



Annual Meeting - 11 April 2012

Chairman's Address

Shareholders, ladies and gentlemen, I will now move on to my Chairman's address.

The 2011 result demonstrated a solid performance in a difficult environment. Revenue reflected general market conditions, particularly the continuing impact of the global financial crisis in developed economies, which includes Opus' main markets.

Operating Revenue increased by 7% to \$393 million and Earnings Before Interest and Tax (EBIT) of \$31 million was consistent with the 2010 result. Net Profit After Tax was up by 11.5% on the previous year, an increase of \$2.5 million to \$24.5 million representing a continuing high return on equity.

Opus' overall strong performance and operating cashflow continues to support a healthy net cash position. I am able to confirm a fully imputed Final Dividend of 4.7 cents per share. This brings the total Dividend for the year to 8.5 cents per share, and represents a 10 percent increase over last year. This continues our strong dividend growth and positions us with the best dividend growth track record in New Zealand for a firm of this size, as recognised by Craigs Investment Partners in November 2011.

Looking forward, the outlook for global economies is likely to be challenging. The Global Financial Crisis marked the end of a relatively stable growth period for most of the developed economies, and the beginning of a period with a more uncertain outlook. Short and medium term business risk and uncertainty increased and growth rates slowed significantly. The level of government debt in economies in general is a major issue, especially as a constraint with respect to growth stimulating policies. Opus is not immune to these issues, especially with most of its business in developed economy markets and with its strong government client base. However, Australia, Canada and New Zealand are amongst the strongest developed economies.

While the level of market uncertainty and risk remains a key consideration, there are also many opportunities, particularly in new markets. Many of the developing economies are growing strongly and the momentum of the global economy is shifting in their direction. These factors are all influencing the Board's thinking about the future.

Opus is actively exploring opportunities for collaboration with its major shareholder, Opus Group Bhd, which is part of the United Engineers of Malaysia (UEM) group. Both of these companies have significant experience in infrastructure development, particularly in a number of emerging economies. Joint development work with Opus Group Bhd is focussed on emerging economies, particularly in Asia and the Middle East/Africa where they have relationship and cultural strengths. This is progressing well and a formal joint venture structure is well advanced. There is also parallel work on several potential projects.

Potential risk and uncertainty will be watched closely, and responded to as appropriate. There will continue to be a strong focus on business opportunities, including a focus on acquisitions, but transactions will take account of the current levels of uncertainty and risk and our decisions will generally reflect a tailored trade-off between growth, profitability (short and longer term) and protecting the capability and capacity of the business.

There is also a continuing, very strong focus on business improvement, which is being led by the CEO. This work has resulted in major changes in the organisation, a much stronger focus on customer service, innovation, systems and processes and agility, and it will be a continuous ongoing process of improvement, which is embedded in the organisation.

I take a lot of confidence from the capability and performance of David and his Management team and thank them and all of the Opus staff for their work. I also thank my fellow directors for their excellent contribution throughout the year.

Thank you for your attention and attendance at this, the fifth shareholders meeting of Opus International Consultants.

I will now pass you over to David Prentice, who will now address you on the operations of the company during the year.

David –