



RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

25 FEBRUARY 2010

Runge - A global leader in mining solutions

Disclaimer



The material in this presentation is a summary of the results of Runge Limited (Runge) for the six months ended 31 December 2009 and an update on Runge's activities and is current at the date of preparation, 25 February 2010. Further details are provided in the Company's half year financial report and results announcement released on 25 February 2010.

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This presentation should be read in conjunction with other publicly available material. Further information including historical results and a description of the activities of Runge is available on our website, www.runge.com

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1. Overview

Tony Kinnane

Financial Overview



- Overall a difficult half year with lower revenue from both consulting and software services compared to 1H09 and 2H09
- Calendar year 2009 has been very challenging due to the GFC with definite improvement visible in the last quarter
- Continued delay in major software sales throughout calendar 2009 with encouraging signs that this is now easing
- Operating revenue of \$37.6 million (2H09: \$39.3 million; 1H09: \$43.7 million)
- EBITA of \$2.8 million (2H09: \$5.4 million; 1H09: \$7.3 million)
- Net profit after tax of \$1.2 million (2H09: \$3.3 million; 1H09: \$4.7 million)
- Earnings per share of 1.0 cent per share (1H09: 3.8 cents per share)
- Interim FY10 dividend of 1.0 cent per share fully franked (1H09: 2.0 cents per share fully franked)

Operational Overview



- Spending by mining companies has continued to be constrained
- Successfully contained costs
- Monthly consulting revenue improved by 34% from the low experienced in July 2009
- Continued to invest in people with high workforce retention maintaining Runge's base skills
- Expanded GeoGAS testing service to leverage growing demand for services
- Positive result with favourable decision in USA litigation

Looking Forward



- Record high current software sales pipeline of \$26.5M reflects deferred expenditure by mining companies during calendar year 2009
- Organic growth progressing with opening of Moscow and Ulaanbaatar offices
- Mongolia internships commenced
- New opportunities beyond organic growth continue to be evaluated
- Re-emergence of feasibility and due diligence work towards end of 2009 signals a positive change in mining sector confidence
- Improved industry sentiment will lead to higher demand for Runge's services and products
- Runge is well positioned to capitalise on the fast growing markets in Asia

2. Financial Results

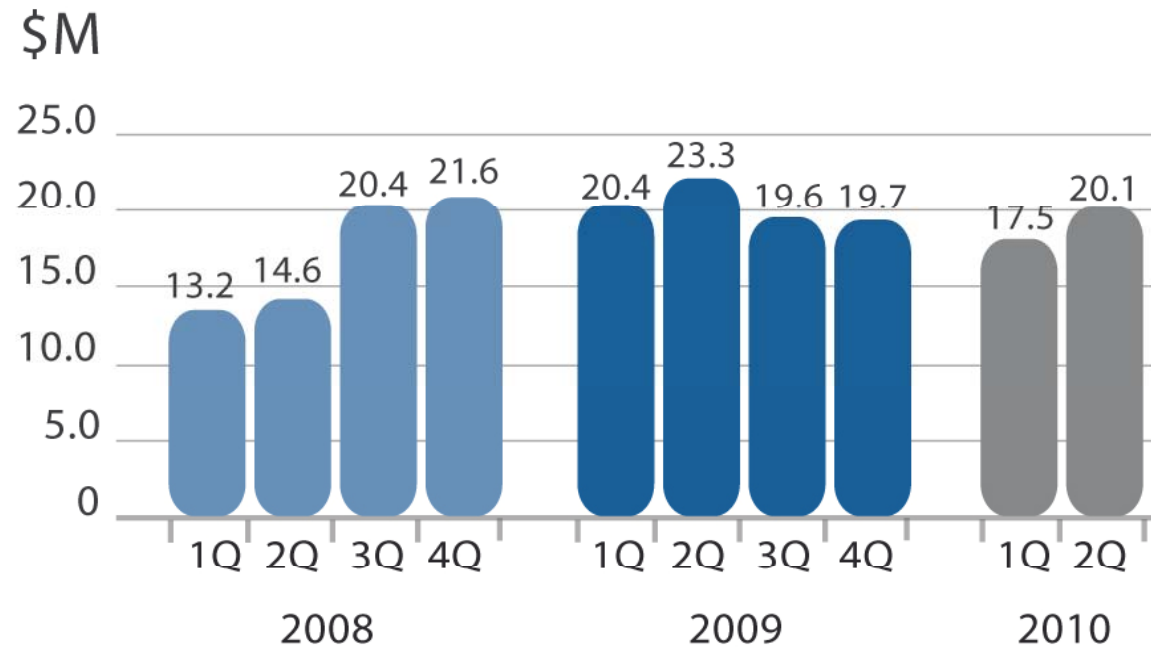
Julia Sloman

Financial Results



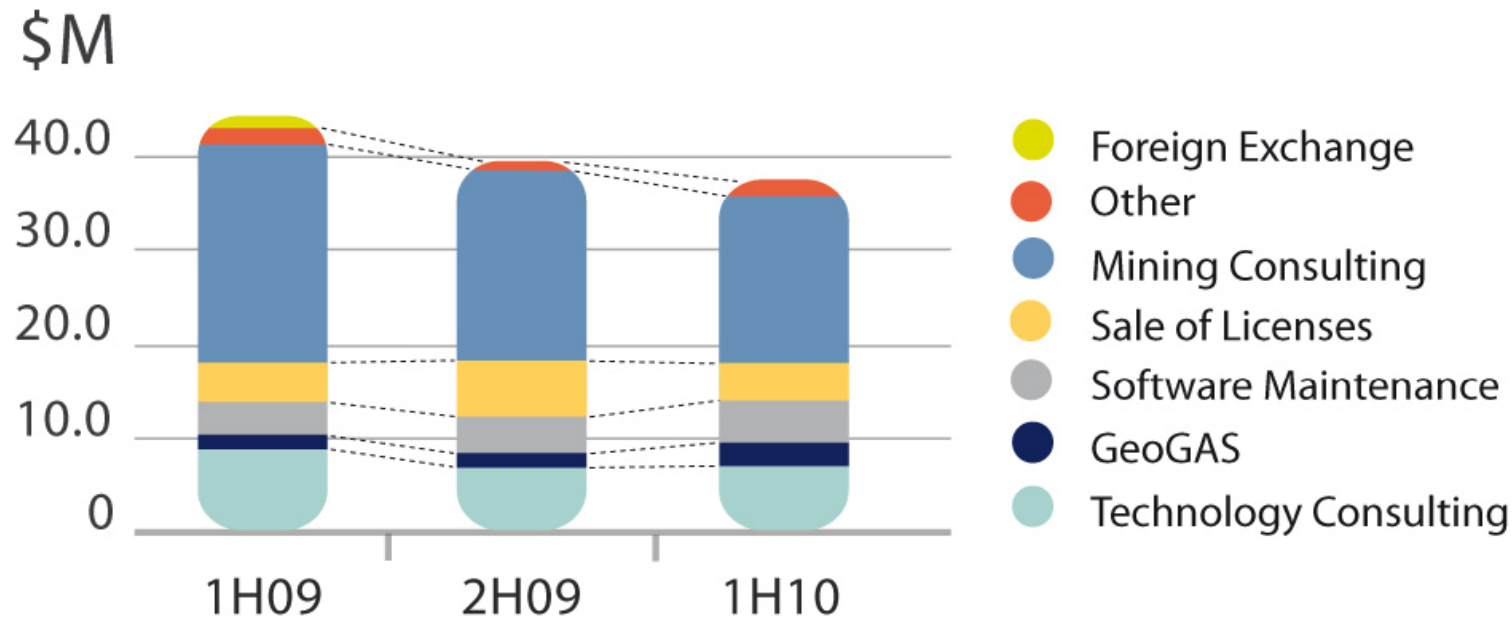
Half Year (\$M)	1H10	1H09
Operating revenue	37.6	43.7
Operating expenses	(33.9)	(35.8)
EBITDA	3.6	7.9
EBITA	2.8	7.3
EBIT	1.7	6.2
NPAT	1.2	4.7
EPS (cents)	1.0	3.8
DPS (cents)	1.0	2.0

Improvement in Revenue



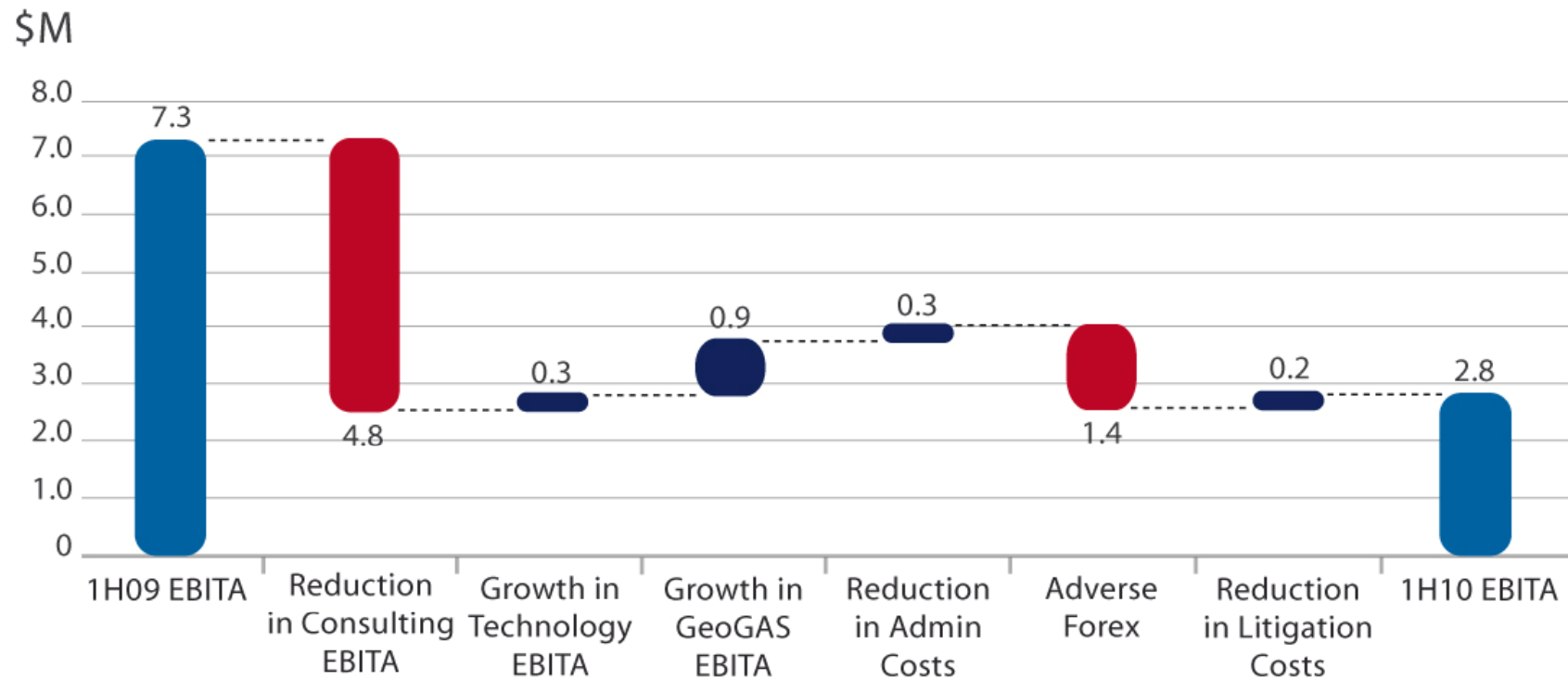
- 1Q10 represented a low point in current cycle
- 2Q10 revenues are clear indication that cycle has turned

Mixed Performance Across Revenue Streams

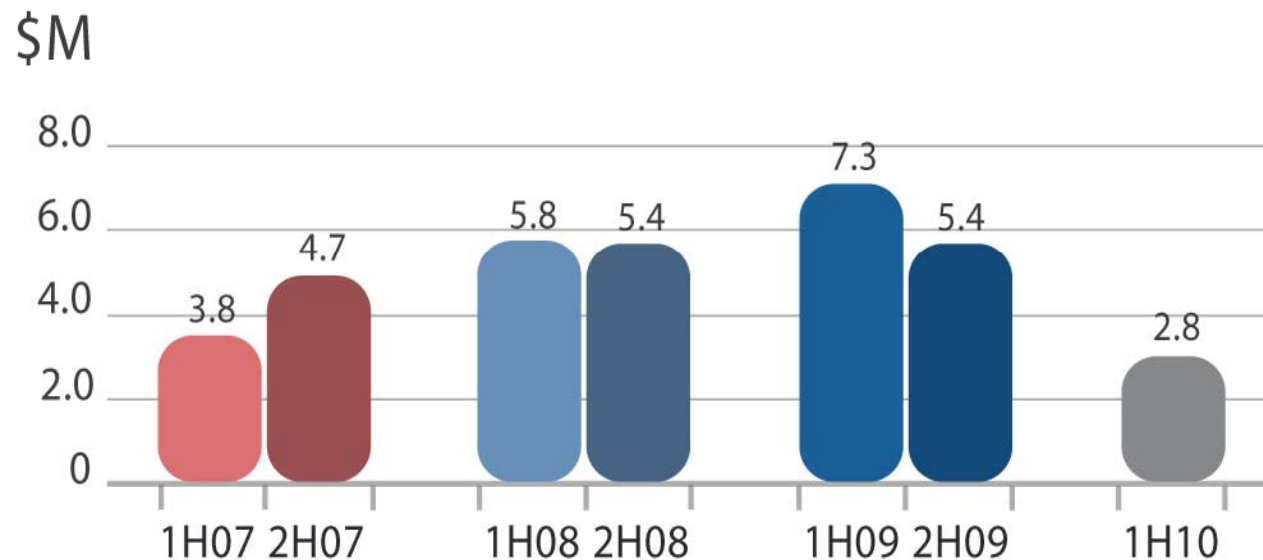


- Growth in GeoGAS and software maintenance revenues
- Recovery in mining and technology consulting now apparent
- Variable license sales

EBITA Analysis 1H09 → 1H10



Reduction in EBITA



- Although at the top end of market guidance EBITA of \$2.8M was 62% down on 1H09
- EBITA sensitive to reduced consultant utilisation in 1H10
- Conscious effort made to retain people
- Short term cost impact of staff retention to ensure Runge is well placed to benefit as markets recover

Cash Flow



Half Year (\$M)	1H10	1H09
Operating activities	-	3.9
Purchase PPE	(1.5)	(5.0)
Payment for intangibles	(1.8)	(0.4)
Total investing activities	(3.1)	(5.8)
(Repayment of) / proceeds from borrowings	7.8	(1.4)
Dividend	(3.1)	(1.9)
Total cash inflow / (outflow)	1.6	(5.1)
Closing cash	8.1	8.1

- Operating cash flow: early software maintenance receipts reduced
- Repayment of some borrowings in January
- Cash conversion skewed seasonally to second half due to timing of pay periods and software maintenance receipts

Strong Balance Sheet



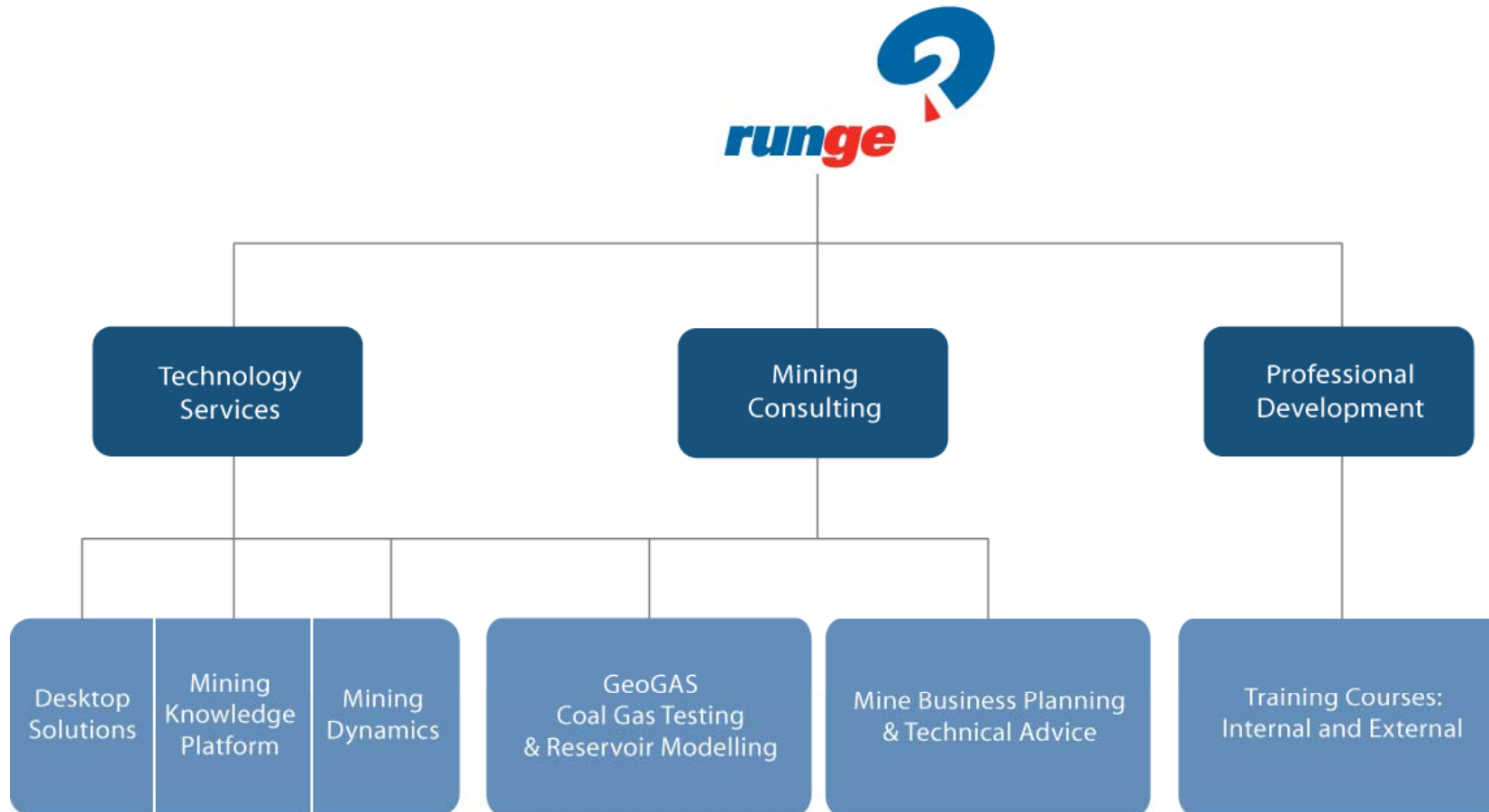
(\$M)	At 31 Dec 09	At 30 Jun 09
Cash	8.1	6.7
Other current assets	25.0	21.4
Non-current assets	42.9	41.8
Total assets	76.0	69.9
Debt	11.2	3.5
Total liabilities	31.7	23.4
Net assets	44.3	46.5

- Low capital requirement: 1H10 capex / sales 4.1% → high ROE
- Net debt of \$3.1M significantly reduced in January 2010
- Total bank facility \$19.2M with \$8.0M unutilised
- Net debt to equity ratio 6.9%
- EBITA to interest coverage ratio 16.8

3. Operational Review

Tony Kinnane

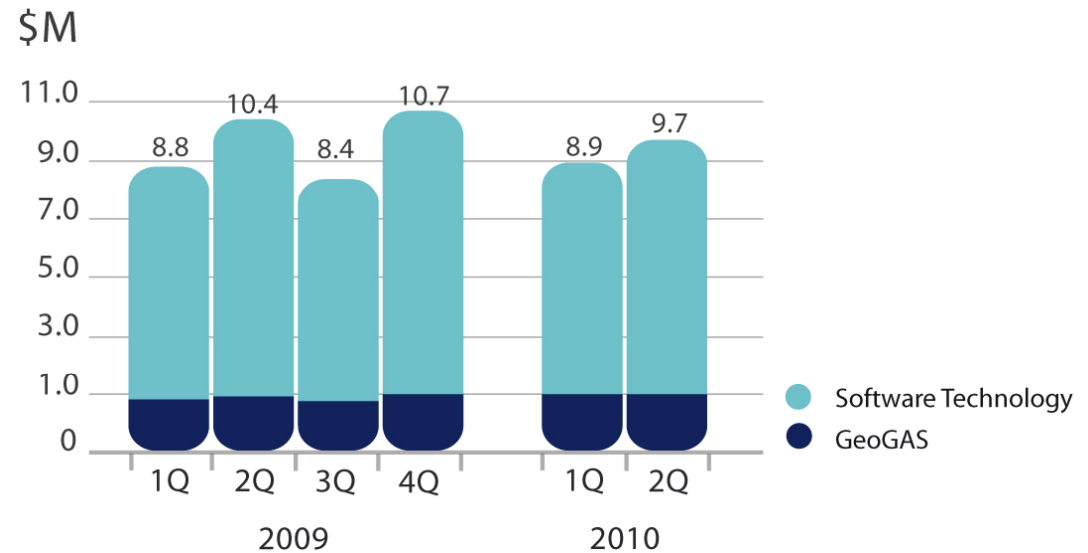
Runge's Business



Technology Services Revenue

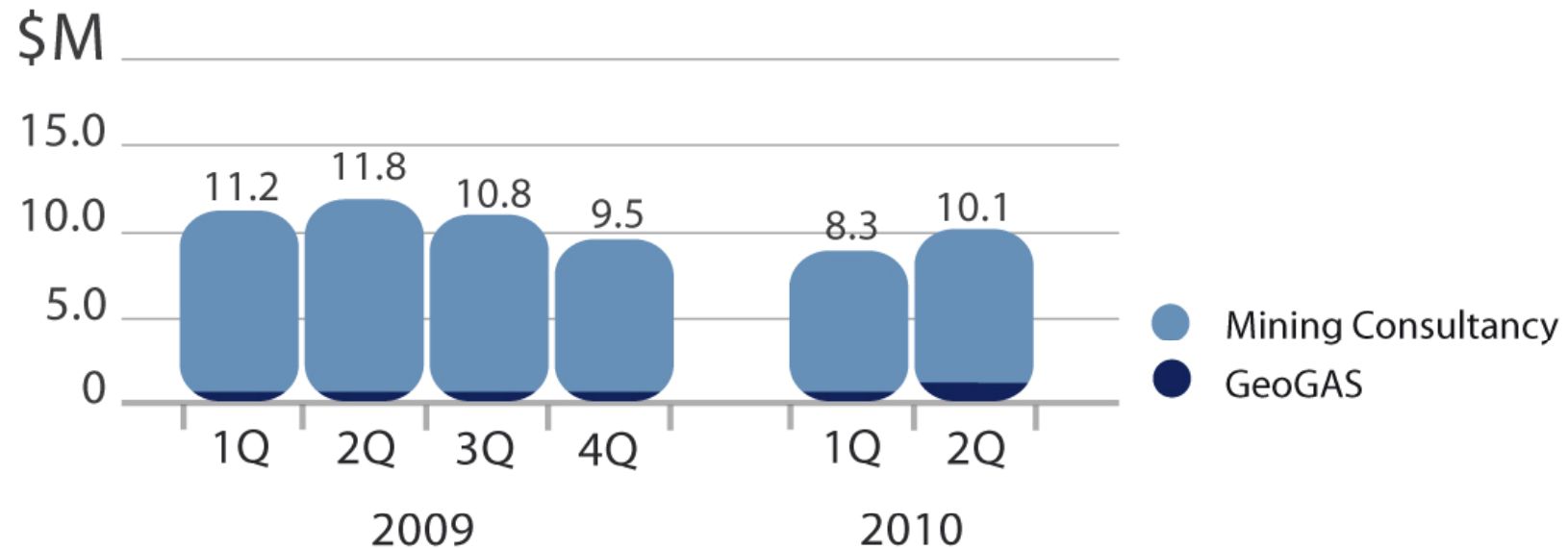


(\$M)	1H09	2H09	1H10
Licenses	4.4	6.1	3.9
Maintenance	3.5	3.8	4.2
Consultancy	8.9	6.5	7.6
Lab	1.5	1.5	2.1
Other	0.9	1.2	0.8
Total	19.2	19.1	18.6



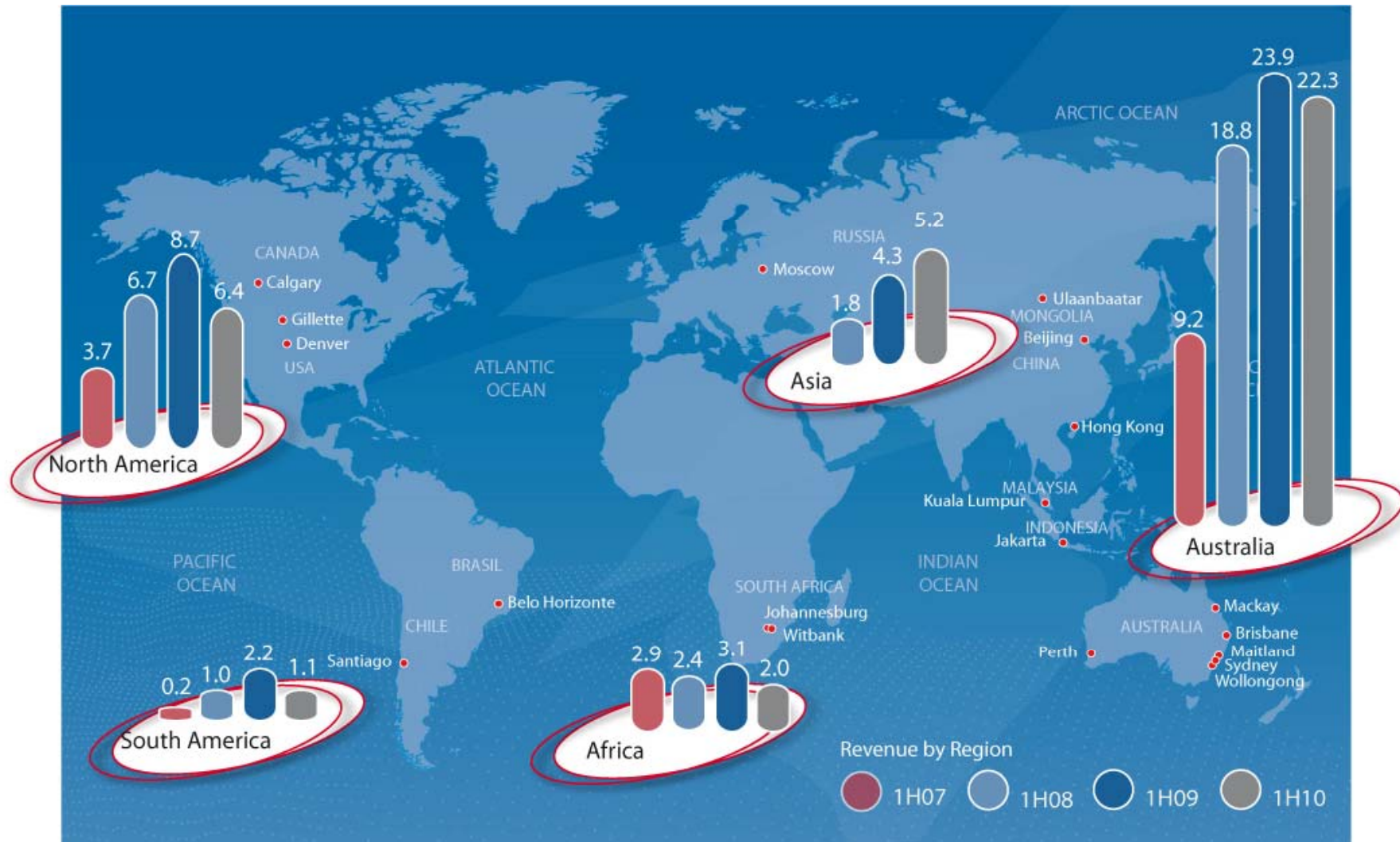
- Revenue down 2.7% to \$18.6M from 1H09 reflecting lower technology consulting as companies tightened operational and capital expenditure on software and implementation
- Maintenance grew by 20% on 1H09

Mining Consulting Revenue



- Mining consulting provides advice to mining companies, their financiers and to service providers
- Revenue recovery seen in 2Q10

Global Footprint



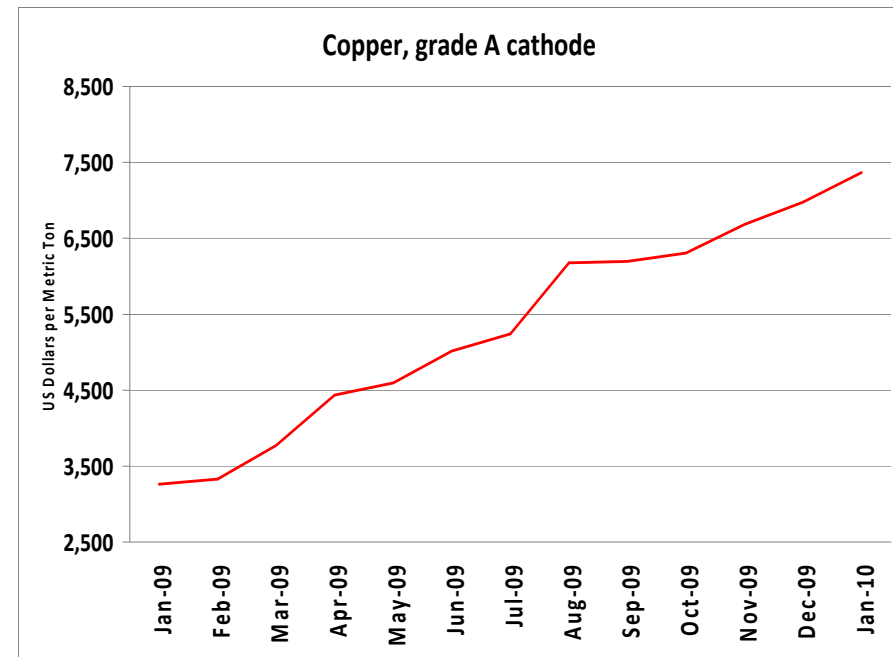
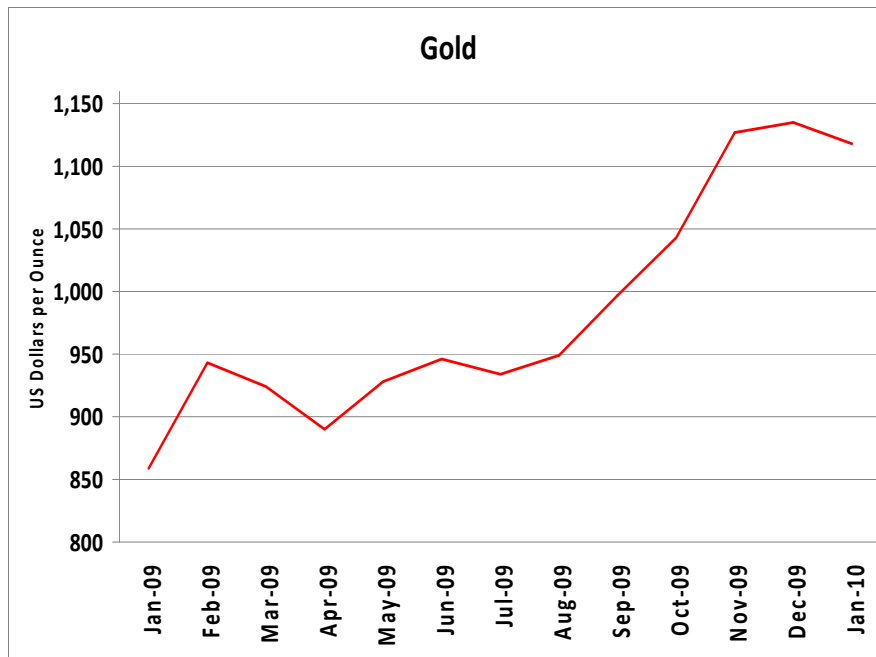
4. Strategy & Outlook

Tony Kinnane

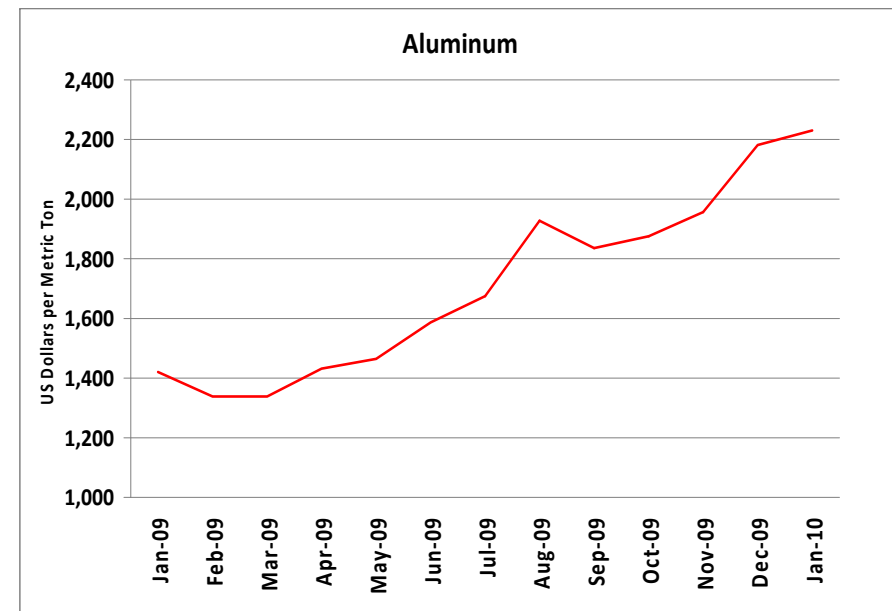
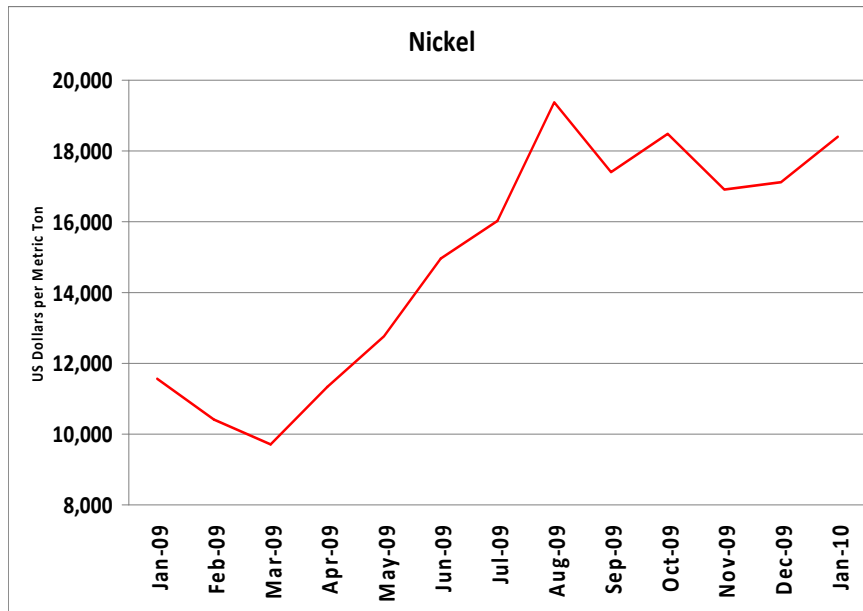
Mining Sector Outlook



- Mining companies have responded to volatile commodity prices and tight credit by focusing on reduction in capital and operating costs – this is now easing
- Most commodity prices have increased over 1H10 which has improved industry sentiment

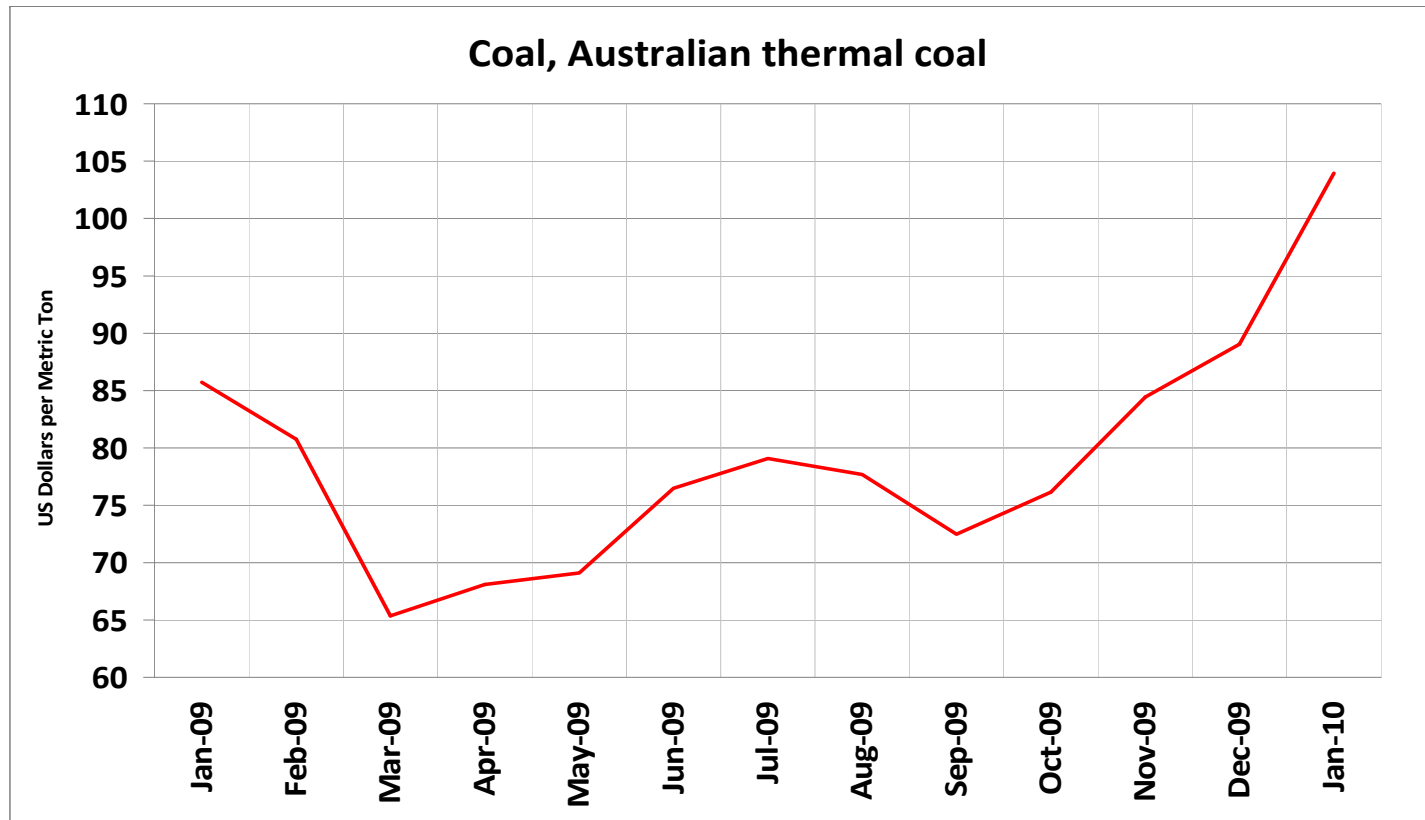


Mining Sector Outlook



- Mining companies are gaining confidence and at end of year are more expansive and looking at systems and processes which assist with centralisation and control

Mining Sector Outlook



- Overall improved mining sector sentiment

What This Means for Runge



- Mining has shifted the focus from minimisation of capital expenditure to allowing expenditure on software and systems which improve process and control
- Increase in feasibility and due diligence work, particularly in the Asia region
- There is increasing recognition that a lot of the current controls in place in mining companies are inadequate. Runge systems are unique as they provide a higher degree of control, transparency and corporate governance
- Larger miners are seeking global solutions that Runge can provide given the company's products and footprint
- New market opportunities are again a focus, with greenfields opportunities such as Mongolia
- Previously deferred spending by mining companies is now being undertaken – conversion of Runge's large IP sales pipeline will occur

Growth Initiatives Planned for 2H10



- Geographical organic expansion
 - Moscow office
 - Ulaanbaatar office
- Response to industry needs
 - Larger range of offerings provided in each office
- GeoGAS
 - Increased CBM revenue
 - Increased laboratory testing capacity
 - Gas reservoir certification
- Mergers and Acquisitions
 - Opportunities are available and being evaluated
- Corporate initiatives
 - Rebranding
 - Business alignment forum
 - SAP roll out as Runge's enterprise back bone
 - Strengthening and expanding sales force

FY10 Guidance



- The previous guidance of \$5.5 to \$10.0M NPAT remains
- The lumpy nature of large enterprise software sales makes it inherently difficult to forecast forward earnings
- Company focused on organic and acquisition growth

Summary



- Runge has had a tough 12 months
- Runge has the right strategy in place
- Market fundamentals have improved and remain attractive
- Large software pipeline provides platform for growth
- High workforce retention maintaining Runge's base skills
- Well positioned to create long term shareholder value

5. Q & A

Appendix: Strategies for Profitable Growth



Runge Limited's aim is to be the dominant global supplier of mining solutions

Achievement of this goal is undertaken through the following key elements:

- Runge's six strategic goals are centred around increasing shareholder value through financial growth, innovation, globalisation, talent, strategic alertness and communications
- Increasing Runge's geographical footprint – organic growth
- Development of partnerships and alliances (eg SAP)
- Identifying and execution of mergers and acquisitions
- Development of a truly global entity with a consistent message and quality of product
- Focusing on people – hiring and retaining the best
- Being responsive to customers requirements
- Always add value