



RESULTS FOR THE 12 MONTHS ENDED 30 JUNE 2010

30 AUGUST 2010

A Single Company, A Single Focus

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1. Overview

Tony Kinnane

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Results reflect difficult market conditions

Statutory results in line with May guidance

- Total revenue down 4.8% to \$79.0M
 - Trend improving with 2H10 revenue up 10.1% to \$41.4M vs. 1H10
- EBITA down 54.3% to \$5.8M
 - Trend improving with 2H10 EBITA up 7.1% to \$3M vs. 1H10
- NPAT down 70.9% to \$2.3M
- EPS 1.8 cents per share
- Low gearing

Recalibrated organisation

- **Personnel**
 - Staff retention throughout GFC period
 - Hiring specific skill sets in high activity areas
- **Continued organic growth**
 - Geographic expansion into Mongolia and Russia
 - Desktop software sales remains strong
- **Focus on operational efficiencies**
 - Operational focus on cost containment
- **Recalibration of organisation to align with new market conditions**
 - Operations organised in line with customer requirements
 - Tools for better business management

2. Financial performance

Michael Kochanowski

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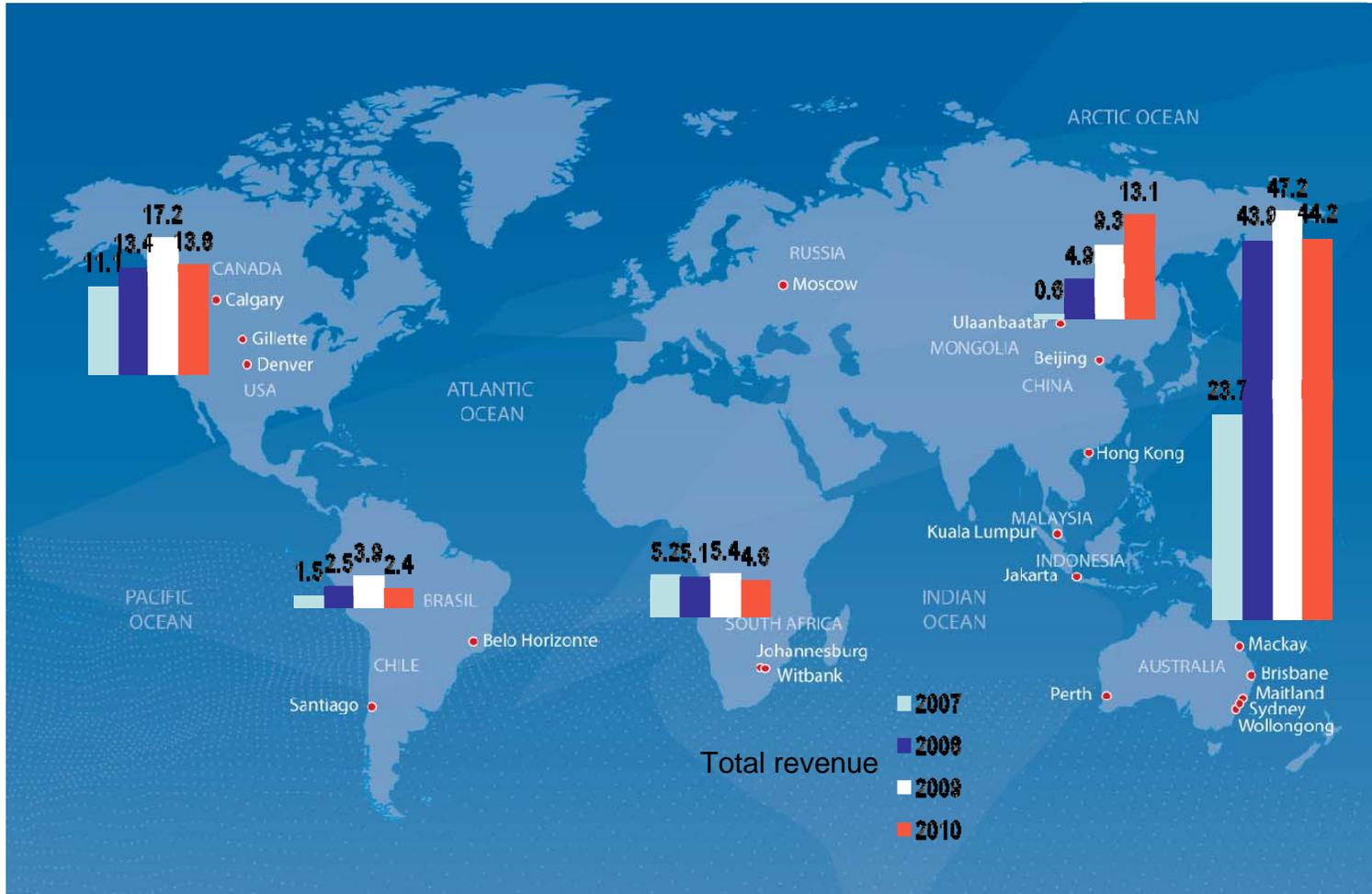
Financial performance in line with guidance



	2010 (\$M)	2009 (\$M)
Revenue	79.0	83.0
Operating expenses	(71.5)	(69.0)
EBITDA	7.5	14.0
EBITA	5.8	12.7
EBIT	3.4	10.5
NPAT	2.3	7.9
EPS (cents)	1.8	6.4
DPS (cents)	1.0	4.5

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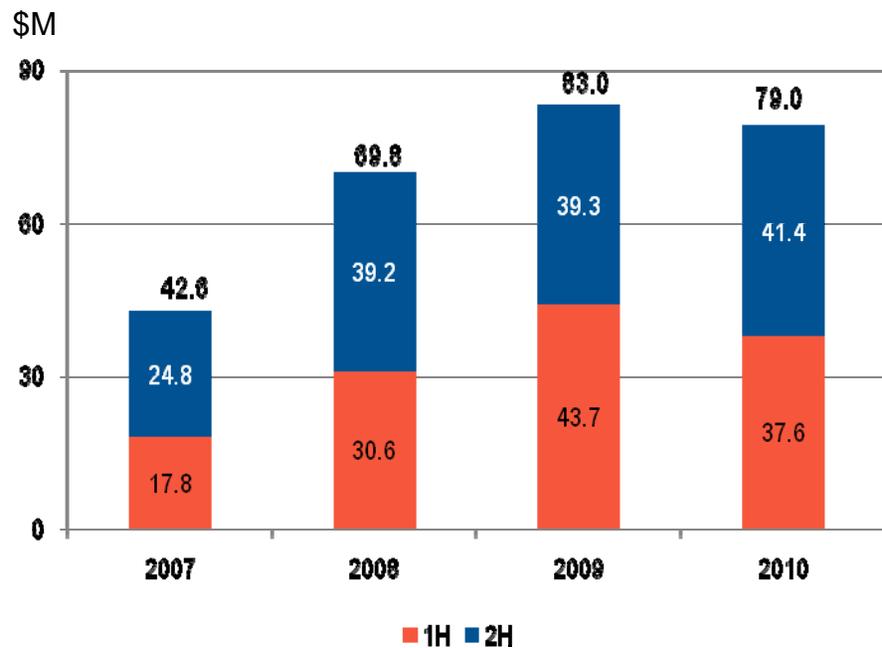
Global footprint with strong growth in Asia **runge**



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Revenue trend improving in 2H10

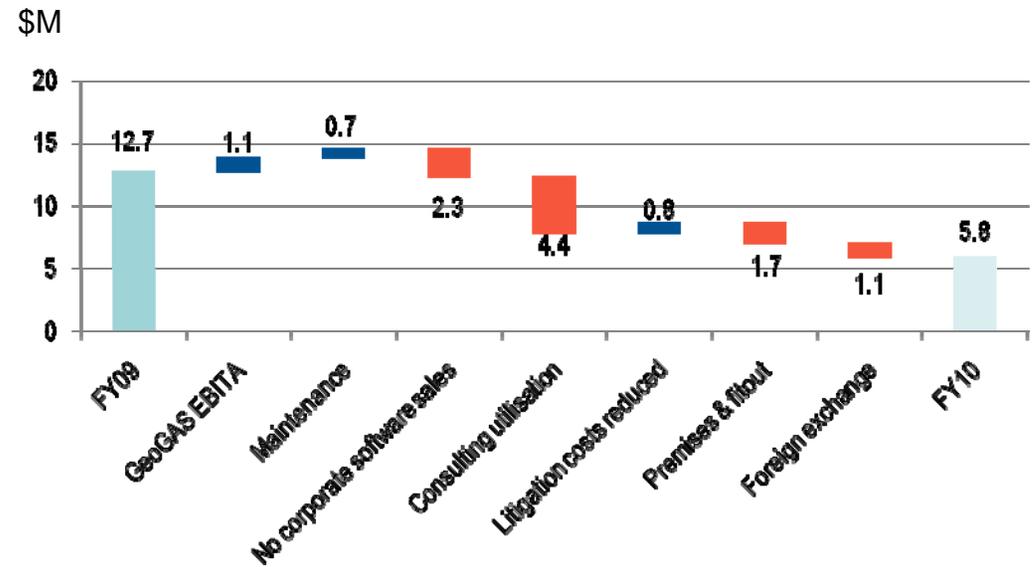
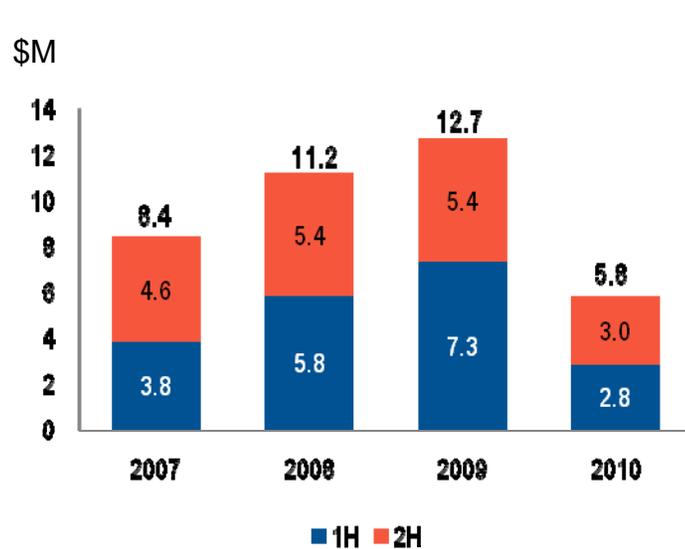


(\$M)	FY07	FY08	FY09	FY10
Professional fees	31.5	51.5	60.7	58.2
License fees	7.2	11.7	10.5	8.6
Maintenance fees	3.8	5.3	7.3	8.0
Laboratory testing	-	0.8	2.4	3.3
Other Miscellaneous	0.1	0.5	2.1	0.9
TOTAL	42.6	69.8	83.0	79.0

- Revenue down 4.8% to \$79.0M, with 1H10 being low, and 2H10 up 10.1% on 1H10
- No large software sales in FY10 software license fees given deferral of customer spend
- Growth in annuity revenue streams with maintenance fees up 9.6% to \$8.0M

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EBITA trend improving in 2H10



- Focus on retaining staff through GFC - \$4.4M investment
- Unfavourable movement in AUD - \$1.1M cost

Strong Balance Sheet with low gearing

(\$M)	2010	2009
Cash	9.3	6.7
Other Current Assets	28.6	21.3
Non-current Assets	43.0	41.9
Total Assets	80.9	69.9
Debt	10.6	3.4
Total Liabilities	36.3	23.4
Net Assets	44.6	46.5

- Other current assets up due to high billings in June and May
- Cash position enabled dividend payment of \$4.3M

Operating Cash Flow improved in 2H10

(\$M)	2010	2H10	1H10	2009
Operating cashflow	3.6	3.6	-	11.7
Capital expenditure	(3.7)	(0.6)	(3.1)	(8.8)
(Repayment)/Proceeds from borrowings	7.2	(0.6)	7.8	(5.0)
Dividend	(4.3)	(1.2)	(3.1)	(4.3)
Total cash inflow/(outflow)	2.8	1.2	1.6	(6.4)

- Operating cash flow grew in 2H10
- Capital expenditure of \$3.7M due to move into new offices, increased reinvestment in business systems, research and development

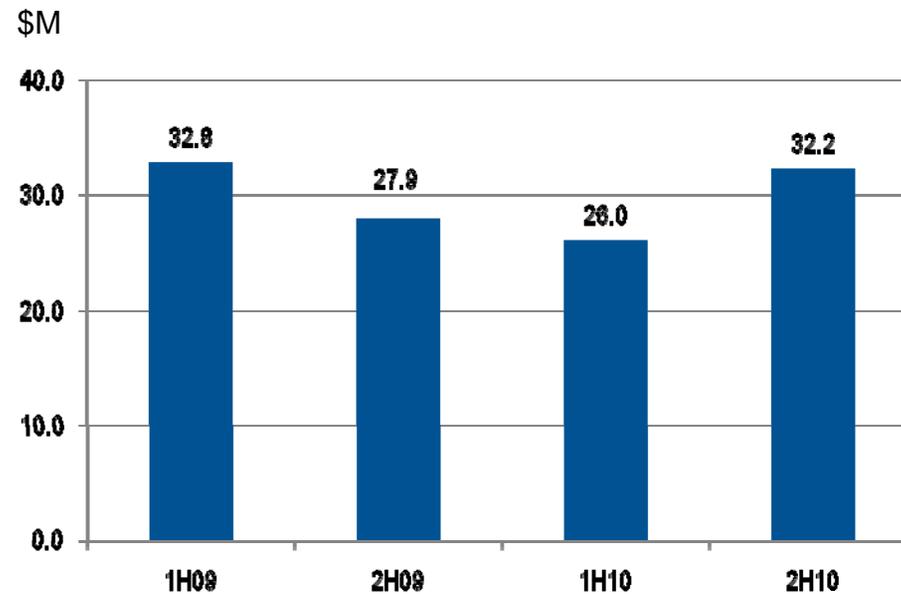
3. Operational review

Tony Kinnane

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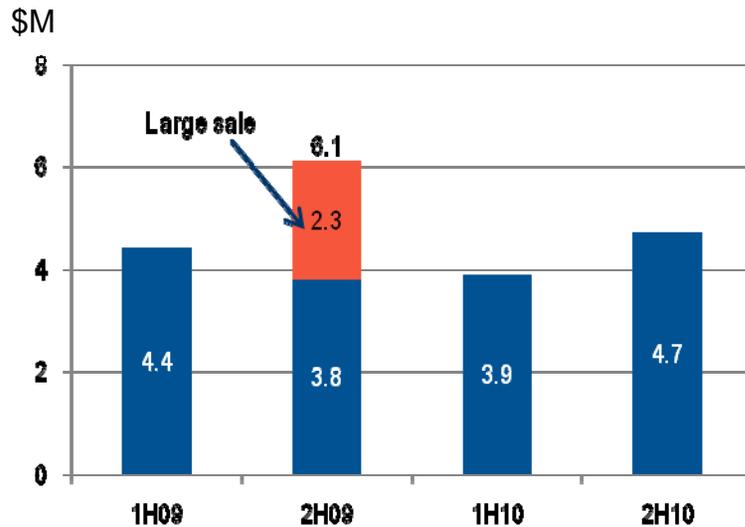
Professional fees

Consolidated Professional Fee Revenue

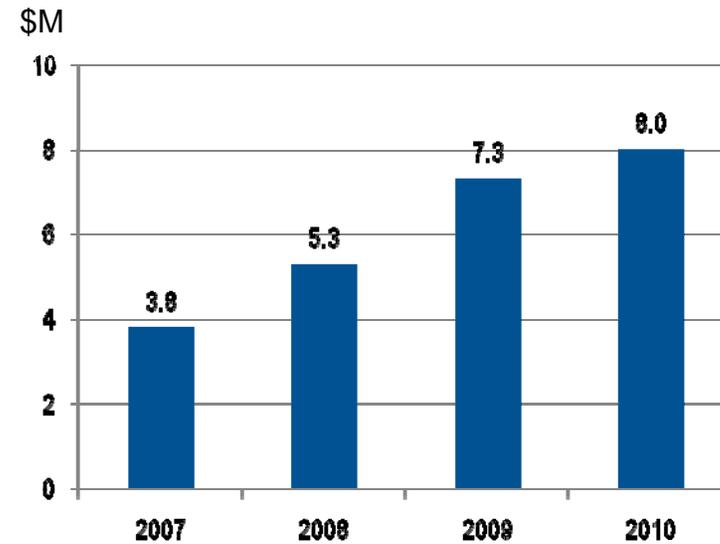


- Revenue impacted in 1H10 by constrained spending by customers
- Revenue in 2H10 returning to pre-GFC levels due to improved demand for consulting outside of Australia

Consolidated Software License Revenue

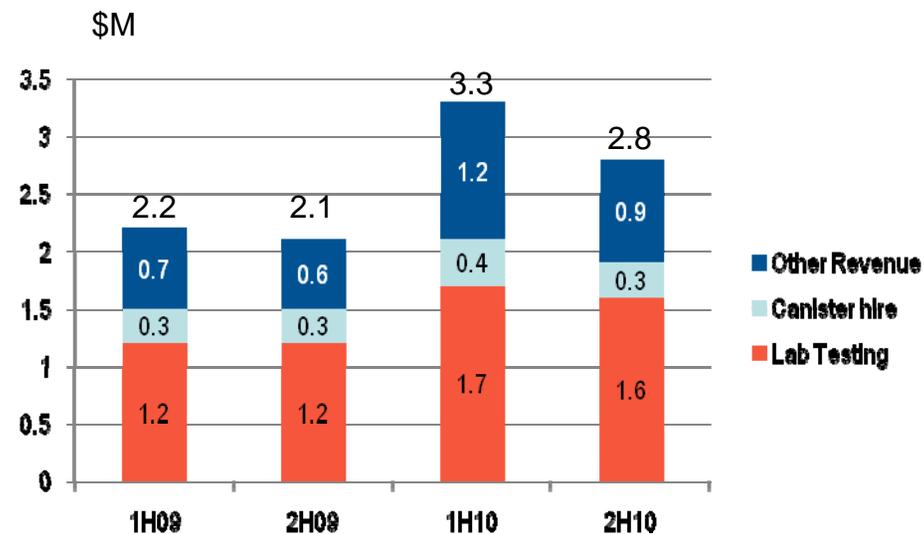


Consolidated Software Maintenance Revenue



- No large software sales in FY10
- Desktop software licence sales improved throughout the year (12.2% over FY09)
- Maintenance fees increased by 9.6% with 96% retention

Lab Testing Revenue



- Runge teams up with Geological Solutions
- Innovative fast desorption method of measuring gas content
- Canister consignment hire – customer convenience (annuity)
- Isotherm testing capability
- Innovative supplier, expanding capabilities in large growth industry

4. Strategy & outlook

Tony Kinnane

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Outlook and business environment

- Continuing uncertainty in Australian market
- Asian markets continue to grow strongly
- Core markets of coal and iron ore remain strong
 - 75% of our revenue stream
- Coal Seam Gas in early stages of being developed
- Software will be constrained in mature markets

FY11 – key priorities

- **People**
 - Make up of skills sets adjusted to new market requirements
 - Align and allocate Runge’s global resources with customer needs
 - New tools for better business management
- **Markets**
 - Develop a global company not an international company (ie. rebranding)
 - Sensible expansion in new geographical markets driven by demand
 - Further growth in coal seam gas through GeoGAS in Australia and offshore
 - Focus on understanding the dynamic market requirement
- **Products**
 - Build on SAP partnership to increase software opportunities
 - Further develop Training offerings – Smartminer (e-learning platform)
 - Focused R&D to enhance existing platforms and products in line with customer needs

In summary

- FY10 results reflect difficult market conditions
- Intervention and recalibrated to new market conditions
- Platform for growth is in place
- Growth opportunities
 - people
 - markets
 - Products (desktop, enterprise)

6. Q & A

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Disclaimer



The material in this presentation is a summary of the results of Runge Limited (Runge) for the 12 months ended 30 June 2010 and an update on Runge's activities and is current at the date of preparation, 30 August 2010. Further details are provided in the Company's full year accounts and results announcement released on 30 August 2010.

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