

Earnings Guidance - FY 2008

Brisbane, July 17, 2008: The Directors of Austin Engineering Limited (ASX trading code: **ANG**) are pleased to advise the market today that the company expects to report an EBIT result of between \$16.8m and \$17.2m for the year ended 30 June 2008. This result, which is subject to final audit, represents another record financial performance for the company and is an increase of between 130% and 135% over the EBIT result of \$7.3m for FY 2007.

The expected result for the full year also demonstrates a solid financial performance for the second half of FY 2008. EBIT reported in the first half was \$7.0m. The result has also been achieved against a background of various operating challenges including a tight labour market, increased cost of materials and three months of lost contribution from the company's Kaldura business unit in Mackay following widespread flooding in the Central Queensland coalfields region over January and February 2008.

As reported to the market in May 2008 through various presentation materials, activity across all of the company's business units has been very high in recent periods. Austin has received around \$50m of new orders over March to June 2008. As a result, the company enters the new financial year with order books stretching out to April 2009 across all of its main business units.

In addition, following the establishment of the second workshop in Perth and the opening of the new workshop in Mackay during FY 2008, productive capacity in these two locations has increased by 65%. This provides the company with the ability to offer improved services to customers and to generate additional revenue from these key business regions. The combination of the foregoing factors will result in further growth in all of the company's key financial measures.

Importantly, Austin's result for the year flows from a strong mining services sector and it is anticipated that current business conditions are likely to be sustained, backed by ongoing repeat orders from key customers.

The company continues to pursue initiatives to increase its capabilities and revenue base both domestically and overseas in order to take advantage of the solid market conditions within the resources sector. In the meantime, the company expects to release its full year audited results in the week commencing 18 August 2008.

End

For further information, contact Michael Buckland or Colin Anderson on 07 3271 2622.

About Austin Engineering: Austin Engineering Limited is an engineering company with manufacturing facilities in Australia, USA and the Middle East. The Australian and USA facilities provide fabrication facilities servicing the mining, oil, gas and industrial sectors. Key product lines include dump truck bodies, excavator buckets, materials handling equipment and large service vehicles as well as structural steel and mineral processing equipment. The Middle East operation provides specialised products and services for the aluminium smelter industry. Austin owns rights to innovative welding processes which are being introduced to improve welding productivity, coupled with robotic applications to suit product lines, general fabrications and any repetitive production processes.