

Civmec Limited

1H2015 Results Briefing

Expanding Capabilities, Broadening Horizons

16 February 2015



civmec.com.au

Presentation Flow

- 1 Civmec Overview
- 2 1H2015 Financial Highlights
- 3 Recent Developments
- 4 Outlook

Civmec – The Heavy Engineering Specialist



- Established in 2009 and listed on SGX Mainboard since April 2012
- Civmec is an integrated, multi-disciplined construction and engineering services provider to the resources and infrastructure industries in Australia
- Headquartered in Perth, Western Australia, it also has facilities and operations in Broome, the Northern Territory and has established a presence in Southeast Asia
- With its comprehensive suite of services, Civmec is a leader of heavy engineering services for infrastructure, oil and gas and mining sectors.

Corporate Overview

3

Locations



Henderson



Darwin/Broome



Southeast Asia

3

Markets



Oil and Gas



Mining & Infrastructure



Asset Management and Integrated Services

8

Disciplines



Heavy Engineering



Modular Assembly



SMP
Structural Mechanical & Piping Installation



Site Civil Works



Precast Concrete



Industrial Insulation



Offshore Logistics



Maintenance

Corporate Overview



 OUR FACILITIES AND OFFICES

 OUR PROJECTS

 REGISTERED OFFICE

Southeast Asia Expansion

Southeast Asia expansion that complements Civmec's service offering

- Established presence in Singapore and Southeast Asia with the appointment of a regional manager
- To be used as a platform for both organic growth and acquisition opportunities in Southeast Asia
- Actively exploring and tendering for new business opportunities and alliances in Southeast Asia

1H2015 Financial Highlights



2Q/1H2015 Results Snapshot

Income Statement (in SGD – Civmec's reporting currency)

(S\$'000)	2QFY'15	2QFY'14	Change (%)	1HFY'15	1HFY'14	Change (%)
Revenue	126,404	79,076	53.9	296,589	149,945	97.8
Net Profit after tax	7,376	6,226	18.5	18,440	14,258	29.3
Fully Diluted Earnings Per Share (cents)	1.45	1.23	17.8	3.64	2.83	28.6

Financials notwithstanding forex impact (in AUD – Civmec's operating currency)

(A\$'000)	2QFY'15	2QFY'14	Change (%)	1HFY'15	1HFY'14	Change (%)
Revenue	114,127	68,230	67.15	261,102	129,330	101.9
Net Profit after tax	6,622	5,373	23.2	16,189	12,297	31.6
Fully Diluted Earnings Per Share (cents)	1.30	1.06	22.6	3.21	2.43	32.1

2Q/1H2015 Balance Sheet

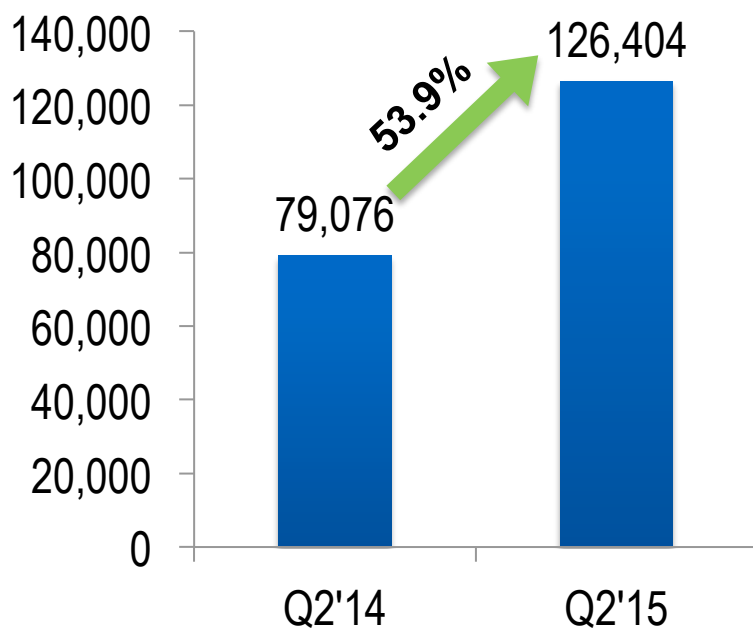
Balance Sheet

(S\$000)	As at 31 December 2014	As at 30 June 2014	Change (%)
Total Assets	243,734	289,574	(15.8)
Total Liabilities	97,341	145,303	(33.0)
Total Borrowings	29,298	51,043	(2.6)
Cash and Cash Equivalents	39,193	32,369	21.1
NAV / Share (cents)	29.22	28.79	0.01

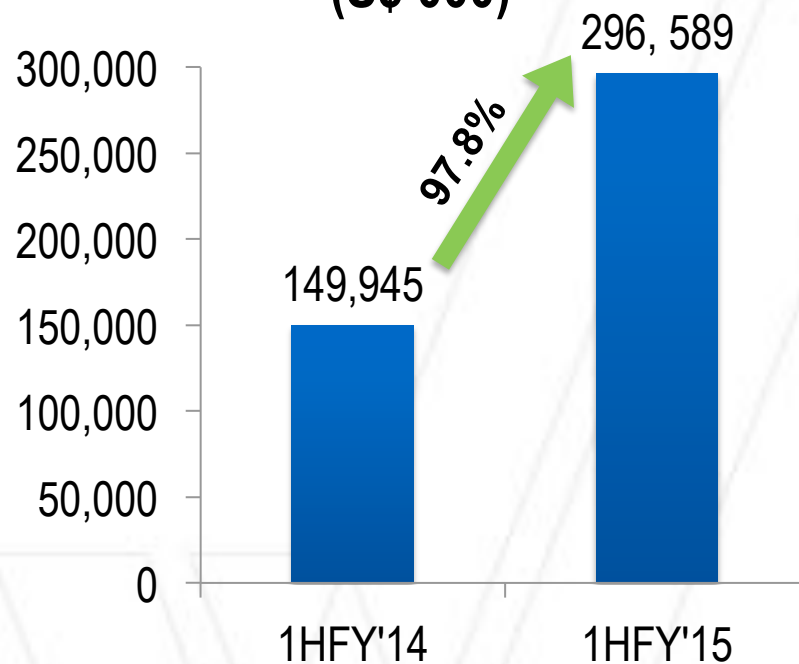
- Strengthened cash flow
 - Net cash generated from operating activities: S\$38.9M
 - S\$3.5M dividend paid in 2QFY'15
- Borrowings decreased to S\$29.3 as at 31 Dec 2014 from S\$36.7M as at 30 Sept 2014
- Debt to equity ratio: 16.3%

Revenue

**Q2'14 vs Q2'15
(S\$'000)**



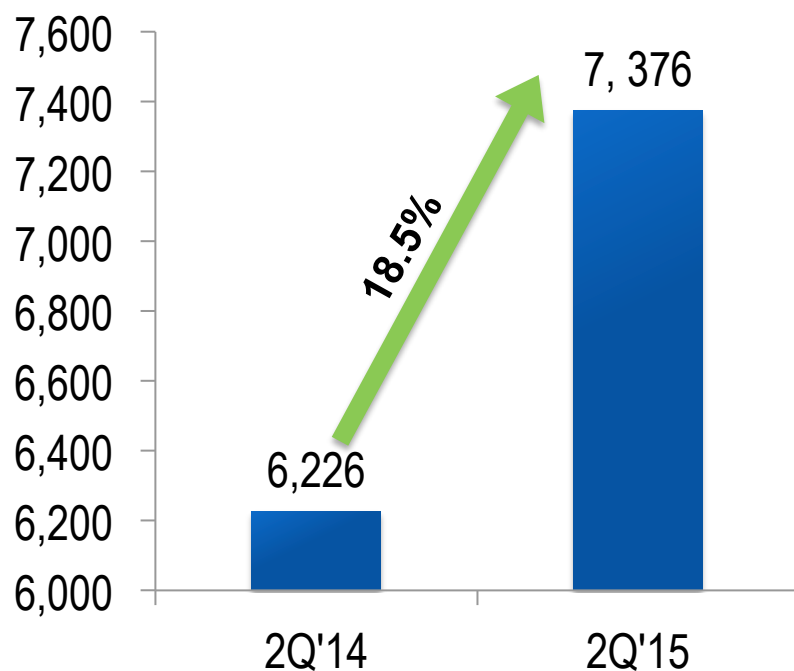
**1HFY'14 vs 1HFY'15
(S\$'000)**



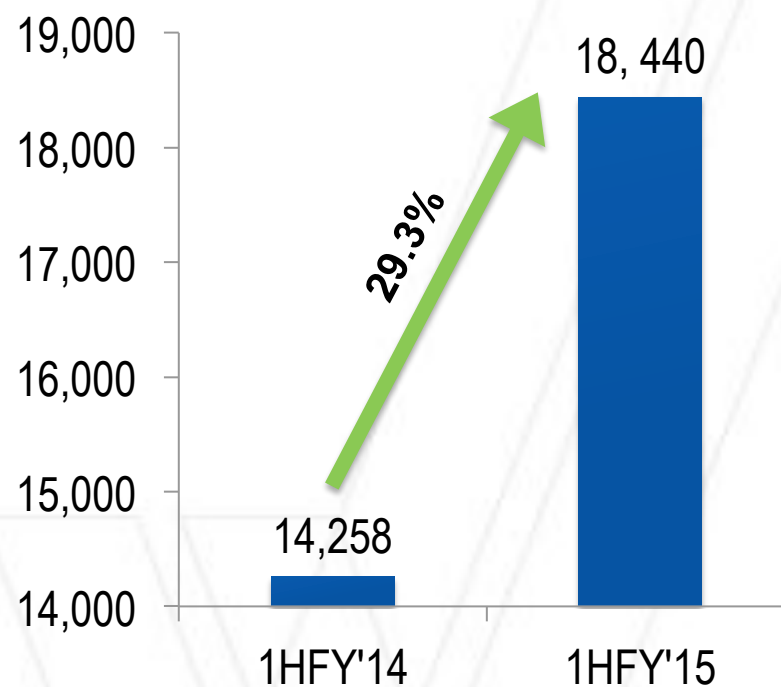
- Q2'15 revenue rose 53.9% to S\$126.4 million from S\$79.1 million in Q2'14
- 1HFY'15 revenue rose 97.8% to S\$296.6 million from S\$149.9 million in 1HFY'14

Net Profit After Tax (“NPAT”)

**2Q'14 vs 2Q'15
(S\$'000)**



**1HFY'14 vs 1HFY'15
(S\$'000)**



- NPAT for Q2'15 grew 18.5% to S\$7.4 million on revenue growth of 53.9%
- NPAT for 1HFY'15 grew 29.3% to S\$18.4 million from S\$14.3 million in 1HFY'14

Recent Developments



Facilities Expansion

Henderson



- Completion of specialised sub sea workshop
- Construction of site support logistics base

Broome



- Broome facility – modification and mobilisation

Public Infrastructure Sector



Elizabeth Quay

- Waterfront development in Perth, Western Australia
- A\$2.6 billion project that will connect Swan River to the Perth CBD
- Civmec awarded contract for the supply and installation of pre-cast concrete and site civil works



Gateway WA Perth Airport and Freight Access Project

- Perth's major road infrastructure project (A\$1.0 billion) designed to improve the safety and efficiency of this transport hub
- Supply of pre-cast concrete modules

Oil and Gas Sector



Shell's Prelude FLNG

- Continued work for Technip on suction piles, plets and buckle triggers



Wheatstone LNG Project

- Continued work for Technip for fabrication, testing of pipe spools and site works



Gorgon

- Continued work for Chevron on modular assembly and site works

Mining Sector



Roy Hill Project

- A 55 million tonne per annum (Mtpa) iron ore mining, rail and port project being developed in West Australia's Pilbara region
- Roy Hill is the only independent iron ore project with West Australian majority ownership
- Civmec awarded four contracts to date



Yandicoogina Project

- Continued work for Rio Tinto for a package which included civil, fabrication, modular assembly, structural, mechanical and process piping site works

3-Pronged Strategy

Increase Cross-Discipline Capabilities To Sharpen Competitive Edge

- Expansion of in-house services
 - Scaffolding, surface treatment works, RTO courses offered
- Further success in AMIS following recent project awards

Driving Internal Efficiency By Enhancing Systems & Processes

- Review underway of all procurement strategies to identify potential cost savings
- Developing innovative project delivery methodologies
- Continue to focus on developing best in class systems and processes

Geographical Expansion

- Southeast Asia presence serves as a base to establish global footprint
- Business development initiatives underway on the East Coast of Australia and SEA
- Actively tendering in the SEA region

Outlook



Government – Major Project Pipeline (AUD)

The Government is investing \$50 billion across Australia, which when combined with State/Territory and private sector funding will catalyse additional infrastructure investment in excess of \$125 billion



\$4.7B



\$594M



\$13.4B



\$2B



\$15.2B



\$1B



\$7.6B

Oil & Gas – Major Project Pipeline (AUD)



F-\$26.0B
C-\$100.1B



F-\$0B
C-\$33.0B



F-\$2.0B
C-\$63B



F-\$1.5B
C-\$0B



F-\$0B
C-\$0B



F-\$0.2B
C-\$1.0B

Total Feasibility - \$29.7B
Total Committed - \$197.1B

Mining – Major Project Pipeline (AUD)



Outlook

1 Focus on diversification into public infrastructure sector

2 Seeking business opportunities and alliances in Southeast Asia

3 Improve productivity by developing best-in-class systems and processes

4 Continue to grow construction and engineering capabilities through organic and inorganic opportunities

5 Tendering activity as EPC / joint venture partner

6 Strong balance sheet which will provide a solid foundation for growth

Disclaimer

This presentation has been prepared by the management of Civmec Limited (the Company) for the benefit of brokers, analysts and investors and not as any specific advice to any particular party or person. The information is based on publicly available information, internally developed data and other sources. Where an opinion is expressed in this document it is based on assumptions and limitations mentioned herein and are an expression of present opinions only.

This presentation contains forward looking statements that are subject to risk factors associated with the mining and construction businesses. While Civmec considers the assumptions on which these statements are based to be reasonable, whether circumstances actually occur in accordance with these statements may be affected by a variety of factors. These include, but are not limited to, levels of actual demand, currency fluctuations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. These could cause actual trends or results to differ from the forward looking statements in this presentation.

References to dollars, cents or \$ in this presentation are to Singapore currency unless otherwise stated. References to “Civmec”, “the Company”, “the Group”, or the Civmec Group” may be references to “Civmec Limited or its subsidiaries.

Thank you

Media and Investor Contact Information:

WeR1 Consultants Pte Ltd

38A Circular Road, Singapore 049394

Tel: (65) 6737 4844 | Fax: (65) 6737 4944

Ian Lau, ianlau@wer1.net

Sheryl Sim, sheryl@wer1.net



civmec.com.au