUDY: BASF ACAI/NASA PROJECT

Location: China and Brazil

Customer: BASF

BASF clones plants in Brazil and China

In order to capitalize on the emerging super absorbent polymer markets in China and Brazil, BASF-YPC has invested in a major capital venture for two production facilities located at sites in Nanjing, China and Camaraçi, Brazil.

BASF-YPC chose WorleyParsons for the FEED, EPCM of the two plants based on our significant presence in Brazil and China and the capability of our experienced technical specialists.

BASF South America and BASF-YPC met time constraints and capitalized synergy benefits by cloning the two sets of plants, thereby maximizing efficiencies in design, schedule and resources.

MARK TRUEMAN, LATIN AMERICA MANAGING DIRECTOR

Major Projects

Specialists in full project delivery of large, complex, strategically important projects.

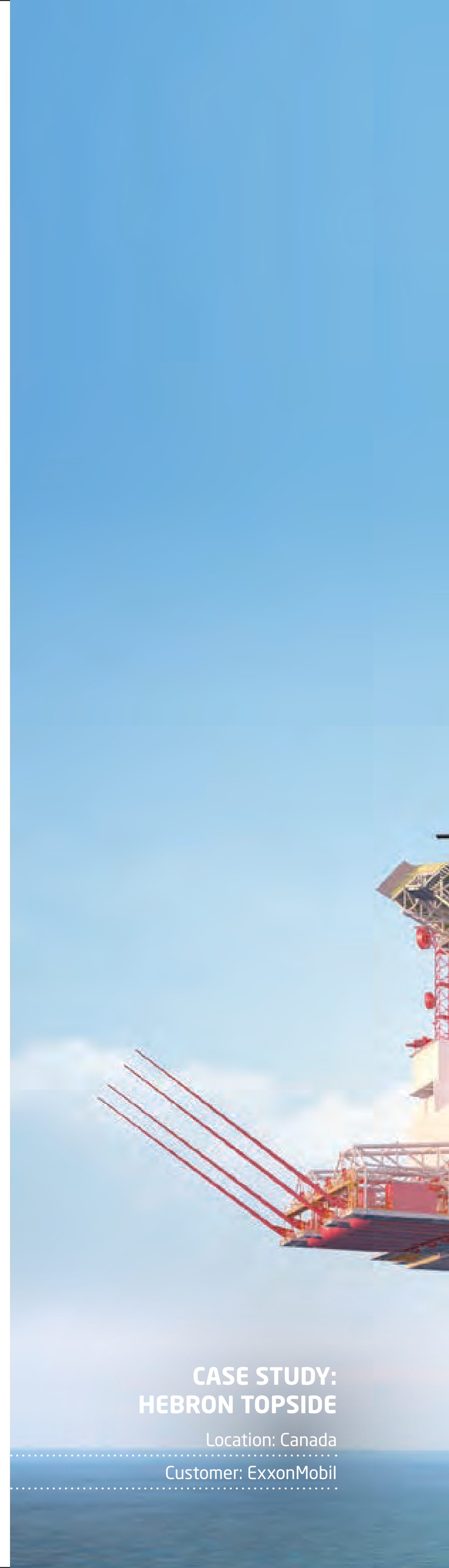
"The decision to invest in new capital facilities represents a significant business risk for our customers. This risk is mitigated through a scope definition process driven to achieve the best capital efficiency followed by predictable and consistent project execution. This is what our Major Projects business is all about."

CHRIS PARKER, GROUP MANAGING DIRECTOR - MAJOR PROJECTS

MAJOR PROJECTS OFFERS OUR CUSTOMERS SPECIALIZATION IN THE DELIVERY OF LARGE COMPLEX PROJECTS.

When a project is large or complex, our customers will often take the responsibility for management of that project away from their operations and give it to a global major project or development group within their business. The creation of the Major Projects business line reflects our customers' organizations. It is a global business that supports large and complex projects wherever they are in the world. We will execute these projects in the right location as required by our customers and support them with global capability from the WorleyParsons Major Projects' execution centers of Houston, Calgary and London and our network of local offices around the globe.

Major project execution demands conformance to a set of execution methods that are built to manage the issues and risks inherent in the delivery of these projects. WorleyParsons has established the WorleyParsons Academy to train our people in how to deploy our proprietary systems for reliable and successful delivery of large and complex projects.



Hebron Topside

WorleyParsons is currently executing Engineering, Procurement and Construction (EPC) for the Hebron Topside, one of the world's largest float-over decks. Hebron is a heavy oil field located in the remote, harsh sub-arctic climate 350 km off the east coast of Canada. Due to the scale and complexity of the project, detailed engineering was executed in St. John's and in three of WorleyParsons' engineering centers, being Perth, Houston and Beijing. The procurement program included extensive supplier oversight and logistics to ensure timely delivery to multiple fabrication yards from suppliers in 30 different countries around the globe.

With a heavy emphasis on performing work in Newfoundland and Labrador in accordance with Hebron project benefits commitments, WorleyParsons placed fabrication contracts with two Newfoundland companies to construct the Drilling Support Module and the 220 Person Living Quarters. WorleyParsons placed the subcontract for the fabrication of the Drilling Equipment Set and the Utility Process Deck (UPM) with Korean fabricator Hyundai Heavy Industries. The UPM will be transported to Newfoundland from Korea on a heavy lift vessel and integrated with other modules prior to float-over onto the concrete gravity base.

KEVIN SMITH, DIRECTOR OPERATIONS – MAJOR PROJECTS

Improve

Brownfield project delivery, project portfolio management, asset management and business improvement.

"Sustainable and responsible resource development is a key requirement in today's global economy. Providing solutions to address this need will be a major growth engine for WorleyParsons. The *Improve* business will play a key role in this growth."

RANDY KARREN, GROUP MANAGING DIRECTOR - *IMPROVE*

THE *IMPROVE* BUSINESS LINE PROVIDES OUR CUSTOMERS WITH GLOBAL BEST PRACTICE SOLUTIONS TO OPTIMIZE THE PERFORMANCE OF THEIR OPERATING ASSETS.

Improve is a global business line that provides relationship based support to our customers' global-scale assets, where they are looking to achieve and maintain global best practice asset performance. The *Improve* business line ensures we leverage our knowledge gained from all of our *Improve* relationships. It provides a connection from one relationship to another to ensure we share best practices within and across industries to assist our customers to extract the best value from their assets.

Complete lifecycle asset management services are performed by WorleyParsons either alone or through joint ventures. These types of relationships provide significant value-add to the customer and include brownfield EPCM/EPC project delivery, customer-defined portfolio delivery, business improvement, operations and maintenance support, shutdowns and outage support.

Currently, the *Improve* business line has two operating regions, the Americas (Canada, the USA, Latin America) and Australasia/EMA (Australia, Asia, China, Europe, Middle East, Africa).

A strategic partnership: CoSyn

CoSyn is an *Improve* relationship between WorleyParsons and Syncrude in Canada. CoSyn provides EPCM services to Syncrude, the world's largest producer of synthetic oil from oil sands. CoSyn has access to all of WorleyParsons' global capabilities including our high value engineering.

Syncrude operates a world-scale oil sands complex including mining, extraction, bitumen upgrading and synthetic oil processing. The scope also includes utilities, mine water management and tailings management.

WorleyParsons has been a strategic partner in this long term multi-discipline alliance with Syncrude since 1991.

CHRIS MANN, DIRECTOR *IMPROVE* PROGRAM DEVELOPMENT

CASE STUDY: COSYN

Location: Canada

Customer: Syncrude

PHOTO: LOY YANG A POWER STATION

Location: Australia

Customer: AGL

Focused on Power: Transfield Worley Power Services

WorleyParsons and Transfield Services formed the Transfield Worley Power Services (TWPS) joint venture to provide integrated brownfield engineering, operations and maintenance and asset management services to the power generation sector in Australia, New Zealand and South East Asia. With experience covering over 7,000 MW across 34 sites, TWPS is the largest independent operations and asset services provider to the power generation market in Australia, giving TWPS the unique ability to leverage multiple site and technology knowledge to the benefit of customers. Our alliance teams work collaboratively with our customers from the asset planning and budgeting phases to plan, prepare for and execute the complete range of power generation services from operations, maintenance, sustaining capital projects and major outages.

BRAD ANDREWS, MANAGING DIRECTOR *IMPROVE* OPERATIONS AUSTRALASIA/EMA

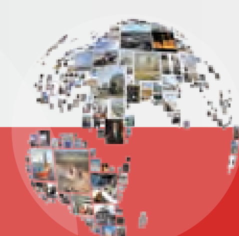
ANDY MACKINTOSH, MANAGING DIRECTOR *IMPROVE* OPERATIONS AMERICAS

Our Sectors Capturing Knowledge

We cover the full project lifecycle, from creating new assets to sustaining and enhancing operating assets, in the Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure sectors.

Our Group Sector Managing Directors have responsibility for:

- Developing sector specific, global strategies, for implementation by the business lines
- Identifying and developing sector specific capital allocation opportunities
- Championing the global sector community
- Fostering and maintaining the 'capability networks' across the business lines and regions.



"Capture our **knowledge** and share that knowledge to find **better solutions** for our customers."

Hydrocarbons

Full-scope delivery services for upstream, midstream and downstream facilities located both onshore and offshore.

SHELL PILONCILLO RANCH, TEXAS

> "Our full-scope global project services span the entire asset lifecycle from the initial conceptual phase of major greenfield developments to ongoing asset services and brownfield modifications projects."
>
> **ANDY COLE, GROUP SECTOR MANAGING DIRECTOR – HYDROCARBONS**

WORLEYPARSONS HAS BEEN DELIVERING ENGINEERING AND PROJECT MANAGEMENT SERVICES TO THE GLOBAL HYDROCARBONS INDUSTRY FOR OVER 60 YEARS.

Our full-scope global project services span the entire asset lifecycle from the initial conceptual phase of major greenfield developments to ongoing asset services and brownfield modifications projects.

Our capability and experience span all oil and gas extraction and processing facility types and our global coverage enables us to provide comprehensive services to our customers wherever we are needed.

UPSTREAM, OFFSHORE

Mega Topsides

WorleyParsons is recognized as the leading global float-over and mega topsides design and installation consultant. Our Houston operation led the design of the mega topsides that set a world record for the heaviest integrated topsides installed by float-over method in open sea.

This topside weight record will be bettered when the platform topsides currently being designed in our Houston operation is installed in coming years.

UPSTREAM, OFFSHORE

Floating Production Systems and Subsea Developments

The floating production sector is becoming one of the most capital-intensive areas of the offshore oil and gas market with unique technological challenges as new oil and gas discoveries are being made in deeper waters, remote from other infrastructure, in more extreme climatic conditions. This move into “frontier locations” has called for progressively advancing technologies and strategies in order to deliver a consistently robust production capability within a framework of increasing environmental protection expectations.

By combining the capabilities of our subsea, floating systems and offshore pipeline division (INTECSEA) with the large topside design capability that exists in locations as diverse as Houston, London, Lagos, Kuala Lumpur, Perth and Melbourne, WorleyParsons provides our customers with global coverage in support of their deepwater field development opportunities.

For over 25 years, INTECSEA has provided frontier technology leadership for the energy industry’s most challenging offshore field development and pipeline projects. INTECSEA has designed subsea production systems, pipelines and floating systems in the harshest environments, and in locations as diverse as the Black Sea, Arctic Ocean, Mediterranean Sea, Gulf of Mexico, offshore West Africa and South China Sea.

UPSTREAM, ONSHORE

Conventional Onshore Oil and Gas

WorleyParsons provides full-scope project services for greenfield and brownfield projects across all phases, processes and components of oil and gas production and transportation.

WorleyParsons has specialist field development expertise in demanding environments including the deserts of Saudi Arabia and Australia, the arctic regions of Alaska and the remote steppes of Kazakhstan.

Recognized as gas processing specialists, WorleyParsons has designed and constructed over 400 gas processing plants throughout the world that correspond to a total capacity of over 50 MMscfd. The sizes of installations have varied considerably from small compressor stations to facilities processing over 3,000 MMscfd of gas.

Heavy Oil and Oil Sands

WorleyParsons has over 30 years of experience in processing heavy oil from fields located in Canada, Oman, Kuwait, Yemen, China, Russia, Venezuela and the United States.

From its long history in Canadian oil sands, WorleyParsons has been directly involved in the design and construction of over 3,000 oil sands upgrading and extraction related projects. This experience covers every aspect of oil sands mining extraction, including dry material handling, hydro-transport, extraction, froth treatment, solvent recovery and tailings technology. WorleyParsons’ primary heavy oil and oil sands design centers are located in Calgary and Edmonton.

Unconventional Oil and Gas

From the coal bed methane fields in Queensland Australia , to the shale oil and gas plays across North America , WorleyParsons has over 1,000 staff active on these type of field developments.

Unconventional oil and gas projects face a myriad of challenges, including:

- Gaining and maintaining the social license to operate
- Timely regulatory approvals management supporting oil and gas developments
- Water sourcing and disposal
- Supporting infrastructure, transportation and logistics issues, and availability of equipment due to the remote nature of these new basins.

WorleyParsons provides services that address the infrastructure, environmental and logistical issues associated with developing unconventional assets so our customers can see their products cost-effectively and efficiently reach the market.

MIDSTREAM

Onshore Pipelines
From large-diameter, long-distance transmission pipeline systems to small-inch gathering and distribution systems, WorleyParsons has designed and managed the construction of over 100,000 km of pipeline, pipeline related facilities, and terminals around the world and is the largest onshore pipeline engineering and project delivery provider, globally.

LNG
As the worldwide demand for natural gas imports increases, the technical and regulatory challenges and the scale of the investment required to facilitate successful delivery of LNG projects have also increased. WorleyParsons works with our customers to independently evaluate and choose the most appropriate technologies and contracting form.

WorleyParsons delivers cohesive EPCM services that consider the complete LNG value chain for facilities worldwide. Our track record in LNG extends from opportunity evaluation studies and concept/ technology selection, through to FEED and detailed EPCM for both greenfield and brownfield LNG developments including:

- Onshore large-scale LNG down through to small modular or peak shaver scale LNG
- Nearshore and offshore floating LNG
- LNG regasification (both onshore and nearshore).

DOWNSTREAM

Refining
Upgrading and optimizing existing assets have become a priority for refiners as they are affected by new product grades and by the introduction of unconventional feedstocks. WorleyParsons provides a comprehensive range of refinery services through all project phases. Our experience includes grassroots, revamps, clean fuels and expansion projects.

Through our proven workshare processes, customers around the world have access to the cumulative knowledge gained from over 60 years of refining EPCM experience, and from our delivery of over 2,100 projects worldwide.

Petrochemicals
We support our petrochemical customers around the world: from the Middle East to Latin America, Canada, Europe and the United States.

WorleyParsons has successfully delivered more than 600 petrochemical projects in 30 countries for many of the world's leading plastics and resins manufacturing, petrochemical processing and hydrocarbon processing companies.

SPECIALIST SERVICES

Arctic
WorleyParsons and INTECSEA are world leaders in concept selection, design and construction of oil and gas production facilities located in remote, hostile environments.

Our experience on over 5,000 Arctic projects for onshore and offshore developments extends from the eastern territories of Russia, Norway, Kazakhstan and Greenland to the territories of northern Canada and Alaska.

Modularization
Bringing skills across from our remote, harsh environments and offshore design heritage onto land based developments has enabled a degree of pre-fabrication never previously attempted with onshore modularization.

TRANS-ALASKA PIPELINE SYSTEM, ALASKA

"WorleyParsons and **INTECSEA** are world leaders in concept selection, design and construction of oil and gas production facilities located in remote, hostile environments."

SPECIALIST SERVICES

Sulphur
Sulphur related design and technology have long been core services in which WorleyParsons is recognized as a world leader for large and small projects. Our expertise has been built up over many years providing a unique total sulphur management capability. We have designed over 600 sulphur recovery plants worldwide using in-house technologies and those of alliance partners and offer a complete range of sulphur recovery, including standard and oxygen-enriched Claus technology, tail gas treating technology and sulphur degassing, and are able to meet the most stringent environmental standards.

Standardization
Increasingly, owners across the oil and gas industry are employing standardization opportunities to create long term efficiency and reduce development investment. Standardization can come in many forms through the project development cycle including:

- Replicated design
- Smart plug-and-play designs to minimize waste and to aid flexibility
- Creating standard modularized building block solutions
- Lean project delivery philosophy
- Standardization of equipment across an asset
- Standardization of supply chain relationships
- Standardization of operational processes.

To achieve the objectives of standardization, a rigorous project management structure, strong leadership and a commitment to collaboration from the owner, contractors and suppliers are essential.

Collaboration meets innovation: Oil Spill Tracking Buoys
The Deepwater Horizon disaster in 2010 highlighted that very little was known about how oil spills spread. Accurately tracking a plume means clean-up efforts are coordinated and the threats to ecosystems and environmental integrity reduced. Analysis has shown that oil drifts along the surface of ocean water at 97% of current speed, but only at a fraction of the wind speed. The buoys deployed during the disaster sat too proud in the water and were driven the wrong way by wind.

WorleyParsons devised an innovative way to accurately track spills with the Oil Spill Tracking Buoy (OSTB) and therefore allow the rescue teams to react more quickly to limit the impact on both the environment and communities. The OSTB tracks a surface oil spill by limiting the buoy's movements to the metocean conditions found at the air-sea interface, in the upper 0.5 m of the water column. This novel solution required material selection and manufacture, ocean validation and telecommunication engineers to come together to produce a device which is largely underwater but can continue to communicate in real-time with satellites. The OSTBs can be safely deployed from oil platforms or via helicopter and weighing only 7 kg, an OSTB can be deployed and recovered by a single person.

The OSTB is a perfect example of when collaboration meets innovation.

"We challenged WorleyParsons to develop an accurate **cost effective** and **flexible** solution for tracking oil spills. The challenge was accepted and the solution delivered was a new benchmark in Oil Spill Tracking Buoys. Either hire or purchase, deployable from significant heights, long signal transfer durations and designed to accurately emulate the movement of oil on the water, the solution was more than acceptable."

CASE STUDY: OIL SPILL TRACKING BUOYS
BUSINESS LINE: WORLEYPARSONS CONSULTING

North Rankin Redevelopment Project – project delivery in joint venture

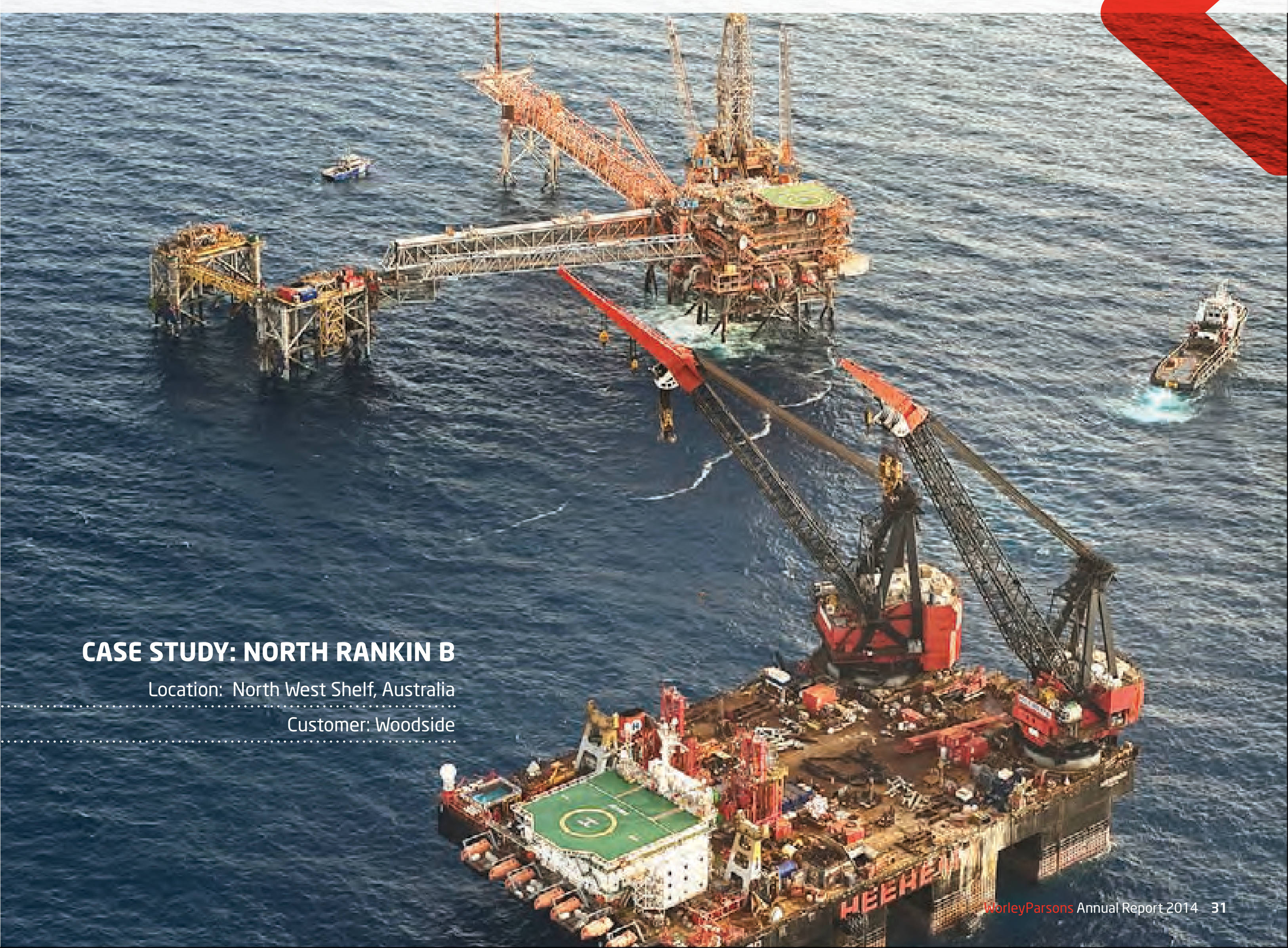
The North Rankin Redevelopment Project involved the installation of a new gas compression platform, North Rankin B (NRB), to sit adjacent to the existing North Rankin A (NRA) platform. Connected by two 100m bridges, both platforms operate as a single integrated facility known as the North Rankin Complex for the recovery of approximately five trillion cubic feet of low pressure reserves from the North Rankin and Perseus fields.

The project involved the development of NRB with three 27 MW gas compression trains, low pressure separators, utilities, power generation and accommodation and was executed concurrently with a significant life extension program for the existing NRA platform.

Much of the work was of a pioneering nature. The project required innovative approaches in engineering, fabrication, transportation and installation, including several world firsts. Installation of the 24,250 tonne topsides was undertaken using the float-over method. This involved the tallest and second heaviest float-over installation in open water, performed by steering the world's largest barge between the jacket legs and gently lowering the topsides into place.

The project involved a worldwide effort, drawing on people and resources from many countries. Project management was performed in Perth and was extensively supported in the design and procurement and construction phases by engineers from the Eos joint venture, a 50/50 joint venture between WorleyParsons and KBR. Hook-up and commissioning services were provided by Transfield Worley, a 50/50 joint venture between WorleyParsons and Transfield Services.

As Western Australia's largest single producer of domestic gas and one of the world's largest producers of LNG, it was vital for the North West Shelf Project that NRA continued to operate and deliver gas to capacity throughout the 4 ½ year offshore construction period. Drawing upon expertise from across the world and led by the project management team in Perth, the project had a heavy emphasis on engineering and safety in design considerations associated with constructing, installing and commissioning the new platform, while maintaining safety, operations and production from the existing facility. Successful start-up of the dual platform complex was achieved in October 2013.



CASE STUDY: NORTH RANKIN B

Location: North West Shelf, Australia

Customer: Woodside

Minerals, Metals & Chemicals

We deliver a wide range of services to the minerals, metals and chemicals markets, encompassing aluminium, bauxite and alumina, base metals, precious metals, coal, iron ore, fertilizers and chemicals.


MICL KEMBERTON PLANT, AUSTRALIA

> “We help our customers to realize their business goals by providing a combination of robust engineering with deep local knowledge and extensive integrated solutions.”

MARK SOUTHEY, GROUP SECTOR MANAGING DIRECTOR - MINERALS, METALS & CHEMICALS

MINERALS AND METALS

Utilizing our comprehensive global network, we deliver small studies and advisory solutions through to comprehensive pit-to-port mega-projects. We have achieved particular recognition for the delivery of complex processing plants and deep shaft mines.

We focus on delivering value to our customers’ core business. This includes applying innovation to help them achieve more with less. By focusing on adopting the right technology for the right project environment, we are able to embed efficient mine design and planning to achieve lower cost and increase speed to market. Our waste minimization strategies look at effectively optimizing operations with minimum outlay, and our process and information management approaches increase plant productivity and reliability.

WorleyParsons provides innovative solutions for each step of the mining value chain.

THE MINING VALUE CHAIN

Vale S11D

Vale's multi-billion dollar S11D project is a world-class iron ore processing facility located approximately 1,940 km north east of São Paulo in Para State, Brazil.

One of the world's richest iron ore bodies, upon completion the project will produce 90 Mtpa of direct shipping ore.

To mitigate potential schedule impacts attributed to possible environmental permitting delays, WorleyParsons designed the beneficiation plant in a modular fashion (over 100 modules) which allowed design work and engineering to be carried out far earlier than a traditional approach.

The plant was designed by our modularization specialists in Edmonton, Canada with support from our local Brazilian team in Belo Horizonte.

CASE STUDY: VALE S11D

Location: Para, Brazil

Customer: Vale

CHEMICALS

WorleyParsons has a strong position in providing engineering services to the chemicals industry, delivering some of the world's largest chemicals projects, often as lead EPCM contractor or as Project Management Contractor (PMC). Our deep industry knowledge has been gained from successfully delivering over 800 chemical projects across six continents to provide optimized and profitable outcomes that meet our customers' needs.

We provide world-class expertise in:

- Petrochemicals
- Plastics and polymers
- Inorganic chemicals
- Fertilizers
- Specialty chemicals.

Our wide range of services include feasibility studies, technology selection, EPCM, pre-commissioning, commissioning, start-up and long term support across the lifecycle of the asset. We recognize our chemicals customers need immediate access to strong local technical expertise, and we have strengthened our geographic presence and local capabilities to meet this challenge.

China – Global Chemicals Hub

WorleyParsons China has been in operation since 1999 growing to over 2,600 personnel, across eight offices, to become one off the largest international engineering and project delivery company in China. The China operations provide full FEED, EPCM, PMC and Integrated Project Management Team (IPMT) and engineering service to major international companies delivering projects in China, and providing cost effective technical support to WorleyParsons' operations worldwide through workshare.

T155 Port Expansion Project

WorleyParsons was engaged by Fortescue Metals Group as the definitive feasibility study and EPCM service provider responsible for the delivery of Fortescue's T155 Port Development Herb Elliott Facilities at Port Hedland.

To meet the fast track schedule, the implementation of a pre-assembly and sea transportation strategy was used to mitigate risk to schedule and to address labor and accommodation shortages in the Pilbara.

This project included other innovations such as the introduction of a Contractor HSE engagement strategy – "Good to Go - Hold the Line". The project achieved a step change in safety performance of contractors including the traditional high risk activity of dredging.

We also implemented the concept of empowering cooperative relationships with all contracting partners to deliver successful project outcomes, through a "trust but verify" construction management approach.

This rapid paced project set new benchmarks for brownfield expansion projects in the iron ore industry.

CASE STUDY: T155

Location: Port Hedland, Australia

Customer: Fortescue Metals Group

Infrastructure

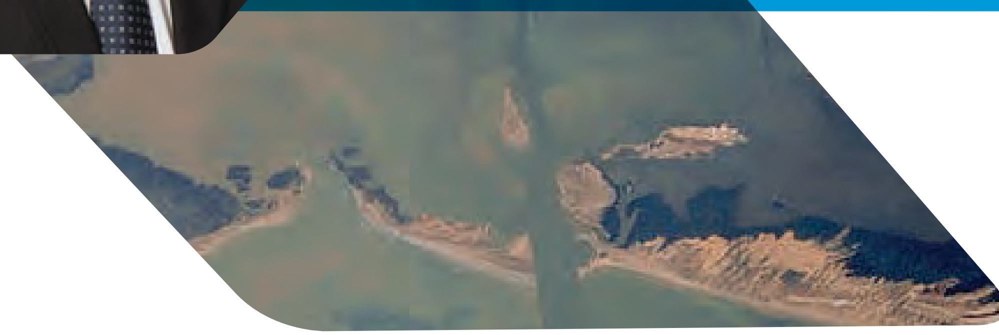
Infrastructure offers complete economic infrastructure solutions to customers with resource, energy, industrial and urban challenges.

BRUCE POWER, TIVERTON

BC FERRIES, TSAWWASSEN

"WorleyParsons Infrastructure group understands the needs of our customers, and provides the specialist infrastructure and consulting services they require."

DR GERARD DYSON, GROUP SECTOR MANAGING DIRECTOR – INFRASTRUCTURE



WORLEYPARSONS OFFERS ECONOMIC INFRASTRUCTURE SOLUTIONS FOR BOTH RESOURCE AND ENERGY AND NON-RESOURCE CUSTOMERS.

Services include transportation, utilities and specialist consulting across the asset lifecycle, from pre-feasibility and delivery, through to asset management, operations and maintenance.

TRANSPORTATION SERVICES

WorleyParsons provides transportation services across roads, rail and ports.

Roads

The roads subsector provides concept through to delivery and operational services for roads, bridges and associated infrastructure.

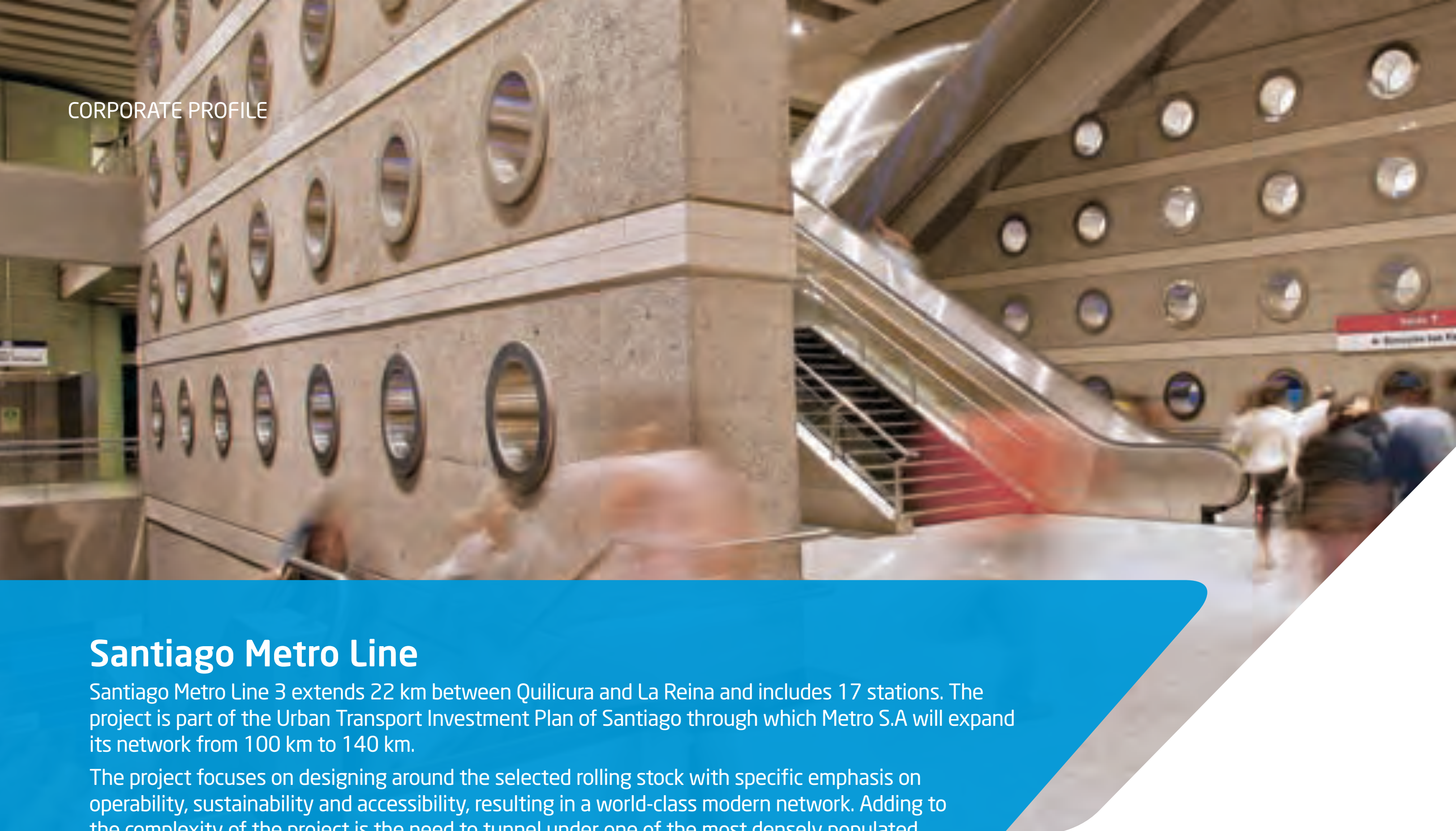
Rail

WorleyParsons Rail specializes in resource rail, large-scale project development and delivery, and productivity improvement of existing rail operations of all types including heavy-haul railways and management of urban rail projects.
The Rail group has particular expertise in rolling stock design and procurement.

Ports

The Port and Marine Terminals group has proven ability in marine structures, coastal and ocean engineering, marine environmental sciences, and terminals. The group has a tailored suite of processes and proprietary tools that have been successfully applied to some of the industry's most challenging and largest projects:

- Arctic ports
- Total dredging solutions
- Ports *Improve* offering
- Bulk materials handling
- Structural inspection and underwater inspections
- Diverless marine monitoring solutions
- Modularization
- Pit-to-port resource logistics tool.



Santiago Metro Line

Santiago Metro Line 3 extends 22 km between Quilicura and La Reina and includes 17 stations. The project is part of the Urban Transport Investment Plan of Santiago through which Metro S.A will expand its network from 100 km to 140 km.

The project focuses on designing around the selected rolling stock with specific emphasis on operability, sustainability and accessibility, resulting in a world-class modern network. Adding to the complexity of the project is the need to tunnel under one of the most densely populated cities in the country. This new line covers a large portion of the city and intersects with many of the currently operating metro lines. Managing the interaction with existing lines through tunnels and station areas is key to optimizing operability, reducing construction costs and ensuring minimal disruptions to existing operations.

The four-year contract is in partnership with ARCADIS and involves environmental permitting and concept and detailed design, followed by construction supervision. Our long standing relationship with Metro Santiago spans over 20 years, having collaborated successfully together for Lines 1, 2, 4 and 5.

Line 3 is due to open in 2018 and will be served by a fleet of 115 new metro cars.

CASE STUDY: SANTIAGO METRO LINE 3

Location: Chile

Customer: Metro de Santiago

UTILITY SERVICES

WorleyParsons is a leading provider of services to the power, water and wastewater industries.

Power

The Power team delivers services to resource and utility customers in all segments of the power industry:

- Coal-fired power
- Gas-fired power
- Nuclear
- Power networks
- Renewable energy
- Resource power.

WorleyParsons acts as the prime contractor or as a member of a joint venture to deliver the most effective service to meet our customers' needs. Services also include specialist consulting and advisory skills.

Water and Wastewater

The Water and Wastewater team services customers in areas from water permitting and gathering (hydrology, hydrogeology and desalination) through conveyancing, to treatment and ultimately wastewater treatment and disposal or reuse.

Through a proactive network of key partners in the services, construction, utility, finance and advisory space, our Water group is able to provide or facilitate integrated holistic water solutions for customers in the resource or non-resource space.

The Water group has specialized and niche skills in water sourcing and continuity of supply, advanced catchment management techniques, innovative water treatment and recycling methods, footprint reduction initiatives and efficiency.

WESTMINSTER PIER PARK, CANADA

SPECIALIST CONSULTING SERVICES

To support customers throughout all phases of the asset lifecycle, WorleyParsons provides specialist consulting services in the areas of environment, restoration, geotechnics, geomatics, planning and advanced analysis.

Environmental Services

WorleyParsons is a leading provider of environmental management and social responsibility services for the resources and energy sectors. We provide customers with a complete approach to their unique interfaces with natural, physical, social, cultural, regulatory and built environments.

Our understanding of global regulatory frameworks ensures we deliver customers with best-practice solutions in sustainability and social and environment stakeholder compliance management.

Restoration

Emerging regulations associated with protecting human and environmental health, the increasing value of land, catastrophic events and natural resource damage, recycling of industrial materials and productive reuse of industrial land are part of the challenges that face industry, communities, governments and regulators today. WorleyParsons restoration specialists understand these issues and have developed a range of services to address these challenges including program management, advisory and technical capabilities.

WorleyParsons uses its proprietary software, the "Restoration Tool Kit", to effectively identify and manage project scope, perform project planning, determine and assess environmental liability, conduct project prioritization and sequencing, perform risk assessment and management at multiple levels, and determine estimating and scheduling requirements.

Geotechnical Services

WorleyParsons is a leading provider of specialist geotechnical services. Our global team of engineering geologists, geophysicists and geotechnical engineers provides complete solutions to understanding ground conditions.

Our experience covers complex arctic, land and marine environments and supports our customers in:

- Planning, executing and managing site investigations
- Interpretation and analysis of factual data
- Design and construction services for tunnels, foundations, slopes and other geotechnical challenges.

GEOMATICS

WorleyParsons is proficient in all major GIS platforms and has particular expertise in the creation of data management, interpretation and analysis solutions using these platforms. Through our Digital Enterprise business line, we are able to incorporate many "smart" applications into geomatics solutions to give customers the collection, management, analysis and interpretation of geospatial and other data.

PLANNING SERVICES

WorleyParsons provides specialist transportation and master planning services for urban and resource customers. Ranging from country-scale industrialization studies through to project-scale traffic modeling of construction sequencing, we have planning services that are informed by the technical depth of WorleyParsons.

ADVANCED ANALYSIS SERVICES

Some technical problems are too complex to solve with codified or standard solutions. WorleyParsons Advanced Analysis consultants have the expertise to provide solutions for non-standard problems. Solutions include:

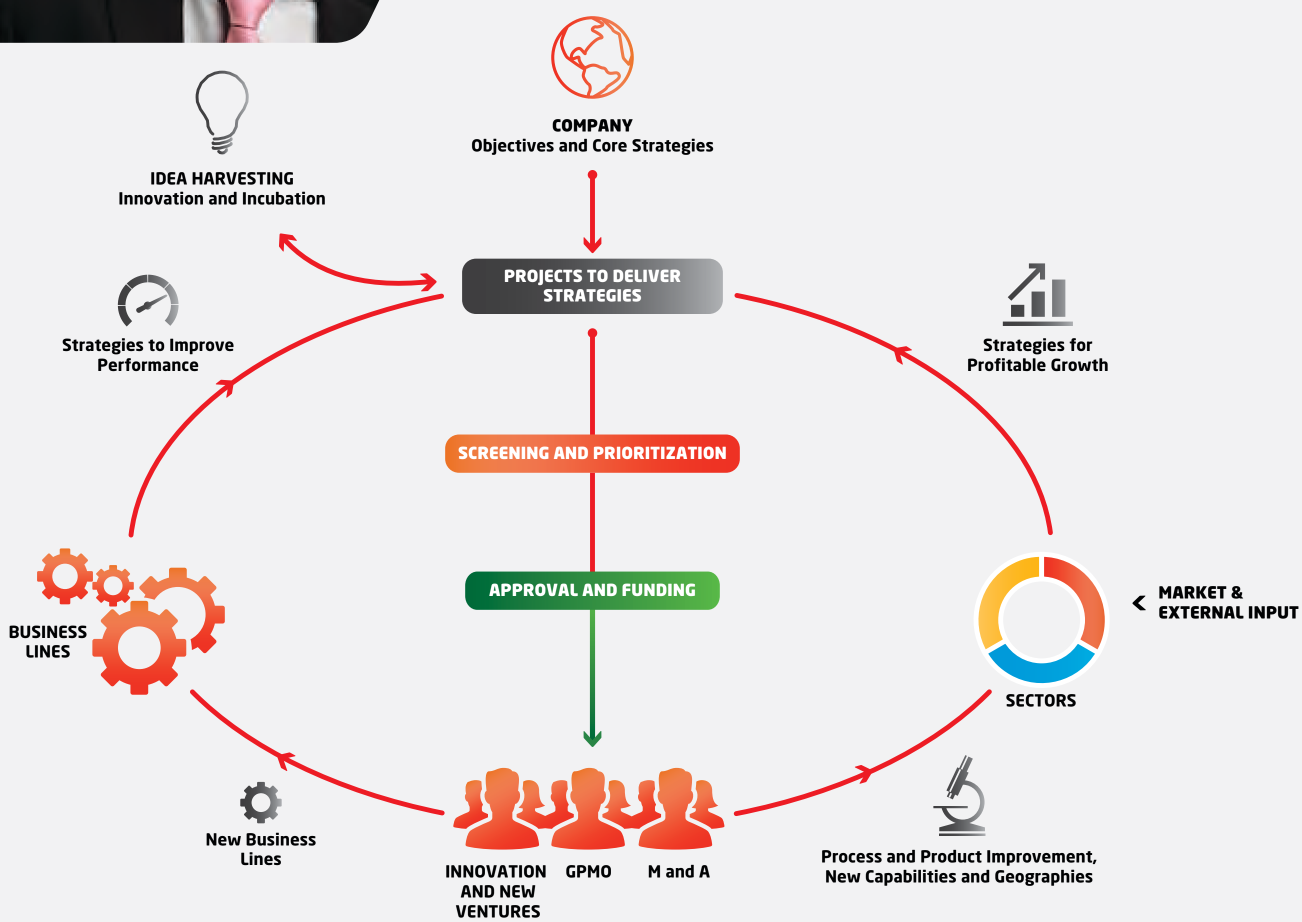
- Discrete event simulation
- Finite element analysis
- Computational fluid dynamics
- Specialist software and applications.

Development

The Development group has been established to manage investment for the Group.

"The Development group has been established to manage investment for the Group including nurturing innovation and new business ventures, delivering on merger and acquisition opportunities and better managing internal investments and improvements within the business lines."

DAVID STEELE, GROUP MANAGING DIRECTOR - DEVELOPMENT



IAIN ROSS, CHIEF EXECUTIVE OFFICER, DIGITAL ENTERPRISE

Digital Enterprise

WorleyParsons manages a huge amount of data for our customers. Within that data is domain knowledge in how to best use that data to deliver value for customers. Digital Enterprise is focused on the capture, analysis and interpretation of that data to generate greater value from our customers' assets through process improvement. It covers all activities associated with the creation, management and maintenance of the digital representation of an asset and the information and data created for and by the asset throughout its lifecycle.

The offering includes services across all of our operating phases from Advisory and Consulting through to *Improve* and Restoration.

Innovation and New Ventures

Our Innovation Incubator has developed formal processes for innovation harvesting. We expect our innovation process to deliver increased value to our customers while providing new opportunities for growth consistent with our horizon 2 and 3 strategies.

The New Ventures group will continue to search for new opportunities for growth through the development of standalone, adjacent and complementary offerings like the Digital Enterprise and Advisian businesses.

Group Project Management Office (GPMO)

The GPMO has been set up to centrally manage internal investments and improvements in the business lines. By centrally controlling investment, we avoid duplication of effort and rigorously assess opportunities to ensure that we are investing in areas that deliver the greatest return on investment and deliver real value for all our stakeholders. The GPMO will take a portfolio management approach with individual activities run as projects with resources assigned as required. The GPMO also project manages all areas of investment across the Group so that overall investment in the organization can be captured and measured.

Mergers and Acquisitions

Mergers and Acquisitions is one of the ways we deploy capital to achieve the strategic growth ambitions of the Company. WorleyParsons has a long history of acquiring organizations to help improve our service offering and capability to meet the needs of our customers and we continue to look for opportunities to grow in this way. The Mergers and Acquisitions group drives the acquisition program and manages the divestment of non-core assets at the Group level.

Advisian

WorleyParsons Group

DENNIS FINN, CHIEF EXECUTIVE OFFICER, ADVISIAN

Advisian

Advisian is the global advisory services business of the WorleyParsons Group dedicated to creating greater value, new possibilities and superior outcomes for its clients.

Advisian works alongside its clients to optimize their assets, asset portfolios, operating businesses and future endeavours drawing on our expertise and real-world experience in the resources, energy and infrastructure sectors to deliver services of exceptional quality. It operates in three regions: the Americas, EMEA (Europe, Middle East and Africa) and ANZA (Australia/New Zealand and Asia), and operates in eight initial service lines:

- Strategy & Policy
- EcoNomics™
- Project feasibility
- Transaction management and procurement
- Contractual services
- Project support services
- Asset management and operations
- People and organization.

The business incorporates the capabilities of Evans & Peck.

www.advisian.com

Group Functions

With the majority of support now provided in the individual business lines, our group functions at the corporate level have been streamlined.

Under the current organization structure, each business line is responsible for providing and sourcing the optimal level of operational support that they require. With the majority of support now provided in the individual business lines, our group functions at the corporate level have been streamlined. The resulting lean corporate office has responsibility for strategy (through our Group Sector Managing Directors of Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure) and improved capital allocation (through our new Development group), in addition to assurance and governance activities.

Assurance

The Assurance team provide risk-based business assurance on the effectiveness and efficiency of the WorleyParsons internal controls, reliability of reporting and compliance with laws and regulations.

The team is responsible for ensuring that material risks are being managed. Areas of focus are:

- OneWay™, HSE, Risk, Ready Response and Recovery (R3), quality assurance & corporate responsibility and corporate people frameworks
- Reporting to the Group Leadership Team and the Board
- Identifying risk and assurance emerging themes
- Corporate crisis support leadership
- Security and intelligence gathering and communication
- ISO 9001 certification management and coordination
- Guidance on executive remuneration.

Internal audit operates under the direction of the Board and on a day-to-day basis is part of the Assurance team.

Finance

Our Finance function has three areas of responsibility:

- Operational finance
- Shared transactional and Information Management (iM) services
- Corporate activities and other specialized support functions.

The Operational Finance team are the custodians of the finance systems and are responsible for ensuring the consistent application of standardized processes, systems and corporate and financial reporting.

Shared Services provides efficient, reliable and responsive shared services for the organization that are able to be scaled up and down with the business needs and are delivered via the:

- Business services center for transactional processing and reporting
- iM infrastructure, operating systems and associated services.

Finance also provides support such as:

- Statutory and regulatory requirements
- Tax and treasury
- Investor relations and external and internal communications
- Property leasing
- Corporate procurement.

Company Secretariat and General Counsel Corporate

The Company Secretariat and General Counsel Corporate function advises the Board and senior management on governance and corporate legal matters.

OPERATING AND FINANCIAL REVIEW

1 OPERATIONS

1.1 Overview

WorleyParsons is a professional services provider to the resources, energy and industrial sectors.

During the year ended 30 June 2014 (FY2014), we reported in three customer sector groups, each of which focused on customers involved in the following activities:

- Hydrocarbons – the extraction and processing of oil and gas;
- Minerals, Metals & Chemicals – the extraction and processing of mineral resources and the manufacture of chemicals; and
- Infrastructure – projects related to water, the environment, transport, ports and site remediation and decommissioning; and all forms of power generation, transmission and distribution.

On 1 May 2014, after an in-depth review of operations, we reorganized our business into three business lines of Major Projects, Services and *Improve* along with the new Development group and corporate functions. The review and the restructure were aimed at better positioning the Company for future earnings growth by improving delivery and offering a more competitive value proposition for our customers. From 1 July 2014, we will report in these three business lines.

Additional information on the business lines, Development group and corporate functions is provided in the Corporate Profile section of this Annual Report.

Our customers include multi-national oil and gas, resources and chemicals companies as well as more regionally and locally focused companies, national oil companies and government owned utilities operating in the sectors described above.

The diversity of our business in terms of geography, industry and service offering is a fundamental strength. We operate in 46 countries, with no country representing more than 30% of aggregated revenue.

In order to provide local delivery to our customers, we employed 35,600 people, in 157 offices located in 46 countries.

1.2 Business model

Our business is based on our people providing key services to our customers from within our three business lines. We strive to empower our people to support our customers in being successful. We support our people with our business procedures and systems and generate earnings by charging their time spent performing professional services to our customers.

Aggregated revenue and profit: Our sources of revenue and profit are diversified and revenue and profit are generated from a large number of customers. As a result, we are not dependent on any one of our customers for a significant portion of our revenue and profit. Aggregated revenue excludes revenue that has nil margin (typically relates to procurement revenue where WorleyParsons undertakes procurement on our customers' behalf with no exposure to financing costs or warranty obligations). We believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group and include this within aggregated revenue.

Costs: Our two largest costs are: staff costs; and administration costs, which includes office lease costs. We also have a significant amount of pass through costs that are reimbursed by our customers.

Assets and liabilities: The significant items on our balance sheet are mainly project related, such as trade receivables, unbilled receivables, provisions and borrowings. We also hold a number of intangible assets generated through previous acquisitions.

Our business is not capital intensive. Our contract terms typically require our customers to pay us within 30 days of receiving our invoice, while, in a number of our locations, we must pay expenses (e.g. staff salaries) at shorter intervals. This time differential makes up the majority of our capital requirements.

1.3 Review of operations

The statutory net profit after tax (NPAT) for FY2014 was $249.1 million for the 12 months to 30 June 2014. Underlying NPAT was $263.4 million, down 18.2% on the previous corresponding period and was in line with guidance issued in November 2013.

Aggregated revenue and NPAT were down when compared to FY2013 primarily due to the downturn in the Australian business, previously the major contributor to the Company's earnings, and additional project costs in WorleyParsonsCord experienced in the first half. WorleyParsonsCord's performance in the second half improved significantly with these legacy project issues having no further impact on its results.

The reorganization we announced in April is essentially complete and we are significantly progressed in achieving the objectives we set ourselves – that is to simplify the corporate structure, reduce overhead costs and enable our staff to deliver greater customer satisfaction. We have refocused our strategy to more aggressively leverage our broad and deep technical capabilities and our diverse geographic presence.

Approximately 1,200 overhead roles were removed in the second half as part of the organizational restructure announced in April 2014. As foreshadowed, this resulted in a reorganisation charge of $35.4 million before tax. This does not include the impact of the previously announced reduction of 500 overhead roles in the first half.

The Company employed 35,600 people at the end of July 2014, down from 39,800 people at the same time last year.

Operating cash flow for the period increased to $550.1 million, compared to $443.5 million in the previous corresponding period. The Company's gearing ratio at 30 June 2014 was 19.5%.

THERE ARE THREE MEASURES THAT ARE KEY TO UNDERSTANDING OUR RESULTS:

1. Aggregated revenue
2. EBIT (earnings before interest and tax)
3. NPAT (net profit after tax) attributable to shareholders.

	FY2014 $'M	FY2013 $'M	Comments	Movement
1. Aggregated revenue	7,363.7	7,627.0	We define aggregated revenue as: • Our revenue and income calculated in accordance with relevant accounting standards • Plus our share of revenue earned by our associates • Less procurement at nil margin, and interest income.	Our aggregated revenue decreased by 3.5% in FY2014 when compared with that for FY2013 due to completion of large projects in Australia and WorleyParsonsCord.
2. EBIT	428.2	527.0	EBIT means earnings before interest and tax.	Our EBIT decreased by 18.7% in FY2014 when compared with that for FY2013 due to the decline in the Australian operation, restructuring costs and additional costs on a project in WorleyParsonsCord.
3. NPAT attributable to members of WorleyParsons Limited	249.1	322.1	NPAT means net profit after tax.	Our NPAT decreased by 22.7% in FY2014 when compared with that for FY2013 due to the decline in the Australian operation, restructuring costs and additional costs on a project in WorleyParsonsCord.

Segment performance

Hydrocarbons

The Hydrocarbons sector reported aggregated revenue of $5,372 million and EBIT of $627 million, lower than the previous corresponding period (FY2013: aggregated revenue of $5,493 million and EBIT $654 million).

The Hydrocarbons sector delivered reduced earnings in all regions except for Europe, where earnings increased through the full year contribution from Rosenberg WorleyParsons in Norway and Sub-Saharan Africa due to a major project in that region. The Australian market continued to contract due to a reduction in project activity. Despite the improvement in performance of the WorleyParsonsCord business in the second half, full-year earnings declined compared with the prior year due to lower project activity and the poor commercial performance of a project in the first half.

Professional services EBIT margins were maintained but the construction and fabrication EBIT margin declined by 0.7%. The overall Hydrocarbons EBIT margin declined by 0.2%.

	Aggregated Revenue		Contribution to Group Aggregated Revenue	EBIT		EBIT Margin
	$'M	Variance	%	$'M	Variance	%
FY2014	5,371.5	(2.2)%	73	627.3	(4.1)%	11.7
FY2013	5,492.9		72	654.4		11.9

Minerals, Metals & Chemicals

The Minerals, Metals & Chemicals sector reported aggregated revenue of $1,066 million and EBIT of $131 million, lower than the previous corresponding period (FY2013: aggregated revenue $1,097 million, EBIT $143 million). The EBIT margin declined by 0.7%.

Minerals and metals customers continued to limit capital expenditure and focus on productivity improvements. Capital expenditure in this industry has reduced significantly (down nearly 30% from the 2012 peak) with the investment focus shifting largely to brownfield projects.

The result was particularly impacted by the decline in earnings from the Australian and Latin American businesses. The chemicals subsector continued to grow, as part of our diversification strategy in this sector.

	Aggregated Revenue		Contribution to Group Aggregated Revenue	EBIT		EBIT Margin
	$'M	Variance	%	$'M	Variance	%
FY2014	1,065.9	(2.8)%	14	131.2	(8.1)%	12.3
FY2013	1,096.5		14	142.8		13.0

Infrastructure

The Infrastructure sector reported aggregated revenue of $926 million and EBIT of $64 million, lower than the previous corresponding period (FY2013: aggregated revenue $1,038 million, EBIT $107 million, including a one off gain from the sale of power contracts to Transfield Worley Power Services joint venture). EBIT margins declined by 3.4%.

Infrastructure was impacted by the downturn in resource project activity in the Australian business. The European business suffered from a cancellation of a nuclear project in the first half. In addition, earnings declined in the European and Middle East Infrastructure businesses as projects that had a material contribution to the FY2013 reached completion.

	Aggregated Revenue		Contribution to Group Aggregated Revenue	EBIT		EBIT Margin
	$'M	Variance	%	$'M	Variance	%
FY2014	926.3	(10.7)%	13	64.0	(40.4)%	6.9
FY2013	1,037.6		14	107.3		10.3

1.4 Significant changes in operations during FY2014

In April 2014, the Company announced a reorganization of the business aimed at simplifying the corporate structure, reducing overhead costs and enabling our staff to deliver greater customer satisfaction.

On 1 May 2014, we reorganized into three business lines – Services, Major Projects and *Improve*. Each of our business lines has full accountability and responsibility for customer satisfaction, generating sustainable earnings and providing a satisfactory level of return on capital invested. In addition, each business line is responsible for providing and sourcing the optimal level of operation support.

We nurture new business ventures through our Development group. Two businesses are currently being supported; Advisian and Digital Enterprise.

Group functions at the corporate level were streamlined with our leaner corporate office responsible for strategy, improved capital allocation and corporate governance.

2 FINANCIAL POSITION AND CASH FLOW

2.1 Matters relevant to understanding WorleyParsons' financial position

THERE ARE FOUR ITEMS THAT ARE KEY TO UNDERSTANDING OUR FINANCIAL POSITION:

1. Operating cash flow
2. Gearing ratio
3. Debt facility utilization
4. Loan and overdraft facilities.

	FY2014 $'M	FY2013 $'M	Comments	Movement
1. Operating cash flow	550.1	443.5	Our operating cash flow comprises the payments we receive from our customers less the amount we pay our suppliers, plus related interest and tax paid. In our financial statements, operating cash flow is called net cash inflow from operating activities.	Our operating cash flow increased by 24% in FY2014 when compared to FY2013 due to our continued focus on cash collection.
2. Gearing ratio	19.5%	25.3%	Our gearing ratio is our net debt divided by the sum of our net debt and our total equity, at the end of the financial year.	Our gearing ratio decreased by 5.8% percentage points in FY2014 when compared to FY2013 due to the repayment of US$140.5 million of US Private Placement (USPP) debt. This ratio is below the lower end of our gearing target of 25% to 35%.
3. Debt facility utilization	50.3%	55.5%	Our loan, finance lease and overdraft facilities utilization is the amount of our debt facilities utilized at the end of the financial year.	Our debt facility utilization decreased by 5.2 percentage points in FY2014 when compared to FY2013 due to our improved cash flow performance.
4. Loan, finance lease and overdraft facilities	1,782.6	1,912.4	Our loan, finance lease and overdraft facilities are the amount of our debt facilities at the end of the financial year.	The amount of our loan, finance lease and overdraft facilities decreased during FY2014 due to the repayment of a tranche of USPP debt.

2.2 Dividends

Our practice has been that approximately 60% to 70% of WorleyParsons' full year net profit after tax will be available for distribution as dividends, with the balance being retained for funding ongoing growth. Dividends are franked to the extent franking credits are available. Our directors have resolved to pay a final dividend of 51.0 cents per fully paid ordinary share franked to 20.5%. As a result, 79.6% of our full year undelying net profit after tax for FY2014 will be distributed to shareholders as a dividend. This compares with distributing 70.8% of our full year underlying net profit after tax for FY2013.

2.3 Significant changes in WorleyParsons' Financial Position during FY2014

Significant changes in WorleyParsons' Financial Position during FY2014 include:

- Refinancing of US$520 million through a US Bank Syndication which led to an increase in the average maturity from 3.8 years as at 30 June 2013 to 4.2 years as at 30 June 2014 (no funds were drawn under these facilities on 30 June 2014); and
- Transfer of Exmouth Power Station to assets and liabilities held for sale.

2.4 Future commitments

There are two types of future commitments which do not appear on our balance sheet and are relevant to understanding our financial position:

- Operating leases
- Operating expenditure commitments.

In general, we lease the various office buildings from which we operate, rather than owning those buildings. "Operating leases" refers to those leases.

In addition, we are generally licensed to use software and also lease various items of computer hardware that we use in operating our business, rather than owning the software or computer hardware ourselves. We refer to our commitments to pay software license and equipment lease fees as operating expenditure commitments.

These future commitments represent approximately 8.9% of our expenses.

3 BUSINESS STRATEGY, OUTLOOK AND RISKS

3.1 Business strategy

We develop our business strategy using an iterative process at each of the key levels of our business such that we have:

- A Group strategy
- Sector strategies
- Business plans to guide the implementation of our sector strategies at a business line level.

Our Group strategy describes markets in which we intend to invest to create sustainable competitive advantage (leading to greater market share and/or higher margins) and deliver on our corporate vision.

Our sector level strategies are a detailed view of these markets and are typically broken down by Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure sectors and their corresponding major sub sectors (e.g. LNG, iron ore).

At the business line level, we translate our sector strategies into business plans to deliver on the intent of the sector strategies as applicable to them. Our business plans map specific near and medium term opportunities or portfolios of opportunities to the strategic themes, to provide clear and tangible targets for the individual business leaders to pursue, win and execute.

Overall, our key markets continue to present challenges, including increasing competition and customers delaying the making of commitments to new developments. We believe we have taken appropriate steps during FY2014 to realign and position the Group to address these challenging market conditions.

Strategically, our immediate focus is on getting better at what we do and prudently managing costs. We are more aggressively pursuing growth from our core, both into new geographies and new service offerings. In addition we are developing new ventures aligned with and complementary to our existing business. Two new ventures are being developed - our advisory business, Advisian, and Digital Enterprise. We will invest to accelerate the growth of these new ventures and are progressing acquisition opportunities.

3.2 Outlook

We expect global capital expenditure levels in Hydrocarbons for FY2015 to be flat compared with FY2014, with capital largely being directed to completing projects already underway.
We believe our customers will need to initiate new projects in the medium term to maintain production, providing growth opportunities for WorleyParsons. We have recently been awarded three significant contracts, which for confidentiality reasons we are not yet able to announce, that underpin our confidence in our outlook.

We expect the trend of decreasing Minerals and Metals capital expenditure to continue for the next 12 months, but expect a recovery in the medium term. Chemicals industry capital expenditure is expected to remain strong within the US and we expect fertilizer demand will continue to provide increasing opportunities globally.

The outlook for resource-related infrastructure capital expenditure is linked to the outlook for the Hydrocarbons and Minerals, Metals & Chemicals sectors. Capital investment in non resource infrastructure has a stronger outlook where WorleyParsons' expertise, particularly in environmental services, water and power generation and transmission, is being deployed to capture the opportunities in this market.

We have taken decisive action to improve margins and ensure the business is responding to market conditions and our customers' needs. We are focused on realizing our objective of providing our shareholders a satisfactory return on their investments. We are confident in our prospects based on our competitive position, our diversified operations and our strong financial capacity.

3.3 Risks

Achievement of our medium and long term prospects could be impacted by a number of risks. Those risks could, individually or together, have an adverse effect on achievement of those prospects.

Set out below is an overview of a number of key risks that we face in seeking to achieve our medium and long term prospects. The risks are not set out in any particular order and do not comprise of every risk we face in conducting our business or every risk that may affect the achievement of those prospects. Rather, they are the most significant of the risks that we believe we should be monitoring and seeking to mitigate or otherwise manage at this point in time.

Health and safety risk: Our business sometimes requires our people to be in high risk geographies, travel long distances by road, be in close proximity to complex operating equipment and be engaged in construction and operating activities. There is the risk of injury to, or the loss of life of, our people. To seek to mitigate this risk, we have a OneWay™ framework which includes the expectations that every one of our people must meet with respect to health and safety. OneWay™ expectations are supported by our business processes and we use them in assessing our performance; however, the risk exists that the failure to comply with such processes, customer health and safety requirements and applicable regulations could expose us to losses and liability.

Reputation risk: We rely on the strength of our reputation to help win and retain work, attract and retain employees, secure lines of credit and gain access to capital. Reputation can be damaged in a number of ways including through unethical business practices, poor project outcomes, negative media and not meeting the market's expectation of our financial performance. We use a range of strategies and actions to seek to mitigate this risk including training in our Code of Conduct for our people globally, an ethics helpline and our enterprise management systems.

Strategy risk: Strategy risk is the risk of failing to develop and implement an effective business strategy. Failure to do so may over time lead to a loss of market share, damage to our reputation and negatively impact our financial performance. To seek to mitigate this risk, we have a strategy development process which includes the development of multi-horizon, multi-year strategic plans. We develop and implement strategic initiatives and review our strategy during each year, making adjustments to it where appropriate.

Project delivery risk: Our execution of projects and assignments involves professional judgment regarding the planning, design, development, construction and operation of often complex operating facilities. While our customers generally retain liability for consequential damages and while we have adopted a range of insurance, risk management and mitigation programs designed to seek to reduce potential liabilities, a catastrophic event resulting from the services we have provided could result in professional or product liability, warranty or other claims against us, as well as reputational damage.

Competition risk: Our markets are competitive and this competition can place downward pressure on prices and margins. If we are unable to compete effectively in our markets, we run the risk of losing market share. We seek to mitigate this risk by seeking to target the projects where we have a competitive advantage, manage our costs and margins and use low cost delivery centers to execute certain aspects of our work.

Demand risk: The volatile and cyclical nature of commodity prices and demand for our customers' goods and services means that the demand for our services can likewise be cyclical. In addition, the preparedness of our customers to spend capital can sometimes vary markedly over relatively short periods, resulting in quite rapid and/or sustained changes in demand for our services. We have a number of strategies and processes in place to seek to mitigate this risk including retaining a proportion of personnel on short notice contracts, seeking contractual protection for project demobilization, particularly for projects that require a significant in-country mobilization of our people, and sharing work across locations.

Legal and contractual risk: We are, from time to time, engaged in disputes with third parties, some of which involve litigation and disputes over contractual terms. The outcomes of these disputes can be difficult to predict and may cause a material negative impact on any one year's financial performance. We seek to manage this risk through our contract review and risk screening processes and active dispute management.

Organizational change risk: This is the risk that our organization will not achieve its aims of simplifying our corporate structure, reducing overhead costs and enabling our staff to deliver greater customer satisfaction. To seek to mitigate this risk, we are implementing a comprehensive change program to improve the way we do business and to enable our staff to support customers.

Business interruption risk: As a global company, we are heavily reliant on computer, information and communications technology and related systems to operate efficiently and securely. We also operate at times in locations subject to natural disasters, civil unrest and military conflict. We seek to manage this risk through business continuity and disaster recovery systems and planning using a Ready, Response and Recovery (R3) methodology.

Partner risk: We operate through a number of joint ventures and partnering arrangements. The success of these businesses depends on the satisfactory performance of our partnership including meeting obligations. The failure of our partnerships could impact our reputation and financial results. We seek to mitigate this risk by conducting due diligence in relation to potential partners, using appropriate setup, clear responsibilities and operating principles, utilizing steering committees to maintain the health of the relationship throughout the life of the arrangement, responding to issues as they arise or are identified, conducting compliance reviews and regularly monitoring the performance of these partnerships.

3.4 Unreasonable prejudice

We have omitted information regarding: (1) our internal budgets and internal forecasts; and (2) details of our business strategy, on the basis that if we had included that information, doing so would have been likely to result in unreasonable prejudice to us.

3.5 Forward Looking Statements

This report contains forward looking statements, including statements of current intention, opinion and expectation regarding the Company's present and future operations, possible future events and future financial prospects. While these statements reflect expectations at the date of this report, they are, by their nature, not certain and are susceptible to change. WorleyParsons makes no representation, assurance or guarantee as to the accuracy of or likelihood of fulfilling any such forward looking statements (whether express or implied), and except as required by applicable law or the Australian Securites Exchange Listing Rules, disclaims any obligation or undertaking to publicly update such forward looking statements.

CORPORATE RESPONSIBILITY

The Group recognizes its fundamental role in the communities in which it operates. The Group aims to be recognized as an industry leader in corporate responsibility and to this end has embarked on a journey of continuous improvement.

The Group is committed to contributing to the development of local communities through local employment and corporate responsibility projects. The key drivers for success in these projects have been the Group's overarching support and the willingness of our personnel to volunteer their time and make donations in support of their local corporate responsibility activities.

For the year ended 30 June 2014 (Reporting Period), the Group has engaged in a broad range of projects across its business with a strong focus on skilled volunteering and pro bono projects. Other activities include sponsorships, fundraising for non-profit organizations and programs to reduce the Group's impact on the environment.

The Group has maintained a consistent level of financial contribution by personnel members to its corporate responsibility programs, while it has been pleasing to note the significant increases in volunteer hours, financial contribution from operations and the number of locations engaging in projects.

1. CORPORATE RESPONSIBILITY POLICY

In 2012, the Group revised and updated its Corporate Responsibility Policy to clearly articulate the Group's commitment and aspirations of corporate responsibility leadership.

The Group adheres to the following commitments:

WorleyParsons is committed to working with our customers and suppliers to achieve results that grow our company, reward our shareholders and our people and contribute to our communities. We acknowledge our responsibilities to the communities in which we operate.

Governance, Ethics and Transparency

We maintain the highest standards of corporate governance and ethics, and report our governance performance annually.

We conduct our business in an open, honest and ethical manner as described in our Code of Conduct and our integrity framework, OneWay™.

We integrate corporate responsibility in our business planning and decision making and measure, monitor and report our corporate responsibility performance on a regular basis.

Our People

Our people are our greatest asset and we support them by providing a work environment that is positive and safe and by committing to their ongoing development.

We promote a diverse and inclusive workplace as outlined in our Diversity and Inclusion Policy.

We are committed to being recognized as a leader in health and safety performance and have a goal of Zero Harm.

We apply fair labor practices and comply with applicable national and local labor laws of the countries and communities we work in.

We do not employ or condone the employment of forced or child labor.

Human Rights

We will respect the basic rights of the people we deal with and will not be complicit or engage in activities that solicit or encourage human rights abuse.

Community

We are committed to making a positive impact in the communities and environments in which we operate. Our people will be involved in community based initiatives, creating benefits for both the community and our people.

Our locations will support programs and initiatives specific to their locations, and wherever possible, in conjunction with our customers. We will support local businesses, train and employ local people, and utilize other local resources wherever we can.

Fair Operating Practices and Supply Chain

We will actively strive to implement socially responsible supply chain practices and anti-corruption practices working closely with our customers and suppliers as partners.

We expect our suppliers to operate with similar values as ours and will encourage them, where necessary, to adopt similar corporate responsibility policies as our own.

Environment

We recognize the importance of operating sustainably and commit to continually identify opportunities for improving our environmental performance.

We believe that all our people are responsible for performing their work in an environmentally sustainable manner. We will continue to deliver profitable sustainability to our customers through our EcoNomics™ service offering.

2. MILESTONES

During the Reporting Period, the Group reached a number of corporate responsibility milestones, including:

- Established the WorleyParsons Foundation and a WorleyParsons Foundation Council that governs high impact strategic community projects
- Updated the Group's Australian Indigenous Participation Policy to better integrate Indigenous participation to the Group businesses and to reiterate its commitment to first Australians, the Australian Aboriginal and Torres Strait Island people
- Contributed knowledge and insights to Engineers Without Borders Australia working group in the formation of pro bono engineering standards, guidance and support for engineers

- Transitioned and implemented the Group's corporate responsibility reporting process using the internationally recognized Global Reporting Initiative 4.0 Framework
- Fulfilled the Group's second year obligations as a signatory to the United Nations Global Compact, a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption
- Continued to deliver sustainability-enhancing services to the Group's customers through the Group's advisory service offering.

During the year ending 30 June 2015, the Group intends to:

- Continue to encourage diverse participation in leadership teams and to improve diversity reporting
- Further execute WorleyParsons Foundation projects with significant community impact, involving volunteers from across the Group
- Establish a global energy reduction program for the measurement and management of the Group's environmental impact on its largest locations
- Further integrate awareness and importance of road safety within the Group and the communities in which it operates
- Continue to improve external reporting commitments using the internationally recognized Global Reporting Initiative 4.0 Framework
- Further assess corporate responsibility targets, objectives and collaboration with various business lines.

3. AWARDS

- In October 2013, WorleyParsons Sarnia in Canada was recognized for its dedication in supporting the Group's diverse workforce by receiving an inaugural *'YMCA Cultural Diversity in Workplace'* Award illustrating the Group's commitment to Diversity and Inclusion.
- In October 2013, WorleyParsons Canada was recognized by Mediacorp Canada (and its subsidiary, Eluta.ca) as one of the *'Top 100 Employers in Canada'* for 2014. The Group was recognized for its ongoing personnel development with in-house apprenticeships and skilled trades programs, formal mentoring, and a variety of in-house and online training programs, including academic scholarships.
- In October 2013, WorleyParsons Australia was recognized as one of the *'Top 100 Graduate Employers for 2013'* and *'Top 10 Graduate Employers for 2013'* by the Australian Association of Graduate Employers Annual Survey. The Top Graduate Employers rankings are the definitive guide to the best places to work for new graduates entering the workforce. The rankings are determined entirely from survey feedback gathered from real and recent graduates who have spent 12 months working with these organizations.
- In November 2013, WorleyParsons Southwest in United States was named one of the *'Top Workplaces in Houston'* by Houston Chronicle. More than 68,000 Houston-area employees rated their employers in matters such as advancement opportunities, value of pay and benefits, and communication and management skills of their supervisors. The Group was recognized for its implementation of local communication meetings, management interaction with its personnel and valuing the opinion of its personnel.
- In February 2014, WorleyParsons Calgary in Canada was recognized for its outstanding support to the United Way's Campaign Engagement activities. The Group's personnel volunteered over 1,300 hours of their time to support United Way's community, educational and volunteer activities and achieved the 2014 *'Spirits of Gold-Employees Making a Difference'* Award by the United Way of Calgary and Area.
- In April 2014, WorleyParsons was recognized for its approach to Supply Chain Sustainability in Corporate Responsibility, receiving the *'Best Contribution to Corporate Responsibility'* Award at the Chartered Institute of Purchasing and Supply (CIPS) Middle East Conference. 2014 is the second consecutive year that WorleyParsons has received a CIPS award which illustrates its commitment to industry leadership in Supply Chain Sustainability.
- In April 2014, WorleyParsons Europe was recognized for its 'approach to occupational safety and health' in an awards scheme run by the safety charity, the Royal Society for the Prevention of Accidents (RoSPA). 2014 is the fifth consecutive year that WorleyParsons Europe has attained the *Gold Medal Award* and once again illustrates the Group's commitment to industry leadership in health, safety and environmental performance.

4. WORLEYPARSONS FOUNDATION

The Group established a WorleyParsons Foundation Council in August 2013 that provides governance to the WorleyParsons Foundation.

The WorleyParsons Foundation objectives are to:

- Support the execution of high impact strategic community projects
- Become a vehicle for direct corporate investment, fundraising and volunteering
- Expand opportunities for the Group personnel to be directly or indirectly involved in foundation activities
- Raise awareness of WorleyParsons corporate responsibility credentials with its stakeholders.

The WorleyParsons Foundation recognizes and acknowledges the volunteering and fundraising contributions of our personnel through the launch of the inaugural WorleyParsons Foundation Awards. 23 outstanding corporate responsibility activities across 18 countries received a Foundation Award.

Two WorleyParsons Foundation projects commenced in this Reporting Period which will continue for the next Reporting Period:

- Safe Schools (road safety) project in partnership with the International Road Assessment Programme and the Road Safety Fund
- Philippines disaster relief project in partnership with non-profits, local businesses and authorities.

5. CORPORATE RESPONSIBILITY INDICATORS

The Group measures and focuses on those areas that are important to it, essential to the long term success of its business and desirable to all of its stakeholders.

Contributions by the Group personnel and the Group's business operations are measured in terms of Australian dollar contributions and volunteer time contributions.

The Group completed a response for the Carbon Disclosure Project in 2014. The Group's energy consumption and greenhouse gas emissions were recorded to assist the Group to measure and reduce its energy consumption and to reduce its greenhouse gas emissions.

The Group uses the United States Occupational Safety and Health Administration reporting requirements for Total Recordable Case Frequency Rate (TRCFR) and Lost Workday Case Frequency Rate (LWCFR).

The Group's corporate responsibility indicators for the Reporting Period and the year ended 30 June 2013, were:

INDICATORS	2014	2013
Contributions by operations	$3.09 million	$2.25 million
Contributions by personnel	$1.75 million	$1.90 million
Volunteer hours by personnel	18,091 hours	10,473 hours
TRCFR[1]	0.10	0.13
LWCFR[1]	0.03	0.03

1 Employees only

As data for greenhouse gas emissions and energy consumption is not available until the October after the end of financial year, the table below shows those indicators for the year ended 30 June 2013 and the year ended 30 June 2012, were:

	2013		2012	
INDICATORS	PER PERSON[1]	TOTAL[2]	PER PERSON[1]	TOTAL[2]
Greenhouse gas emissions tCO_2-e	2.54	101,085	2.36	96,168
Energy consumption MWh	7.25	288,601	6.78	276,650

1 Person includes employees and contractors.

2 Totals include gas emissions from, and energy consumed by, the Exmouth Power Station, Australia.

6. ACTIVITY HIGHLIGHTS

The Group undertook various community engagement and environmental activities over the Reporting Period, including:

- Participating directly in over 380 community based and environmental projects across 26 countries involving more than11,300 Group personnel
- Contributing over $512,000 towards educational programs from 70 offices
- Group matching $531,000 of Group personnel fundraising programs in Canada, Australia, the United Kingdom, Singapore and Malaysia
- Supporting local communities across 68 offices as well as ongoing participation in the Group's own programs: *DeltaAfrik Foundation* in Nigeria, *We Care* program in Canada and various corporate responsibility and local social committees
- Training in bias awareness for 255 executives and senior managers
- Engaging 860 members via 37 local committees of the Women of WorleyParsons professional women's network, with 1,495 participants attending 53 events
- Providing ongoing support to the Australian Indigenous community by hosting Indigenous business forums and internship job opportunities
- Donating blood across nine offices and 446 participants to local health organizations and hospitals
- Reducing the carbon footprint in a number of offices by encouraging use of public transport, recycling and FollowMe smart printing
- Engaging in bush regeneration, waste and recycling programs and trail clean-up activities in a number of countries
- Participating and contributing to various workshops and forums including the United Nations Global Compact and Global Road Safety partnerships.

INDIGENOUS EDUCATION SUPPORT, AUSTRALIA

WorleyParsons Australia is a proud sponsor of CareerTrackers, a paid internship program offered to full time university students of Indigenous and Torres Strait Islander heritage. CareerTrackers is an Australian non-profit organization that works to create career pathways through a structured internship program and future employment opportunities.

WorleyParsons has supported the program since 2011 and currently sponsors six interns across Australia. The program provides students with a chance to contribute to the ongoing success of national and global organizations such as WorleyParsons.

"WorleyParsons is not only a job to us, but it's our future, it's my life. Please continue to stick with CareerTrackers – you're not just getting talented people into WorleyParsons but you're seriously changing our lives in more ways than you could imagine."

Todd Crawford, CareerTrackers internship participant, Brisbane.

WorleyParsons CareerTracker interns, Ashley Paxton, Natan Noel, Gabrielle Morgan, Kaine Jakaitis and Makenzie Russell

HELPING PEOPLE WITH DISABILITY, CANADA

WorleyParsons Calgary teamed up with the Rocky Mountain Adaptive Sports Centre and Parks Canada to escort three people with disability to the iconic Plain of Six Glaciers Tea House. With the use of trail riders (modified wheelchair devices designed to handle uneven terrain), the three participants were safely guided along the scenic 14.2km trail.

The team created an inspiring and remarkable day that will be remembered by all participants. In total, 22 volunteers from the Group's Calgary office contributed their time in planning, coordinating and participating in this event.

"Thank you for an amazing experience on Saturday! Definitely a highlight [of] my summer and life! The people, the effort, and the whole day [were] incredible!"

Kristi Beetch, Parks Canada Interpretive Naturalist/Guide.

WorleyParsons Calgary volunteers with Cecile Buhl, Kuen Tang and Murray Smith

ENGINEERS WITHOUT BORDERS ASIA, SINGAPORE

WorleyParsons Singapore has been involved in the foundation of Engineers Without Borders (EWB) Asia with Group personnel establishing EWB Asia. WorleyParsons provided seed funds and office facilities to support the initial operations of EWB Asia.

As a non-profit organization based primarily in Singapore, EWB Asia seeks to provide humanitarian engineering aid to communities regionally and locally through projects focusing on the development of technologies and infrastructure.

"The support from WorleyParsons has been invaluable in the start-up of Engineers Without Borders Asia in Singapore, allowing us to focus on the development of pilot programs and projects that serve the needs of communities we are working with."

Hannah Leong, President, EWB Asia.

EWB Asia President Hannah Leong receives a check from WorleyParsons Singapore representative Zach Ng, Graduate Development Organization

ASSISTING TO REDUCE MALNUTRITION, INDIA

WorleyParsons India contributed to the Foundation for Mother and Child Health (FMCH) in support of the implementation of the Severe Acute Malnutrition (SAM) education and treatment program in BJ Wadia Children's Hospital. FMCH works in economically underprivileged communities and provides full access to medication and support to young children.

The project ensures children suffering from SAM are properly treated at the hospital and then nourished back to health once they are back in the community. FMCH activities focus on emphasizing disease control and prevention, education to improve domestic child-care and feeding practices like one-on-one nutritional counseling, cooking demonstrations, home visits and micronutrient supplementation.

"The contributions from WorleyParsons India will enable us to support a clinic on malnutrition – the first of its kind – at BJ Wadia Hospital."

Rosie Penrhyn Jones, Co-Chair, FMCH.

WorleyParsons India personnel with FMCH volunteers

DISASTER RELIEF EFFORTS, PHILIPPINES

Super Typhoon Haiyan, one of the most powerful on record, destroyed thousands of homes as it tracked across central Philippines in late 2013. The Group's Transfield Services WorleyParsons (TSWP) Joint Venture office in the Philippines responded and provided its personnel with flexible work arrangements which allowed them to volunteer their time to the relief efforts.

In addition to the volunteer efforts, the WorleyParsons Foundation launched a Typhoon Haiyan Red Cross Appeal that raised a total of $102,000 from around the world. Pro bono advisory and program management services are being provided to support the Philippines long term recovery efforts as part of the WorleyParsons Foundation. This will open opportunities for the Group's personnel to volunteer their skills in infrastructure and humanitarian relief projects.

"On behalf of the whole team, we are just happy that we can help in this time of need, and our thoughts go out to all the families affected and our prayers are with them."

Glenn Pollock, Manager of Projects, TSWP Philippines.

TSWP volunteers supporting disaster relief efforts in the Philippines

SCHOOLS EDUCATION AID, CHINA

The China Graduate Development Organization passionately supports education by leading, organizing and participating in the Schools Education Aid Project. To date, WorleyParsons China has donated clothes and books as well as providing 'one-on-one' living allowance funding in support of students in two schools in Laiyuan, China.

Group personnel have volunteered a significant number of hours to help the schools including fundraising activities, collection of clothes, books and other educational material and helping the schools set up a library. Our personnel have also successfully visited the schools three times to establish close contact with the school teachers and students.

"We are keen to give a helping hand to those children in poverty-stricken areas who can have better living conditions to continue their education."

Karl Qiu, President of WorleyParsons China and Mongolia.

WorleyParsons China personnel with students at Laiyuan Primary School, China

FINANCIAL REPORT

For the financial year ended 30 June 2014

NOTES TO THE FINANCIAL STATEMENTS

WORLEYPARSONS LIMITED
ACN 096 090 158

DIRECTORS' REPORT

The directors present their report on the consolidated entity consisting of WorleyParsons Limited (Company) and the entities it controlled (Group or consolidated entity) at the end of, or during, the year ended 30 June 2014.

PRINCIPAL ACTIVITIES

During the financial year, the principal activities of the Group consisted of providing engineering design and project delivery services, including providing maintenance, reliability support services and advisory services to the following sectors:

- Hydrocarbons;
- Minerals, Metals & Chemicals; and
- Infrastructure.

DIRECTORS

The following persons were directors of the Company during the financial year and, unless noted, were directors for the full financial year and until the date of this report:

John Grill (Chairman)

Ron McNeilly (Deputy Chairman and Lead Independent Director)

Larry Benke

Erich Fraunschiel

John M Green

Christopher Haynes

Catherine Livingstone

JB McNeil – retired as a director on 3 April 2014

Wang Xiao Bin

Andrew Wood (Chief Executive Officer).

DIRECTORS' MEETINGS

The number of Board and standing Board Committee meetings held during the financial year and the number of meetings attended by each of the Company's directors is set out below.

In addition to those meetings, eight special purpose Board Committee meetings were held during the financial year. The Board also met informally during the financial year by way of a Board briefing on 11 occasions.

All non-executive directors who are not members of the standing Board Committees are invited to, and generally attend, the standing Board Committee meetings.

The independent non-executive directors met separately on six occasions, during the financial year.

DIRECTORS' NUMBER OF SHARES AND PERFORMANCE RIGHTS

As at the date of this report, the relevant interests of the directors in the shares and performance rights of the Company were:

DIRECTORS	NUMBER OF SHARES	NUMBER OF PERFORMANCE RIGHTS
John Grill	25,372,173	32,165[1]
Ron McNeilly	387,484	–
Larry Benke	1,133,383	–
Erich Fraunschiel	168,755	–
John M Green	891,869	–
Christopher Haynes	11,945	–
Catherine Livingstone	13,000	–
Wang Xiao Bin	11,000	–
Andrew Wood	831,118	155,654

1 Excludes cash settled performance rights.

Further details in relation to the rights issued by the Company are set out in the Remuneration Report and notes 18(C) and 33 to the financial statements.

	BOARD		AUDIT AND RISK COMMITTEE		NOMINATIONS COMMITTEE		REMUNERATION COMMITTEE		HEALTH, SAFETY AND ENVIRONMENT COMMITTEE	
DIRECTORS	MEETINGS HELD WHILE A DIRECTOR	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED
John Grill	9	9			6	6	6	6	6	6
Ron McNeilly	9	9	6	6	6	6	6	6	6	6
Larry Benke	9	8	2	2	6	6			6	6
Erich Fraunschiel	9	9	6	6	6	6				
John M Green	9	9			6	6	6	6		
Christopher Haynes	9	9			6	6			6	6
Catherine Livingstone	9	9	6	6	6	6				
JB McNeil	7	7	4	4	4	4	4	4		
Wang Xiao Bin	9	8	6	6	6	6				
Andrew Wood	9	9								

DIVIDENDS – WORLEYPARSONS LIMITED

Details of dividends paid in respect of the current financial year and previous financial year are as follows:

	2014 $'M	2013 $'M
Interim ordinary dividend for 2014 of 34.0 cents per ordinary share paid on 31 March 2014 (8.5 cents franked)	83.9	–
Final ordinary dividend for 2013 of 51.0 cents per ordinary share paid on 20 September 2013 (51.0 cents unfranked)	125.7	–
Interim ordinary dividend for 2013 of 41.5 cents per ordinary share paid on 22 March 2013 (41.5 cents franked)	–	102.4
Final ordinary dividend for 2012 of 51.0 cents per ordinary share paid on 28 September 2012 (31.3 cents franked)	–	125.3
Total dividends paid	209.6	227.7

Since the end of the financial year, the directors have resolved to pay a dividend of 51.0 cents per fully paid ordinary share, including exchangeable shares, partially franked at 20.5% (2013: 51.0 cents per share, unfranked). In accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, the aggregate amount of the proposed final dividend of $125.7 million is not recognized as a liability as at 30 June 2014.

REVIEW OF OPERATIONS

A detailed review of the Group's operations for the financial year and the results of those operations is contained in the Operating and Financial Review, which is incorporated into, and forms part of, this Directors' Report.

A summary of the consolidated revenue and results in respect of the current financial year and previous financial year are as follows:

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Revenue and other income	9,582.5	8,831.5
Depreciation	(27.1)	(21.0)
Amortization	(82.4)	(81.3)
Earnings before interest and tax (EBIT)	428.2	527.0
Net interest expense	(59.6)	(53.4)
Profit before income tax expense	368.6	473.6
Income tax expense	(100.0)	(129.4)
Profit after income tax expense	268.6	344.2
Add: restructuring costs	35.4	–
Less: tax on restructuring costs	(9.7)	–
Less: net gain on revaluation of investments previously accounted for as equity accounted associates	(11.4)	–
Underlying net profit[1]	282.9	344.2
Profit after income tax expense attributable to:		
Members of WorleyParsons Limited	249.1	322.1
Add: restructuring costs	35.4	–
Less: tax on restructuring costs	(9.7)	–
Net gain on revaluation of investments previously accounted for as equity accounted associates	(11.4)	–
	263.4	322.1
Non-controlling interests	19.5	22.1

1 Underlying net profit is defined as statutory net profit excluding net gain on revaluation of investments previously accounted for as equity accounted investments and restructuring costs (net of taxation). Underlying EBIT is defined as statutory EBIT excluding the pre-tax net gain on revaluation of investments previously accounted for as equity accounted investments and restructuring costs.

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Revenue and other income	9,582.5	8,831.5
Less: procurement revenue at nil margin (including share of revenue from associates)	(2,726.1)	(1,747.7)
Add: share of revenue from associates	524.0	549.2
Less: net gain on revaluation of investments previously accounted for as equity accounted associates	(11.4)	–
Less: interest income	(5.3)	(6.0)
Aggregated revenue[2]	7,363.7	7,627.0

2 Aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates less procurement revenue at nil margin, interest income and net gain on revaluation of investments previously accounted for as equity accounted associates. The directors of the Company believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group.

	AGGREGATED REVENUE 2014 $'M	AGGREGATED REVENUE 2013 $'M	EBIT 2014 $'M	EBIT 2013 $'M	EBIT MARGIN 2014 %	EBIT MARGIN 2013 %
Hydrocarbons	5,371.5	5,492.9	627.3	654.4	11.7	11.9
Minerals, Metals & Chemicals	1,065.9	1,096.5	131.2	142.8	12.3	13.0
Infrastructure	926.3	1,037.6	64.0	107.3	6.9	10.3
	7,363.7	7,627.0	822.5	904.5	11.2	11.9
Global support costs[2]			(339.4)	(342.7)		
Interest and tax for associates			(9.2)	(11.1)		
Amortization of acquired intangible assets			(21.7)	(23.7)		
Underlying EBIT[1]			452.2	527.0	6.1	6.9

2 Excluding global support related restructuring costs (refer note 34).

Aggregated revenue was $7,363.7 million, a decrease of 3.5% on the prior financial year. Underlying EBIT of $452.2 million, was down 14.2% from the prior financial year result of $527.0 million.

The underlying EBIT margin on aggregated revenue for the Group, decreased to 6.1% compared with 6.9% in FY2013. After tax, the members of WorleyParsons Limited earned an underlying net margin, on aggregated revenue of 3.6%, compared to the FY2013 net margin of 4.2%.

The effective tax rate excluding net gain on revaluation of investments previously accounted for as equity accounted associates was 28.0% compared with 27.3% in FY2013.

The Group retains a strong cash position and reduced gearing (net debt/net debt plus total equity) at financial year end of 19.5% (2013: 25.3%). Cash as at 30 June 2014 was $365.8 million (2013: $320.0 million). Earnings before interest, tax, depreciation and amortization (EBITDA) interest cover for 2014 was 8.3 times (2013: 10.6 times). EBITDA interest cover, excluding net gain on revaluation of investments previously accounted for as equity accounted associates, for 2014 was 8.1 times (2013: 10.6 times).

Operating cash inflow for the period was $550.1 million, compared to $443.5 million in 2013. Cash outflow from investing activities was $104.3 million (2013: $346.7 million).

EARNINGS PER SHARE

	2014 CENTS	2013 CENTS
Basic earnings per share	101.0	130.8
Basic earnings per share excluding net acquisition gain on revaluation of investments previously accounted for as equity accounted associates and restructuring costs	106.8	130.8
Diluted earnings per share	100.3	129.9
Diluted earnings per share excluding net acquisition gain on revaluation of investments previously accounted for as equity accounted associates and restructuring costs	106.1	129.9

Basic earnings per share, excluding net gain on revaluation of investments previously accounted for as equity accounted associates and restructuring costs were 106.8 cents per share, a decrease of 18.3% from the previous financial year result of 130.8 cents per share.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

BUSINESS REORGANIZATION

As announced in April 2014, the Group has been restructured on the basis of three business lines and will report as such effective from 1 July 2014. During FY2014 there were executive management changes in anticipation of the restructuring and significant head count reduction. Costs of $35.4 million before taxation were incurred in this restructure.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since the end of the financial year, the directors have resolved to pay a dividend of 51.0 cents per fully paid ordinary share, including exchangeable shares, partially franked at 20.5% (2013: 51.0 cents per share, unfranked). In accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, the aggregate amount of the proposed final dividend of $125.7 million is not recognized as a liability as at 30 June 2014.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect:

- the consolidated entity's operations in future financial years;
- the results of those operations in future financial years; or
- the consolidated entity's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The likely developments in the Group's operations in future financial years and the expected results of those operations are set out in section 3.2 of the Operating and Financial Review on page 48.

ENVIRONMENTAL REGULATION

In the majority of the Group's business operations, it does not have responsibility for obtaining environmental licenses. The Group typically assists its customers, who usually own or operate plant and equipment, with the management of their environmental responsibilities, rather than having those responsibilities itself. However, the Group has environmental responsibilities in terms of compliance with environmental controls and in exercising reasonable care and skill in its design, construction management, operation and supervising activities. The risks associated with environmental issues are managed through the Group's risk management and quality assurance systems.

It is the Group's policy to comply with all environmental regulations applicable to it. The Company confirms, for the purposes of section 299(1)(f) of the *Corporations Act 2001* (Act) that it is not aware of any breaches by the Group of any environmental regulations under the laws of the Commonwealth of Australia, or of a State or Territory of Australia.

CARBON AND ENERGY EMISSIONS AND CONSUMPTION PERFORMANCE

The Group recognizes that responsible, sustainable corporate performance is essential to the long term success of its business. The Company again completed a response for the Carbon Disclosure Project (CDP) in 2014, detailing its energy consumption and measures implemented to assist both the Group to reduce its energy consumption and the Group's customers to achieve more sustainable project solutions utilizing methodologies under the Group's EcoNomics™ initiative. The data collection and analysis under the CDP have stimulated energy and carbon reduction measures in many of the Group's offices around the world. The Company also completed a CDP response in respect of its water use for the period 2012/2013.

The Company is registered under the *National Greenhouse and Energy Reporting Act 2007* (NGER Act) as the controlling corporation for the Group as prescribed by section 12 of the NGER Act. The Company lodged its National Greenhouse Energy Report (NGER Report) for the period 2012/2013 in October 2013. This NGER Report contained information in relation to the greenhouse gas emissions, energy production and energy consumption from the operation of facilities under the operational control of the Group. The Company intends to lodge its NGER Report for the Group for the period 2013/2014 in October 2014.

NON AUDIT SERVICES

During the financial year, Ernst & Young, the Group's auditor, performed certain other services in addition to its statutory audit duties. Total non-audit services provided by the external auditor amounted to $1,273,404.

The Board has adopted a policy governing the provision of non-audit services by the external auditor. The Board has considered the position and, in accordance with the advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Act. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Act for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- none of the services undermines the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing and auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as advocate for the Group or jointly sharing economic risk and rewards.

A copy of the auditor's independence declaration as required under section 307C of the Act is as follows:

EY
Building a better working world

680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of WorleyParsons Limited

In relation to our audit of the financial report of WorleyParsons Limited for the year ended 30 June 2014, 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

Ernst & Young

Bruce Meehan
Partner
Sydney
27 August 2014

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

JOHN GRILL AO BSC, BENG (HONS), HON DENG (SYDNEY)

CHAIRMAN AND NON-EXECUTIVE DIRECTOR – CHIEF EXECUTIVE OFFICER AND DIRECTOR FROM LISTING IN NOVEMBER 2002 UNTIL OCTOBER 2012 AND DIRECTOR OF THE COMPANY BEFORE LISTING AND ITS PREDECESSOR ENTITIES FROM 1971

COUNTRY OF RESIDENCE – AUSTRALIA

John is Chairman of the Board and Chairman of the Nominations Committee and a member of the Remuneration Committee and Health, Safety and Environment Committee. He has over 40 years' experience in the resources and energy industry, starting his career with Esso Australia. In 1971, he became Chief Executive of Wholohan Grill and Partners, the entity that ultimately became WorleyParsons Limited. This specialized consulting practice acquired the business of Worley Engineering Pty Limited in Australia in 1987. It listed on the Australian Securities Exchange in 2002 as Worley Group Limited following a restructuring of that company. In 2004, Worley Group Limited acquired Parsons E&C Corporation, a United States-based global project services company, and changed its name to WorleyParsons Limited. The Group then acquired the Colt Group in Canada in 2007, substantially increasing its capability in the upstream and downstream components of oil sands. John has personal expertise in every aspect of project delivery in the resources and energy industry. He has strong relationships with the Group's major customers and was closely involved at board level with the Group's joint ventures. John was awarded an honorary doctorate by The University of Sydney in 2010 in recognition of his contribution to the engineering profession. He was appointed an Officer of the Order of Australia in 2014 for distinguished service to engineering, and to business, to the minerals, energy and power supply industries and as a supporter of advanced education and training. John is the Chairman of the National Precincts Board and is also on the board of Neuroscience Research Australia and the Australian Chamber Orchestra.

RON MCNEILLY BCOM, MBA, FCPA, FAICD

DEPUTY CHAIRMAN AND LEAD INDEPENDENT DIRECTOR – DIRECTOR SINCE LISTING IN NOVEMBER 2002

COUNTRY OF RESIDENCE – AUSTRALIA

Ron is Deputy Chairman and Lead Independent Director of the Board and was previously Chairman of the Board. He is a member of the Audit and Risk Committee, Nominations Committee, Remuneration Committee and Health, Safety and Environment Committee. Ron is currently the Deputy Chairman of BlueScope Steel Limited (previously BHP Steel) and has over 30 years' experience in the resources industry. He joined BHP Billiton Limited in 1962 and held positions with that company including executive director and President BHP Minerals, Chief Operating Officer, Executive General Manager and Chief Executive Officer BHP Steel, General Manager Transport, General Manager Long Products Division and General Manager Whyalla Works. Ron is a former Chairman of Ausmelt Limited and Melbourne Business School Limited and is a former director of Alumina Limited, BHP and BHP Billiton, QCT Resources and Tubemakers of Australia.

Australian listed company directorships

LISTED COMPANY NAME	NATURE OF DIRECTORSHIP	DATE OF COMMENCEMENT	DATE OF CESSATION
BlueScope Steel Limited	Deputy Chairman and non executive director	10 May 2002	n/a

LARRY BENKE BSC ENG (HONS)

NON-EXECUTIVE DIRECTOR – DIRECTOR SINCE JULY 2010

COUNTRY OF RESIDENCE – CANADA

Larry joined the Board as a non-executive director on 1 July 2010 and is a member of the Nominations Committee, the Audit and Risk Committee and the Health, Safety and Environment Committee. He was appointed an alternate director for Bill Hall from March 2007, following the Group's acquisition of the Colt Group, until his retirement as Managing Director Canada on 30 June 2010. Larry has extensive experience in the engineering and construction industries including roles in engineering design, project management and general management including President/CEO of the Colt Group and Managing Director of WorleyParsons Canada. Larry is a director of the board of The Calgary Airport Authority, a not-for-profit responsible for the operation and development of the Calgary International and Springbank airports. He is a director of CEDA International, an Ontario Municipal Employees Retirement System owned corporation providing specialty maintenance and turnaround services to industry. Larry is also a director of Cervus Equipment Corporation, a Toronto Stock Exchange listed company in the business of acquiring and operating agricultural, industrial and construction equipment dealerships. Larry graduated from the University of Alberta in 1973 with a Bachelor of Science in Electrical Engineering (Honors).

ERICH FRAUNSCHIEL BCOM (HONS), FCPA, FAICD

NON-EXECUTIVE DIRECTOR – DIRECTOR SINCE MARCH 2003

COUNTRY OF RESIDENCE – AUSTRALIA

Erich is Chairman of the Audit and Risk Committee and a member of the Nominations Committee. Erich's early business career was in the petroleum marketing and management consulting industries. In 1981, he joined the Australian Industry Development Corporation where he was involved in project lending, investment banking and venture capital investment. In 1984, he joined Wesfarmers to start the company's projects and business development function. In 1988, he became General Manager of Wesfarmers' Commercial Division and from 1992 until his retirement in July 2002 was an executive director and Chief Financial Officer of Wesfarmers. Since 2002, he has served as a non-executive director on the boards of several listed and unlisted companies.

Australian listed company directorships

LISTED COMPANY NAME	NATURE OF DIRECTORSHIP	DATE OF COMMENCEMENT	DATE OF CESSATION
Woodside Petroleum Limited	Non-executive director	1 December 2002	28 February 2013

JOHN M GREEN BJURIS/LLB, FAICD, SFFIN

NON-EXECUTIVE DIRECTOR – DIRECTOR SINCE LISTING IN NOVEMBER 2002

COUNTRY OF RESIDENCE – AUSTRALIA

John is Chairman of the Remuneration Committee and a member of the Nominations Committee. He is a company director, a business writer and a novelist. John is a non-executive director of QBE Insurance Group Limited, a member of the Australian Government Takeovers Panel and a member of the Council of the National Library of Australia. John is co-founder of book publisher, Pantera Press. He was previously an investment banker at Macquarie Bank, as an executive director. His career before banking was in law, including as a partner at two major law firms.

Australian listed company directorships

LISTED COMPANY NAME	NATURE OF DIRECTORSHIP	DATE OF COMMENCEMENT	DATE OF CESSATION
QBE Insurance Group Limited	Non-executive director	1 March 2010	n/a

CHRISTOPHER HAYNES OBE BSC (HONS), DPHIL, CENG, FIMECHE

NON-EXECUTIVE DIRECTOR – DIRECTOR SINCE JANUARY 2012

COUNTRY OF RESIDENCE – UNITED KINGDOM

Chris was appointed to the Board effective 1 January 2012. He is Chairman of the Health, Safety and Environment Committee and a member of the Nominations Committee. He is a non-executive director of Woodside Petroleum Limited. His appointment followed a 39 year career with the Shell Group of Companies and their affiliates. He has lived in a large number of countries, working in oil and gas exploration and production, LNG and chemicals businesses, primarily in project development and delivery and in operations. Chris was seconded to Woodside from 1999 to 2002, where he was General Manager of the North West Shelf Venture and was subsequently Managing Director of Shell's operations in Syria and of Nigeria LNG Limited. In 2008, Chris assumed responsibility for the delivery of Shell's major upstream projects worldwide. He retired from Shell in August 2011. Chris graduated from The University of Manchester with a Bachelor of Science with Honors in Mechanical Engineering and obtained a Doctor of Philosophy degree in Applied Sciences from the University of Sussex. He is a Chartered Engineer and Fellow of the Institution of Mechanical Engineers in the United Kingdom and was appointed to the Order of the British Empire in June 2009 for his services to the British oil and gas industry in Nigeria.

Australian listed company directorships

LISTED COMPANY NAME	NATURE OF DIRECTORSHIP	DATE OF COMMENCEMENT	DATE OF CESSATION
Woodside Petroleum Limited	Non-executive director	1 June 2011	n/a

CATHERINE LIVINGSTONE AO BA (HONS), HON DBUS (MACQUARIE), HON DSC (MURDOCH), FCA, FAICD, FTSE

NON-EXECUTIVE DIRECTOR – DIRECTOR SINCE JULY 2007

COUNTRY OF RESIDENCE – AUSTRALIA

Catherine joined the Board on 1 July 2007 and is a member of the Audit and Risk Committee and the Nominations Committee. She is Chairman of Telstra Corporation Limited and a director of Saluda Medical Pty Ltd and The George Institute for Global Health. Catherine is also the President of the Business Council of Australia, President of the Australian Museum Trust and a member of the Advisory Board of the John Grill Centre for Project Leadership at The University of Sydney. She was Chairman of CSIRO from 2001 to 2006 and has also served on the boards of Macquarie Bank Limited, Macquarie Group Limited, Goodman Fielder Limited and Rural Press Limited. Catherine was the Managing Director of Cochlear Limited from 1994 to 2000, taking it through to an initial public offer in 1995. In 2003, Catherine was awarded the Centenary Medal for service to Australian Society in Business Leadership and in 2008 she was appointed an Officer of the Order of Australia for service to the development of Australian science, technology and innovation policies to the business sector. She has a Bachelor of Arts (Honors) in Accounting, is a Chartered Accountant and was the Eisenhower Fellow for Australia in 1999.

Australian listed company directorships

LISTED COMPANY NAME	NATURE OF DIRECTORSHIP	DATE OF COMMENCEMENT	DATE OF CESSATION
Macquarie Bank Limited	Non executive director	19 November 2003	25 July 2013
Macquarie Group Limited	Non executive director	30 August 2007	25 July 2013
Telstra Corporation Limited	Non executive director	30 November 2000	n/a
	Chairman	8 May 2009	n/a

WANG XIAO BIN BCOM, CPA, GDIP APPLIED FINANCE AND INVESTMENT

NON-EXECUTIVE DIRECTOR – DIRECTOR SINCE DECEMBER 2011

COUNTRY OF RESIDENCE – HONG KONG

Xiao Bin was appointed to the Board on 1 December 2011 and is a member of the Audit and Risk Committee and the Nominations Committee. She is an executive director and Chief Financial Officer of China Resources Power Holdings Company Limited. Prior to joining China Resources Power in July 2003, she was a Director of Corporate Finance at ING Investment Banking, responsible for execution of capital markets and merger and acquisition transactions in the Asia Pacific region. Xiao Bin worked for Price Waterhouse in Australia in the Audit and Business Advisory Division for five years before joining ING. She is a member of CPA Australia and holds a graduate diploma in Applied Finance and Investment from the Securities Institute of Australia (now Finsia) and a Bachelor of Commerce from Murdoch University in Australia.

ANDREW WOOD BENG, GDIP FIN MGMT, GDIP LAB RELATIONS, FIE AUST

CHIEF EXECUTIVE OFFICER – EXECUTIVE DIRECTOR SINCE OCTOBER 2012

COUNTRY OF RESIDENCE – AUSTRALIA

Andrew was appointed as Chief Executive Officer effective 23 October 2012. With tenure of 20 years with the Group, and over 30 years' experience in the resources and energy industry, Andrew has extensive knowledge across the Group. His previous roles include Group Managing Director – Finance/CFO responsible for Group-wide direction and support to the business functions of finance, information management, internal procurement and communications, legal and risk; Managing Director for the Australia/New Zealand region; and Managing Director of Mergers and Acquisitions, overseeing 15 business acquisitions including Parsons E&C Corporation in November 2004 and the Colt Group in March 2007. He was also responsible for the Group's early expansion into Thailand and into the Middle East, Canada and Chile in his capacity as Managing Director for International Operations. Andrew holds a Bachelor of Engineering and graduate diplomas in Financial Management and Labour Management Relations. He is also a Fellow of the Institution of Engineers, Australia.

PETER JANU BEC, LLB, CA, FCIS

COMPANY SECRETARY AND GENERAL COUNSEL CORPORATE – APPOINTED OCTOBER 2008

In his role as Company Secretary and General Counsel Corporate, Peter advises the Board and senior management on governance and corporate legal matters. He has a background in corporate taxation, project finance, legal, governance and company secretary roles and has previously worked in the professional services, investment banking and construction and mining services sectors. Peter holds degrees in Law and Economics from The University of Sydney and is a Chartered Accountant and a Chartered Secretary.

CORPORATE GOVERANCE STATEMENT

The Company's Corporate Governance Statement for the year ended 30 June 2014 may be accessed from the Company's website at http://www.worleyparsons.com/InvestorRelations/Pages/CorporateGovernance.aspx.

INDEMNITIES AND INSURANCE

Under the Company's Constitution, the Company indemnifies each current and former officer of the Group against certain liabilities and costs incurred by them as an officer of the Group. The Company also indemnifies each current and former officer of the Group against certain liabilities and costs incurred when the officer acts as an officer of another body corporate at the Company's request and the liability or cost is incurred in that capacity. Neither indemnity extends to liabilities or costs from which the Company is prohibited from indemnifying current or former officers under the Act.

In addition, the Company has entered into Deeds of Access, Indemnity and Insurance with certain officers of the Group. Under those deeds, the Company agrees (among other things) to:

- indemnify the officer to the extent permitted by law and the Company's Constitution;
- maintain a directors' and officers' insurance policy; and
- provide officers with access to Board papers.

The Company maintains a directors' and officers' insurance policy that, subject to certain exemptions, provides insurance cover to former and current officers of the Group. During the financial year, the Company paid insurance premiums to insure those officers of the Group. The contracts of insurance prohibit the disclosure of the amounts of premiums paid and the nature of the liability covered.

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. Unless otherwise expressly stated, amounts referred to in this report have been rounded off to the nearest hundred thousand dollars in accordance with that Class Order and amounts less than $50,000 that have been rounded down are represented in this report by 0.0.

REMUNERATION REPORT

The Company's directors present the Remuneration Report prepared in accordance with section 300A of the *Corporations Act 2001* (Act) for the Company and the consolidated entity for financial year 2014 (FY2014). The information provided in this Remuneration Report has been audited as required by section 308(3C) of the Act. This Remuneration Report forms part of the Directors' Report.

The Remuneration Report is presented in four sections:

GLOSSARY

Clawback (Malus) – provides the Board with discretion on the treatment of equity awards where an employee has acted fraudulently or dishonestly, or is in breach of that employee's obligations to the Company, or has received awards based on financial accounts which are later restated.

Combined Incentive Plan – a variable component of total remuneration. Delivers an incentive value based on Company achievement against budget Group Net Profit After Tax (NPAT,) and Executive achievement against agreed Key Performance Indicators (KPIs). Two thirds of the incentive value is paid as cash and one third is deferred as an equity award subject to a three year service and performance requirement.

Earnings Per Share (EPS) – determined by dividing the Group NPAT by the weighted average number of the Company's ordinary shares on issue during the financial year.

Executive – as detailed on page 65, Executives include both Executive Directors and Group Executives and have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Group Net Profit After Tax (NPAT) – is the net profit earned by the Group after deducting all expenses including interest, depreciation and tax. From time to time, in determining outcomes under the incentive plans, the Board may use its discretion to apply the underlying Group NPAT which in the Board's opinion reflects the Company's operating results.

Key Management Personnel (KMP) – those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. KMP comprise Executives and Non-Executive Directors and are detailed on pages 65 and 74.

Key Performance Indicators (KPIs) – performance targets agreed at the start of each financial year under the Combined Incentive Plan. KPIs include both financial and non-financial metrics, examples of which are detailed on page 66.

Long Term Incentive (LTI) Plan – a variable component of total remuneration. Performance rights (rights) are granted to Executives under the LTI Plan and will vest and become available for exercise after four years, subject to Company achievement against prescribed long term performance requirements.

Non-Executive Director (NED) – as detailed on page 74, directors of the entity have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Short Term Incentive (STI) – variable pay element, legacy plan, effectively replaced by the Cash component of the Combined Incentive.

Total Shareholder Return (TSR) – provides a measure of the change in the value of the Company's share price over a period, including reinvested dividends, expressed as a percentage of the opening value of the shares.

1. LETTER FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear Shareholders

We have maintained our core remuneration principles of fairness, securing a strong link between reward and performance, and encouraging share ownership by our employees and directors.

We made one change to our remuneration structure, as I foreshadowed in my address at the 2013 Annual General Meeting (AGM). I discuss that change and the reasons for it below. I also comment on key changes to the Executive team in the context of disclosures in this Remuneration Report.

ONE CHANGE TO OUR REMUNERATION FRAMEWORK

Under the original design of the Combined Incentive, Group NPAT had to pass a 'gate opener' of 90% of budget for the Executives to receive any payment. Non-KMP participants have less line-of-sight to the Group NPAT result, so their gate opener is the budget EBIT for the business unit most relevant to their role. (Global roles and all of the Group Leadership Team remain subject to Group NPAT).

In FY2013, that resulted in the Executives receiving no incentive. As I mentioned at last year's AGM, the Board felt that was inappropriate, as did a number of shareholders. The Board considers it important that, even in difficult markets, our plan participants see the remuneration framework as offering some prospect of an incentive.

Accordingly, balancing accountability, market factors and performance with the need to retain, attract and reward Executives, the Board changed the gate opener element of our Combined Incentive Plan, to take effect from FY2014.

There are now two gate openers, which for Executives continue to be both related to Group NPAT. For financial KPIs, the gate opener remains unchanged at 90% of budget. But for non-financial KPIs, the gate opener is set at 75% of budget. Executive's non-financial KPIs comprise up to 50% of their Combined Incentive. Non-KMP participants open the gate at 50% of budget for non-financial KPIs. Non-financial goals are aligned to long term Company results via strategic imperatives. The plan remains rigorous and measurable.

FY2014 INCENTIVES

Having not met 75% of our budget NPAT, we again see zero incentive payments to our incumbent Executives. However, we have paid incentives to others in the Company, particularly where the business unit has performed well (including new Executives as the "non-KMP" rules applied to them for most of FY2014).

The Board has again agreed a freeze in fees for Non-Executive Directors for FY2015.

ORGANIZATION CHANGES

Andrew Wood announced a reorganization effective from 1 May 2014.

There are two new Executives, Christopher Parker and Ian Wilkinson, and their pay has been set appropriately for their new roles. Simon Holt's pay increased from 1 July 2014 reflecting an increase in his responsibilities. The remuneration of other continuing Executives has not increased (Andrew Wood, Randy Karren and David Steele).

Iain Ross stepped down from the Executive Committee and has subsequently taken up the leadership of our Digital Enterprise new venture. He is no longer an Executive.

Stuart Bradie resigned and ceased employment effective 30 May 2014. No termination payment was payable.

Barry Bloch left the Company on 30 June 2014. He was paid standard severance, his contractual six-month notice period and his statutory leave entitlements. I would personally like to thank Mr Bloch for his contribution to the work of the Remuneration Committee.

As the Chairman notes in his Report, Mr JB McNeil resigned from the Board as a Non-Executive Director effective 3 April 2014. No termination payment was paid to Mr McNeil. The Chairman has thanked Mr McNeil for his contribution to the Board, and I would like to add my thanks for his work on the Remuneration Committee.

Kind regards

JOHN M GREEN
Chairman, Remuneration Committee

2. REMUNERATION GOVERNANCE FRAMEWORK

GUIDING REMUNERATION PRINCIPLES

The diagram below outlines the guiding principles that underpin the Company's remuneration arrangements for Executives, and illustrates how we seek to put these into practice through our remuneration decisions and actions:

We are a professional services business, a partner in delivering sustained economic and social progress, creating opportunities for individuals, companies and communities to fund and realise their own futures.

We can only do this with the support of our shareholders, earned by delivering earnings growth and a satisfactory return on their investment.

COMPANY BELIEFS

Our beliefs guide our actions, making it clear what we are accountable for and how we achieve success.

- Deliver what we promise.
- Zero Harm.
- Prudently contain cost and eliminate waste.
- Build enduring customer relationships.
- Develop and reward teams who deliver on customer expectations.

EXECUTIVE REMUNERATION PRINCIPLES

Will drive the behaviors and results to help us achieve our strategy and vision.

- Providing a fair level of reward in order to retain and attract high caliber employees.
- Building a culture of achievement by providing a transparent link between reward and performance.
- Building long term employee commitment through continued WorleyParsons share ownership.
- Promoting mutually beneficial outcomes by aligning employee, customer and shareholder interests.

PUTTING THE REMUNERATION PRINCIPLES INTO PRACTICE

- Benchmarking our roles against roles in the market. We benchmark fixed pay, variable pay and pay mix. Individual remuneration reflects the individual's role, responsibilities, performance, qualifications and experience.
- KPIs for Executives are set by the Board.

  Reward subject to Company performance and individual performance.
- Opportunity to earn equity through the LTI Plan and the Combined Incentive Plan.

  Having a minimum shareholding requirement.
- Performance metrics are geared at focusing Executives on strong financial performance, while balancing long term interests of the Company.

REMUNERATION DECISIONS

The diagram below illustrates the process by which remuneration decisions are made within the Company, and explains the roles played by various stakeholders who are involved in setting remuneration:

BOARD

- Ensures remuneration policies and structures are competitive, fair, and aligned with the long term interests of the Company.
- Sets and approves remuneration structures.
- Approves NED, Chief Executive Officer (CEO) and other Executive remuneration quantum.

NOMINATIONS COMMITTEE

Reviews and assesses the CEO's performance.

Advises the Board on the CEO's remuneration, including:

- amount;
- structure; and
- applicable performance targets.

REMUNERATION COMMITTEE

Assists/advises the Board in relation to:

- remuneration structuring and policies;
- NED remuneration;
- performance assessment and remuneration for Executives; and
- where required, engaging independent advisors for advice on remuneration structure and quantum for Executives, including the CEO and NEDs.

MANAGEMENT

CEO recommends pay increases and incentive outcomes for the Executives, other than the CEO. At the request of the Nominations and/or Remuneration Committee, management:

- provides information relevant to remuneration decisions; and
- where appropriate, liaises with independent advisors to assist the Nominations and/or Remuneration Committee with factual information (subject to prior Board approval of the provider).

All remuneration decisions relating to Executives are made by the Board. However, where appropriate, management is included in Committee and Board discussions.

EXTERNAL MARKET DATA AND EXTERNAL CONSULTANTS

Market data is sourced from published reports and independent surveys. Where required, external consultants are engaged by the Board and Committees to provide advice or information. Any advice or recommendations provided by external consultants are used as a guide. They are not a substitute for the Board and Committee decision-making process. There were no remuneration recommendations made by consultants in relation to Executives in FY2014.

Benchmarking of total remuneration and remuneration mix for Executives for FY2014 was performed by Aon Hewitt, an independent research and advisory remuneration consulting firm. This advice was used as a guide, and was not a substitute for thorough consideration of all the issues by the Remuneration Committee.

The cost of advice and assistance provided by Aon Hewitt for the Executives was $17,500. Aon Hewitt was engaged by and reported to the Chair of the Remuneration Committee. The Board is therefore satisfied that the remuneration benchmark information provided by Aon Hewitt was free from undue influence by members of the Executive to whom the remuneration benchmark information related. Aon Hewitt provide other salary benchmarking to various business units within the Group. The aggregated fees payable to Aon Hewitt in the year are not material for either party.

Orient Capital calculated the TSR for the purposes of vesting LTI. The amount paid to Orient Capital for TSR reporting is not material for either party.

3. EXECUTIVE REMUNERATION IN DETAIL

EXECUTIVES

Set out below is a list of the Executives of the Company whose remuneration details are outlined in this Remuneration Report. Except where noted, these Executives were employed for all of FY2014 in the positions noted. The use of the term "Executives" throughout this report refers to the Executives listed. These Executives, in addition to the NEDs listed on page 74 of the Annual Report, comprised the Executives of the Company for FY2014, as defined under the accounting standards.

NAME	POSITION	COUNTRY OF RESIDENCE
EXECUTIVE DIRECTOR		
Andrew Wood	Chief Executive Officer	Australia
GROUP EXECUTIVES		
Simon Holt	Chief Financial Officer	Australia
Randy Karren	Group Managing Director – *Improve*	Canada
Christopher Parker[1]	Group Managing Director – Major Projects	United States
David Steele	Group Managing Director – Development	Australia
Ian Wilkinson[1]	Group Managing Director – Services	Australia
FORMER GROUP EXECUTIVES		
Barry Bloch[2]	Group Managing Director – People	Australia
Stuart Bradie[3]	Group Managing Director – Operations	United Kingdom
Iain Ross[2]	Group Managing Director – Development	United Kingdom

1 Mr Parker and Mr Wilkinson commenced in the role as Executive effective 1 May 2014.
2 Mr Bloch and Mr Ross ceased in the role as Executive effective 1 May 2014.
3 Mr Bradie ceased in the role as Executive effective 8 April 2014.

REMUNERATION STRUCTURE – PUTTING POLICY INTO PRACTICE

Remuneration mix for Executives

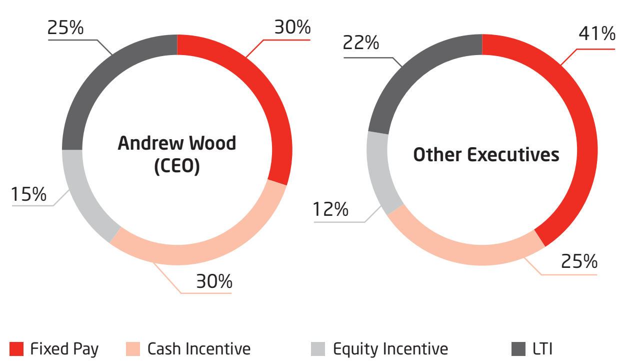
Executive remuneration is structured to recognize an individual's responsibilities, qualifications and experience, as well as to drive performance over the short and long term. The proportion of variable pay is reflective of an Executive's ability to influence Company performance through their role. Executive remuneration comprises the following:

- fixed pay, which consists of cash (or base) salary, superannuation contributions and any salary sacrificed components. It is set relative to market, with the level of individual fixed pay aligned with the Executive's responsibilities, performance, qualifications and experience; and
- incentives, if payable, are comprised of cash and equity and are dependent on the satisfaction of corporate, business unit and individual performance targets.

The targeted mix of remuneration components shown in the graph refers to the incentive that would be payable if all performance conditions are satisfied and assumes the full vesting of the Combined Incentive Plan, comprised of a cash and an equity incentive, and LTI awards. The elements of the remuneration that are at risk are Cash Incentive, Equity Incentive and LTI. Allowances and benefits are for specific purposes and are excluded in determining the mix. Actual incentive remuneration paid to the Executives can vary for individuals depending on the extent that they meet or exceed performance requirements.

Further details in relation to the Company's incentive arrangements, including the specific performance conditions imposed and the outcomes of those arrangements (based on the Company's performance over FY2014 and prior years), are set out below and through to page 69 under the Combined Incentive Plan and LTI Plan sections.

The FY2014 targeted mix of the remuneration components described above for current Executives is outlined below:



Combined Incentive Plan

By linking pay to performance via incentive plans, the Company increases the focus on total reward and provides motivation to Executives to achieve outcomes beyond the standard expected in the normal course of ongoing employment.

The target value of the Combined Incentive Plan for Executives is shown in the graph above and is made up of two thirds cash (Cash Incentive) and one third equity (Equity Incentive). The minimum potential value of the Combined Incentive Plan is zero where applicable gate opener hurdles have not been met.

The value of the awards achieved can be viewed in the remuneration outcomes table on pages 70 and 71. This reflects both the Company achievement against Group NPAT and individual performance against an Executive's KPIs.

Outlined below is a summary of the Combined Incentive Plan:

INCENTIVE ELEMENT	CASH INCENTIVE (TWO THIRDS OF THE AWARD)	EQUITY INCENTIVE (ONE THIRD OF THE AWARD)
Gate opener	Requires Group NPAT to be greater than 90% of Board approved budget for financial KPIs, and greater than 75% for non-financial KPIs.	
Maximum payout	Maximum payout is 110% of target. The maximum award is only achievable where the Company has achieved 110% or greater of budgeted Group NPAT approved by the Board.	
Incentive delivery and payment timing	Payment of the award will be made as a gross cash amount at the end of the performance period.	Delivered through equity deferred for three years in the form of rights granted under the WorleyParsons Performance Rights Plan.
Performance and forfeiture conditions	See KPI summary table below.	The Equity Incentive is subject to the same performance conditions as the Cash Incentive. In addition, the Executive must maintain a satisfactory performance rating in the deferral period. There are no further hurdles during the deferral period. However, should the accounts be restated during the deferral period or where an employee has acted fraudulently or dishonestly or is in breach of their obligations to the Company, the award may be forfeited. The performance outcomes that resulted in the award will be reviewed to ensure that the award is still appropriate at the time of vesting.
Dividends	Not applicable to the Combined Incentive Plan.	
Tenure	To be eligible for an incentive payment, generally participants must have been employed for at least three months of the financial year and remain in employment at the date of payment.	

Performance targets are agreed at the start of the financial year. A summary of the KPIs, along with the weightings for Executives for FY2014, is outlined below:

FINANCIAL KPIs
(60% weighting for CEO or 50% weighting for Executives)

The weighting of actual KPIs varies depending on the specific role of the individual and includes the following:

KPIs	METHOD OF ASSESSMENT
Group NPAT applicable to all Executives.	Group NPAT is based upon audited financial statements to ensure the performance assessment for financial KPIs is aligned with business performance and the creation of value for shareholders. The results are adjusted at Board discretion, to exclude abnormal items.
Cash collection for participants with operational or financial accountability.	Cash collection is measured via days sales outstanding which is used internally to measure business performance.

NON-FINANCIAL KPIs
(40% weighting for CEO or 50% weighting for Executives)

These may vary with Executive responsibility, but usually include KPIs as shown below. To the extent possible, performance is assessed against quantifiable, objective measures.

KPIs	METHOD OF ASSESSMENT
Health, safety and environment performance.	Reduction in the number of reportable incidents and the demonstration of personal and visible leadership in support of the Company's goal of Zero Harm.
Development of strategic and tactical responses to changed economic and business landscapes.	Strategic goals are measured by other regularly reported financial and non-financial metrics e.g. growth in targeted business units[1]. These goals help to deliver on our Strategic Vision.
Leadership.	Active sponsorship of key projects and customer relationships.
Successful implementation of the business plan and/or strategic priorities for the business unit, location or function.	Targeted business growth and customer retention and acquisition[1].

1 The specific goals for Executives relating to strategic imperatives are considered commercially sensitive.

LTI Plan

The provision of LTI is assessed through two independent performance targets that align an Executive's interests with shareholder returns while driving long term Company performance.

The Board has determined that the number of securities issued to Executives and all other participants under the employee equity plans should be capped at 5% of the issued share capital of the Company over a five year time horizon. Currently, the number of securities issued and held pursuant to all equity plans represents 1.97% of the Company's issued share capital (FY2013: 2.46%).

LTI grants for FY2014

LTI grants are delivered to Executives as rights that are issued under the WorleyParsons Performance Rights Plan. After vesting, each right entitles the holder to one fully paid ordinary share in the Company at a nil exercise price (i.e. a zero exercise price option). The number of rights issued is based on the Executive's target LTI with reference to the underlying share price when the rights are issued. Rights vest and are automatically exercised (unless an Executive elects otherwise) after a four year period, subject to defined performance hurdles being satisfied.

Where rights cannot be readily issued in certain overseas jurisdictions due to differing securities laws and taxation treatments, the LTI Plan rules ensure a participant can still be rewarded for their contribution, while catering for the local restrictions on the issue of securities. All current Executives are able to receive rights.

Rights granted under the LTI Plan carry no voting or dividend entitlements. In addition, other than in relation to bonus issues and capital reorganizations (when the number of rights may be adjusted by the Board in accordance with the ASX Listing Rules, so as to ensure no advantage or disadvantage to the Executive), the rights carry no entitlement to participate in new share issues made by the Company.

Details of the rights granted to Executives as the LTI component of their remuneration in FY2014 are outlined on pages 72 and 73.

The target measures are as follows:

- TSR relative to peer group (which applies to 50% of potential LTI for FY2014); and
- EPS growth (which applies to 50% of potential LTI for FY2014).

Relative Total Shareholder Return (TSR) performance hurdle

The TSR measure represents the change in the value of the Company's share price over a period, including reinvested dividends, expressed as a percentage of the opening value of the shares.

Relative TSR has been chosen as a performance hurdle because, in the opinion of the Board, it provides the most direct measure of shareholder return and reflects an investor's choice to invest in this company or direct competitors.

Executives will only derive value from the TSR component of the LTI Plan if the Company's TSR performance is at least at the median of the companies in the peer comparison group over a four year period. Executives are no longer provided an opportunity to retest under the TSR measure.

The peer comparison group comprise companies with similar business profiles, with which the Company competes for capital and executive talent. For LTI grants made in FY2013 and FY2014, the peer comparison group comprises the companies shown as follows:

AUSTRALIA AND ASIA	UNITED STATES AND CANADA	EUROPE AND UNITED KINGDOM
Cardno	AECOM	Aker Solutions
Downer EDI	Chicago Bridge & Iron Company	AMEC
JGC Corporation	Fluor Corporation	Arcadis
Leighton Holdings	Foster Wheeler	Atkins
Monadelphous Group	Jacobs Engineering Group	Balfour Beatty
UGL	KBR	Fugro
	McDermott International	Saipem
	SNC-Lavalin	Serco Group
	Stantec	Technip
	Tetra Tech	Tecnicas Reunidas
	URS Corporation	Wood Group

The Board has discretion to adjust the comparison group to take into account events including, but not limited to, takeovers or mergers that might occur during the performance period.

The vesting schedule of the rights subject to the relative TSR hurdle is outlined below:

RELATIVE TSR PERCENTILE RANKING	PERCENTAGE OF RIGHTS THAT MAY BE EXERCISED IF THE RELATIVE TSR HURDLE IS MET
Less than 50th percentile	0%
At 50th percentile	25%
Greater than the 50th percentile but less than the 75th percentile	Pro-rated vesting between more than 25% and less than 50%
At 75th percentile or greater	50% (i.e. maximum available under the plan)

Earnings Per Share (EPS) performance hurdle

Basic EPS is determined by dividing the Group NPAT by the weighted average number of the Company's ordinary shares on issue during the financial year. Growth in EPS will be measured by comparing the EPS in the financial year immediately preceding the issue and the EPS in the measurement year. EPS has been chosen as a performance hurdle because it provides a clear line of sight between Executive performance and Company performance. It is also a well-recognized and understood measure of performance both within and outside the organization. The Group NPAT may be adjusted by the Board, where appropriate, to better reflect operating performance.

Executives will only derive value from the EPS component of the grants made in FY2014 if the Company achieves average compound growth in EPS of at least 4% per annum above the increase in the Consumer Price Index (CPI) over the four year performance period.

The vesting schedule of the rights subject to the EPS hurdle is as follows:

AVERAGE COMPOUND GROWTH IN EPS OVER THE PERFORMANCE PERIOD	PERCENTAGE OF RIGHTS THAT MAY BE EXERCISED IF THE EPS HURDLE IS MET
Less than 4% p.a. above the increase in CPI	0%
4% p.a. above the increase in CPI	25%
More than 4% p.a. above the increase in CPI but less than 8% p.a. above the increase in CPI	Pro-rated vesting between more than 25% and less than 50%
8% p.a. or greater above the increase in CPI	50% (i.e. maximum available under the plan)

Exercise of rights and allocation of shares

To the extent that the performance hurdles have been satisfied, rights are automatically exercised (unless an Executive elects otherwise) and participants acquire shares in the Company at a nil exercise price.

Shares allocated to participants upon exercise of rights rank equally with all other ordinary shares on issue. Participants will have unencumbered ownership of the shares, subject to compliance with the Company's Securities Dealing Policy and minimum shareholding requirement.

Executive minimum shareholding requirement

The Executive minimum shareholding requirement applies to Executives to reinforce the Company's objective of aligning their interests with the interests of shareholders, and to foster an increased focus on building long term shareholder value.

To satisfy the requirement, Executives must retain equity delivered via incentive plans until they hold shares equivalent in value to two times fixed pay (four times fixed pay for the CEO) and must subsequently maintain that multiple.

Compliance with the requirement is assessed as at 30 June each year. The table below provides a summary of the position of each Executive against the requirement as at 30 June 2014:

	WEIGHTED NUMBER OF SHARES HELD AT 30 JUNE 2014[1]	VALUE OF SHARES HELD AT 30 JUNE 2014[2] $	ANNUAL FIXED PAY AT 30 JUNE 2014[3] $	PERCENTAGE OF MINIMUM SHAREHOLDING REQUIREMENT ACHIEVED
EXECUTIVE DIRECTOR				
Andrew Wood	916,445	15,778,525	1,600,000	>100%
GROUP EXECUTIVES				
Simon Holt[4]	14,189	244,293	463,000	26%
Randy Karren	94,547	1,627,817	602,376	>100%
Christopher Parker[5]	6,674	114,907	498,717	12%
David Steele	165,585	2,850,894	900,000	>100%
Ian Wilkinson[5]	76,547	1,317,909	600,000	>100%

1 Includes shares held in the Company plus a 50% weighting of unvested performance rights provided on page 74.

2 Calculated as the weighted number of shares held at 30 June 2014 multiplied by the volume weighted average price of the Company's shares for the five trading days up to and including 30 June 2014 ($17.217).

3 The Australian dollar equivalent of annual fixed pay as at 30 June 2014.

4 Mr Holt commenced in the role as Executive effective 23 October 2012.

5 Mr Parker and Mr Wilkinson commenced in the role as Executive effective 1 May 2014.

In addition, under the Company's Securities Dealing Policy, directors and Executives are not permitted to hedge unvested performance rights or shares that count towards an Executive's minimum holding requirement. This ensures that Executives cannot "limit the risk" associated with these instruments and are subject to the same impacts from fluctuations in the share price as all other shareholders.

Clawback (Malus) provision

The Company maintains a Clawback provision within the Combined Incentive Plan and the LTI Plan.

If in the Board's opinion, an employee:

- acts fraudulently or dishonestly;
- is in breach of their obligations to the Company or another Group company; or
- received awards based on financial accounts which are later restated,

the Board may determine that unvested performance rights lapse; this is also known as a Malus provision. The Board may also deem any vested but unexercised performance rights to have lapsed. Additionally, the Board may seek to recover shares received from exercised rights.

Cessation of employment and change of control

Where an Executive leaves the Group, the Board may exercise its discretion and allow a portion of any unvested rights to remain in the plan. Rights will subsequently vest and be exercised in the ordinary course, having regard to such factors as the Board determines relevant. Such factors would include performance against applicable performance hurdles, as well as the performance and contribution that the relevant Executive has made. Generally, the Board only exercise discretion in special circumstances, such as retirement.

In instances of fraudulent or dishonest behavior, the Board will generally deem all unvested rights held by the Executive to have lapsed on cessation and may also deem any vested but unexercised rights to be forfeited.

In the event of a change of control of the Company (e.g. where a third party unconditionally acquires more than 50% of the issued share capital of the Company), the Board will exercise its discretion to determine whether any or all unvested rights vest, having regard to pro-rata performance against applicable performance hurdles up to the date of the change of control.

COMPANY PERFORMANCE OVER A FIVE YEAR PERIOD

The table below contains a snapshot of the Company's performance against annual financial KPIs and shows how the Company's performance has impacted on remuneration outcomes for Executives under the Company's incentive programs.

The remuneration arrangements for Executives ensure that remuneration outcomes are lower when the Company's performance does not justify large awards, and higher when Company performance is strong. As demonstrated by the table, LTI and STI/Combined Incentive outcomes have moved in line with the Company's performance against relevant key metrics:

	FINANCIAL YEAR ENDED 30 JUNE	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	ANNUALIZED GROWTH OVER FIVE YEARS
	Closing share price ($)	23.81	22.21	28.24	25.10	19.49	17.41	(6.1%)
	Dividends paid[1] (cents per share)	93.0	75.5	86.0	91.0	92.5	85.0	(1.8%)
TSR portion of LTI	1 year TSR for the Company (%)	(34.8)	(1.6)	37.4	(6.8)	(19.6)	(6.8)	
	1 year TSR for median of peer group (%)	(34.8)	(9.9)	40.8	(21.9)	21.6	1.36	
	Vesting outcome of LTI (%)	100	82	nil	70	nil	nil	
EPS portion of LTI	Underlying EPS (cents per share)[2]	161.1	118.5	121.5	140.6	130.8	106.8	(7.9%)
	Vesting outcome of LTI (%)	100	nil	nil	nil	nil	nil	
Combined Incentive[3]	Underlying NPAT ($'m)[4]	390.5	291.1	298.5	345.6	322.1	263.4	(7.6%)
	Average % of maximum STI awarded to Executives (%)	53.2	nil	27.1	47.0	nil	nil	

1 The FY2014 final dividend has been announced and is scheduled to be paid on 30 September 2014.
2 Underlying EPS, which in the Board's opinion reflects the Company's operating results, has been used for calculating the outcomes.
3 The Combined Incentive Plan was introduced in FY2013; previously, this was the STI Plan.
4 Underlying NPAT, which in the Board's opinion reflects the Company's operating results, has been used for calculating the outcomes for FY2011, FY2012 and FY2014. Underlying NPAT excludes net gain on revaluation of investments previously accounted for as equity accounted investments, restructuring costs (net of taxation) and other adjustments at the Board's discretion, being the difference between reported Group NPAT and underlying NPAT.

REMUNERATION OUTCOMES IN FY2014

Combined Incentive outcomes

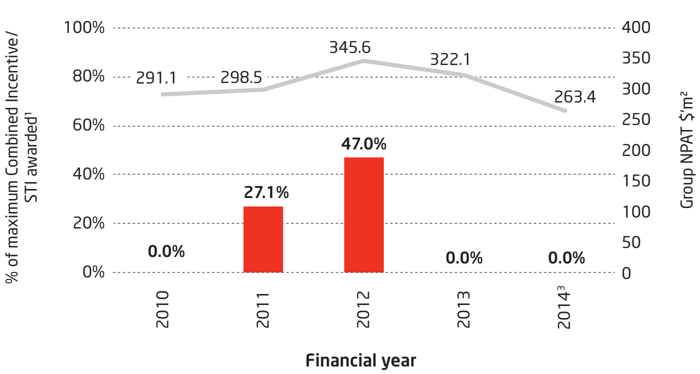
As outlined in the summary of the Combined Incentive Plan on page 66, reward outcomes for Executives are linked equally to performance against annual financial KPIs and non-financial (including individual) KPIs, except for the CEO who has a majority (60%) weighting on financial KPIs.

In the five year table above, and the following graph, Company performance is compared to variable pay outcomes for 12 month performance.

Based on the underlying NPAT provided above and performance against individual KPIs, the resulting Combined Incentive Plan payments are detailed in the table on pages 70 and 71.

The graph illustrates the average percentage of maximum STI/Combined Incentive awarded to Executives over the past five years compared to Group NPAT and demonstrates a strong alignment between Company performance and incentive outcomes for Executives:

Average % of maximum Combined Incentive/STI awarded to Executives compared to Underlying Group NPAT

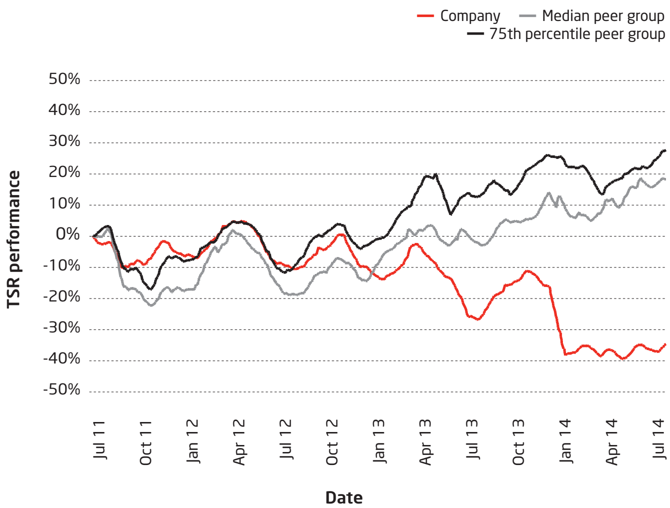


1 The average percentage of maximum STI/Combined Incentive for any financial year relates to amounts paid in September following that year end.
2 Underlying Group NPAT figures are used. In 2010 and 2013 these are the same as Reported Group NPAT figures.
3 The average combined incentive excludes payments to new Executives (Christopher Parker and Ian Wilkinson) which were earned in their non-KMP roles.

LTI outcomes

The graph below tracks the Company's TSR over the last three years against the median TSR of the peer group used for the LTI Plan:

TSR performance measured over the last three years



This graph illustrates that growth in the Company's TSR was below median, which has resulted in a nil vesting for Executives for TSR related LTI granted in FY2012. As vesting was not achieved, Executives may elect to retain their TSR performance rights to be retested and measured for the four year period ending 30 June 2015. Executives who elect not to retest will lapse their TSR related LTI on 30 September 2014. This is the last year in which retesting is allowed.

Over the same three year period, the Company's EPS growth was below the minimum required to trigger vesting against the EPS performance hurdle for LTI granted in FY2012. EPS performance rights will lapse on 30 September 2014. No retest applies to this measure.

The actions taken in the second half, seek to return us to satisfactory levels of TSR.

The table below shows the recent history of vesting of Executives' equity grants:

Summary of vested rights

GRANT	PERFORMANCE PERIOD	TSR PERCENTILE ACHIEVED[1]	RETESTED TSR PERCENTILE ACHIEVED[2]	CHANGE IN EPS ACHIEVED[3]	% OF TOTAL LTI GRANT VESTED/EXERCISED	VESTING DATE	VALUE PER RIGHT VESTED/EXERCISED[4] $
FY2009	01 Jul 08 – 30 Jun 11	30th	70th	(5.2%)	54%[5]	30 Sep 12	25.65
FY2010	01 Jul 09 – 30 Jun 12	60th	10th	(4.4%)	42%	30 Sep 12	25.65
FY2011[6]	01 Jul 10 – 30 Jun 13	lowest	lowest	3.3%	0%	30 Sep 13	n/a
FY2012[7]	01 Jul 11 – 30 Jun 14	lowest	n/a	(4.2%)	0%	30 Sep 14	n/a

1 Represents the Company's relative TSR ranking over the initial three year performance period compared to the relevant comparator group (comprised of AECOM, Aker Solutions, AMEC, Fluor Corporation, Foster Wheeler, Jacobs Engineering Group, KBR, SNC-Lavalin, URS Corporation and Wood Group).
2 Represents the Company's retested relative TSR ranking over a four year performance period compared to the relevant comparator group.
3 Change in EPS achieved is calculated as the compound annual growth rate of EPS over the performance period.
4 This amount is based on the volume weighted average price of the Company's shares for the 10 trading days following the annual results announcement for the year in which the rights vest (as there is no exercise price payable in respect of equity or cash settled rights).
5 Equity granted in FY2009 under the TSR measure vested on 30 September 2012 based on the retested outcome over a four year performance period up to 30 June 2012.
6 Equity granted in FY2011 under the EPS measure had a nil vesting on 30 September 2013. Equity granted under the TSR measure has nil vesting on 30 September 2014.
7 Equity granted in FY2012 under the TSR and EPS measure has nil vesting on 30 September 2014. Executives may elect to retain TSR performance rights to be measured for the four year performance period up to 30 June 2015. This is the last year in which retesting is allowed.

Total remuneration outcomes

Executive remuneration is detailed in the following table in accordance with accounting standards. Additional columns have been provided under Actual Remuneration Outcomes. This shows a comparison between remuneration in accordance with the accounting standards, actual remuneration awarded during the year and actual remuneration received during the year.

Accounting standards require the value of equity based payments to be amortized over the relevant period of performance (or vesting period). The value of equity based payments awarded during the year is determined as a percentage of fixed pay that the Company aims to deliver. This can be found in the Equity Incentive and LTI columns under the remuneration awarded section of Actual Remuneration Outcomes. The full value that was received during the year is determined as the number of performance rights vested times the share price at the end of the period of performance. This can be found under the remuneration received section of Actual Remuneration Outcomes.

STATUTORY REMUNERATION OUTCOMES

		SHORT TERM EMPLOYEE BENEFITS					POST-EMPLOYMENT BENEFITS	OTHER LONG TERM BENEFITS	SHARE BASED PAYMENTS					
		CASH SALARY $	CASH ALLOWANCES[1] $	CASH INCENTIVE/ CASH STI[2] $	NON-MONETARY BENEFITS[3] $	**TOTAL SHORT TERM CASH AND BENEFITS $**	SUPER-ANNUATION $	LONG SERVICE LEAVE $	EQUITY INCENTIVE/ STI EQUITY SETTLED[4] $	LTI EQUITY SETTLED[4] $	**TOTAL REMUNERATION IN ACCORDANCE WITH ACCOUNTING STANDARDS $**	SHARE BASED PAYMENTS % OF TOTAL REMUNERATION	VARIABLE PAY % OF TOTAL REMUNERATION	% OF MAXIMUM STI AWARD FORFEITED
EXECUTIVE DIRECTORS														
Andrew Wood	*FY2014*	1,600,000	–	–	13,670	**1,613,670**	17,775	26,523	35,168	376,666	**2,069,802**	19.9%	19.9%	100.0%
	FY2013	1,344,869	15,769	–	22,964	**1,383,602**	16,470	26,523	73,135	288,188	**1,787,918**	20.2%	20.2%	100.0%
John Grill[10]	*FY2013*	2,484,268	–	–	6,829	**2,491,097**	5,384	10,903	276,908	224,480	**3,008,772**	16.7%	16.7%	100.0%
GROUP EXECUTIVES														
Simon Holt	*FY2014*	463,000	–	–	15,544	**478,544**	17,775	7,675	17,125	71,573	**592,692**	15.0%	15.0%	100.0%
	FY2013	307,418	–	–	10,854	**318,272**	11,339	5,278	–	11,687	**346,576**	3.4%	3.4%	100.0%
Randy Karren	*FY2014*	609,209	–	–	12,619	**621,828**	15,533	–	27,288	122,828	**787,477**	19.1%	19.1%	100.0%
	FY2013	401,322	–	–	5,947	**407,269**	10,232	–	–	18,773	**436,274**	4.3%	4.3%	100.0%
Christopher Parker[11]	*FY2014*	79,333	–	–	1,989	**81,322**	2,854	–	–	8,431	**92,607**	9.1%	9.1%	100.0%
David Steele	*FY2014*	909,075	18,690	–	61,751	**989,516**	32,070	14,919	31,206	208,696	**1,276,407**	18.8%	18.8%	100.0%
	FY2013	887,903	–	–	212,156	**1,100,059**	–	–	64,895	186,063	**1,351,017**	18.6%	18.6%	100.0%
Ian Wilkinson[11]	*FY2014*	99,336	–	–	2,314	**101,650**	–	1,639	5,588	12,538	**121,415**	14.9%	14.9%	100.0%
FORMER GROUP EXECUTIVES														
Barry Bloch[12]	*FY2014*	585,386	–	–	11,520	**596,906**	25,721	9,816	17,490	69,717	**719,650**	12.1%	12.1%	100.0%
	FY2013	692,537	–	–	14,269	**706,806**	16,470	11,753	50,368	88,563	**873,960**	15.9%	15.9%	100.0%
Stuart Bradie[13]	*FY2014*	1,191,472	–	–	607,251	**1,798,723**	119,147	–	(44,657)	(516,969)	**1,356,244**	(41.4%)	(41.4%)	100.0%
	FY2013	1,122,925	–	–	639,585	**1,762,510**	112,293	–	63,447	197,378	**2,135,628**	12.2%	12.2%	100.0%
Iain Ross[12]	*FY2014*	943,156	–	–	382,672	**1,325,828**	94,315	–	16,954	216,853	**1,653,950**	14.1%	14.1%	100.0%
	FY2013	977,785	–	–	225,145	**1,202,930**	97,779	–	48,432	180,366	**1,529,507**	15.0%	15.0%	100.0%
Total remuneration	***FY2014***	**6,479,967**	**18,690**	**-**	**1,109,330**	**7,607,987**	**325,190**	**60,572**	**106,162**	**570,333**	**8,670,244**			
	FY2013	**8,219,027**	**15,769**	**-**	**1,137,749**	**9,372,545**	**269,967**	**54,457**	**577,185**	**1,195,498**	**11,469,652**			

These footnotes apply to the table on pages 70 and 71.

1 This includes assignment uplifts and market adjustments.

2 The amount relates to the Cash Incentive portion of the Combined Incentive Plan. In line with the outcomes, there will be no payment made in September 2014.

3 Non-monetary benefits include benefits such as expatriate benefits (i.e. housing, home leave etc.), health insurance, car parking, company cars or car allowances, fringe benefits tax, tax advisory services, life insurance and club memberships. In some cases, these are at the election of the Executives i.e. they are salary sacrificed.

4 This remuneration includes a proportion of the fair value of equity compensation granted or outstanding during the year. The fair value of equity instruments is determined based on the fair value at grant date and is expensed progressively over the vesting period. The amount included as remuneration is not indicative of the benefit (if any) that individual Executives may ultimately realize should the equity instruments vest.

5 This is the total of superannuation received and long service leave benefits accrued during reporting period.

6 Remuneration awarded during reporting period but deferred for future periods includes equity awards granted under the Combined Incentive and LTI Plans which may vest and become available to Executives in future periods. A grant value based on fixed pay (as defined on page 65) multiplied by the incentive plan payout percentage approved by the Board has been included; this is not indicative of the benefit (if any) that individual Executives may ultimately realize should the equity instruments vest.

ACTUAL REMUNERATION OUTCOMES

		AWARDED AND RECEIVED DURING REPORTING PERIOD		AWARDED DURING REPORTING PERIOD DEFERRED FOR FUTURE PERIODS[6]				RECEIVED DURING REPORTING PERIOD DEFERRED FROM PREVIOUS PERIODS[9]		
				DEFERRED FOR FUTURE PERIODS[6]				DEFERRED FROM PREVIOUS PERIODS[9]		
		SHORT TERM CASH AND BENEFITS $	OTHER BENEFITS[5] $	EMPLOYEE SHARE PURCHASE PLAN[7] $	EQUITY INCENTIVE/ DEFERRED STI[8] $	LTI $	TOTAL REMUNERATION AWARDED DURING REPORTING PERIOD $	EQUITY INCENTIVE/ DEFERRED STI $	LTI $	TOTAL REMUNERATION RECEIVED DURING REPORTING PERIOD $
EXECUTIVE DIRECTORS										
Andrew Wood	*FY2014*	1,613,670	44,298	–	–	1,360,018	**3,017,986**	59,264	–	**1,717,232**
	FY2013	1,383,602	42,993	–	–	1,360,012	**2,786,607**	57,437	–	**1,484,032**
John Grill[10]	*FY2013*	2,491,097	16,287	–	–	-	**2,507,384**	237,349	–	**2,744,733**
GROUP EXECUTIVES										
Simon Holt	*FY2014*	478,544	25,450	–	–	185,196	**689,190**	28,858	–	**532,852**
	FY2013	318,272	16,617	–	–	111,114	**446,003**	27,988	–	**362,877**
Randy Karren	*FY2014*	621,828	15,533	149	–	248,945	**886,455**	45,446	–	**682,807**
	FY2013	407,269	10,232	962	–	233,936	**652,399**	44,067	–	**461,568**
Christopher Parker[11]	*FY2014*	81,322	2,854	–	–	–	**84,176**	–	–	**84,176**
David Steele	*FY2014*	989,516	46,989	–	–	674,989	**1,711,494**	52,588	–	**1,089,093**
	FY2013	1,100,059	-	–	–	675,010	**1,775,069**	50,966	–	**1,151,025**
Ian Wilkinson[11]	*FY2014*	101,650	1,639	–	–	–	**103,289**	32,346	–	**135,635**
FORMER GROUP EXECUTIVES										
Barry Bloch[12]	*FY2014*	596,906	35,537	–	–	283,621	**916,064**	37,203	–	**669,646**
	FY2013	706,806	28,223	–	–	283,588	**1,018,617**	39,565	–	**774,594**
Stuart Bradie[13]	*FY2014*	1,798,723	119,147	–	–	903,616	**2,821,486**	2,544	–	**1,920,414**
	FY2013	1,762,510	112,293	–	–	847,305	**2,722,108**	49,836	–	**1,924,639**
Iain Ross[12]	*FY2014*	1,325,828	94,315	–	–	786,815	**2,206,958**	1,942	–	**1,422,085**
	FY2013	1,202,930	97,779	–	–	737,779	**2,038,488**	38,044	–	**1,338,753**
Total remuneration	***FY2014***	**7,607,987**	**385,762**	**149**	–	**4,443,200**	**12,437,098**	**260,191**	–	**8,253,940**
	FY2013	**9,372,545**	**324,424**	**962**	–	**4,248,744**	**13,946,675**	**545,252**	–	**10,242,221**

7 The Employee Share Purchase Plan allows all permanent employees in select countries the opportunity to purchase up to $5,000 worth of shares per annum. The Company will provide an additional share for every five shares purchased and held for three years.

8 The amount relates to the Equity Incentive portion of the Combined Incentive Plan. In line with the outcomes, there will be no performance rights granted in October 2014 for Executives.

9 Remuneration received in reporting period from previous periods includes equity awards granted under the incentive plans in previous years which vested during reporting period. The Equity Incentive/Deferred STI and LTI value reflects the actual value realized by the Executive. For FY2014 and FY2013, there were no performance rights that vested during this period.

10 Mr Grill retired from the CEO role effective 23 October 2012. Mr Grill was appointed Chairman on 1 March 2013 and his subsequent reward is disclosed in the NED Remuneration Outcomes table on page 75.

11 Remuneration is disclosed to the extent that it relates to Mr Parker's and Mr Wilkinson's employment in the capacity of an Executive, which commenced on 1 May 2014.

12 Remuneration is disclosed to the extent that it relates to Mr Bloch's and Mr Ross' employment in the capacity of an Executive, which ceased on 1 May 2014. Share based payments are disclosed to the extent they relate to their employment in the capacity of an Executive.

13 Mr Bradie resigned from the Company on 8 April 2014 and ceased to be an Executive on that date. Notice payments under his contract up to his cessation of employment on 30 May 2014 are included in Cash Salary above. No termination payments were made to Mr Bradie.

Details of vested and outstanding rights over the last five years

	PLAN	DATE OF GRANT	NUMBER OF RIGHTS GRANTED[1]	FAIR VALUE PER RIGHT (AT GRANT DATE)[2] $	FAIR VALUE OF GRANT (AT GRANT DATE)[3] $	VESTING DATE/ FIRST EXERCISE DATE[4]	EXPIRY DATE	NUMBER OF RIGHTS VESTED	VALUE OF RIGHTS VESTED[5] $	NUMBER OF RIGHTS EXERCISED	VALUE OF RIGHTS EXERCISED[5] $	NUMBER OF RIGHTS LAPSED[6]	VALUE OF RIGHTS LAPSED[7] $	% OF RIGHTS LAPSED
EXECUTIVE DIRECTOR														
Andrew Wood	LTI	24 Oct 13	60,688	13.59	824,750	30 Sep 17	24 Oct 20	–	–	–	–	–	–	0.0%
		23 Oct 12	53,084	15.76	836,604	30 Sep 16	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	23,702	17.69	419,288	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	25,387	16.93	429,802	30 Sep 14	15 Oct 17	–	–	–	–	10,154	227,574	40.0%
		09 Oct 09	18,650	19.27	359,386	30 Sep 12	30 Sep 16	7,833	200,916	7,833	200,916	10,817	277,448	58.0%
	Deferred Equity STI	01 Oct 12	2,947	27.70	81,632	30 Jun 13	30 Jun 19	2,947	57,741	2,947	57,741	–	–	0.0%
		01 Oct 12	2,947	27.70	81,632	30 Jun 14	30 Jun 19	2,947	50,606	–	–	–	–	0.0%
GROUP EXECUTIVES														
Simon Holt[8]	LTI	24 Oct 13	8,264	13.59	112,308	30 Sep 17	24 Oct 20	–	–	–	–	–	–	0.0%
		08 Feb 13	4,337	17.25	74,813	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	2,842	19.14	54,396	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	3,268	16.93	55,327	30 Sep 14	15 Oct 17	–	–	–	–	1,307	29,293	40.0%
	Deferred Equity STI	01 Oct 12	1,436	27.70	39,777	30 Jun 13	30 Jun 19	1,436	28,136	1,436	28,136	–	–	0.0%
		01 Oct 12	1,435	27.70	39,750	30 Jun 14	30 Jun 19	1,435	24,642	1,435	24,642	–	–	0.0%
Randy Karren[8]	LTI	24 Oct 13	11,102	13.59	150,876	30 Sep 17	24 Oct 20	–	–	–	–	–	–	0.0%
		08 Feb 13	4,566	15.39	70,271	30 Sep 16	18 Oct 19	–	–	–	–	–	–	0.0%
		08 Feb 13	4,565	15.13	69,068	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	6,079	19.14	116,352	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	8,717	16.93	147,579	30 Sep 14	15 Oct 17	–	–	–	–	3,486	78,129	40.0%
	Deferred Equity STI	01 Oct 12	2,261	27.70	62,630	30 Jun 13	30 Jun 19	2,261	44,300	2,261	44,300	–	–	0.0%
		01 Oct 12	2,261	27.70	62,630	30 Jun 14	30 Jun 19	2,261	38,826	–	–	–	–	0.0%
	Employee Share	15 May 14	9	16.57	149	15 May 17	15 May 17	–	–	–	–	–	–	0.0%
	Purchase Plan[9]	15 May 13	40	24.05	962	15 May 16	15 May 16	–	–	–	–	–	–	0.0%
Christopher Parker[10]	LTI	08 Feb 13	4,310	17.25	74,348	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	3,263	19.14	62,454	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	1,821	16.93	30,830	30 Sep 14	15 Oct 17	–	–	–	–	–	–	0.0%
David Steele	LTI	24 Oct 13	30,120	13.59	409,331	30 Sep 17	24 Oct 20	–	–	–	–	–	–	0.0%
		08 Feb 13	13,174	15.39	202,748	30 Sep 16	18 Oct 19	–	–	–	–	–	–	0.0%
		08 Feb 13	13,173	15.13	199,307	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	21,315	17.69	377,062	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	16,049	16.93	271,710	30 Sep 14	15 Oct 17	–	–	–	–	6,419	143,864	40.0%
		09 Oct 09	10,746	19.27	207,075	30 Sep 12	30 Sep 16	4,513	115,758	4,513	115,758	6,233	159,872	58.0%
	Deferred Equity STI	01 Oct 12	2,615	27.70	72,436	30 Jun 13	30 Jun 19	2,615	51,236	2,615	51,236	–	–	0.0%
		01 Oct 12	2,615	27.70	72,436	30 Jun 14	30 Jun 19	2,615	44,905	2,615	44,905	–	–	0.0%
Ian Wilkinson[10]	LTI	08 Feb 13	5,746	17.25	99,119	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	5,469	19.14	104,677	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	2,802	16.93	47,438	30 Sep 14	15 Oct 17	–	–	–	–	–	–	0.0%
	Deferred Equity STI	01 Oct 12	1,686	27.70	46,702	30 Jun 14	30 Jun 19	1,686	28,952	1,686	28,952	–	–	0.0%
FORMER GROUP EXECUTIVES														
Barry Bloch	LTI	24 Oct 13	12,656	13.59	171,995	30 Sep 17	24 Oct 20	–	–	–	–	–	–	0.0%
		08 Feb 13	5,534	15.39	85,168	30 Sep 16	18 Oct 19	–	–	–	–	–	–	0.0%
		08 Feb 13	5,535	15.13	83,745	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	10,231	17.69	180,986	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
	Deferred Equity STI	01 Oct 12	2,030	27.70	56,231	30 Jun 13	30 Jun 19	2,030	39,774	2,030	39,774	–	–	0.0%
		01 Oct 12	2,029	27.70	56,203	30 Jun 14	30 Jun 19	2,029	34,842	2,029	34,842	–	–	0.0%
Stuart Bradie[11]	LTI	24 Oct 13	40,322	13.59	547,976	30 Sep 17	24 Oct 20	–	–	–	–	40,322	613,334	100.0%
		08 Feb 13	16,536	15.39	254,489	30 Sep 16	18 Oct 19	–	–	–	–	16,536	251,527	100.0%
		08 Feb 13	16,536	15.13	250,190	30 Sep 15	18 Oct 19	–	–	–	–	16,536	251,527	100.0%
		17 Oct 11	21,495	17.69	380,247	30 Sep 14	17 Oct 18	–	–	–	–	21,495	326,958	100.0%
		15 Oct 10	28,374	16.93	480,372	30 Sep 14	15 Oct 17	–	–	–	–	28,374	254,357	100.0%
		09 Oct 09	19,361	19.27	373,086	30 Sep 12	30 Sep 16	8,131	208,560	8,131	208,560	11,230	288,041	58.0%
	Deferred Equity STI	01 Oct 12	2,557	27.70	70,829	30 Jun 13	30 Jun 19	2,557	50,100	2,557	50,100	–	–	0.0%
		01 Oct 12	2,556	27.70	70,801	30 Jun 14	30 Jun 19	–	–	–	–	2,556	38,879	100.0%
Iain Ross	LTI	24 Oct 13	35,110	13.59	477,145	30 Sep 17	24 Oct 20	–	–	–	–	–	–	0.0%
		08 Feb 13	14,398	15.39	221,585	30 Sep 16	18 Oct 19	–	–	–	–	–	–	0.0%
		08 Feb 13	14,399	15.13	217,857	30 Sep 15	18 Oct 19	–	–	–	–	–	–	0.0%
		17 Oct 11	19,922	17.69	352,420	30 Sep 14	17 Oct 18	–	–	–	–	–	–	0.0%
		15 Oct 10	26,324	16.93	445,665	30 Sep 14	15 Oct 17	–	–	–	–	10,529	235,979	40.0%
		09 Oct 09	19,316	19.27	372,219	30 Sep 12	30 Sep 16	8,113	208,098	8,113	208,098	11,203	287,348	58.0%
	Deferred Equity STI	01 Oct 12	1,952	27.70	54,070	30 Jun 13	30 Jun 19	1,952	38,246	1,952	38,246	–	–	0.0%
		01 Oct 12	1,951	27.70	54,043	30 Jun 14	30 Jun 19	1,951	33,503	–	–	–	–	0.0%

	PLAN	DATE OF GRANT	NUMBER OF RIGHTS GRANTED[1]	FAIR VALUE PER RIGHT (AT GRANT DATE)[2] $	FAIR VALUE OF GRANT (AT GRANT DATE)[3] $	VESTING DATE/ FIRST EXERCISE DATE[4]	EXPIRY DATE	NUMBER OF RIGHTS VESTED	VALUE OF RIGHTS VESTED[5] $	NUMBER OF RIGHTS EXERCISED	VALUE OF RIGHTS EXERCISED[5] $	NUMBER OF RIGHTS LAPSED[6]	VALUE OF RIGHTS LAPSED[7] $	% OF RIGHTS LAPSED
NON-EXECUTIVE DIRECTORS – earned while an Executive														
John Grill[12]	LTI	17 Oct 11	67,639	17.69	1,196,534	30 Sep 14	17 Oct 18	–	–	–	–	37,954	1,014,517	56.1%
		15 Oct 10	69,450	16.93	1,175,789	30 Sep 14	15 Oct 17	–	–	–	–	37,285	904,046	53.7%
		09 Oct 09	45,293	19.27	872,796	30 Sep 12	30 Sep 16	19,023	487,940	19,023	487,940	26,270	673,806	58.0%
	Deferred Equity STI	01 Oct 12	12,178	27.70	337,331	30 Jun 13	30 Jun 19	12,178	238,605	12,178	238,605	–	–	0.0%
		01 Oct 12	12,178	27.70	337,331	30 Jun 14	30 Jun 19	12,178	209,121	12,178	209,121	–	–	0.0%
Larry Benke[12]	LTI	09 Oct 09	11,214	19.27	216,094	30 Sep 12	30 Sep 16	1,570	40,271	1,570	40,271	9,644	247,361	86.0%
Total vested			**104,261**		**2,473,419**			**104,261**	**2,275,078**	**97,102**	**2,152,143**	**–**	**–**	
Total lapsed			**308,350**		**5,279,598**			–	–	–	–	**308,350**	**6,303,860**	
Total outstanding			**507,956**		**8,007,835**			–	–	–	–	–	–	
Total			**920,567**		**15,760,852**			**104,261**	**2,275,078**	**97,102**	**2,152,143**	**308,350**	**6,303,860**	

1 The service and performance criteria for the rights are discussed in the LTI Plan section on page 66. Each right entitles the holder to one fully paid ordinary share in the Company at a nil exercise price (i.e. a zero exercise price option). Where rights were granted prior to commencement as Executives, the service and performance criteria are aligned with those discussed in the Combined Incentive Plan section on page 65.

2 Fair value per right at grant date is independently determined using an appropriate option pricing model in accordance with AASB 2 Share-based Payment that takes into account the exercise price, the term of the right, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right. This amount represents the actual cost to the Company. A Monte Carlo simulation is used for the relative TSR portion and a Black-Scholes model is used for the EPS portion.

3 Total fair value at grant date is calculated by multiplying the fair value per right by the number of rights granted. This does not represent the actual value the Executive will derive from the grant, which will depend on the achievement of performance hurdles measured over the vesting period. The maximum value of the rights granted has been estimated based on the fair value per right. The minimum total value of the rights granted, if the applicable performance hurdles are not met, is nil.

4 This is the date at which rights first become exercisable subject to meeting performance hurdles. Once vested, rights are exercisable up until the expiry date. Rights granted on 15 October 2010 were retained for retesting over a four year period (to 30 September 2014).

5 This amount is based on the volume weighted average price of the Company's shares for the 5 or 10 trading days following the annual results announcement for the year in which the rights vest (as there is no exercise price payable in respect of equity or cash settled rights) or following the end of the relevant financial year, as applicable.

6 The number of rights lapsed represents rights lapsed due to performance hurdles not being met and/or rights lapsed on cessation of employment.

7 Based on the measurement of the relevant performance hurdles, this total value may be an accumulation of values for rights lapsed over multiple periods.

8 Rights issued to Mr Holt and Mr Karren are disclosed to the extent they were outstanding or granted following the commencement of their employment in the capacity of Executive, which commenced on 23 October 2012.

9 The fair value at grant for matching bonus entitlements under the Employee Share Purchase Plan is calculated as the weighted average market price over the plan year.

10 Rights issued to Mr Parker and Mr Wilkinson are disclosed to the extent they were outstanding or granted following the commencement of their occupation in the capacity of Executive, which commenced on 1 May 2014.

11 Mr Bradie ceased employment with the Company on 30 May 2014, at which time all unvested equity awards lapsed.

12 Mr Grill and Mr Benke received rights as part of their employment with the Company prior to their retirement on 23 October 2012 and 30 June 2010 respectively. Board approval was received for retention of a pro-rated number of rights under the original terms of the grant including performance measures and vesting dates. This is consistent with the Company's practice in relation to unvested LTI held by retiring employees. Full details are disclosed on page 68. Rights lapsed on Mr Grill's and Mr Benke's retirement have been valued based on the volume weighted average price of the Company's shares for the 10 trading days up to and including their retirement dates.

EXECUTIVE INTERESTS IN SHARES AND PERFORMANCE RIGHTS

Executives' beneficial interests in shares and performance rights granted as at 30 June 2014 are detailed in the below table. The service and performance criteria for the rights are discussed in the Combined Incentive Plan and LTI Plan sections on pages 65 and 66.

NUMBER OF SHARES AND PERFORMANCE RIGHTS HELD IN WORLEYPARSONS LIMITED

	TYPE	BALANCE AT 1 JULY 2013	GRANTED PERFORMANCE RIGHTS	ON EXERCISE OF PERFORMANCE RIGHTS	CHANGE IN STATUS	OTHER TRANSACTIONS	BALANCE AT 30 JUNE 2014
EXECUTIVE DIRECTOR							
Andrew Wood	Shares	835,671	n/a	2,947	–	–	838,618
	Rights	108,067	60,688	(2,947)	–	(10,154)	155,654
GROUP EXECUTIVES							
Simon Holt	Shares	4,052	n/a	1,435	–	–	5,487
	Rights	11,882	8,264	(1,435)	–	(1,307)	17,404
Randy Karren[1]	Shares	76,195	n/a	2,261	–	(836)	77,620
	Rights	28,489	11,111	(2,261)	–	(3,486)	33,853
Christopher Parker[2]	Shares	–	n/a	–	1,977	–	1,977
	Rights	9,394	–	–	–	–	9,394
David Steele	Shares	119,264	n/a	2,615	–	–	121,879
	Rights	66,326	30,120	(2,615)	–	(6,419)	87,412
Ian Wilkinson[2]	Shares	–	n/a	1,686	67,852	–	69,538
	Rights	15,703	–	(1,686)	–	–	14,017
FORMER GROUP EXECUTIVES							
Barry Bloch[3]	Shares	2,030	n/a	2,029	(4,059)	–	–
	Rights	23,329	12,656	(2,029)	(33,956)	–	–
Stuart Bradie[4]	Shares	28,921	n/a	2,557	(31,478)	–	–
	Rights	88,054	40,322	(2,557)	(125,819)	–	–
Iain Ross[3]	Shares	457,060	n/a	1,952	(459,012)	–	–
	Rights	78,946	35,110	(1,952)	(112,104)	–	–
Grand total	**Shares**	**1,523,193**	**n/a**	**17,482**	**(424,720)**	**(836)**	**1,115,119**
	Rights	**430,190**	**198,271**	**(17,482)**	**(271,879)**	**(21,366)**	**317,734**

1 Mr Karren received exchangeable shares as part of the Colt Group consideration.
2 Mr Parker and Mr Wilkinson commenced in the role as Executive effective 1 May 2014.
3 Mr Bloch and Mr Ross ceased in the role as Executive effective 1 May 2014.
4 Mr Bradie ceased in the role as Executive on 8 April 2014; his rights lapsed on leaving the Company on 30 May 2014.

EMPLOYMENT ARRANGEMENTS

The key aspects of Executive contracts are outlined below:

	CONTRACT DURATION	NON-COMPETE CLAUSES	NOTICE PERIODS
EXECUTIVE DIRECTOR			
Andrew Wood	Unlimited	12 months	12 months
GROUP EXECUTIVES			
Simon Holt	Unlimited	12 months	6 months
Randy Karren	Unlimited	12 months	6 months
Christopher Parker	Unlimited	12 months	6 months
David Steele	Unlimited	12 months	6 months
Ian Wilkinson	Unlimited	12 months	6 months

The contracts include the components of remuneration which are to be paid to Executives, and provide for an annual review, but do not prescribe how remuneration levels are to be modified from year to year.

In the event of termination, all Executives are generally entitled to receive their statutory leave entitlements. In relation to incentive plans upon termination, where an Executive resigns, the Combined Incentive is paid only if the Executive is employed on the date of payment (which is subsequent to the performance year).

In accordance with the plan rules, the Board retains discretion on the treatment of both vested and unvested equity in all instances of separation as outlined in the Combined Incentive Plan and the LTI Plan details on pages 65 and 66. In exercising such discretion, this is typically on a pro-rata basis and subject to the original performance requirements and timing.

At the October 2013 Annual General Meeting (AGM), the Board sought and received approval from shareholders, where discretion was applied for the retention of LTI following cessation of employment for the value of LTI to be disregarded when calculating the relevant participant's cap for the purposes of section 200F(2)(b) or section 200G(1)(c) of the Act.

The Company did not pay sign-on payments to any Executives during FY2014.

4. NON-EXECUTIVE DIRECTOR REMUNERATION

NON-EXECUTIVE DIRECTORS

This section outlines the remuneration arrangements in place for the Company's Non-Executive Directors (NEDs). All directors held office for the whole of FY2014, except where otherwise stated. The NEDs for FY2014 are listed below:

NAME	POSITION	COUNTRY OF RESIDENCE
John Grill	Chairman	Australia
Ron McNeilly	Deputy Chairman and Lead Independent Director	Australia
Larry Benke	Director	Canada
Erich Fraunschiel	Director	Australia
John M Green	Director	Australia
Christopher Haynes	Director	United Kingdom
Catherine Livingstone	Director	Australia
JB McNeil[1]	Director	United States
Wang Xiao Bin	Director	Hong Kong

1 Mr McNeil retired as a director on 3 April 2014.

REMUNERATION POLICY

The principles of fairness and shareholder alignment are reflected through the Company's commitment to setting NED fees at a level which remains market competitive, while ensuring they reflect the caliber of directors required to address the significant strategic and operational challenges faced by the Company, domestically and abroad.

For the third consecutive year, there will be no increase in fees for NEDs in FY2015.

The aggregate amount of fees (which include Board and Committee fees) that may be paid to NEDs in any year is capped at the level approved by shareholders. The current maximum aggregate amount of $3.25 million per annum was approved by shareholders at the 2012 AGM. Of the aggregate annual fee pool, 76% ($2.47 million) was utilized during FY2014 (72% ($2.355 million) for FY2013). NEDs do not receive performance related payments.

REMUNERATION STRUCTURE

Board and Committee fees

Board and Committee fees for FY2014 and FY2015 are set out below. These amounts are inclusive of superannuation contributions made on behalf of NEDs in accordance with the Company's statutory obligations.

In FY2014, Mr Grill agreed to a temporary decrease in the Chairman fee from $520,000 to $460,000 per annum. This will apply for FY2014 and FY2015.

ROLE	FY2014 AND FY2015 ANNUAL FEES
Chairman[1]	$460,000
Deputy Chairman and Lead Independent Director[1]	$312,000
Other NED	$194,000
Chairman of Audit and Risk Committee	$47,000
Member of Audit and Risk Committee	$26,000
Chairman of Remuneration Committee	$37,000
Member of Remuneration Committee	$21,000
Chairman of Health, Safety and Environment Committee	$30,000
Member of Health, Safety and Environment Committee	$12,000
Chairman/Member of Nominations Committee	nil

1 The Chairman of the Board and Deputy Chairman and Lead Independent Director do not receive additional fees for Committees, of which they may be a member.

Other benefits

NEDs are eligible to receive travel allowances of $5,000 for attendance at overseas meetings. NEDs are also entitled to be reimbursed for all business related expenses, including travel, incurred in the discharge of their obligations.

The Company does not pay retirement benefits to NEDs, except where required by legislation.

From time to time, the Board may determine special fees for additional duties undertaken by directors. No such fees were paid in FY2014.

REMUNERATION OUTCOMES

Remuneration of the NEDs for FY2014 and FY2013 is set out below:

	SHORT TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS	SHARE BASED PAYMENT	
	FEES $	TRAVEL ALLOWANCES $	SUPER-ANNUATION[1] $	EQUITY INCENTIVE STI/ CASH SETTLED[4] $	TOTAL $
John Grill					
FY2014	442,216	5,000	17,775	32,881	497,872
FY2013[2]	167,840	5,000	5,490	–	178,330
Ron McNeilly					
FY2014	294,260	5,000	17,734	–	316,994
FY2013	434,188	10,000	16,470	–	460,658
Larry Benke					
FY2014	212,102	25,000	–	–	237,102
FY2013	204,125	25,000	–	–	229,125
Erich Fraunschiel					
FY2014	224,264	5,000	16,732	–	245,996
FY2013	224,526	10,000	16,470	–	250,996
John M Green					
FY2014	214,405	5,000	16,591	–	235,996
FY2013	214,526	10,000	16,470	–	240,996
Christopher Haynes					
FY2014	223,996	30,000	–	–	253,996
FY2013	219,318	30,000	–	–	249,318
Catherine Livingstone					
FY2014	203,560	5,000	16,436	–	224,996
FY2013	203,526	10,000	16,470	-	229,996
JB McNeil[3]					
FY2014	182,600	20,000	–	–	202,600
FY2013	240,995	25,000	–	–	265,995
Wang Xiao Bin					
FY2014	203,560	35,000	16,436	–	254,996
FY2013	203,526	30,000	16,470	–	249,996
Total remuneration					
FY2014	**2,200,963**	**135,000**	**101,704**	**32,881**	**2,470,548**
FY2013	**2,112,570**	**155,000**	**87,840**	**-**	**2,355,410**

1 Superannuation contributions are made on behalf of the NEDs in accordance with the Company's statutory superannuation obligations. In some cases, the amounts in this table are lower than the annualized superannuation guarantee cap (Cap). Currently NEDs are paid every second month and the legislation requires the Cap to apply quarterly. The lower amount results from those quarters in which only one payment is made and it is lower than the quarterly cap.

2 Mr Grill commenced as a NED and Chairman on 1 March 2013.

3 Mr McNeil retired as a director on 3 April 2014.

4 Mr Grill received Deferred Equity STI Rights in 2012 which half of which vested after 12 months and half after 24 months. The plan provided dividend equivalent payments and they have not previously been disclosed.

NED INTERESTS IN SHARES AND PERFORMANCE RIGHTS

NED beneficial interests in shares and performance rights of the Company as at 30 June 2014 are detailed in the below table. The service and performance criteria for the rights are discussed in the LTI Plan section on page 66.

NUMBER OF SHARES AND PERFORMANCE RIGHTS HELD IN WORLEYPARSONS LIMITED

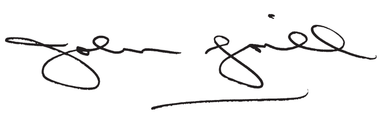
	TYPE	BALANCE AT 1 JULY 2013	ON EXERCISE OF PERFORMANCE RIGHTS	OTHER TRANSACTIONS	BALANCE AT 30 JUNE 2014
John Grill[1]	Shares	25,372,173	-	-	25,372,173
	Rights	95,471	(12,178)	(21,443)	61,850
Ron McNeilly	Shares	401,064	-	-	401,064
Larry Benke[2]	Shares	1,133,383	-	-	1,133,383
Erich Fraunschiel	Shares	168,755	-	-	168,755
John M Green	Shares	891,869	-	-	891,869
Christopher Haynes	Shares	6,055	-	5,890	11,945
Catherine Livingstone	Shares	13,000	-	-	13,000
JB McNeil[3]	Shares	10,800	-	-	N/A
Wang Xiao Bin	Shares	11,000	-	-	11,000

1 Mr Grill received rights as part of his employment with the Company prior to his retirement on 23 October 2012. In 2011, shareholders approved that Mr Grill's performance rights should be cash settled.
2 Mr Benke received exchangable shares as part of the Colt consideration upon acquisition in 2007.
3 Mr McNeil's balance at 30 June 2014 is not disclosed as he resigned on 3 April 2014 and is no longer a director.

NED minimum shareholding requirement

A minimum shareholding requirement exists to provide alignment between director and shareholder interests. Each NED must build a holding of the Company's ordinary shares equivalent to that director's annual fee. NEDs are expected to comply with this requirement within their first full term of three years as a director. All NEDs comply with the minimum shareholding requirement.

This Directors' Report (including Remuneration Report) is made in accordance with a resolution of the directors.



JOHN GRILL AO
Chairman
Sydney, 27 August 2014

STATEMENT OF FINANCIAL PERFORMANCE

For the financial year ended 30 June 2014

	NOTES	CONSOLIDATED 2014 $'M	2013 $'M
REVENUE AND OTHER INCOME			
Professional services revenue		5,715.6	6,025.2
Procurement revenue		2,956.2	1,938.5
Construction and fabrication revenue		888.7	847.7
Interest income		5.3	6.0
Other	5	16.7	14.1
Total revenue and other income		**9,582.5**	**8,831.5**
EXPENSES			
Professional services costs		(5,022.8)	(5,257.6)
Procurement costs		(2,949.2)	(1,931.0)
Construction and fabrication costs		(837.9)	(790.6)
Global support costs		(357.1)	(342.7)
Borrowing costs		(64.9)	(59.4)
Total expenses		**(9,231.9)**	**(8,381.3)**
Share of net profits of associates accounted for using the equity method	24(C)	18.0	23.4
Profit before income tax expense		**368.6**	**473.6**
Income tax expense	6A	(100.0)	(129.4)
Profit after income tax expense		**268.6**	**344.2**
Profit after income tax expense attributable to:			
Members of WorleyParsons Limited		**249.1**	**322.1**
Non-controlling interests		**19.5**	**22.1**
Basic earnings per share (cents)	21	101.0	130.8
Diluted earnings per share (cents)	21	100.3	129.9

The above Statement of Financial Performance should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2014

	CONSOLIDATED	
	2014 $'M	2013 $'M
Profit after income tax expense	**268.6**	**344.2**
Items that may be reclassified in future periods to the Statement of Financial Performance		
Net movement in foreign currency translation reserve	(26.5)	82.9
Net movement in hedge reserve	(5.9)	18.8
Total comprehensive income, net of tax	**236.2**	**445.9**
Total comprehensive income, net of tax, attributable to:		
Members of WorleyParsons Limited	**214.7**	**418.4**
Non-controlling interests	**21.5**	**27.5**

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

		CONSOLIDATED	
	NOTES	2014 $'M	2013 $'M
ASSETS			
Current assets			
Cash and cash equivalents	7	365.8	320.0
Trade receivables	8	1,883.7	1,915.7
Other receivables	8	193.1	176.1
Income tax receivable		1.4	2.5
Prepayments		86.3	105.3
Derivatives	35	1.6	1.1
Finance lease receivable	27(B)	–	1.6
Assets held for sale	27(A)	30.9	–
Total current assets		**2,562.8**	**2,522.3**
Non-current assets			
Property, plant and equipment	9	115.7	139.6
Intangible assets	10	2,029.2	2,050.4
Equity accounted associates	24(B)	115.5	131.4
Derivatives	35	26.8	30.8
Finance lease receivable	27(B)	–	27.1
Deferred tax assets	11	195.6	160.5
Other non-current assets		3.9	22.3
Total non-current assets		**2,486.7**	**2,562.1**
TOTAL ASSETS		**5,049.5**	**5,084.4**
LIABILITIES			
Current liabilities			
Trade and other payables	12	1,331.7	1,175.6
Interest bearing loans and borrowings	13	4.2	156.0
Income tax payable		47.8	–
Provisions	14	426.5	468.1
Derivatives	36	5.6	4.0
Liabilities held for sale	27(A)	19.4	–
Total current liabilities		**1,835.2**	**1,803.7**
Non-current liabilities			
Interest bearing loans and borrowings	15	871.8	902.7
Deferred tax liabilities	16	122.3	141.6
Provisions	17	35.3	43.2
Derivatives	36	–	0.3
Total non-current liabilities		**1,029.4**	**1,087.8**
TOTAL LIABILITIES		**2,864.6**	**2,891.5**
NET ASSETS		**2,184.9**	**2,192.9**
EQUITY			
Issued capital	18	1,239.7	1,238.5
Reserves	19	(195.8)	(177.8)
Retained profits	20	1,137.7	1,098.2
Parent Entity interest		2,181.6	2,158.9
Non-controlling interests		3.3	34.0
TOTAL EQUITY		**2,184.9**	**2,192.9**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2014

	CONSOLIDATED								
	ISSUED CAPITAL $'M	RETAINED PROFITS $'M	FOREIGN CURRENCY TRANSLATION RESERVE $'M	HEDGE RESERVE $'M	PERFORMANCE RIGHTS RESERVE $'M	ACQUISITION RESERVE $'M	PARENT ENTITY INTEREST $'M	NON-CONTROLLING INTERESTS $'M	TOTAL $'M
As at 1 July 2013	**1,238.5**	**1,098.2**	**(218.0)**	**16.9**	**32.9**	**(9.6)**	**2,158.9**	**34.0**	**2,192.9**
Profit after income tax expense	–	249.1	–	–	–	–	249.1	19.5	268.6
Other comprehensive (loss)/income	–	–	(28.5)	(5.9)	–	–	(34.4)	2.0	(32.4)
Total comprehensive income, net of tax	**-**	**249.1**	**(28.5)**	**(5.9)**	**-**	**-**	**214.7**	**21.5**	**236.2**
Transactions with owners									
Performance rights transactions	1.2	–	–	–	16.4	–	17.6	–	17.6
Acquisition of interest from non-controlling interests	–	–	–	–	–	–	–	(35.5)	(35.5)
Dividends paid	–	(209.6)	–	–	–	–	(209.6)	(16.7)	(226.3)
As at 30 June 2014	**1,239.7**	**1,137.7**	**(246.5)**	**11.0**	**49.3**	**(9.6)**	**2,181.6**	**3.3**	**2,184.9**
As at 1 July 2012	**1,221.3**	**1,003.8**	**(295.5)**	**(1.9)**	**39.3**	**(9.6)**	**1,957.4**	**22.5**	**1,979.9**
Profit after income tax expense	–	322.1	–	–	–	–	322.1	22.1	344.2
Other comprehensive income	–	–	77.5	18.8	–	–	96.3	5.4	101.7
Total comprehensive income, net of tax	**-**	**322.1**	**77.5**	**18.8**	**-**	**-**	**418.4**	**27.5**	**445.9**
Transactions with owners									
Performance rights transactions	17.2	–	–	–	(6.4)	–	10.8	–	10.8
Contribution to equity	–	–	–	–	–	–	–	1.2	1.2
Dividends paid	–	(227.7)	–	–	–	–	(227.7)	(17.2)	(244.9)
As at 30 June 2013	**1,238.5**	**1,098.2**	**(218.0)**	**16.9**	**32.9**	**(9.6)**	**2,158.9**	**34.0**	**2,192.9**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2014

		CONSOLIDATED	
	NOTES	2014 $'M	2013 $'M
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		9,633.2	8,467.2
Payments to suppliers and employees		(8,966.4)	(7,846.0)
		666.8	621.2
Dividends received from associates		23.5	13.8
Interest received		5.3	6.0
Borrowing costs paid		(55.7)	(47.6)
Income taxes paid		(89.8)	(149.9)
Net cash inflow from operating activities	26	**550.1**	**443.5**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of controlled entities	23(D)	(62.2)	(282.5)
Cash balances in controlled entities acquired, net of bank overdraft	23(D)	11.1	22.4
Payments for purchase of equity accounted investment		-	(8.7)
Payments for purchase of property, plant and equipment and computer software		(54.4)	(78.2)
Proceeds from sale of property, plant and equipment		1.2	0.3
Net cash outflow from investing activities		**(104.3)**	**(346.7)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(1,981.0)	(1,758.0)
Proceeds from borrowings		1,826.9	1,963.0
Costs of bank facilities and proceeds from finance leases		(4.3)	(10.7)
Net loans (to)/from related parties		(6.8)	10.9
Dividends paid to members of WorleyParsons Limited	22(B)	(209.6)	(227.7)
Dividends paid to non-controlling interests		(16.7)	(16.9)
Net cash outflow from financing activities		**(391.5)**	**(39.4)**
Net increase in cash		**54.3**	**57.4**
Cash and cash equivalents at the beginning of the financial year		320.0	247.3
Effects of foreign exchange rate changes on cash		(6.0)	15.3
Cash and cash equivalents at the end of the financial year	7	**368.3**	**320.0**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

1. CORPORATE INFORMATION

The financial report of WorleyParsons Limited (Company or Parent Entity) for the financial year ended 30 June 2014 was authorized for issue in accordance with a resolution of the directors on 27 August 2014.

WorleyParsons Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX: WOR). WorleyParsons Limited is a for-profit entity for the purposes of preparing the financial statements.

The nature of the operations and principal activities of the Company is described in note 34.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

(i) Basis of preparation

This general purpose financial report has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board.

The Group 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. Unless otherwise expressly stated, 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 which have been rounded down.

(ii) Statement of compliance

The consolidated financial report complies with International Financial Reporting Standards and interpretations as issued by the International Accounting Standards Board (IASB).

(iii) Historical cost convention

The 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 recognized 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.

(iv) Critical accounting estimates

In the application of AAS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 judgments.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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.

Management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made:

- revenue recognition, refer note 2(G);
- goodwill and intangible assets with identifiable useful lives, refer notes 2(L) and 10;
- warranty and other provisions, refer notes 2(O), 14 and 17;
- share based payments, refer note 2(C); and
- recovery of deferred taxes, refer notes 2(D) and 6(D).

Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

(v) Adoption of new and amended accounting standards

The Group has adopted the following new and amended accounting standards from 1 July 2013:

- AASB 10 Consolidated Financial Statements;
- AASB 11 Joint Arrangements;
- AASB 12 Disclosure of Interests in Other Entities;
- AASB 13 Fair Value Measurement;
- Revised AASB 119 Employee Benefits;
- AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements; and
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.

Adoption of these standards did not have any material effect on the Statement of Financial Performance, Statement of Comprehensive Income and Statement of Financial Position of the Group.

(vi) New accounting standards and interpretation not yet applicable

The following new accounting standards and interpretation have been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 30 June 2014:

Effective 1 July 2014

IFRIC 21 Levies

IFRIC 21 addresses that a liability for a levy should be recognized when the activity that triggers payment occurs.

The adoption of this standard is not expected to have any impact on the Group's financial statements.

Effective 1 July 2017

AASB 9 Financial Instruments

AASB 9 addresses the classification, measurement and derecognition of financial assets and liabilities and establishes new rules for hedge accounting that better align risk management practices and hedge accounting practices. The changes impacting financial assets and liabilities are not expected to have a material impact on the Group's financial statements. The Group has not finalized its assessment of how changes to rules for hedge accounting will impact the Group's financial statements.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 addresses how revenue is recognized and will require the Group to identify contracts and performance obligations, determine the transaction price, allocate the transaction price to each performance obligation and recognize revenue when each performance obligation is satisfied. The Group has not finalized its assessment of how changes to the rules for revenue recognition will impact the Group's financial statements.

Effective 1 July 2018

IFRS 9 Financial Instruments

IFRS 9 is the IASB's replacement for *IAS 39 Financial Instruments: Recognition and Measurement*. The standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The standard has yet to be adopted by the AASB. The Group has not yet finalized its assessment of how changes to the rules for financial instruments will impact the Group's financial statements.

(vii) Basis of presentation and classification – Statement of Financial Performance

During the year ended 30 June 2014, the Group has voluntarily changed the presentation of expenses in its Statement of Financial Performance. The Group has determined that the disclosure of certain costs by function provides more relevant information to the financial statement users as it aligns cost classification with revenue categories.

Staff costs $4,348.9 (2013: $4,293.8), contract related reimbursable costs $1,052.9 (2013: $1,282.4), office and administration costs $524.7 (2013: $579.3) and certain depreciation and amortization costs $109.5 million (2013: $102.3 million) as presented previously have been allocated to professional services costs, construction and fabrication costs and to global support costs. The presentation of procurement costs remains unchanged. The changes to classification have not impacted the total expenses recorded or the recorded profit before taxation.

Comparative values have been adjusted to reflect current period presentation.

(B) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by WorleyParsons Limited as at 30 June 2014 and the results of all controlled entities for the financial year then ended. WorleyParsons Limited and its controlled entities together are referred to in this financial report as the consolidated entity or the Group. Investments in associates are equity accounted and are not part of the consolidated entity (refer note 2(B)(iii)).

The impact of all transactions between entities in the consolidated entity are eliminated in full. Non-controlling interests in the results and equity of controlled entities are shown separately in the Statement of Financial Performance, Statement of Comprehensive Income and Statement of Financial Position.

(i) Controlled entities

Where control of an entity is obtained during a financial year, its results are included in the Statement of Financial Performance and the Statement of Comprehensive Income from the date on which control commences. Where control of an entity ceases during a financial year, its results are included for that part of the year during which control existed.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

(ii) Joint operations

The Group recognizes its proportionate interest in the assets, liabilities, revenues and expenses of any joint operations. These balances are incorporated in the financial statements under the appropriate headings. Details of joint operations are set out in note 25.

(iii) Equity accounted associates

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under this method, the consolidated entity's share of the post-acquisition profits or losses after tax of associates is recognized in the Statement of Financial Performance and the Statement of Comprehensive Income, and its share of post-acquisition movements in reserves is recognized in consolidated reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment. Associates are those entities over which the consolidated entity exercises significant influence, but not control. Details of the associates are set out in note 24.

(iv) Non-controlling interests

Non-controlling interests not held by the Company are allocated their share of net profit after tax in the Statement of Financial Performance and of total comprehensive income net of tax in the Statement of Comprehensive Income, and are presented within equity in the Statement of Financial Position, separately from Parent Entity interest.

(C) EMPLOYEE BENEFITS

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefits or liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by the employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, is used.

Employee benefits expenses arising in respect of wages and salaries, non-monetary benefits, leave entitlements and other types of entitlements are charged against profits on a net basis in their respective categories.

(i) Share based payments – performance rights

Performance rights (rights) over the ordinary shares of WorleyParsons Limited are granted to executive directors and other executives of the consolidated entity for nil consideration in accordance with performance guidelines approved by the Board. The fair values of the rights are amortized on a straight line basis over their performance period. For share settled rights, the fair value of the rights is the share price at grant date adjusted for the impact of performance hurdles and other vesting or exercise criteria attached to the right. For cash settled rights, the fair value of the rights is recalculated at the end of each reporting period and amortized on a straight line basis over their vesting period. The accounting estimates and assumptions relating to rights would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Fair value per right at grant date is independently determined using an appropriate option pricing model in accordance with AASB 2 Share-based Payment that takes into account the exercise price, the term of the right, the vesting and performance criteria, the impact of dilution, the non-traded nature of the right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right. This amount represents the actual cost to the Company.

A Monte Carlo simulation is applied to fair value the total shareholder return (TSR) element. In accordance with the rules of the Performance Rights Plan, the model simulates the Company's TSR and compares it against the peer group over the three-year period of each grant. The model takes into account the historic dividends, share price volatilities and co-variances of the Company and each comparator company to produce a predicted distribution of relative share performance. This is applied to the grant to give an expected value of the TSR element. For the earnings per share (EPS) and "continuous employment condition", the Black-Scholes model is utilized. Total fair value at grant is calculated by multiplying the fair value per right by the number of rights granted. This does not represent the actual value the executive will derive from the grant, which will depend on the achievement of performance hurdles measured over the vesting period. The maximum value of the rights granted has been estimated based on the fair value per right. The minimum total value of the rights granted, if the applicable performance hurdles are not met, is nil.

(ii) Deferred short term incentive plan

Deferred short term incentives are granted to executive directors and other executives of the consolidated entity in accordance with guidelines approved by the Board. These incentives are delivered in the form of a grant of rights under the Performance Rights Plan, except where the value of the incentive is less than the established threshold.

The rights awarded under the plan are deferred and will vest in two equal tranches. The Group accounts for these deferred awards as equity settled share based payments. Incentives granted which are less than the established threshold are accounted for as an employee benefit in accordance with the Group accounting policies.

(iii) Employee share plan

Employees in eligible countries are invited to participate in an employee share plan. Shares purchased under the employee share plan are subject to dealing restrictions until the restriction end date. The Group will grant one bonus entitlement to a share for every five shares purchased through the employee share plan which vests on the restriction end date at which point it will convert to an ordinary share. The Group accounts for the bonus entitlements as equity settled share based payments.

(D) TAXES

(i) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and to unused tax losses as well as any adjustments required between prior periods' current tax expense and income tax returns and any relevant withholding taxes.

Deferred tax assets and liabilities are recognized for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognized in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time did not affect either accounting profit or taxable profit and loss.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Parent Entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax amounts relating to items recognized directly in equity are also recognized in equity and not in the Statement of Financial Performance.

(ii) Tax consolidation

WorleyParsons Limited and its wholly owned Australian entities elected to form a tax consolidated group from 1 July 2003. On formation of the tax consolidated group, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, WorleyParsons Limited.

The entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate WorleyParsons Limited for any current tax liability assumed and are compensated by WorleyParsons Limited for any current tax loss, deferred tax assets and tax credits that are transferred to WorleyParsons Limited under the tax consolidation legislation. The tax consolidated current tax liability or current year tax loss and other deferred tax assets are required to be allocated to the members of the tax consolidated group in accordance with UIG 1052 Tax Consolidation Accounting. The Group uses an allocation method for this purpose where the allocated current tax payable, current tax loss, deferred tax assets and other tax credits for each member of the tax consolidated group are determined as if the Group is a stand-alone taxpayer but modified as necessary to recognize membership of a tax consolidated group. The funding amounts are determined by reference to the amounts recognized in the wholly owned entities' financial statements which are determined having regard to membership of the tax consolidated group. The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax installments. The funding amounts are recognized as current inter-company receivables or payables.

(iii) Goods and services tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority. In these circumstances, the GST is recognized as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, is classified as an operating cash flow.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(E) FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars, which is the Group's presentation currency.

(ii) Translation of foreign currency transactions

Transactions denominated in a foreign currency are converted at the foreign exchange rate at the date of the transaction. Foreign currency receivables and payables at balance date are translated at foreign exchange rates at balance date. Foreign exchange gains and losses are brought to account in determining the profit and loss for the financial year.

(iii) Specific hedges

Hedging is undertaken to avoid or minimize potential adverse financial effects of movements in foreign currency exchange rates. Gains or losses arising upon entry into a hedging transaction intended to hedge the purchase or sale of goods or services, together with subsequent foreign exchange gains or losses resulting from those transactions, are deferred up to the date of the purchase or sale and included in the measurement of the purchase or sale.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognized directly in equity in the foreign currency translation reserve.

At each balance date, the Group measures the effectiveness of its cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, while the ineffective portion is recognized in the profit and loss.

(F) ACQUISITION OF ASSETS AND BUSINESS COMBINATIONS

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken or assumed at the date of acquisition. Transaction costs directly attributable to the acquisition are expensed as incurred. Where equity instruments are issued in a business combination, the value of the instruments is their market price as determined by market valuation at the acquisition date. Transaction costs arising on the issue of equity instruments are recognized directly in equity.

If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit and loss.

Except for non-current assets or disposal groups classified as held for sale (which are measured at fair value less costs to sell), all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognized as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognized as a gain in the Statement of Financial Performance, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(G) REVENUE RECOGNITION

Amounts disclosed as revenue are net of trade allowances, duties and taxes paid. Revenue is recognized and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized:

(i) Professional services and construction and fabrication

Revenue from cost plus contracts is recognized by reference to the recoverable costs incurred during the reporting period plus the percentage of fees earned.

Contract revenue and expenses are recognized in accordance with the percentage of completion method unless the outcome of the contract cannot be reliably estimated. Where it is probable that a loss will arise from a contract, the excess of total costs over revenue is recognized as an expense immediately.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognized as an expense as incurred, and where it is probable that the costs will be recovered, revenue is recognized to the extent of costs incurred. Incentive payments on contracts are recognized as part of total contract revenue where it is probable that specified performance standards are met or exceeded and the amount of the incentive payment can be reliably measured.

For fixed price contracts, the stage of completion is measured by reference to costs incurred to date as a percentage of estimated total costs for each contract.

(ii) Procurement

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

(iii) Interest

Interest income is recognized as it accrues using the effective interest rate method.

(iv) Dividends

Revenue is recognized when the Group's right to receive the payment is established.

(H) TRADE AND OTHER RECEIVABLES

All trade and other receivables are recognized at the original amounts less an allowance for any uncollectible debts. An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect debts. The recoverable amount of trade and other receivables is reviewed on an ongoing basis.

Unbilled contract revenue is stated at the aggregate of contract costs incurred to date plus recognized profits less recognized losses and progress billings. Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with the consolidated entity's activities in general.

(I) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the consolidated entity. The expected useful lives for plant and equipment range from three to 10 years. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The cost of improvements to or on leasehold properties is amortized over the unexpired period of the lease or the estimated useful life of the improvement to the consolidated entity, whichever is the shorter.

(J) IMPAIRMENT OF ASSETS

Assets that have an indefinite useful life are not subject to amortization and are tested at least twice a year for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units (CGUs)).

(K) LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) The Group as a lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as an expense in the Statement of Financial Performance.

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and rewards of ownership of the leased item, are recognized as an expense on a straight line basis. Lease incentives are recognized in the Statement of Financial Performance as an integral part of the total lease expense.

(ii) The Group as a lessor

Leases where the Group transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee or a third party are classified as finance leases. A receivable at an amount equal to the present value of the lease payments, including any guaranteed residual value, is recognized.

Income on finance leases is recognized on a basis reflecting a constant periodic return based on the lessor's net investment outstanding in respect of the finance lease.

Leases where the Company retains substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Operating lease rental revenue is recognized on a straight line basis.

(L) INTANGIBLE ASSETS

(i) Goodwill

Goodwill represents the excess of the purchase consideration over the fair value of identifiable net assets acquired at the time of acquisition of a business or shares in controlled entities or associates. Goodwill on acquisition of controlled entities is included in intangible assets and goodwill on acquisition of associates is included in investments in associates. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is not amortized; instead, it is tested at least twice a year for any impairment in the carrying amount or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those groups of CGUs. The groups of CGUs to which goodwill is allocated are the operating segments determined in accordance with AASB 8 Operating Segments, as set out in note 34. These segments represent the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Impairment is determined by assessing the recoverable amount of the groups of CGUs to which the goodwill relates. When the recoverable amount of the groups of CGUs is less than the carrying amount, an impairment loss is recognized.

Impairment losses recognized for goodwill are not subsequently reversed.

(ii) Identifiable intangible assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets are not capitalized and expenditure is recognized in the profit and loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortization period or method, as appropriate, which is a change in accounting estimate.
The amortization expense on intangible assets with finite lives is recognized in the Statement of Financial Performance on a straight line basis over the following periods:

- customer contracts and relationships 3-15 years;
- trade names 5-10 years;
- computer software 5 years; and
- other 3-10 years.

Intangible assets with indefinite useful lives are tested for impairment annually, either individually or at the CGU level. Such intangible assets are not amortized. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognized only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

(M) TRADE AND OTHER PAYABLES

Liabilities for trade and other payables amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

(N) INTEREST BEARING LOANS AND BORROWINGS

Loans and borrowings are initially recognized at fair value, net of transaction costs incurred. Loans and borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Financial Performance over the period of the loan using the effective interest rate method.

(O) PROVISIONS

Provisions are recognized when the consolidated entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(i) Deferred revenue

The Group at times receives payment for services prior to revenue being recognized in the financial statements. Revenue is classified as deferred due to the criteria required for its recognition not being met as at the reporting date, in line with the accounting policy set out in note 2(G).

(ii) Expected losses on contracts

Where the outcome for a services contract is expected to result in an overall loss over the life of the contract, this loss is provided for when it first becomes known that a loss will be incurred.

(iii) Insurance

Provision for insurance liabilities is recognized in line with actuarial calculations of unsettled insurance claims, net of insurance recoveries. The provision is based on the aggregate amount of individual claims incurred but not reported that are lower in value than the insurance deductible of the consolidated entity. It is based on the estimated cost of settling claims and consideration is given to the ultimate claim size, future inflation as well as the levels of compensation awarded through the courts.

(iv) Warranties

Provision is made for the estimated liability on all products and services still under warranty at balance date. This provision is estimated having regard to prior service warranty experience. In calculating the liability at balance date, amounts were not discounted to their present value as the effect of discounting was not material.

In determining the level of provision required for warranties, the Group has made judgments in respect of the expected performance and the costs of fulfilling the warranty. Historical experience and current knowledge have been used in determining this provision.

(v) Deferred consideration

Deferred consideration acquired in a business combination is initially measured at fair value at the date of acquisition. Subsequently, it is measured in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

(vi) Dividends payable

Provision is made for the amount of any dividends declared, determined, announced or publicly recommended by the directors before or at the end of the financial year but not distributed at balance date.

(vii) Restructurings

Provisions for restructurings are recognized when the consolidated entity has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

(P) REPAIRS AND MAINTENANCE

Repairs, minor renewals and improvements, and the purchase of minor items of tools and equipment are charged to expense as incurred.
Major renewals and improvements are capitalized to the respective asset and depreciated.

(Q) BORROWING COSTS

Borrowing costs are recognized as expenses in the period in which they are incurred, except when they are included in the costs of qualifying assets. Borrowing costs include:

- *(i)* interest on bank overdrafts, and short term and long term loans and borrowings;
- *(ii)* amortization of discounts or premiums relating to loans and borrowings; and
- *(iii)* finance lease charges.

(R) CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest bearing loans and borrowings in current liabilities on the Statement of Financial Position.

Where cash and cash equivalents held by the Group are subject to external restrictions, the nature of the restrictions and value of cash subject to these restrictions are disclosed in note 7.

(S) ISSUED CAPITAL

Issued and paid up capital is recognized at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognized directly in equity as a reduction of the share proceeds received.

(T) EARNINGS PER SHARE

(i) Basic earnings per share

Basic earnings per share is determined by dividing the profit attributable to members of WorleyParsons Limited by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share is calculated as profit attributable to members of WorleyParsons Limited adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognized as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares,

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(U) SEGMENT REPORTING

(i) Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer, Chief Financial Officer and the Group Managing Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The operating segments identified by management are based on the customer sector groups: Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure.

Discrete pre-tax financial information about each of these customer sector groups is reported to the chief operating decision makers on a monthly basis.

The Group's operations are organized and managed separately according to the nature of the services they provide, with each segment serving different markets. The Group provides engineering design, project services, maintenance and reliability support services and advisory services to a number of markets.

(ii) Accounting policies and inter-segment transactions

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of receivables and plant and equipment. Segment revenues, expenses and results include transactions between segments incurred in the ordinary course of business. These transactions are priced on an arm's length basis and are eliminated on consolidation.

The accounting policies used by the Group in reporting segments internally are the same as those contained in these financial statements and are consistent with those used in the prior period.

The segment result includes the allocation of overhead that can be directly attributed to an individual business segment. The following items and associated assets and liabilities are not allocated to segments as they are not considered part of the core operations of any segment:

- global support costs;
- restructuring costs;
- interest and tax for associates;
- amortization of acquired intangible assets;
- net gain on revaluation of investments previously accounted for as equity accounted associates;
- net borrowing costs; and
- income tax expense.

(V) ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale and measured at the lower of their carrying value, and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction. They are not depreciated or amortized. For an asset or disposal group to be classified as held for sale, it must be available for immediate sale in its present condition and its sale must be highly probable.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of derecognition.

The assets and liabilities are presented separately on the face of the Statement of Financial Position.

(W) DETERMINATION OF FAIR VALUES

The Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions used in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, plant and equipment

The fair value of property, plant and equipment recognized as the result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction of proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of plant, equipment, fixtures and fittings is based on quoted market prices for similar items.

(ii) Investments in equity and debt securities

The fair value of held-to-maturity investments, financial assets at fair value through profit and loss, and available-for-sale financial assets is the price that would be received to sell an asset in an orderly market at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

(iii) Derivatives

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated cash flows based on the terms and maturity of each contract and using market interest rates for similar instruments at the measurement date.

(iv) Non-derivative financial liabilities
Fair value, which is determined for disclosure purposes, is the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

3. FINANCIAL RISK MANAGEMENT

(A) OVERVIEW

The Group's principal financial instruments comprise receivables, payables, bank loans and overdrafts, finance leases, cash and short term deposits and derivatives. The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Quantitative disclosures are included throughout this financial report.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Committee assists the Board in overseeing the integrity of the Group's financial reporting risk management framework and internal controls.

Risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Committee.

(B) CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

(i) Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The profiles of the Group's customer base, including the default risk of the industry and country in which customers operate, have less of an influence on credit risk. Geographically and on a customer basis, there is no concentration of credit risk.

The Group has a credit policy under which each new customer is analyzed for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references.

The Group has established an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. This allowance comprises only those components that are individually significant.

(ii) Guarantees
Details of outstanding guarantees are provided in note 30(A). 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.

(C) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(D) MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group enters into derivatives, and also incurs financial liabilities, in order to manage market risk. Generally, the Group seeks to apply hedge accounting in order to reduce volatility in the profit and loss.

(i) Currency risk
The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities.

The Group uses forward exchange contracts and foreign currency options to hedge its currency risk, most with a maturity of less than one year from the reporting date. When necessary, forward exchange contracts are rolled over at maturity.

Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying operations for the Group resulting in an economic hedge. Interest is primarily AUD, CAD, GBP and USD.

(ii) Interest rate risk
The Group enters into interest rate swaps to manage interest rate risk. The Group adopts a policy of ensuring that the majority of its exposure to interest rates on borrowings is on a fixed rate basis.

(E) CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on equity, which the Group defines as profit after income tax expense divided by the average total shareholders' equity, excluding non-controlling interests. The Board also determines the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Board monitors this through the gearing ratio (net debt/net debt plus total equity), the size of available banking facilities and the assessment of the outlook for the Group operations. The target for the Group's gearing ratio is between 25% and 35%. The gearing ratio at 30 June 2014 and 2013 was as follows:

	CONSOLIDATED	
	2014 $'M	2013 $'M
Total interest bearing loans and borrowings[1]	896.6	1,062.2
Less: cash and cash equivalents[2]	368.7	320.0
Net debt	527.9	742.2
Total equity	2,184.9	2,192.9
Gearing	**19.5%**	**25.3%**

1 Excluding capitalized borrowing costs, including amounts classified as held for sale.
2 Including amounts classified as held for sale.

There were no changes in the Group's approach to capital management during the financial year.

Neither the Group nor any of its subsidiaries is subject to externally imposed capital requirements.

4. EXPENSES AND LOSSES/(GAINS)

Profit before income tax expense includes the following specific expenses and losses/(gains):

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
EXPENSES AND LOSSES		
Short term employee benefits	4,195.6	4,145.2
Post employment benefits	135.7	137.8
Share based payments	17.6	10.8
Total staff costs	4,348.9	4,293.8
Operating lease rentals – minimum lease payments	208.7	203.7
Depreciation	27.1	21.0
Amortization	82.4	81.3
MOVEMENTS IN PROVISIONS		
Employee benefits	194.3	239.5
Warranties	1.3	(1.9)
Insurance	(3.0)	5.0
Other	21.1	(11.5)

5. OTHER INCOME

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Net gain on revaluation of investments previously accounted for as equity accounted associates	11.4	-
Other	5.3	14.1
Other income	**16.7**	**14.1**

During the financial year ended 30 June 2014, the Group acquired an additional net interest in entities which had previously been accounted for as equity accounted associates, resulting in the change in the classification of the investments from equity accounted associates to subsidiaries of the Group. This resulted in $11.4 million net gain on revaluation of investments previously accounted for as equity accounted associates.

6. INCOME TAX

(A) INCOME TAX EXPENSE

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Current tax	147.0	135.5
Deferred tax	(37.5)	4.2
Overprovision in previous financial periods	(9.5)	(10.3)
Income tax expense	**100.0**	**129.4**
Deferred income tax included in income tax expense comprises:		
Increase in deferred tax assets	(20.0)	(1.1)
(Decrease)/increase in deferred tax liabilities	(17.5)	5.3
Deferred tax	**(37.5)**	**4.2**

(B) RECONCILIATION OF PRIMA FACIE TAX PAYABLE TO INCOME TAX EXPENSE

	2014 $'M	2013 $'M
Profit before income tax expense	368.6	473.6
Prima facia tax expense at the Group's statutory income tax rate of 30% (2013: 30%)	110.6	142.1
Tax effect of amounts which are non-deductible/(non-taxable) in calculating taxable income:		
Non-deductible performance rights	5.3	3.2
Non-taxable gain on acquisitions	(3.4)	-
Share of net profits of associates accounted for using the equity method	(5.4)	(7.0)
Tax losses not previously recognized	(0.7)	(1.9)
Over provision in previous financial periods	(9.5)	(10.3)
Difference in overseas tax rate[1]	(4.1)	(7.1)
Other	7.2	10.4
Income tax expense	**100.0**	**129.4**

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

(C) AMOUNTS RECOGNIZED DIRECTLY IN EQUITY

Aggregate amount of tax arising in the reporting period and not recognized in profit after income tax expense but directly (credited)/charged to equity:

	2014 $'M	2013 $'M
Deferred tax – (credited)/charged directly to equity	(16.9)	16.8

(D) TAX LOSSES

The Group has tax losses for which no deferred tax asset is recognized on the Statement of Financial Position:

	2014 $'M	2013 $'M
Unused tax losses for which no deferred tax asset has been recognized	42.6	25.6
Potential tax benefit at 30%	12.8	7.7

The benefit for tax losses will only be recognized 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 realized; or
- the losses are transferred to an eligible entity in the consolidated entity; and
- the consolidated entity continues to comply with conditions for deductibility imposed by tax legislation; and
- no changes in legislation adversely affect the consolidated entity in realizing the benefit from the deductions for the losses.

7. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	NOTES	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Balance per Statement of Financial Position		**365.8**	**320.0**

The above figures are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

	NOTES	2014 $'M	2013 $'M
Cash at bank and on hand		365.8	320.0
Cash and cash equivalents		365.8	320.0
Less: bank overdraft	13	(0.4)	-
Add: amount classified as held for sale	27(A)	2.9	-
Balance per Statement of Cash Flows		**368.3**	**320.0**

PROCUREMENT AND RESTRICTED CASH AND CASH EQUIVALENTS

Included within cash and cash equivalents is $87.1 million (2013: $53.2 million) which has been identified as for procurement ($70.0 million) or restricted, but available for use under certain circumstances by the Group ($17.1 million).

Procurement cash is held in relation to procurement activities undertaken by the Group on behalf of its customers (refer note 28). Restricted cash is held in relation to guarantees (refer note 30(A)) and financing activities.

8. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	NOTES	CONSOLIDATED 2014 $'M	2013 $'M
TRADE RECEIVABLES			
Trade receivables		889.2	939.7
Unbilled contract revenue		1,009.4	984.5
Retentions		21.5	22.0
Allowance for doubtful debts		(36.4)	(30.5)
		1,883.7	**1,915.7**
Allowance for doubtful debts			
Balance at the beginning of the financial year		30.5	24.9
Net charge to the Statement of Financial Performance		9.8	4.8
Provision from entities acquired		-	4.9
Amounts written off against the opening provision balance		(3.4)	(2.6)
Differences arising on translation of foreign operations		(0.5)	(1.5)
Balance at the end of the financial year		**36.4**	**30.5**

The Group's exposure to credit, currency and interest rate risk for trade receivables and unbilled contract revenue is disclosed respectively in notes 35, 37 and 38.

	NOTES	2014 $'M	2013 $'M
OTHER RECEIVABLES			
Other receivables		148.5	130.7
Amounts owing by equity accounted associates and related parties	32(B)	44.6	45.4
		193.1	**176.1**

9. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED 2014 $'M	2013 $'M
Land and buildings		
At cost	1.7	1.7
Accumulated depreciation	(0.5)	(0.3)
	1.2	**1.4**
Leasehold improvements		
At cost	176.8	172.9
Accumulated amortization	(116.3)	(100.5)
	60.5	**72.4**
Plant and equipment		
At cost	169.4	175.1
Accumulated depreciation	(123.1)	(118.7)
	46.3	**56.4**
Computer equipment		
At cost	77.3	79.4
Accumulated depreciation	(69.6)	(70.0)
	7.7	**9.4**
Total property, plant and equipment	**115.7**	**139.6**

RECONCILIATIONS

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial years are set out below:

	CONSOLIDATED				
	LAND AND BUILDINGS $'M	LEASEHOLD IMPROVEMENTS $'M	PLANT AND EQUIPMENT $'M	COMPUTER EQUIPMENT $'M	TOTAL $'M
Balance at 1 July 2013	1.4	72.4	56.4	9.4	139.6
Additions due to the acquisition of entities	–	0.4	0.4	0.4	1.2
Additions	0.1	13.4	14.7	3.9	32.1
Disposals	–	(2.3)	(2.8)	(0.2)	(5.3)
Depreciation	(0.2)	–	(21.4)	(5.5)	(27.1)
Amortization	–	(22.6)	–	–	(22.6)
Differences arising on translation of foreign operations	(0.1)	(0.8)	(1.0)	(0.3)	(2.2)
Balance at 30 June 2014	**1.2**	**60.5**	**46.3**	**7.7**	**115.7**
Balance at 1 July 2012	1.5	78.9	46.8	8.5	135.7
Additions due to the acquisition of entities	–	2.0	8.8	1.3	12.1
Additions	0.1	13.7	15.5	4.4	33.7
Disposals	–	(0.5)	(0.6)	(0.3)	(1.4)
Depreciation	–	–	(15.9)	(5.1)	(21.0)
Amortization	–	(25.1)	–	–	(25.1)
Differences arising on translation of foreign operations	(0.2)	3.4	1.8	0.6	5.6
Balance at 30 June 2013	**1.4**	**72.4**	**56.4**	**9.4**	**139.6**

	CONSOLIDATED	
	2014 $'M	2013 $'M

10. NON-CURRENT ASSETS – INTANGIBLE ASSETS

	2014 $'M	2013 $'M
Goodwill		
At cost	1,861.9	1,874.8
Accumulated impairment	(1.6)	(1.6)
	1,860.3	**1,873.2**
Customer contracts and relationships		
At cost	171.1	166.7
Accumulated amortization	(128.5)	(115.8)
	42.6	**50.9**
Trade names		
At cost	83.6	85.1
Accumulated amortization	(62.8)	(58.2)
	20.8	**26.9**
Computer software		
At cost	199.1	195.2
Accumulated amortization	(112.8)	(110.2)
	86.3	**85.0**
Other		
At cost	24.2	17.3
Accumulated amortization	(5.0)	(2.9)
	19.2	**14.4**
Total intangible assets	**2,029.2**	**2,050.4**

RECONCILIATIONS

Reconciliations of intangible assets at the beginning and end of the current and previous financial years are set out below:

	CONSOLIDATED					
	GOODWILL $'M	CUSTOMER CONTRACTS AND RELATIONSHIPS $'M	TRADE NAMES $'M	COMPUTER SOFTWARE $'M	OTHER $'M	TOTAL $'M
Balance at 1 July 2013	1,873.2	50.9	26.9	85.0	14.4	2,050.4
Additions due to the acquisition of entities	39.4	9.4	–	0.3	–	49.1
Additions	–	–	–	36.8	9.5	46.3
Disposals	(8.6)	–	–	–	–	(8.6)
Amortization	–	(16.0)	(5.7)	(35.7)	(2.4)	(59.8)
Differences arising on translation of foreign operations	(43.7)	(1.7)	(0.4)	(0.1)	(2.3)	(48.2)
Balance at 30 June 2014	**1,860.3**	**42.6**	**20.8**	**86.3**	**19.2**	**2,029.2**
Balance at 1 July 2012	1,568.7	35.9	18.0	81.4	0.8	1,704.8
Additions due to the acquisition of entities	207.7	34.1	13.2	0.4	–	255.4
Additions	–	–	–	35.3	13.8	49.1
Amortization	–	(19.2)	(4.5)	(32.3)	(0.2)	(56.2)
Differences arising on translation of foreign operations	96.8	0.1	0.2	0.2	–	97.3
Balance at 30 June 2013	**1,873.2**	**50.9**	**26.9**	**85.0**	**14.4**	**2,050.4**

10. NON-CURRENT ASSETS – INTANGIBLE ASSETS (continued)

Impairment testing

Identifiable intangible assets with finite lives are carried at cost less accumulated amortization and adjusted for any accumulated impairment loss. The assets are assessed at each reporting date as to whether there is any indication that the asset may be impaired. Goodwill is an intangible asset with an indefinite life which is tested at least twice a year for impairment. The recoverable amount test is based on the higher of value in use, and fair value less cost to sell. These calculations use cash flow projections based on financial forecasts of how the business is expected to operate based on current performance and the business environment but taking into account expected future changes.

The groups of CGUs to which goodwill is allocated are the operating segments determined in accordance with AASB 8 Operating Segments. The allocation of goodwill to CGUs has changed and accordingly comparatives have been restated. Refer note 34 for further details of the change.

The goodwill allocated to the groups of CGUs and the key assumptions used for the value in use impairment testing are as follows:

2014	GOODWILL $'M	PRE-TAX DISCOUNT % PA
Hydrocarbons	1,439.5	10.3
Minerals, Metals & Chemicals	190.3	12.1
Infrastructure	230.5	10.9
	1,860.3	

2013	GOODWILL $'M	PRE-TAX DISCOUNT % PA
Hydrocarbons	1,446.2	11.4
Minerals, Metals & Chemicals	173.5	13.4
Infrastructure	253.5	12.6
	1,873.2	

The first five years forecast cash flows are based on management's estimates of the short and long term prospects for the industry and previous experience. The growth rate beyond five years is assumed to be 3% per annum.

The calculation of value in use for the CGUs is most sensitive to the following assumptions:

- change in discount rates; and
- long term growth rate.

Goodwill is not impaired at reporting date and there are no known probable changes in estimates that would lead to an impairment.

11. NON-CURRENT ASSETS – DEFERRED TAX ASSETS

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
The balance comprises temporary differences attributable to:		
Amounts recognized in the Statement of Financial Performance:		
Allowance for doubtful debts	6.7	5.1
Employee benefits provisions	58.1	49.2
Warranty provisions	1.8	0.4
Project provisions	11.5	6.6
Other provisions	31.0	31.1
Fixed assets	10.9	6.0
Sundry accruals	13.1	16.3
Recognized tax losses	13.5	11.7
Unused foreign tax credits	2.7	1.6
Unrealized foreign exchange losses	9.8	9.5
Lease incentives	3.4	4.8
Other	6.3	6.5
	168.8	148.8
Amounts recognized directly in equity:		
Foreign exchange losses	26.8	11.7
Deferred tax assets	**195.6**	**160.5**
Balance at the beginning of the financial year	160.5	132.6
Acquisition of controlled entities	1.6	1.4
Credited to the Statement of Financial Performance	20.0	1.1
Credited to equity	15.1	19.7
Transfer to assets held for sale	(0.5)	–
Differences arising on translation of foreign operations	(1.1)	5.7
Balance at the end of the financial year	**195.6**	**160.5**

12. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	NOTES	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Trade payables		481.4	389.2
Accruals		467.2	473.6
Payables to associates and related parties	32 (B)	8.1	21.7
Billings in advance		165.7	98.7
Accrued staff costs		209.3	192.4
		1,331.7	**1,175.6**

The Group's exposure to currency and interest rate risk for trade and other payables is disclosed in notes 37 and 38 respectively.

13. CURRENT LIABILITIES – INTEREST BEARING LOANS AND BORROWINGS

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Finance lease liability	3.6	2.3
Unsecured bank loans	0.3	1.7
Bank overdraft	0.4	–
Notes payable	–	151.4
Secured bank loan	–	1.5
Capitalized borrowing costs	(0.1)	(0.9)
	4.2	**156.0**

NOTES PAYABLE
Unsecured notes payable were issued in the United States private debt capital market in May 2007, April 2008, March 2011 and September 2012. Refer note 15 for terms and conditions.

SECURED BANK LOAN
Refer note 15 for terms and conditions.

UNSECURED BANK LOANS
Refer note 15 for terms and conditions.

FINANCE LEASE LIABILITY
Refer note 15 for terms and conditions.

	CONSOLIDATED	
	2014 $'M	2013 $'M
14. CURRENT LIABILITIES – PROVISIONS		
Employee benefits	270.5	290.5
Deferred revenue and project provisions	106.0	94.3
Insurance	19.8	25.0
Warranties	19.7	16.7
Deferred consideration	–	12.2
Other	10.5	29.4
	426.5	**468.1**

The nature and timing of provisions are set out in note 17.

RECONCILIATIONS
Reconciliations of the carrying amounts of each class of current provisions at the beginning and end of the current and previous financial years are set out below:

	CONSOLIDATED					
	EMPLOYEE BENEFITS $'M	DEFERRED REVENUE AND PROJECT $'M	INSURANCE $'M	WARRANTIES $'M	DEFERRED CONSIDERATION $'M	OTHER $'M
Carrying amount at 1 July 2013	290.5	94.3	25.0	16.7	12.2	29.4
Provision from entities acquired	3.5	–	–	0.2	–	0.6
Additional provisions	236.4	60.3	3.0	3.5	–	1.3
Release of unused provision	(40.4)	(34.7)	(6.0)	(2.5)	–	(1.5)
Amounts utilized	(215.8)	(12.2)	(4.9)	–	(12.2)	(19.8)
Differences arising from translation of foreign operations	(3.7)	(1.7)	2.7	1.8	–	0.5
Carrying amount at 30 June 2014	**270.5**	**106.0**	**19.8**	**19.7**	**–**	**10.5**
Carrying amount at 1 July 2012	289.5	163.7	19.2	13.8	–	13.4
Provision from entities acquired	22.6	–	–	4.2	–	–
Additional provisions	241.9	52.5	6.8	4.0	–	17.0
Non-current provision reclassified to current	–	–	–	–	12.2	12.2
Release of unused provision	(14.8)	(31.5)	(1.0)	(5.9)	–	(3.4)
Amounts utilized	(262.7)	(95.1)	(1.6)	(0.2)	–	(10.8)
Differences arising from translation of foreign operations	14.0	4.7	1.6	0.8	–	1.0
Carrying amount at 30 June 2013	**290.5**	**94.3**	**25.0**	**16.7**	**12.2**	**29.4**

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
15. NON-CURRENT LIABILITIES – INTEREST BEARING LOANS AND BORROWINGS		
Notes payable	871.2	884.6
Finance lease liability	5.2	4.8
Secured bank loan	–	15.9
Capitalized borrowing costs	(4.6)	(2.6)
	871.8	**902.7**

NOTES PAYABLE

Unsecured notes payable were issued in the United States private debt capital market in May 2007, April 2008, March 2011 and September 2012. The issue in September 2012 comprised US$205.0 million maturing in September 2022 with a fixed coupon of 4.00% per annum, US$75.0 million maturing in September 2019 with a fixed coupon of 3.45% per annum and US$20.0 million maturing in 2017 with a fixed coupon of 3.09% per annum.

The issue in March 2011 comprised US$175.0 million maturing in March 2021 with a fixed coupon of 5.56% per annum, US$22.0 million maturing in March 2018 with a fixed coupon of 4.86% per annum and US$10.0 million maturing in 2016 with a fixed coupon of 4.16% per annum. The issue in April 2008 comprised US$144.5 million maturing in April 2018 with a fixed coupon of 6.50% per annum. The issue in May 2007 comprised US$140.5 million which matured in May 2014 with a fixed coupon of 5.61% per annum and US$169.5 million maturing in May 2017 with a fixed coupon of 5.76% per annum.

In accordance with the Group's financial risk management policy, cross currency swaps have been entered into, swapping US$371.5 million (2013: US$521.5 million) of notes payable into C$347.7 million (2013: C$522.4 million). This represents 57.0% of the notes issued in 2008, 2011 and 2012.

SECURED BANK LOAN

The secured bank loan of $15.9 million is classified within liabilities held for sale (refer note 27) and is a floating facility with an interest rate swap. This bank loan is secured by the assets of Exmouth Power Station Pty Limited which have a carrying value of $30.9 million. The terms of the loan facility preclude the assets from being used as security for other debt within the Group. The loan facility requires the assets to be insured.

UNSECURED BANK LOANS

Unsecured bank loans are floating interest rate debt facilities. These facilities, denominated in various currencies, are subject to negative pledge arrangements which require the Group to comply with certain minimum financial requirements.

FINANCE LEASE LIABILITY

The Group leases various plant and equipment under finance leases with terms of three to eight years.

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
16. NON-CURRENT LIABILITIES – DEFERRED TAX LIABILITIES		
The balance comprises temporary differences attributable to:		
Amounts recognized in the Statement of Financial Performance:		
Identifiable intangible assets and goodwill	53.4	52.9
Unbilled contract revenue	41.7	58.0
Fixed assets	1.5	2.7
Unrealized foreign exchange gains	18.4	16.5
Prepayments	1.1	1.3
Other	0.7	2.9
	116.8	134.3
Amounts recognized directly in equity:		
Other	5.5	7.3
Deferred tax liabilities	**122.3**	**141.6**

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Balance at the beginning of the financial year	141.6	112.6
Acquisition of controlled entities	2.6	15.8
(Credited)/charged to the Statement of Financial Performance	(17.5)	5.3
(Credited)/charged to equity	(1.8)	2.9
Transfer to liabilities held for sale	(0.7)	–
Differences arising on translation of foreign operations	(1.9)	5.0
Balance at the end of the financial year	**122.3**	**141.6**

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
17. NON-CURRENT LIABILITIES – PROVISIONS		
Employee benefits	32.6	43.0
Deferred consideration	–	–
Warranties	0.3	–
Other	2.4	0.2
	35.3	**43.2**

NATURE AND TIMING OF PROVISIONS

Employee benefits: Refer note 2(C) for the relevant accounting policy and a discussion of the significant estimation and assumptions applied in the measurement of this provision.

Deferred revenue and project provisions: The Group at times recovers payment for services prior to revenue being recognized in the financial statements. It is expected that this revenue will be earned within two years of the balance date.

Warranties: Provision is made for the estimated liability on all products and services under warranty at balance date. It is expected that these costs will be incurred within two years of the balance date.

Deferred consideration: Where settlement of any part of the consideration for a business combination is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Insurance: The provision is based on the estimated cost of settling insured claims.

RECONCILIATIONS

Reconciliations of the carrying amounts of each class of non-current provisions at the beginning and end of the current and previous financial years set out below:

	CONSOLIDATED EMPLOYEE BENEFITS $'M	DEFERRED CONSIDERATION $'M	WARRANTIES $'M	OTHER $'M
Carrying amount at 1 July 2013	43.0	–	–	0.2
Additional provisions	2.4	–	0.3	2.3
Release of unused provision	(4.1)	–	–	(0.2)
Amounts utilized	(8.2)	–	–	0.0
Differences arising from translation of foreign operations	(0.5)	–	–	0.1
Carrying amount at 30 June 2014	**32.6**	**–**	**0.3**	**2.4**
Carrying amount at 1 July 2012	37.9	12.2	0.7	15.5
Additional provisions	18.7	–	0.4	0.1
Non-current provision reclassified to current	–	(12.2)	–	(12.2)
Release of unused provision	(6.3)	–	(1.2)	(3.3)
Amounts utilized	(8.9)	–	–	–
Differences arising from translation of foreign operations	1.6	–	0.1	0.1
Carrying amount at 30 June 2013	**43.0**	**–**	**–**	**0.2**

	CONSOLIDATED			
	2014		2013	
	NUMBER OF SHARES	$'M	NUMBER OF SHARES	$'M
18. ISSUED CAPITAL				
Ordinary shares, fully paid[1,2]	246,531,761	1,239.7	246,480,559	1,238.5
Special voting share	1	–	1	–
	246,531,762	**1,239.7**	**246,480,560**	**1,238.5**

1 Included in ordinary shares are 3,318,214 (2013: 3,594,667) exchangeable shares. The issuance of the exchangeable shares and the attached special voting share replicate 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. Ordinary shares have no par value and the Company does not have a limited amount of authorized capital.

2 The WorleyParsons Limited Plans Trust holds 267,173 (2013: 267,173) shares in the Company, which has been consolidated and eliminated in accordance with the accounting standards.

(A) MOVEMENTS IN SHARES

	2014		2013	
	NUMBER OF SHARES	$'M	NUMBER OF SHARES	$'M
Balance at the beginning of the financial year	246,480,560	1,238.5	245,735,306	1,221.3
Ordinary shares issued on redemption of exchangeable shares	276,453	7.4	253,192	6.8
Exchangeable shares exchanged for ordinary shares	(276,453)	(7.4)	(253,192)	(6.8)
Transfer from performance rights reserve on purchase and issuance of shares	51,202	1.2	745,254	17.2
	246,531,762	**1,239.7**	**246,480,560**	**1,238.5**

(B) TERMS AND CONDITIONS OF ISSUED CAPITAL

Ordinary shares
Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Exchangeable shares
The exchangeable shares were issued by WorleyParsons Canada SPV Limited as part of the consideration for the acquisition of the Colt Group. Exchangeable shares may be exchanged into ordinary shares of the Company on a one for one basis (subject to adjustments) at any time by the exchangeable shareholders.

Exchangeable shares have the right to receive the same cash dividends or cash distributions as declared on the ordinary shares into which they are convertible. In the event of the winding up of the Company, the exchangeable shares would convert to ordinary shares, which would participate in the proceeds from the sale of all surplus assets pro-rata with other ordinary shares.

The exchangeable shares, through a voting trust which holds a special voting share in the Company, entitle their holders to vote at the Company's general meetings as though they hold ordinary shares. During the financial year ended 30 June 2014, 276,453 (2013: 253,192) exchangeable shares were exchanged.

Special voting share
The special voting share was issued to Computershare Trust Company of Canada Limited (Trustee) as part of the consideration for the acquisition of the Colt Group. The special voting share does not have the right to receive dividends as declared, and in the event of the winding up of the Company is unable to participate in the proceeds from the sale of all surplus assets. The special voting share has a right to vote together as one class of share with the holders of ordinary shares in the circumstances in which shareholders have a right to vote, subject to the Company's Constitution and applicable law. The Trustee must vote in the manner instructed by an exchangeable shareholder in respect of the number of votes that would attach to the ordinary shares to be received by that exchangeable shareholder on exchange of its exchangeable shares. The special voting share has an aggregate number of votes equal to the number of votes attached to ordinary shares into which the exchangeable shares are retracted or redeemed.

(C) PERFORMANCE RIGHTS

The policy in respect of performance rights is outlined in note 2(C).

	NUMBER OF PERFORMANCE RIGHTS	
	2014	2013
Balance at the beginning of the financial year	3,134,294	3,621,459
Rights granted	658,301	985,829
Rights exercised	(51,202)	(745,254)
Rights lapsed or expired	(850,149)	(727,740)
Balance at the end of the financial year	**2,891,244**	**3,134,294**
Exercisable at the end of the financial year	19,427	54,626
Weighted average exercise price	$nil	$nil

Performance rights
The outstanding balance as at 30 June 2014 is represented by:

- 157,940 performance rights, vesting on 30 September 2017 and expiring on 24 October 2020;
- 429,616 performance rights, vesting on 30 September 2016 and expiring on 24 October 2020;
- 90,756 performance rights, vesting on 30 September 2016 and expiring on 18 October 2019;
- 674,760 performance rights, vesting on 30 September 2015 and expiring on 18 October 2019;
- 809,581 performance rights, vesting on 30 September 2014 and expiring on 17 October 2018;
- 679,142 performance rights, vesting on 30 September 2014 and expiring on 1 October 2017;
- 47,375 performance rights, vested on 30 June 2014 and expiring on 30 June 2019;
- 1,236 performance rights, vested on 30 September 2012 and expiring on 30 September 2015;
- 505 performance rights, vested on 30 September 2011 and expiring on 2 October 2014; and
- 333 performance rights, vested on 30 September 2010 and expiring on 2 October 2014.

Performance right conditions
Incentive plan grants are delivered to executive directors and other executives as performance rights (rights). The rights are issued under the WorleyParsons Performance Rights Plan and are settled in shares when vested.

Each right entitles the holder to one fully paid ordinary share in the Company at a nil exercise price (i.e. a zero exercise price option). The number of rights issued is based on the target incentive with reference to the underlying share price when issued. Rights vest and are automatically exercised after a three or four year period, subject to minimum performance hurdles being satisfied.

For executives who are key management personnel, the measurement of performance under the LTI plan is based on the following:

- total shareholder return (TSR) relative to the peer group is at least at the median of the companies in the peer comparison group (which applies to 50% of potential LTI for FY2014); and
- earnings per share (EPS) growth (which applies to 50% of potential LTI for FY2014).

18. ISSUED CAPITAL (continued)

The peer comparison group for LTI grants made in FY2014, the vesting schedule of the rights subject to the relative TSR hurdle and the vesting schedule of rights subject to the EPS hurdle are set out in the Remuneration Report on page 67. Executives will only derive value from the EPS component of the grants made in FY2014 if the Company achieves average compound growth in EPS of at least 4% per annum above the increase in consumer price index (CPI) over the four year performance period.

Other executive employees were granted rights vesting upon achievement of continuing employment conditions and achievement of a "meeting expectations performance" rating between 1 July 2013 and 30 June 2014. Where a participant leaves the Group, the Board may exercise its discretion and allow a proportion of any unvested rights to remain in the plan, and subsequently vest and be exercised in the ordinary course, having regard to such factors as it determines relevant.

Weighted average remaining contractual life
The weighted average remaining life for the rights outstanding as at 30 June 2014 is 4.7 years (2013: 5.2 years).

Weighted average fair value
The weighted average fair value of rights granted during the year was $15.76 (2013: $19.50).

Pricing model
The following table lists the inputs to the models used for the years ended 30 June 2014 and 30 June 2013:

	PERFORMANCE RIGHTS PLAN 2014		PERFORMANCE RIGHTS PLAN 2013	
	CEO	EXECUTIVES	CEO	EXECUTIVES
Dividend yield (%)	4.46	4.46	4.08	3.94
Expected volatility (%)	30	30	30	30
Risk-free interest rate (%)	3.48	2.91	2.57	2.82-2.86
Expected life of rights (years)	4	3-4	4	3-4
Rights exercise price ($)	-	-	-	-
Weighted average share price at measurement date ($)	21.55	21.55	25.33	25.53

The expected volatility was determined based on the historical share price volatility of the Company. The resulting expected volatility therefore reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

19. RESERVES

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Foreign currency translation reserve	(246.5)	(218.0)
Hedge reserve	11.0	16.9
Performance rights reserve	49.3	32.9
Acquisition reserve	(9.6)	(9.6)
	(195.8)	**(177.8)**

(A) FOREIGN CURRENCY TRANSLATION RESERVE
The foreign currency translation reserve is used to record foreign exchange differences arising from the translation of the financial statements of foreign controlled entities and associates, and the net investments hedged in their entities.

	2014 $'M	2013 $'M
Balance at the beginning of the financial year	(218.0)	(295.5)
Foreign exchange movement on translation of foreign controlled entities and associates	5.6	123.5
Net investments hedged	(48.7)	(65.7)
Income tax on net investments hedged	14.6	19.7
Balance at the end of the financial year	**(246.5)**	**(218.0)**

(B) HEDGE RESERVE
The hedge reserve is used to record gains or losses on hedging instruments used in the cash flow hedges that are recognized directly in equity, as described in note 2(E)(iii). Amounts are recognized in the Statement of Financial Performance when the associated hedged transaction affects the profit and loss.

	2014 $'M	2013 $'M
Balance at the beginning of the financial year	16.9	(1.9)
Net gain/(loss) on foreign exchange hedges	0.8	(6.2)
Income tax on net gain/(loss) on foreign exchange hedges	(0.3)	1.7
Fair value (loss)/gain on mark to market of cross currency hedge	(9.1)	32.7
Income tax on fair value (loss)/gain on mark to market of cross currency hedge	2.6	(9.5)
Net gain on interest rate hedges	0.1	0.1
Balance at the end of the financial year	**11.0**	**16.9**

The total amount recognized in the Statement of Financial Performance was a loss of $0.6 million (2013: $0.1 million). This amount is included in other expenses.

(C) PERFORMANCE RIGHTS RESERVE
The performance rights reserve is used to recognize the fair value of performance rights issued but not vested.

	2014 $'M	2013 $'M
Balance at the beginning of the financial year	32.9	39.3
Share-based payments expense	18.1	19.8
Reversal of performance rights expense associated with rights which did not vest based on the earnings per share hurdles	(0.5)	(9.0)
Transfer to issued capital on purchase and issuance of shares to satisfy performance rights	(1.2)	(17.2)
Balance at the end of the financial year	**49.3**	**32.9**

(D) ACQUISITION RESERVE
The acquisition reserve is used to record differences between the carrying value of non-controlling interests before acquisition and the consideration paid upon acquisition of an additional shareholding, where the transaction does not result in a loss of control. The reserve is attributable to the equity of the Parent Entity.

	2014 $'M	2013 $'M
Balance at the beginning and end of the financial year	**(9.6)**	**(9.6)**

	NOTES	CONSOLIDATED 2014 $'M	2013 $'M

20. RETAINED PROFITS

Balance at the beginning of the financial year		1,098.2	1,003.8
Profit attributable to members of WorleyParsons Limited		249.1	322.1
Dividends paid	22(B)	(209.6)	(227.7)
Balance at the end of the financial year		**1,137.7**	**1,098.2**

	CONSOLIDATED 2014	2013

21. EARNINGS PER SHARE

ATTRIBUTABLE TO MEMBERS OF WORLEYPARSONS LIMITED

Basic earnings per share (cents)	101.0	130.8
Diluted earnings per share (cents)	100.3	129.9

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

(A) RECONCILIATION OF EARNINGS USED IN CALCULATING EARNINGS PER SHARE

	$'M	$'M
Earnings used in calculating basic and diluted earnings per share	249.1	322.1

(B) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR

Weighted average number of ordinary securities used in calculating basic earnings per share	246,528,865	246,285,840
Performance rights which are considered dilutive	1,828,215	1,744,159
Adjusted weighted average number of ordinary securities used in calculating diluted earnings per share	248,357,080	248,029,999

The weighted average number of converted, lapsed or canceled potential ordinary securities used in calculating diluted earnings per share was 189,104 (2013: 324,622).

	CONSOLIDATED 2014 $'M	2013 $'M

22. DIVIDENDS

(A) FINAL DIVIDEND PROPOSED

Dividend in respect of the six months to 30 June 2014:		
51.0 cents per share (10.5 cents franked[1])	125.7	–
Dividend in respect of the six months to 30 June 2013:		
51.0 cents per share (unfranked[1])	–	125.7

1 The Group has sufficient credits in its foreign income account to ensure that there should be no Australian dividend withholding tax withheld on dividends paid to non-resident shareholders. The unfranked portion of the dividend represents conduit foreign income.

The directors have resolved to pay a final dividend of 51.0 cents per share, partially franked at 20.5% (2013: 51.0 cents per share, unfranked). Combined with the half year (interim) dividend, the Company will make total dividend payments of 85.0 cents per share for the financial year (2013: 92.5 cents per share). The dividend will be paid on 30 September 2014 for shareholders on the register at the record date, being 5 September 2014.

In accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, the aggregate amount of the proposed final dividend of $125.7 million is not recognized as a liability as at 30 June 2014.

(B) DIVIDENDS PAID DURING THE FINANCIAL YEAR

Dividend in respect of the six months to 31 December 2013:		
34.0 cents per share (8.5 cents franked)	83.9	–
Dividend in respect of the six months to 30 June 2013:		
51.0 cents per share unfranked	125.7	–
Dividend in respect of the six months to 31 December 2012:		
41.5 cents per share (41.5 cents franked)	–	102.4
Dividend in respect of the six months to 30 June 2012:		
51.0 cents per share (31.3 cents franked)	–	125.3
	209.6	**227.7**

(C) IMPUTATION CREDIT BALANCE OF THE PARENT ENTITY

The amount of imputation credits available on a tax paid basis for future distributions is:

Imputation credits balance as at the end of the financial year at the corporate tax rate of 30% (2013: 30%)	10.2	15.8
Imputation credits/(debits) arising from the payments of refunds of income tax provided in this financial report	0.8	(15.8)
Imputation credits available for distribution	11.0	–
Imputation debits that will arise from the payment of the final dividend	(11.0)	–
Imputation credits available for future dividends	–	**-**

23. INVESTMENTS IN CONTROLLED ENTITIES

In accordance with the accounting standards, the Group discloses only significant entities identified on the basis of materiality:

(A) WORLEYPARSONS LIMITED GROUP ACCOUNTS INCLUDE A CONSOLIDATION OF THE FOLLOWING SIGNIFICANT ENTITIES:

ENTITY	COUNTRY OF INCORPORATION	BENEFICIAL INTEREST HELD BY CONSOLIDATED ENTITY 2014 %	2013 %
Worley No 2 Pty Limited[1]	Australia	100	100
WorleyParsons Canada Services Ltd	Canada	100	100
WorleyParsons Engineering Pty Limited[1]	Australia	100	100
WorleyParsons Europe Limited	United Kingdom	100	100
WorleyParsons Financial Services Pty Limited[1]	Australia	100	100
WorleyParsons Group Inc	USA	100	100
WorleyParsons International Inc	USA	100	100
WorleyParsons Services Pty Limited[1]	Australia	100	100
Rosenberg WorleyParsons AS[2]	Norway	100	100
Acquired during the year			
WorleyParsons New Zealand Limited[3]	New Zealand	100	50

1 Entities subject to Australian Securities and Investments Commission Class Order 98/1418 relief.
2 Previously named Bergen Group Rosenberg AS.
3 Previously named Transfield Worley Limited and an equity accounted associate.

(B) PARENT ENTITY

WorleyParsons Limited Parent Entity financial statements include investments in the following entities:

ENTITY	COUNTRY OF INCORPORATION	2014 $'M	2013 $'M
Engineering Securities Pty Limited atf The Worley Limited Trust	Australia	94.7	94.7
WorleyParsons Canada Callco Ltd.[1]	Canada	121.0	220.8
WorleyParsons Canada Holdings Pty Limited	Australia	197.9	197.9
WorleyParsons Financial Services Pty Limited	Australia	440.1	440.1
		853.7	**953.5**

1 This entity had a reduction of capital of C$100 million.

The Parent Entity's summary financial information as required by the *Corporations Act 2001* is as follows:

	2014 $'M	2013 $'M
STATEMENT OF FINANCIAL PERFORMANCE		
Profit before income tax expense	272.5	171.2
Income tax expense	–	(1.0)
Profit after income tax expense	272.5	170.2
Profit attributable to members of WorleyParsons Limited	272.5	170.2
Retained profits at the beginning of the financial year	133.7	188.2
Dividends paid[1]	(206.9)	(224.7)
Retained profits at the end of the financial year	199.3	133.7
STATEMENT OF COMPREHENSIVE INCOME		
Profit after income tax expense	272.5	170.2
Total comprehensive income, net of tax	272.5	170.2
STATEMENT OF FINANCIAL POSITION		
Current assets	977.7	577.2
Total assets	1,939.0	1,534.5
Current liabilities	449.7	128.7
Total liabilities	449.7	129.4
Net assets	1,489.3	1,405.1
Issued capital	1,239.7	1,238.5
Performance rights reserve	50.3	32.9
Retained profits	199.3	133.7
Total equity	1,489.3	1,405.1

Details in relation to parent company guarantees are disclosed in note 30(A).

1 Dividends paid by the Parent Entity exclude dividends paid to the holders of exchangeable shares.

(C) CLOSED GROUP

Pursuant to Australian Securities and Investments Commission Class Order 98/1418, relief has been granted to Worley No 2 Pty Limited, WorleyParsons Engineering Pty Limited, WorleyParsons Financial Services Pty Limited and WorleyParsons Services Pty Limited, from the *Corporations Act 2001* requirements for preparation, audit and lodgment of their financial reports. As a condition of the Class Order, WorleyParsons Limited together with the parties noted entered into a Deed of Cross Guarantee on 26 May 2003. The effect of the deed is that WorleyParsons Limited has guaranteed to pay any deficiency in the event of the winding up of the abovementioned controlled entities. The controlled entities have also given a similar guarantee in the event that WorleyParsons Limited is wound up. The Statement of Financial Performance and Statement of Financial Position of the entities which are parties to the Deed of Cross Guarantee and The Worley Limited Trust (Closed Group) are as follows:

	CLOSED GROUP	
	2014 $'M	2013 $'M
STATEMENT OF FINANCIAL PERFORMANCE		
Profit before income tax expense	186.2	190.5
Income tax expense	(17.1)	(55.5)
Profit after income tax expense	169.1	135.0
Profit attributable to members of WorleyParsons Limited	169.1	135.0
Retained profits at the beginning of the financial year	222.2	311.9
Dividends paid	(206.9)	(224.7)
Retained profits at the end of the financial year	184.4	222.2
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current assets		
Cash and cash equivalents	9.6	43.5
Trade and other receivables	1,604.5	1,417.0
Other current assets	15.3	16.2
Total current assets	1,629.4	1,476.7
Non-current assets		
Property, plant and equipment	0.3	0.3
Intangible assets	64.9	64.9
Deferred tax assets	56.5	48.4
Other non-current assets	1,042.4	902.8
Total non-current assets	1,164.1	1,016.4
TOTAL ASSETS	2,793.5	2,493.1
LIABILITIES		
Current liabilities		
Trade and other payables	1,145.9	828.4
Provisions	3.9	4.5
Total current liabilities	1,149.8	832.9
Non-current liabilities		
Interest bearing loans and borrowings	155.5	159.4
Deferred tax liabilities	10.9	14.2
Total non-current liabilities	166.4	173.6
TOTAL LIABILITIES	1,316.2	1,006.5
NET ASSETS	1,477.3	1,486.6
EQUITY		
Issued capital	1,239.7	1,238.5
Reserves	53.2	25.9
Retained profits	184.4	222.2
TOTAL EQUITY	1,477.3	1,486.6

(D) ACQUISITION OF CONTROLLED ENTITIES

Effective 1 November 2013, WorleyParsons Engineering Pty Ltd, a subsidiary of the Company, acquired an additional 50% net interest in Transfield Worley Limited, currently known as WorleyParsons New Zealand Limited, which had previously been accounted for as equity accounted associate, resulting in the change in the classification of the investment from equity accounted associate to subsidiary of the Group. Total cash consideration paid for the additional net interest was $30.0 million.

The above acquisition contribution to the Group's reported after tax profit attributable to members of the Parent Entity was $11.4 million, and the reported contribution to revenue was $117.6 million. Had this acquisition taken place at 1 July 2013, the additional contribution to the Group's profit after income tax expense would have been $2.0 million and revenue would have been $61.0 million.

	TRANSFIELD WORLEY LIMITED ACQUISITION $'M
ASSETS	
Cash and cash equivalents	11.1
Trade and other receivables	21.6
Prepayments	0.5
Property, plant and equipment	1.2
Intangible assets	0.3
Deferred tax assets	1.6
Total assets	36.3
LIABILITIES	
Trade and other payables	16.6
Income tax payable	1.6
Provisions	4.3
Deferred tax liabilities	0.0
Total liabilities	22.5
Net assets acquired	13.8
Intangible assets	9.4
Deferred tax liability on intangible assets	(2.6)
Goodwill arising on acquisition	39.4
Total consideration, excluding acquisition costs expensed	60.0
Consideration:	
Cash consideration	30.0
Fair value of previously held equity accounted associate	30.0
Total consideration	60.0
Net cash effect:	
Cash consideration paid	30.0
Cash and overdrafts included in net assets acquired	(11.1)
Net cash outflow	18.9

Acquisition related costs are included in other expenses in the Statement of Financial Performance and in operating cash flows in the Statement of Cash Flows.

Goodwill represents the value of the assembled workforce and any premium from synergies and future growth opportunities that cannot be recognized separately. Except as indicated, the carrying value equals the fair value of the net assets acquired.

The fair values of the acquisition balances are provisional due to the complexity and timing of the acquisition. The review of the assets and liabilities will continue for 12 months from acquisition date.

In the prior year, Bergen Group Rosenberg AS, currently known as Rosenberg WorleyParsons AS, was acquired for $185.6 million and TWP Holding Proprietary Limited was acquired for $96.9 million.

There were no changes to the acquisition values recognized in the 30 June 2013 financial statements.

Deferred consideration of $32.2 million was paid in relation to previous acquisitions.

24. EQUITY ACCOUNTED INVESTMENTS

(A) DETAILS OF EQUITY ACCOUNTED INVESTMENTS ARE AS FOLLOWS:

The Group's largest equity accounted investments are listed below. None is considered individually material to the Group.

ENTITY	PRINCIPAL PLACE OF BUSINESS	PRINCIPAL ACTIVITY	OWNERSHIP INTERESTED CONSOLIDATED 2014 %	OWNERSHIP INTERESTED CONSOLIDATED 2013 %	CARRYING AMOUNT CONSOLIDATED 2014 $'M	CARRYING AMOUNT CONSOLIDATED 2013 $'M
Significant investments						
Cegertec WorleyParsons Inc	Canada	Minerals, Metals & Chemicals	50	50	12.2	13.5
DeltaAfrik Engineering Limited	Nigeria	Hydrocarbons	49	49	23.0	26.1
Ranhill WorleyParsons Sdn Bhd	Malaysia	Hydrocarbons	49	49	30.2	33.5
Transfield Worley Power Services Pty Limited	Australia	Infrastructure	50	50	21.6	21.9
Other investments					28.5	36.4
					115.5	**131.4**

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
(B) CARRYING AMOUNT OF EQUITY ACCOUNTED INVESTMENTS		
Carrying amount at the beginning of the financial year	131.4	104.1
Share of net profits of investments accounted for using the equity method	18.0	23.4
Dividends declared by equity accounted investments	(23.5)	(15.2)
Change in nature of investment and investment acquired	(8.0)	10.8
Movement in foreign currency translation reserve of equity accounted investments	(2.4)	8.3
Carrying amount at the end of the financial year	**115.5**	**131.4**
(C) NET PROFITS ATTRIBUTABLE TO EQUITY ACCOUNTED INVESTMENTS		
Profits before income tax expense	27.4	33.5
Income tax expense	(9.4)	(10.1)
Net profits of equity accounted investments	**18.0**	**23.4**
(D) REVENUE ATTRIBUTABLE TO EQUITY ACCOUNTED INVESTMENTS		
Share of revenue from equity accounted investments	**524.0**	**549.2**
(E) RESERVES ATTRIBUTABLE TO EQUITY ACCOUNTED INVESTMENTS		
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the beginning of the financial year	(15.0)	(23.3)
Change in nature of investment	(1.3)	-
Movement in reserve	(1.1)	8.3
Balance at the end of the financial year	**(17.4)**	**(15.0)**
(F) RETAINED PROFITS ATTRIBUTABLE TO EQUITY ACCOUNTED INVESTMENTS		
Balance at the beginning of the financial year	123.6	115.4
Share of net profits of investments accounted for using the equity method	18.0	23.4
Change in nature of investment	(6.7)	-
Dividends declared	(23.5)	(15.2)
Balance at the end of the financial year	**111.4**	**123.6**

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
(G) SHARE OF EQUITY ACCOUNTED INVESTMENTS' CONTINGENT LIABILITIES		
Performance-related guarantees issued	11.4	12.7
(H) SHARE OF EQUITY ACCOUNTED INVESTMENTS' EXPENDITURE COMMITMENTS		
Operating lease commitments	2.8	5.1

(I) SUMMARY OF FINANCIAL POSITION OF EQUITY ACCOUNTED INVESTMENTS

The consolidated entity's share of aggregate assets and liabilities of equity accounted investments is:

	2014 $'M	2013 $'M
Current assets	220.5	240.7
Non-current assets	68.6	69.6
Current liabilities	(157.2)	(163.3)
Non-current liabilities	(23.7)	(23.3)
Net assets	108.2	123.7
Goodwill	7.3	7.7
Carrying amount at the end of the financial year	**115.5**	**131.4**

25. INTERESTS IN JOINT OPERATIONS

The Group's largest joint operation is listed below. It is not individually material to the Group.

WORLEYPARSONS LIMITED GROUP ACCOUNTS INCLUDE A PROPORTIONATE CONSOLIDATION OF THE FOLLOWING SIGNIFICANT ENTITY:

JOINT OPERATION	PRINCIPAL ACTIVITY	OWNERSHIP INTEREST CONSOLIDATED 2014 %	OWNERSHIP INTEREST CONSOLIDATED 2013 %
Transfield Worley Services Joint Venture	Hydrocarbons	50	50

The consolidated entity's interests in the assets and liabilities employed in all joint operations are included in the Statement of Financial Position under the following classifications:

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
ASSETS		
Current assets		
Cash and cash equivalents	13.2	7.5
Trade and other receivables	44.1	47.5
Other financial assets	5.1	5.8
Total current assets	**62.4**	**60.8**
Non-current assets		
Property, plant and equipment	2.0	3.4
Total non-current assets	**2.0**	**3.4**
TOTAL ASSETS	**64.4**	**64.2**
LIABILITIES		
Current liabilities		
Trade and other payables	62.9	57.5
Provisions	8.7	15.6
Total current liabilities	**71.6**	**73.1**
Non-current liabilities		
Other non-current liabilities	1.3	1.1
Total non-current liabilities	**1.3**	**1.1**
TOTAL LIABILITIES	**72.9**	**74.2**
NET (LIABILITIES)/ASSETS	**(8.5)**	**(10.0)**

26. NOTES TO THE STATEMENT OF CASH FLOWS

	CONSOLIDATED 2014 $'M	2013 $'M
Reconciliation of profit after income tax expense to net cash inflow from operating activities:		
Profit after income tax expense	268.6	344.2
NON-CASH ITEMS		
Depreciation	27.1	21.0
Amortization	82.4	81.3
Share based payments expense	17.6	10.8
Doubtful debts expense	9.8	4.8
Share of associates' net profits in excess of dividends received	5.5	(9.6)
Net gain on revaluation of investments previously accounted for as equity acounted associates	(11.4)	-
Other	1.5	2.6
Cash flow adjusted for non-cash items	401.1	455.1
CHANGES IN ASSETS AND LIABILITIES ADJUSTED FOR EFFECTS OF PURCHASE OF CONTROLLED ENTITIES		
Increase in trade and other receivables	(17.4)	(166.3)
Decrease in prepayments and other assets	19.5	0.5
Increase in deferred tax assets	(33.5)	(26.5)
Decrease in net derivatives	4.9	-
Increase in trade and other payables	87.5	214.1
Increase in billings in advance	62.4	25.1
Decrease in income tax payable	64.6	(18.2)
Increase in deferred tax liabilities	(22.0)	13.2
Increase in provisions	(17.0)	(53.5)
Net cash inflow from operating activities	**550.1**	**443.5**

27. ASSETS AND LIABILITIES HELD FOR SALE

(A) DETAILS OF ASSETS AND LIABILITIES HELD FOR SALE ARE AS FOLLOWS:

The Exmouth Power Station is presented as an assets held for sale. It is expected that the sale of this investment will proceed within the next year.

	CONSOLIDATED 2014 $'M
Cash and cash equivalents	2.9
Trade and other receivables	1.5
Finance lease receivable	26.0
Deferred tax assets	0.5
Assets held for sale	**30.9**
Trade and other payables	1.2
Interest bearing loans and borrowings[1]	15.9
Deferred tax liabilities	0.7
Derivatives	1.6
Liabilities held for sale	**19.4**

1 See terms of the secured bank loan in note 15.

The above assets and liabilities are included in the Infrastructure segment in note 34.

(B) FINANCE LEASE RECEIVABLE

	CONSOLIDATED 2014 $'M	2013 $'M
Current finance lease receivable	–	1.6
Non-current finance lease receivable	–	27.1
Gross investment in lease receivable	**-**	**28.7**
Present value of minimum lease payments:		
Within one year	–	1.6
Later than one year and not later than five years	–	7.6
More than five years	–	19.5
Present value of minimum lease payments	–	28.7
Gross investment in lease receivable	**-**	**28.7**

The finance lease receivable relates to the power supply contract held by the Company's 100% subsidiary, Exmouth Power Station Pty Limited, which is an arrangement that contains a lease and has been transferred to assets held for sale.

28. PROCUREMENT

In certain situations, the Group will enter into contracts with its customers which require the Group to procure goods and services on behalf of the customer.

Where the risks and rewards associated with the procurement activities are assumed by the Group, the revenues and expenses, and assets and liabilities are recognized on a gross basis in the Statement of Financial Performance and Statement of Financial Position.

The following procurement revenues and expenses, and assets and liabilities have been recognized on a gross basis in the Statement of Financial Performance and Statement of Financial Position:

	CONSOLIDATED 2014 $'M	2013 $'M
REVENUES AND EXPENSES[1]		
Procurement revenue at margin	242.9	190.8
Procurement expenses at margin	(235.9)	(183.3)
Procurement revenue at nil margin	2,713.3	1,747.7
Procurement expenses at nil margin	(2,713.3)	(1,747.7)
ASSETS AND LIABILITIES		
Cash and cash equivalents	70.0	38.8
Trade and other receivables	197.1	123.1
Trade and other payables	(192.0)	(130.3)

1 Revenue and expenses exclude procurement revenue and expenses from associates.

29. COMMITMENTS FOR EXPENDITURE

(A) OPERATING LEASES

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

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Within one year	215.7	215.4
Later than one year and not later than five years	487.0	514.5
Later than five years	96.0	89.7
Commitments not recognized in the financial statements	**798.7**	**819.6**

(B) OPERATING EXPENDITURE COMMITMENTS

Estimated commitments for operating expenditure in relation to software are payable as follows:

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Within one year	14.2	15.9
Later than one year and not later than five years	10.8	8.7
Commitments not recognized in the financial statements	**25.0**	**24.6**

The Parent Entity has no commitments for expenditure.

30. CONTINGENT LIABILITIES

(A) GUARANTEES

The Company 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 obligation.

	CONSOLIDATED		PARENT ENTITY	
	2014 $'M	2013 $'M	2014 $'M	2013 $'M
Bank guarantees outstanding at balance date in respect of contractual performance	692.4	616.1	395.5	359.1
Commitments not recognized in the financial statements	**692.4**	**616.1**	**395.5**	**359.1**

(B) ASBESTOS

Certain subsidiaries acquired as part of the Parsons acquisition (Parsons E&C), have been, and continue to be, the subject of litigation relating to the handling of, or exposure to, asbestos. Due to the continuation and extension of the existing indemnity and asbestos claims administration arrangements between Parsons Corporation and Parsons E&C Corporation, the Group is not aware of any circumstance that is likely to lead to a residual contingent exposure for the Group in respect of asbestos liabilities.

(C) ACTUAL AND PENDING CLAIMS

The Company is subject to various actual and pending claims arising in the normal course of business. The Company has regular claims reviews, including updates from corporate and outside counsel, to assess the need for accounting recognition or disclosure of these contingencies. The directors are currently of the view that the consolidated entity is adequately provided in respect of these claims in accordance with the accounting policy set out in note 2(O).

31. REMUNERATION OF AUDITORS

	CONSOLIDATED 2014 $	CONSOLIDATED 2013 $
Remuneration for audit or review of the financial reports of the Parent Entity or any other entity in the Group:		
Auditor of the Parent Entity – Ernst & Young	3,516,744	3,166,110
Other auditors of controlled entities	250,955	166,403
	3,767,699	**3,332,513**
Amounts received for other services:		
Tax related services	350,230	335,210
Acquisition related assurance services	30,000	210,731
Other non-audit services	893,174	935,717
	1,273,404	**1,481,658**
	5,041,103	**4,814,171**

32. RELATED PARTIES

(A) DIRECTORS

The names of persons who were directors of the Company at any time during the financial year were as follows:

John Grill (Chairman)

Ron McNeilly (Deputy Chairman and Lead Independent Director)

Larry Benke

Erich Fraunschiel

John M Green

Christopher Haynes

Catherine Livingstone

JB McNeil (retired 3 April 2014)

Wang Xiao Bin

Andrew Wood (Chief Executive Officer).

(B) OTHER RELATED PARTIES

	CONSOLIDATED 2014 $'M	CONSOLIDATED 2013 $'M
Aggregate amounts brought to account in relation to other transactions with each class of other related parties were as follows:		
Loans advanced to:		
Associates and related parties	11.0	6.7
Loan repayments from:		
Associates and related parties	4.2	8.8
Dividends received from:		
Dividends from associates	23.5	15.2
Aggregate amounts, receivable from, and payable to, each class of other related parties at balance date were as follows:		
Current receivables		
Associates and related parties	44.6	45.4
Current payables		
Associates and related parties	8.1	21.7

Related entities provide specific advisory services to controlled entities in the normal course of business. These transactions are made on normal terms and conditions and at market rates.

(C) CONTROLLING ENTITIES

WorleyParsons Limited is the ultimate Australian parent company.

33. KEY MANAGEMENT PERSONNEL

	CONSOLIDATED	
	2014 $	2013 $
Short term employee benefits	9,943,950	11,640,115
Post employment benefits	426,894	357,807
Other long term benefits	60,572	54,457
Share based payments	709,376	1,772,683
Total compensation	**11,140,792**	**13,825,062**

34. SEGMENT INFORMATION

(A) IDENTIFICATION OF REPORTABLE SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer, Chief Financial Officer and the Group Managing Directors ("the chief operating decision makers") in assessing performance and in determining the allocation of resources. The operating segments identified by management are based on the customer sector groups: Hydrocarbons, Minerals, Metals & Chemicals and Infrastructure.

From 1 July 2013, where the Group has undertaken an Infrastructure & Environment or Power related project for a Hydrocarbons or Minerals, Metals & Chemicals customer, revenue and earnings before interest and income tax expense (EBIT) have been allocated to the relevant segment to which that customer belongs. This represents a change to the segmentation reported in prior periods where such projects were reported under either the Infrastructure & Environment or Power sector.

Also from 1 July 2013, the Group has combined the Infrastructure & Environment and Power sectors to create a single customer sector group known as Infrastructure.

The historical segment results for the year ended 30 June 2013 have been restated to be comparable with the revised segmentation approach as required by AASB 8 Operating Segments.

Discrete pre-tax financial information about each of these customer sector groups is reported to the chief operating decision makers on a monthly basis.

The Group's operations are organized and managed separately according to the nature of the services they provide, with each segment serving different markets. The Group provides engineering design, project services, maintenance and reliability support services and advisory services to a number of markets.

(B) ACCOUNTING POLICIES AND INTER-SEGMENT TRANSACTIONS

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of receivables and plant and equipment. Segment revenues, expenses and results include transactions between segments incurred in the ordinary course of business. These transactions are priced on an arm's length basis and are eliminated on consolidation.

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 2.

The segment result includes the allocation of overhead that can be directly attributed to an individual business segment.

The following items and associated assets and liabilities are not allocated to segments as they are not considered part of the core operations of any segment:

- global support costs;
- restructuring costs;
- interest and tax for associates;
- amortization of acquired intangible assets;
- net gain on revaluation of investments previously accounted for as equity accounted associates;
- net borrowing costs; and
- income tax expense.

(C) MAJOR CUSTOMERS

The most significant customer accounts for 9.3% (2013: 12.4%) of aggregated revenue and is within the Hydrocarbons customer sector group.

34. SEGMENT INFORMATION (continued)

(D) OPERATING SEGMENTS

	HYDROCARBONS		MINERALS, METAL & CHEMICALS		INFRASTRUCTURE		TOTAL	
	2014 $'M	2013 $'M	2014 $'M	2013 $'M	2014 $'M	2013 $'M	2014 $'M	2013 $'M
Revenue								
Professional services revenue	4,255.1	4,393.1	1,042.4	1,085.2	869.3	967.8	6,166.8	6,446.1
Procurement revenue at margin	227.4	250.9	23.1	11.1	52.4	57.1	302.9	319.1
Construction and fabrication revenue	888.7	847.7	-	-	-	-	888.7	847.7
Other income	0.3	1.2	0.4	0.2	4.6	12.7	5.3	14.1
Total segment revenue[1]	**5,371.5**	**5,492.9**	**1,065.9**	**1,096.5**	**926.3**	**1,037.6**	**7,363.7**	**7,627.0**
Reconciliation of segment revenue to total revenue and other income per the Statement of Financial Performance								
Segment revenue							7,363.7	7,627.0
Procurement revenue at nil margin (including share of revenue from associates)							2,726.1	1,747.7
Share of revenue from associates							(524.0)	(549.2)
Net gain on revaluation of investments previously accounted for as equity accounted associates							11.4	-
Interest income							5.3	6.0
Total revenue and other income per the Statement of Financial Performance							**9,582.5**	**8,831.5**
Segment result[2]	627.3	654.4	131.2	142.8	64.0	107.3	822.5	904.5
Segment margin	11.7%	11.9%	12.3%	13.0%	6.9%	10.3%	11.2%	11.9%
Reconciliation of segment result to profit after income tax expense per the Statement of Financial Performance								
Segment result							822.5	904.5
Global support costs[3]							(339.4)	(342.7)
Interest and tax for associates							(9.2)	(11.1)
Amortization of acquired intangible assets							(21.7)	(23.7)
Underlying EBIT							452.2	527.0
Underlying EBIT margin on aggregated revenue for the Group							6.1%	6.9%
Net borrowing costs							(59.6)	(53.4)
Income tax expense							(109.7)	(129.4)
Total underlying profit after income tax expense							282.9	344.2
Net gain on revaluation of investments previously accounted for as equity accounted associates							11.4	-
Restructuring costs							(35.4)	-
Tax on restructuring costs							9.7	-
Profit after income tax expense per the Statement of Financial Performance							**268.6**	**344.2**
Other segment information								
Depreciation and amortization expense	53.6	58.5	11.5	11.2	22.7	8.9	87.8	78.6
Share of net profits of associates accounted for using the equity method	13.2	19.9	1.1	2.2	3.7	1.3	18.0	23.4
Equity accounted associates	86.6	88.9	4.4	15.1	24.5	27.4	115.5	131.4
Purchase of non-current assets	42.0	38.3	10.0	4.3	26.4	37.7	78.4	80.3

1 Segment revenue represents aggregated revenue, which is defined as statutory revenue and other income plus share of revenue from associates less procurement revenue at nil margin, interest income and net gain on revaluation of investments previously accounted for as equity accounted associates. The directors believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group.

2 Segment result represents EBIT which is the key financial measure that is presented to the chief operating decision makers.

3 Reconciliation of Global support costs to the Statement of Financial Performance:

Global support costs per Segment Information	339.4	342.7
Total restructuring costs	35.4	-
Restructuring costs attributable to professional services costs	(17.7)	-
Global support costs per the Statement of Financial Performance	357.1	342.7

(E) GEOGRAPHIC SEGMENTS[1]

Revenue from external customers:[2]

FY2014	AGGREGATED REVENUE	ADD: PROCUREMENT REVENUE AT NIL MARGIN	LESS: SHARE OF REVENUE FROM ASSOCIATES	LESS: OTHER INCOME	TOTAL REVENUE FROM EXTERNAL CUSTOMERS
Asia and China	502.3	19.6	(60.3)	(0.3)	461.3
Australia and New Zealand	1,247.8	29.3	(172.1)	(3.0)	1,102.0
Canada	2,087.7	1,104.9	(25.2)	-	3,167.4
Europe	1,122.7	134.0	(80.7)	(0.4)	1,175.6
Latin America	325.0	-	-	(0.1)	324.9
Middle East and North Africa	591.4	809.2	-	-	1,400.6
Sub-Saharan Africa	391.3	-	(120.1)	(1.5)	269.7
United States of America and Caribbean	1,095.5	629.1	(65.6)	-	1,659.0
Total	7,363.7	2,726.1	(524.0)	(5.3)	9,560.5
Other income					5.3
Net gain on revaluation of investments previously accounted for as equity accounted associates					11.4
Interest income					5.3
Total revenue and other income per the statement of financial performance					**9,582.5**

FY2013	AGGREGATED REVENUE	ADD: PROCUREMENT REVENUE AT NIL MARGIN	LESS: SHARE OF REVENUE FROM ASSOCIATES	LESS: OTHER INCOME	TOTAL REVENUE FROM EXTERNAL CUSTOMERS
Asia and China	564.4	14.9	(99.8)	(0.1)	479.4
Australia and New Zealand	1,737.0	-	(202.0)	(11.8)	1,523.2
Canada	2,158.0	411.7	(28.7)	-	2,541.0
Europe	806.0	85.8	(81.9)	(0.4)	809.5
Latin America	394.2	0.2	-	(0.7)	393.7
Middle East and North Africa	530.5	661.7	-	(0.4)	1,191.8
Sub-Saharan Africa	288.2	3.3	(94.7)	(0.7)	196.1
United States of America and Caribbean	1,148.7	570.1	(42.1)	-	1,676.7
Total	7,627.0	1,747.7	(549.2)	(14.1)	8,811.4
Other income					14.1
Net gain on revaluation of investments previously accounted for as equity accounted associates					-
Interest income					6.0
Total revenue and other income per the statement of financial performance					**8,831.5**

	2014 $'M	2013 $'M
Non-current assets by geographical location:[3]		
Asia and China	64.4	113.7
Australia and New Zealand	250.3	303.8
Canada	936.8	1,055.3
Europe	264.0	114.8
Latin America	199.6	191.8
Middle East and North Africa	3.7	5.0
Sub-Saharan Africa	229.2	265.9
United States of America and Caribbean	316.3	320.5
Non-current assets by geographical location	**2,264.3**	**2,370.8**

1 Geographic locations have been aligned to internal reports presented to chief operating decision makers. The prior year results have been restated to be comparable with the current year's disclosure.
2 Revenue is attributed to the geographic location based on the entity providing the services.
3 Excludes derivative financial instruments and deferred tax assets.

35. CREDIT RISK

The financial assets of the Group comprise cash and cash equivalents, trade and other receivables, and derivative financial instruments and off Statement of Financial Position guarantees and letters of credit. The Group's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note. Credit exposure of derivatives is considered to be any positive market value.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	CARRYING AMOUNT CONSOLIDATED	
	2014 $'M	2013 $'M
Cash and cash equivalents	365.8	320.0
Trade receivables, unbilled contract revenue and retentions	1,883.7	1,915.7
Other receivables	148.5	130.7
Amounts owing by associates and related parties	44.6	45.4
Derivatives	28.4	31.9
	2,471.0	**2,443.7**

The ageing of the Group's trade receivables, unbilled contract revenue and retentions at the reporting date was:

	GROSS 2014 $'M	IMPAIRMENT 2014 $'M	GROSS 2013 $'M	IMPAIRMENT 2013 $'M
Unbilled contract revenue	1,009.4	-	984.5	-
0-30 days	701.7	(4.3)	708.2	(1.6)
Past due 31-60 days	67.5	(0.3)	102.5	(0.2)
Past due 61-90 days	21.7	-	45.1	(1.1)
Past due 91-120 days	11.3	-	18.9	(0.6)
More than 121 days	108.5	(31.8)	87.0	(27.0)
	1,920.1	**(36.4)**	**1,946.2**	**(30.5)**

Based on historic default rates, the Group believes that no impairment allowance is necessary in respect of receivables not past due or past due by up to 30 days other than for specifically identified accounts. The Group's typical payment terms are 30 days from date of invoice.

35. CREDIT RISK (continued)

The allowance amounts in respect of trade receivables are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point, the amount is considered irrecoverable and is written off against the financial asset directly.

Counterparties with receivables neither past due nor impaired are assessed as creditworthy.

36. LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has unrestricted access at balance date to the following lines of credit:

	CONSOLIDATED	
	2014 $'M	2013 $'M
SECURED FACILITIES		
Total facilities available:		
Loan facilities	15.9	17.4
Finance lease facilities	8.8	7.1
	24.7	**24.5**
Facilities utilized at balance date:		
Loan facilities	15.9	17.4
Finance lease facilities	8.8	7.1
	24.7	**24.5**
Facilities available at balance date:		
Loan facilities	–	–
Finance lease facilities	–	–
	-	**-**

The maturity profile in respect of the Group's secured loan facilities is set out below:

Due within one year	5.3	3.8
Due between one and four year(s)	10.9	10.1
Due after four years	8.5	10.6
	24.7	**24.5**

Secured debt relating to the Exmouth Power Station is presented within current liabilities due to its classification as held for sale. Refer note 27.

	CONSOLIDATED	
	2014 $'M	2013 $'M
UNSECURED FACILITIES		
Total facilities available:		
Loan facilities	1,635.6	1,770.8
Overdraft facilities	122.3	117.1
Bank guarantees and letters of credit	979.3	861.8
	2,737.2	**2,749.7**
Facilities utilized at balance date:		
Loan facilities	871.4	1,037.7
Overdraft facilities	0.4	-
Bank guarantees and letters of credit	692.4	616.1
	1,564.2	**1,653.8**
Facilities available at balance date:		
Loan facilities	764.2	733.1
Overdraft facilities	121.9	117.1
Bank guarantees and letters of credit	286.9	245.7
	1,173.0	**1,095.9**

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

Due within one year	280.3	427.0
Due between one and four year(s)	443.0	490.2
Due after four years	1,034.6	970.7
	1,757.9	**1,887.9**

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from balance date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows, their balances will not necessarily agree with the amounts disclosed in the Statement of Financial Position.

	CONSOLIDATED					
	TRADE PAYABLES $'M	PAYABLES TO ASSOCIATES AND RELATED PARTIES $'M	INTEREST BEARING LOANS AND BORROWINGS $'M	EXPECTED FUTURE INTEREST PAYMENTS $'M	DERIVATIVES $'M	TOTAL FINANCIAL LIABILITIES $'M
AS AT 30 JUNE 2014						
Due within one year	481.4	8.1	5.9	0.3	5.6	501.3
Due between one and four year(s)	–	–	399.3	76.0	–	475.3
Due after four years	–	–	491.4	158.5	–	649.9
	481.4	**8.1**	**896.6**	**234.8**	**5.6**	**1,626.5**
AS AT 30 JUNE 2013						
Due within one year	389.2	21.7	156.9	8.9	4.0	580.7
Due between one and four year(s)	–	–	203.5	44.8	0.3	248.6
Due after four years	–	–	701.8	237.6	–	939.4
	389.2	**21.7**	**1,062.2**	**291.3**	**4.3**	**1,768.7**

37. CURRENCY RISK

The Group operates internationally and is therefore subject to foreign currency risk. In the ordinary course of business, the Group structures its contracts to be in the functional currency of the country where the work is performed and cost is incurred. If Group entities enter into transactions in currencies other than their respective functional currencies, in order to hedge the resulting foreign currency transaction risk, the Group utilizes derivative financial instruments (e.g. forward exchange contracts and foreign currency options).

A number of the Group controlled entities have a functional currency other than AUD. The exchange gains or losses on the net equity investment of foreign operations are reflected in the foreign currency translation reserve within the Parent Entity's equity. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

(A) FORWARD EXCHANGE CONTRACTS

The Group is exposed to exchange rate transaction risk on foreign currency sales, purchases, and loans to and from related entities. The most significant exchange risk is Norwegian Kroner payables maturing in the next six months to December 2014 of $46.9 million. When required, hedging is undertaken through transactions entered into in the foreign exchange markets. Forward exchange contracts have been used for hedging purposes. Forward exchange contracts are generally accounted for as cash flow hedges.

At balance date, the details of significant outstanding contracts were:

	WEIGHTED AVERAGE EXCHANGE RATE		AMOUNT RECEIVABLE/(PAYABLE)		AMOUNT RECEIVABLE/(PAYABLE)	
	2014	2013	2014 M	2014 M	2013 M	2013 M
Maturing in the next 6 months to 31 December 2014						
Buy AUD and Sell CAD	–	1.03	–	–	AUD 9.3	CAD (9.0)
Buy AUD and Sell USD	1.11	1.07	AUD 4.7	USD (4.2)	AUD 37.1	USD (34.8)
Buy AUD and Sell ZAR	0.10	0.11	AUD 9.3	ZAR (90.0)	AUD 4.5	ZAR (42.4)
Buy CNY and Sell AUD	5.34	–	CNY 50.0	AUD (9.4)	–	–
Buy CNY and Sell USD	6.20	6.18	CNY 97.6	USD (15.8)	CNY 10.5	USD (1.7)
Buy GBP and Sell RUB	0.02	–	GBP 14.3	RUB (857.7)	–	–
Buy GBP and Sell USD	0.59	0.64	GBP 7.7	USD (12.9)	GBP 9.6	USD (15.0)
Buy NOK and Sell AUD	5.46	–	NOK 256.0	AUD (46.9)	–	–
Buy NZD and Sell AUD	1.10	–	NZD 19.0	AUD (17.3)	–	–
Buy BRL and Sell USD	2.06	1.97	BRL 1.7	USD (0.8)	BRL 4.8	USD (2.5)
Buy CNY and Sell CAD	5.49	–	CNY 16.0	CAD (2.9)	–	–
Buy EUR and Sell AUD	0.68	0.70	EUR 2.0	AUD (3.0)	EUR 2.0	AUD (2.9)
Buy EUR and sell PLN	0.23	–	EUR 1.1	PLN (4.9)	–	–
Buy IDR and Sell USD	11,661.1	9,796.4	IDR 41,362.0	USD (3.5)	IDR 42,614	USD (4.4)
Buy SGD and Sell AUD	1.14	1.26	SGD 5.3	AUD (4.6)	SGD 7.1	AUD (5.6)
Buy ZAR and Sell GBP	–	14.57	–	–	ZAR 7.1	GBP (0.5)
Buy ZAR and Sell USD	10.64	10.20	ZAR 24.5	USD (2.3)	ZAR 23.4	USD (2.3)
Maturing in the next 7-12 months to 30 June 2015						
Buy AUD and Sell USD	1.12	1.06	AUD 3.3	USD (2.9)	AUD 2.6	USD (2.5)
Buy BRL and Sell USD	2.09	2.01	BRL 1.2	USD (0.6)	BRL 2.2	USD (1.1)
Buy EUR and Sell PLN	0.23	–	EUR 2.0	PLN (8.9)	–	–
Buy GBP and Sell RUB	0.02	–	GBP 1.9	RUB (122.0)	–	–

As these contracts are hedging anticipated future receipts and sales to the extent that they satisfy hedge accounting criteria, any unrealized gains and losses on the contracts, together with the cost of the contracts, are deferred and will be recognized in the measurement of the underlying transaction provided the underlying transaction is still expected to occur as originally designated. Included in the amounts deferred are any gains and losses on hedging contracts terminated prior to maturity where the related hedged transaction is still expected to occur as designated.

The gains and losses deferred in the Statement of Financial Position were:

	CONSOLIDATED	
	2014 $'M	2013 $'M
Effective hedge – unrealized gains	1.6	1.1
Effective hedge – unrealized losses	(5.6)	(2.6)
Net unrealized losses, pre-tax	(4.0)	(1.5)

37. CURRENCY RISK (continued)

(B) CROSS CURRENCY SWAPS

The Group uses cross currency swaps to hedge its foreign currency interest rate risk, most with a maturity of greater than one year from the reporting date. At balance date, the details of cross currency swaps were:

	WEIGHTED AVERAGE EXCHANGE RATE		AMOUNT RECEIVABLE/(PAYABLE)		AMOUNT RECEIVABLE/(PAYABLE)	
	2014	2013	2014 M	2014 M	2013 M	2013 M
Contracts to buy USD and sell CAD						
Maturing 24 March 2016	0.99	0.99	USD 10.0	CAD (9.9)	USD 10.0	CAD (9.9)
Maturing 13 September 2017	–	1.01	–	–	USD 20.0	CAD (20.3)
Maturing 24 March 2018	0.99	0.99	USD 22.0	CAD (21.7)	USD 22.0	CAD (21.7)
Maturing 30 April 2018	1.00	1.00	USD 144.5	CAD (144.5)	USD 144.5	CAD (144.5)
Maturing 13 September 2019	1.01	1.01	USD 75.0	CAD (76.0)	USD 75.0	CAD (76.0)
Maturing 24 March 2021	0.99	0.99	USD 120.0	CAD (118.3)	USD 120.0	CAD (118.3)
Maturing 13 September 2022	–	1.01	–	–	USD 130.0	CAD (131.7)

The following gains and losses have been deferred at balance date:

	CONSOLIDATED	
	2014 $'M	2013 $'M
Fair value gain on cross currency hedge	27.4	30.8
Foreign exchange loss on hedge relationship	(24.9)	(25.0)
Net gain pre-tax in hedge reserve	2.5	5.8

(C) CONSOLIDATED FOREIGN CURRENCY RISK EXPOSURE

The Group's year-end Statement of Financial Position exposure to foreign currency risk was as follows, based on notional amounts. The following are financial assets and liabilities (unhedged amounts) in currencies other than the functional currencies of the entity in which they are recorded:

AS AT 30 JUNE 2014	CAD[1]	GBP[1]	USD[1]	OTHER[1]
Cash and cash equivalents	1.3	1.7	60.2	13.6
Trade receivables and unbilled contract revenue	0.3	1.6	71.6	41.8
Derivative assets	–	–	0.3	0.4
Trade payables	(1.0)	(1.9)	(51.6)	(16.6)
Gross Statement of Financial Position exposure	0.6	1.4	80.5	39.2

AS AT 30 JUNE 2013	CAD[1]	GBP[1]	USD[1]	OTHER[1]
Cash and cash equivalents	0.4	2.5	34.6	14.6
Trade receivables and unbilled contract revenue	0.6	3.1	51.8	39.0
Derivative assets	30.0	–	–	–
Trade payables	(0.5)	(1.5)	(50.5)	(6.4)
Gross Statement of Financial Position exposure	30.5	4.1	35.9	47.2

1 Represents in AUD currency millions as indicated.

(D) CURRENCY SENSITIVITY ANALYSIS

A 10% weakening of the Australian dollar against the following currencies at 30 June 2014 would have increased/(decreased) equity and profit by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed and shown on the same basis for 2013.

	CONSOLIDATED			
	2014		2013	
EFFECTS IN MILLIONS OF AUD	EQUITY	PROFIT	EQUITY	PROFIT
CAD	–	–	–	–
GBP	–	0.2	–	0.5
USD	–	6.6	–	3.0
Other	–	2.7	–	3.3

A 10% strengthening of the Australian dollar against the above currencies at 30 June 2014 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The following significant exchange rates against the AUD applied during the financial year:

	AVERAGE EXCHANGE RATE		REPORTING DATE SPOT EXCHANGE RATE	
	2014	2013	2014	2013
CAD	0.9830	1.0311	1.0069	0.9726
GBP	0.5655	0.6545	0.5531	0.6083
USD	0.9186	1.0274	0.9424	0.9281

38. INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will affect the Group's income or the value of its holdings of financial instruments.

(A) INTEREST RATE RISK EXPOSURE

The Group's exposure to interest rate risk and the effective weighted average interest rate by maturity periods are set out in the following table:

			FIXED INTEREST MATURING IN:							
	WEIGHTED AVERAGE INTEREST RATE % PA	FLOATING INTEREST RATE $'M	1 YEAR OR LESS $'M	1 TO 2 YEAR(S) $'M	2 TO 3 YEARS $'M	3 TO 4 YEARS $'M	4 TO 5 YEARS $'M	MORE THAN 5 YEARS $'M	NON-INTEREST BEARING $'M	TOTAL $'M
AS AT 30 JUNE 2014										
FINANCIAL ASSETS										
Cash and cash equivalents	1.5	365.8	–	–	–	–	–	–	–	365.8
Trade receivables	–	–	–	–	–	–	–	–	1,883.7	1,883.7
Other receivables	–	–	–	–	–	–	–	–	193.1	193.1
Income tax receivable	–	–	–	–	–	–	–	–	1.4	1.4
Derivatives	–	–	–	–	–	–	–	–	28.4	28.4
Total financial assets		365.8	–	–	–	–	–	–	2,106.6	2,472.4
FINANCIAL LIABILITIES										
Bank loans	5.9	0.2	2.3	1.8	1.9	2.0	–	8.4	–	16.6
Notes payable	5.1	–	–	10.6	179.9	197.9	–	482.8	–	871.2
Finance lease liabilities	2.0	–	3.6	2.9	2.1	0.2	–	–		8.8
Trade payables	–	–	–	–	–	–	–	–	481.4	481.4
Payables to associates and related parties	–	–	–	–	–	–	–	–	8.1	8.1
Income tax payable	–	–	–	–	–	–	–	–	47.8	47.8
Derivatives	–	–	–	–	–	–	–	–	5.6	5.6
Interest rate swaps	–	(15.5)	1.6	1.7	1.9	2.0	2.2	6.1	–	–
Total financial liabilities		(15.3)	7.5	17.0	185.8	202.1	2.2	497.3	542.9	1,439.5
Net financial assets										1,032.9
AS AT 30 JUNE 2013										
FINANCIAL ASSETS										
Cash and cash equivalents	2.3	320.0	–	–	–	–	–	–	–	320.0
Trade receivables	–	–	–	–	–	–	–	–	1,915.7	1,915.7
Other receivables	–	–	–	–	–	–	–	–	176.1	176.1
Income tax receivable	–	–	–	–	–	–	–	–	2.5	2.5
Derivatives	–	–	–	–	–	–	–	–	31.9	31.9
Finance lease receivable	–	–	–	–	–	–	–	–	28.7	28.7
Total financial assets		320.0	–	–	–	–	–	–	2,154.9	2,474.9
FINANCIAL LIABILITIES										
Bank loans	6.0	1.7	1.5	1.7	1.8	1.9	2.0	8.5	–	19.1
Notes payable	5.5	–	151.4	–	10.8	182.6	200.9	490.3	–	1,036.0
Finance lease liabilities	4.0	–	2.3	2.0	1.6	1.0	0.2	–	–	7.1
Trade payables	–	–	–	–	–	–	–	–	389.2	389.2
Payables to associates and related parties	–	–	–	–	–	–	–	–	21.7	21.7
Derivatives	–	–	–	–	–	–	–	–	4.3	4.3
Interest rate swaps	–	(17.0)	1.5	1.6	1.7	1.9	2.0	8.3	–	–
Total financial liabilities		(15.3)	156.7	5.3	15.9	187.4	205.1	507.1	415.2	1,477.4
Net financial assets										997.5

38. INTEREST RATE RISK (continued)

(B) INTEREST RATE SWAP CONTRACTS

Exmouth Power Station Pty Limited, 100% owned by a wholly owned subsidiary of WorleyParsons Limited, built and operates the Exmouth Power Station and has drawn down on a loan facility which currently has a floating interest rate. It is policy to protect part of the loan from exposure to increasing interest rates. Accordingly, the entity has entered into an interest rate swap contract under which it is obliged to receive interest at variable rates and to pay interest at fixed rates. The contract is settled on a net basis and the net amount receivable or payable at the reporting date is included in other receivables or payables.

The contract requires settlement of net interest receivable or payable six monthly. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Swaps currently in place cover approximately 97.5% (2013: 97.5%) of the loan principal outstanding and are timed to expire as each loan repayment falls due. The fixed interest rate is 5.89% (2013: 5.89%) per annum.

At 30 June 2014, the notional principal amounts and periods of expiry of the interest rate swap contracts were as follows:

	CONSOLIDATED	
	2014 $'M	2013 $'M
Less than one year	1.6	1.5
Later than one year but not later than five years	7.8	7.2
Later than five years	6.1	8.3
	15.5	17.0

However, these are classified as liabilities held for sale. Refer to note 27.

As these contracts are hedging anticipated future receipts and sales, any unrealized gains and losses on the contract, together with the cost of the contract, are deferred and will be recognized in the measurement of the underlying transactions provided the underlying transactions are still expected to occur as originally designated. Included in the amounts deferred are any gains and losses on hedging contracts terminated prior to maturity where the related hedging transaction is still expected to occur as designated. This contract has been accounted for as a cash flow hedge.

(C) CASH FLOW SENSITIVITY ANALYSIS FOR VARIABLE INTEREST BEARING FINANCIAL ASSETS AND LIABILITIES

A change of 100 basis points (BP) per annum in interest rates at the reporting date would have increased/(decreased) equity and profit by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2013.

	EQUITY		PROFIT	
EFFECT IN MILLIONS OF AUD	100BP INCREASE	100BP DECREASE	100BP INCREASE	100BP DECREASE
2014				
Variable rate instruments	–	–	0.0	(0.0)
Interest rate swaps	0.1	(0.1)	–	–
Cash and overdraft	–	–	2.4	(2.4)
Cash flow sensitivity (net)	0.1	(0.1)	2.4	(2.4)
2013				
Variable rate instruments	–	–	0.0	(0.0)
Interest rate swaps	0.1	(0.1)	–	–
Cash and overdraft	–	–	2.1	(2.1)
Cash flow sensitivity (net)	0.1	(0.1)	2.1	(2.1)

39. FAIR VALUES

FAIR VALUES COMPARED TO CARRYING AMOUNTS

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position, are as follows:

	2014		2013	
	FAIR VALUE $'M	CARRYING AMOUNT $'M	FAIR VALUE $'M	CARRYING AMOUNT $'M
ASSETS				
Cash and cash equivalents	365.8	365.8	320.0	320.0
Trade receivables	1,883.7	1,883.7	1,915.7	1,915.7
Other receivables	193.1	193.1	176.1	176.1
Income tax receivable	1.4	1.4	2.5	2.5
Derivatives	28.4	28.4	31.9	31.9
Finance lease receivable	–	–	29.7	28.7
Assets held for sale	30.9	30.9	–	–
LIABILITIES				
Trade payables	481.4	481.4	389.2	389.2
Payables to associates and related parties	8.1	8.1	21.7	21.7
Interest bearing loans and borrowings	951.0	896.6	1,232.8	1,062.2
Income tax payable	47.8	47.8	–	–
Derivatives	5.6	5.6	4.3	4.3
Finance lease liability	8.8	8.8	7.1	7.1
Liabilities held for sale	19.4	19.4	–	–
	981.2	1,035.6	820.8	990.4

The Group uses the following hierarchy for determining the fair value of a financial asset or liability:

Level 1 – the fair value is calculated using quoted prices in active markets; and

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

With the exception of the finance lease receivable, derivatives and interest bearing loans and borrowings (which are considered Level 2), the carrying value of all of the Group's financial assets and liabilities approximate their fair value due to their short term maturities.

Derivative instruments including interest rate swaps and forward exchange contracts are restated to fair values at each reporting date based on market observable inputs such as foreign exchange spot and forward rates, interest rate curves and forward rates curves.

Fair values of the Group's finance lease receivable and interest bearing loans and borrowings are determined by discounting future cash flows using year-end borrowing rates on receivables and loans and borrowings with similar terms, credit risk and maturity.

There were no transfers between Level 1 and 2, and no financial instruments were measured at Level 3 (where fair value is measured using unobservable inputs for the asset or liability) for the periods presented in this report.

The basis for determining fair values is disclosed in note 2(W).

40. SUBSEQUENT EVENTS

Since the end of the financial year, the directors have resolved to pay a final dividend of 51.0 cents per fully paid ordinary share, including exchangeable shares, partially franked at 20.5% (2013: 51.0 cents per share, unfranked).

In accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, the aggregate amount of the proposed final dividend of $125.7 million is not recognized as a liability as at 30 June 2014.

No other material matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect:

- the consolidated entity's operations in future financial years;
- the results of those operations in future financial years; or
- the consolidated entity's state of affairs in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of WorleyParsons Limited, I state that:

1. 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 consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
      (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
   (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(A);
   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
   (d) as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 23 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.
2. This declaration has been made after receiving the declarations required to be made to the Directors from the chief executive officer and chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2014.

On behalf of the Board

JOHN GRILL AO
Chairman
Sydney, 27 August 2014

680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's report to the members of WorleyParsons Limited

Report on the financial report

We have audited the accompanying financial report of WorleyParsons Limited ("the Company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit 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.

Opinion

In our opinion:

a. the financial report of WorleyParsons Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the remuneration report

We have audited the Remuneration Report included in pages 61 to 76 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of WorleyParsons Limited for the year ended 30 June 2014, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Bruce Meehan
Partner
Sydney
27 August 2014

SHAREHOLDER INFORMATION

TOP 20 HOLDINGS OF FULLY PAID ORDINARY SHARES AS AT 20 AUGUST 2014

NAME	SHARES	% OF ISSUED CAPITAL	RANK
HSBC Custody Nominees (Australia) Limited	67,333,189	27.28	1
J P Morgan Nominees Australia Limited	39,963,930	16.19	2
National Nominees Limited	34,555,627	14.00	3
Wilaci Pty Limited <The Serpentine A/C>	11,778,006	4.77	4
Citicorp Nominees Pty Limited	8,055,830	3.26	5
Lujeta Pty Ltd <The Margaret Account>	5,198,000	2.11	6
Farley Place Pty Limited	3,791,689	1.54	7
BNP Paribas Noms Pty Ltd <DRP>	3,109,027	1.26	8
Mr John Michael Grill	2,569,342	1.04	9
Lujeta Pty Ltd <Margaret A/C>	2,010,000	0.81	10
Haju Pty Limited <Haju A/C>	1,500,000	0.61	11
Juha Pty Limited <Juha A/C>	1,500,000	0.61	12
Taylor Square Designs Pty Ltd	1,423,641	0.58	13
Inmac Engineering Pty Ltd	1,208,000	0.49	14
Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	1,128,665	0.46	15
UBS Bank Canada Tr Chalet Holding Inc	1,077,475	0.44	16
Serpentine Foundation Pty Limited <Serpentine Foundation A/C>	1,053,136	0.43	17
HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	931,238	0.37	18
RBC Investor Services Australia Nominees Pty Limited <Bkcust A/C>	869,500	0.35	19
Behana Pty Ltd <The Clark A/C>	800,000	0.32	20
Total	189,856,295	76.92	

Total number of current holders for all named classes is 27,280.

The table above includes exchangeable shares. The ASX treats these shares as having been converted into ordinary shares of the Company at the time of their issue for the purposes of the ASX Listing Rules.

SUBSTANTIAL HOLDERS OF 5% OR MORE OF FULLY PAID ORDINARY SHARES AS AT 20 AUGUST 2014*

NAME	NOTICE DATE	SHARES
John Grill and associated companies	31 May 2010	25,313,786
Veritas Asset Management LLP	7 November 2013	12,863,951
BlackRock Group	9 January 2014	12,234,448

* As disclosed in substantial shareholder notices received by the Company.

RANGE OF FULLY PAID ORDINARY SHARES AS AT 20 AUGUST 2014

	HOLDERS	SHARES	% OF ISSUED CAPITAL
1 - 1,000	19,983	8,071,525	3.27
1,001 - 5,000	6,248	13,323,867	5.40
5,001 - 10,000	568	4,097,470	1.66
10,001 - 100,000	392	10,364,511	4.20
100,001 - 9,999,999,999	89	210,972,434	85.47
Total	27,280	246,829,807	100.00

UNMARKETABLE PARCELS

	MINIMUM PARCEL SIZE	HOLDERS	SHARES
Minimum $500.00 parcel at $17.57 per share	29	725	9,498

The table above includes exchangeable shares. The 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. In addition to the shares set out in the table, there is one special voting share issued to Computershare Trust Company of Canada Limited as part of the consideration for the acquisition of the Colt Group.

VOTING RIGHTS

All ordinary shares carry one vote per share without restriction. In the case of the exchangeable shares, voting rights are provided through the special voting share which carries an aggregate number of votes equal to the number of votes attached to the ordinary shares into which the exchangeable shares are exchangeable.

CORPORATE INFORMATION

WorleyParsons Limited

ACN 096 090 158

DIRECTORS

John Grill (Chairman)
Ron McNeilly (Deputy Chairman and Lead Independent Director)
Larry Benke
Erich Fraunschiel
John M Green
Christopher Haynes
Catherine Livingstone
JB McNeil (retired 3 April 2014)
Wang Xiao Bin
Andrew Wood (Chief Executive Officer)

COMPANY SECRETARY

Peter Janu

INVESTOR RELATIONS

Fran van Reyk
Ph: +61 2 84567256
investor.relations@worleyparsons.com

REGISTERED OFFICE

Level 12
141 Walker Street
North Sydney NSW 2060

AUDITORS

Ernst & Young

BANKERS

Bank of America Merrill Lynch
Commonwealth Bank of Australia
HSBC
JPMorgan Chase
Royal Bank of Canada
Royal Bank of Scotland
Standard Chartered Bank
UBS
Wells Fargo
Westpac Banking Corporation

LAWYERS

Herbert Smith Freehills

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000
Australia

Ph: 1300 850 505

GLOSSARY

Term	Definition
Brownfield project	A project which is constrained by prior work. Such projects very often involve rebuilding or re-engineering a facility from an existing facility. Such a project may be contrasted with a "greenfield project" which is a project that lacks constraints imposed by prior work – for example, a project that, apart from a small number of interfaces with existing facilities, is a standalone project.
Downstream	The refining of petroleum crude oil and the processing and purifying of raw natural gas, as well as the marketing and distribution of products derived from crude oil and natural gas.
EcoNomics™	Our framework for integrating sustainability into our customers' projects and operations. That framework assists them in making decisions where trade-offs exist between technical, social, environmental and financial performance.
EP	Engineering and Procurement
EPC	Engineering, Procurement and Construction
EPC contract	Under an EPC contract, we will generally be responsible for the design, the procurement of equipment and materials, and the construction and commissioning of an asset, such as a power station. This will generally require us to ensure that the completed asset meets certain specified performance targets. To do so, we will generally procure the necessary equipment and materials and engage various subcontractors ourselves.
EPCI	Engineering, Procurement, Construction and Installation
EPCM	Engineering, Procurement and Construction Management
EPCM contract	Under an EPCM contract, we will generally be responsible for providing our professional services, but unlike an EPC contract, will not be responsible for delivering a completed asset to our customer. Instead, we will provide engineering and design services to our customer, procure equipment but only as agent for our customer and manage our customer's other suppliers as the customer's representative. We will generally be paid an hourly rate for the services we provide.
Front-end engineering design	Basic engineering design providing owners and their financiers with information enabling them to determine whether or not, and if so how, to commit resources to a proposed project to maximize its projected returns.
GIS	Geographic Information Systems
Greenfield project	A project that lacks constraints imposed by prior work – for example, a project that, apart from a small number of interfaces with existing facilities, is a standalone project. A greenfield project and be contrasted with a 'brownfield project' which is a project constrained by prior work. Such projects very often involve rebuilding or re-engineering a facility from an existing facility.
HSE	Health, Safety and Environment
iM	Information Management, our information technology function
Midstream	The transport (by pipeline, rail, barge or truck), storage, and wholesale marketing of crude or refined petroleum products.
OneWay™	Our enterprise-wide integrity management framework which establishes our corporate expectations for Zero Harm to our business.
PMC	Project Management Consultancy
R3	Ready Response and Recovery system for WorleyParsons. It is a integrated system, covering security, crisis and emergency and business continuity.
Reimbursable EPC	Arrangements under which we are reimbursed for the costs we incur plus a margin in meeting our obligations under an EPC contract.
Unconventional oil and gas	Types of oil and gas that were traditionally thought of as being difficult and/or expensive to locate and extract. They include shale gas, shale oil, basin-centered gas, gas hydrates and coal seam gas.
Upstream	The searching for potential underground or underwater crude oil and natural gas fields, drilling of exploratory wells, and the subsequent drilling and operation of the wells that recover and bring the crude oil and/or raw natural gas to the surface.