



AusGroup FY2014 Full Year Results

Stuart Kenny
CEO & Managing Director

Gerard Hutchinson
Chief Financial Officer

Overview



- Group Overview
- FY2014 Overview
- Operational Performance
- Market Outlook
- Looking Forward
- Financial Performance

Group Overview



Business Units

Projects



Fabrication & Manufacturing



Integrated Services



Services

Fabrication

Construction

Refractory

Industrial Coatings

Access Services

Maintenance

Industrial Insulation

Marine Services

Market Sectors

Resources



Energy



Regions

WA

KARRATHA

PERTH

NT / QLD

DARWIN

GLADSTONE

BRISBANE

South East Asia

THAILAND

SINGAPORE

Strategic

- Responding to changing market conditions
- Focus on growth of maintenance services
- Build pipeline of recurring revenue
- Expansion into marine services
- Project delivery

Operational

- Order book \$376.4M
- Order intake \$421.4M
- Stabilised revenue
- Reduce cost base
- Excellent safety performance

Financial

- Revenue \$302,447K
- EBIT Margin (6.8)%
- NPAT \$(11,871)K
- Basic EPS (2.3)cps
- Net debt to equity ratio (10.8)%

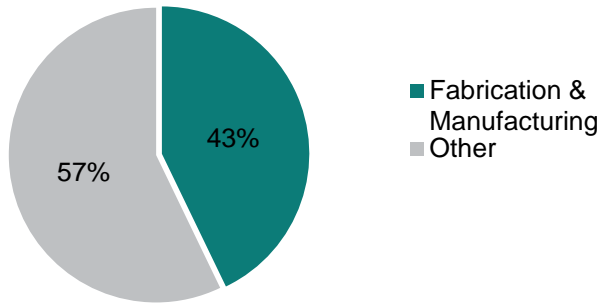
FY2014 Overview

Business Unit Update



Fabrication & Manufacturing

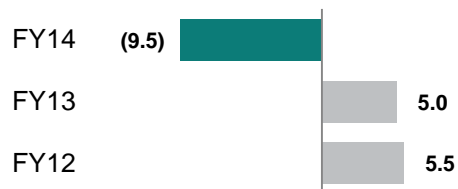
FY14 Revenue Contribution (%)



Revenue (AU\$M)

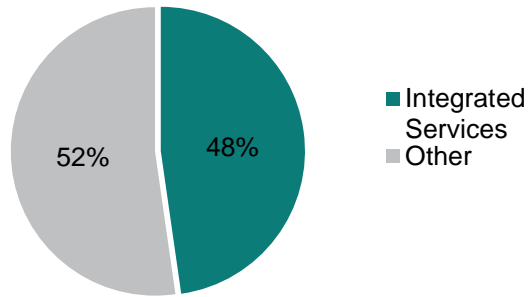


EBIT (AU\$M)

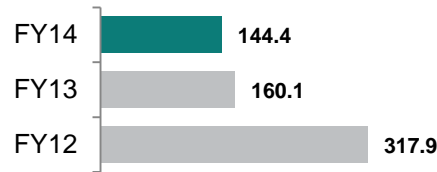


Integrated Services

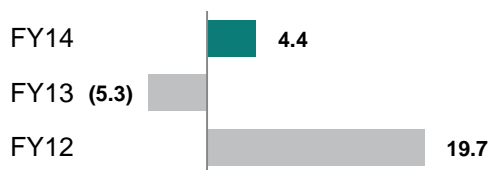
FY14 Revenue Contribution (%)



Revenue (AU\$M)

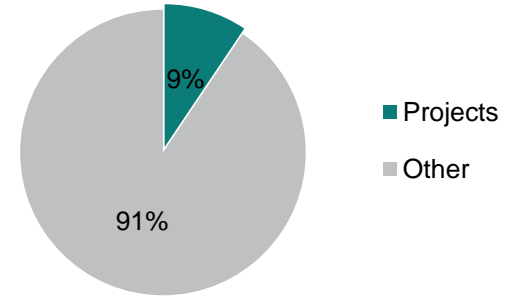


EBIT (AU\$M)

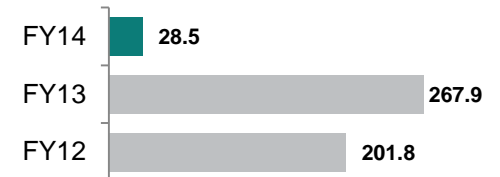


Projects

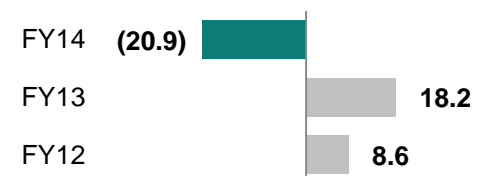
FY14 Revenue Contribution (%)



Revenue (AU\$M)



EBIT (AU\$M)

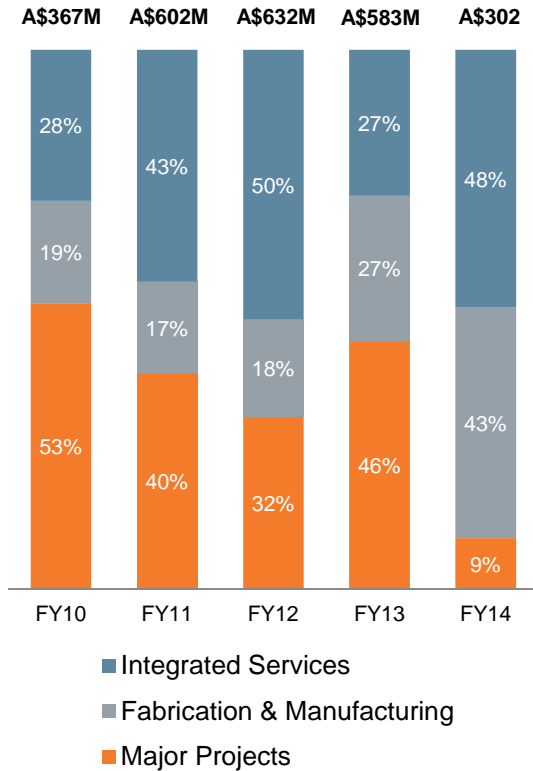


FY2014 Overview

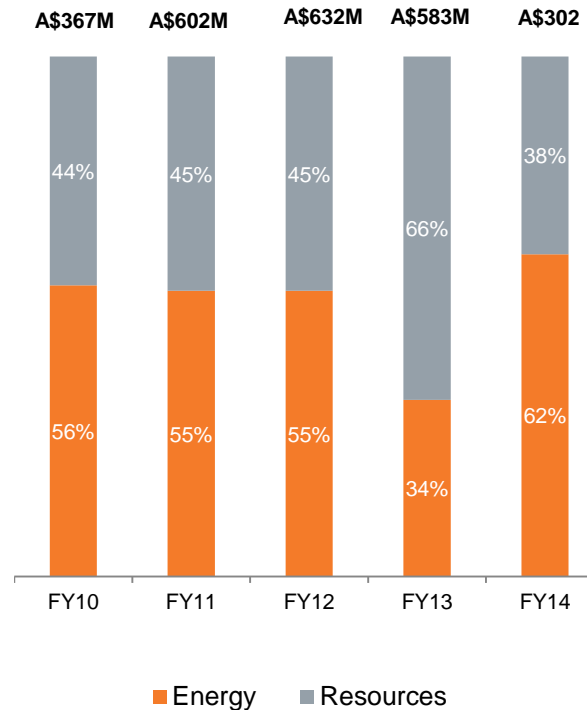
Revenue Contribution



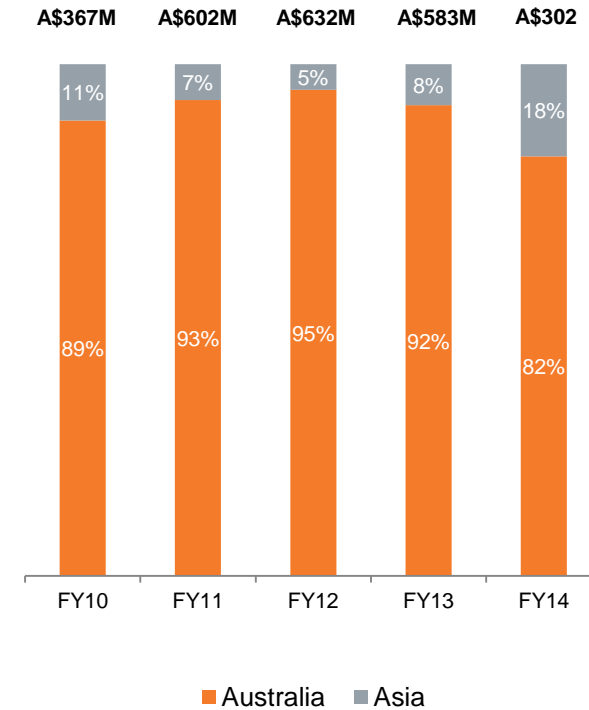
Contribution by Business Unit



Contribution by Sector



Contribution by Geography



Operational Performance

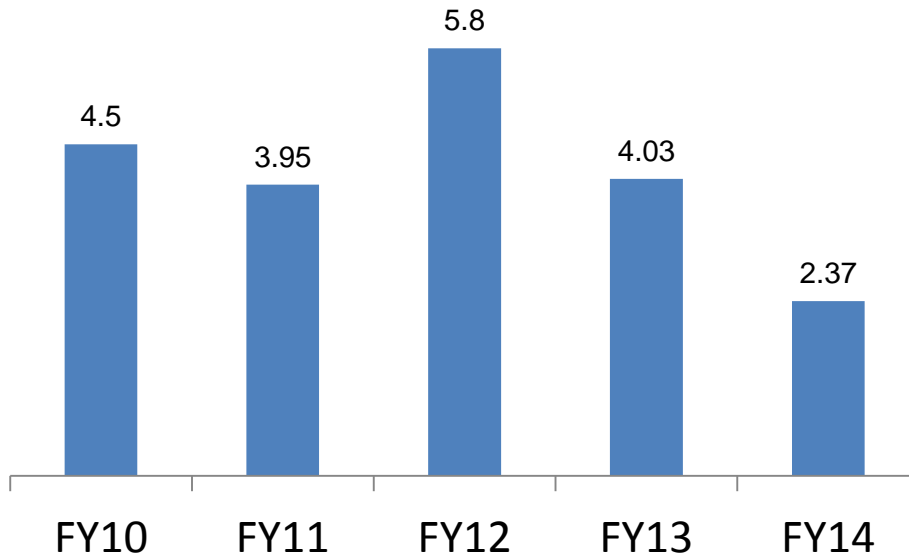




Perfect Day



Total Recordable Injury Frequency Rate (TRIFR)



- Perfect Day philosophy - focusing on a perfect day, one day at a time
- Creating a personalised approach
- Perfect day culture permeates our entire business
- As at June 2014
 - TRIFR - 2.37
 - LTIFR - 0.47



Key appointments

- **Stuart Kenny**
CEO and Managing Director
- **Paul Birighitti**
Executive General Manager –
Maintenance Services
- **Gerard Hutchinson**
Chief Financial Officer
- **Captain Larry Johnson**
Independent Non-Executive Director
- **Ooi Chee Kar**
Independent Non-Executive Director
- **Wu Yu Liang**
Independent Non-Executive Director
- **Eng Chiaw Koon**
Non-Independent Non-Executive
Director
- **Christopher Dargie**
General Manager – Strategy and
Development

EXCO



Stuart Kenny
CEO and Managing
Director



Gerard Hutchinson
CFO and Executive
General Manager –
Group Services



Michael Bourke
Executive General
Manager – Operations



Michael Nesbitt
Executive General
Manager – Projects



Paul Birighitti
Executive General
Manager –
Maintenance Service



Tony Tomich
Group Manager –
People Capital



Mark Johns
Group Manager –
HSSQ



Christopher Dargie
General Manager –
Strategy and
Development

Board of Directors



Dr. Chew Kia Ngee
Independent
Non-Executive
Director & Chairman



Stuart Maxwell Kenny
CEO & Managing
Director



Barry Alfred Carson
Non-Independent
Non-Executive
Director



Ooi Chee Kar
Independent
Non-Executive
Director



Damien O'Reilly
Independent
Non-Executive
Director



Grant Pestell
Independent
Non-Executive
Director



Wu Yu Liang
Independent
Non-Executive
Director

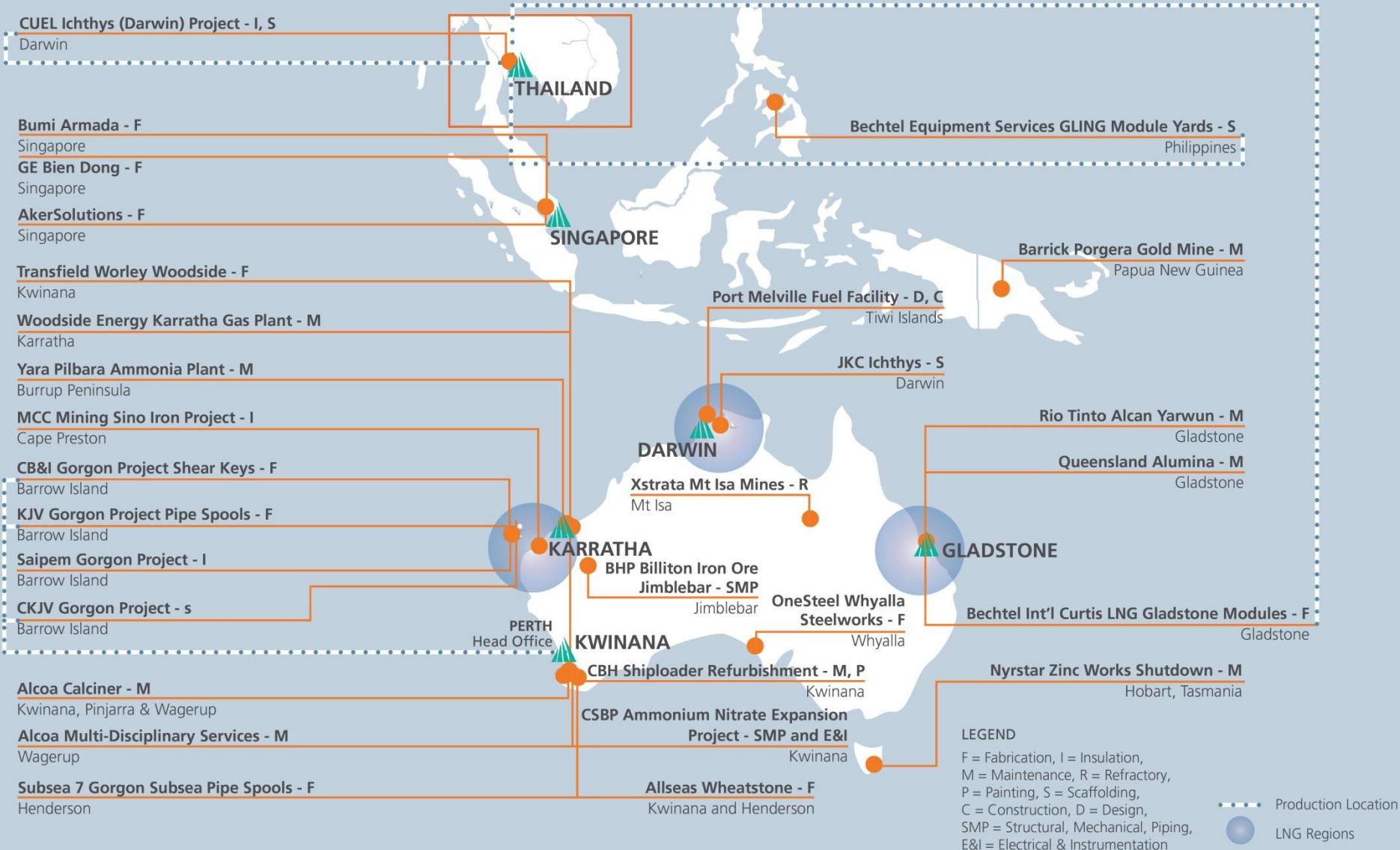


**Captain Larry Glenn
Johnson**
Non-Independent
Non-Executive
Director



Eng Chiaw Koon
Non-Independent
Non-Executive
Director

Recent Projects



Chevron-operated Gorgon Project

Gorgon Pipe Spools

Client: Subsea 7

Location: Barrow Island, WA

Contract Period: 2013 - present

Scope of Work: The fabrication of post metrology spools for the Chevron-Operated Gorgon project. Work performed at the Australian Marine Complex (AMC) quay side facility in Henderson, WA. Upon completion the spools will be loaded onto barges for direct transportation to the Gorgon fields west of Barrow Island, WA.



Aker Solutions – Drilling Risers

Aker Solutions Drilling Riser Tools Package

Client: Aker Solutions

Location: Singapore

Contract Period: 2013 - present

Scope of Work: Fabrication package including the manufacture of drilling riser tools for various drilling rigs. Includes the supply of materials, fabrication, machining, assembly, testing, inspection, storage and delivery of Riser Spiders, Termination Adaptors, Running Tools, Tension Rings and Telescopic Joints.



Alcoa Calciner Maintenance



Integrated Refractory Services

Client: Alcoa Australia

Location: Kwinana, Pinjarra & Wagerup, WA

Contract Period: 2011 - present

Scope of Work: AusGroup's maintenance contract with Alcoa continues to be renewed for integrated refractory, mechanical and scaffold access services to Alcoa's Kwinana, Pinjarra and Wagerup Alumina Refineries.



QAL Alumina Plant Shutdown



Integrated Maintenance Services

Client: QAL

Location: Gladstone,
Queensland

Contract Period: 2013

Scope of Work: AusGroup were engaged to perform a 42 day shutdown including all associated mechanical maintenance, access disciplines and refractory services utilising existing in-house capabilities.



INPEX-operated Ichthys Project



Ichthys Scaffolding Contract

Client: JKC Australia LNG Pty Ltd

Location: Blaydin Point, Darwin

Contract Period: 2014 - present

Scope of Work: Provision of scaffolding assets comprising management, design and engineering, scaffolding materials supply and installation services to the LNG process and inlet areas at the Ichthys Project Onshore LNG facilities at Blaydin Point in Darwin, Northern Territory.



Woodside Karratha Gas Plant

Domestic Gas MDSA

Client: Woodside

Location: North West Shelf, WA

Contract Period: October 2013 - Present

Scope of Work: Rolling program of general and campaign maintenance activity potentially over the next five years. The Karratha Gas Plant has one of the largest domestic gas plants in the southern hemisphere and consists of two parallel processing trains which together are capable of producing approximately 12,000 tonnes of domestic gas per day.



Market Outlook

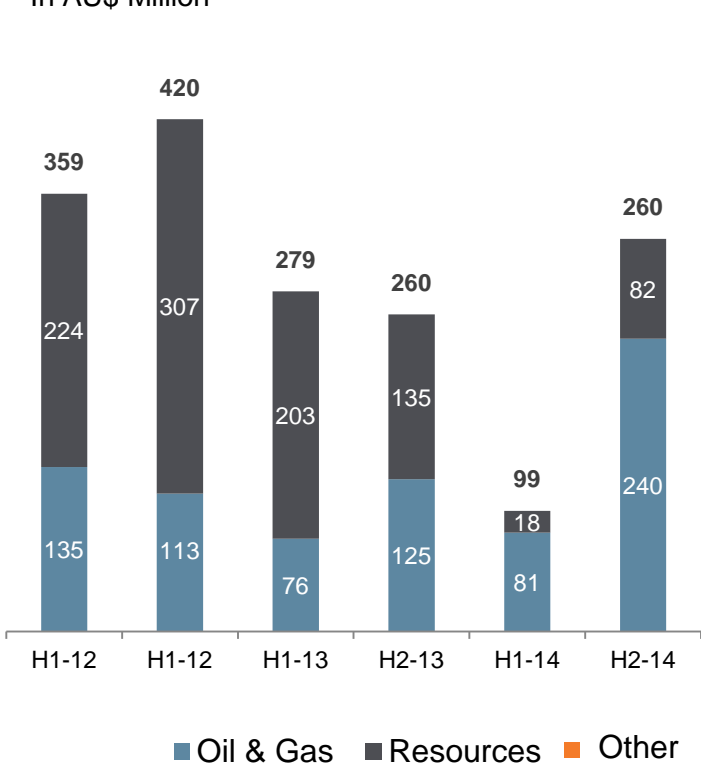


AusGroup Project Pipeline

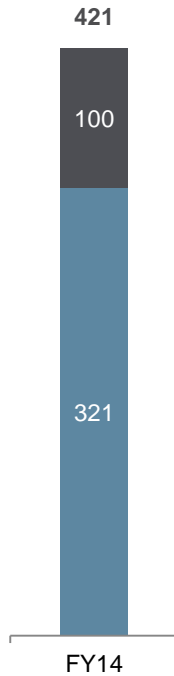


Order Book Trend

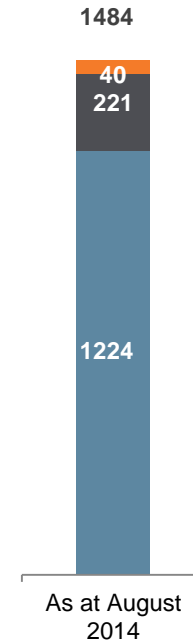
In AU\$ Million



Order Intake



Tenders



Tenders and Tracking

Energy

- Ichthys Onshore Facilities – Painting and Insulation
- Domgas Refurbishment Project
- Chevron Brownfield Maintenance
- Chevron Gorgon LNG
- ConocoPhillips Darwin LNG / Bayu Undan
- Chevron Thevenard Island
- Woodside Browse
- Apache Energy Julimar
- Woodside Persephone

Resources

- Alcoa Western Australian Operation
- BHP Worsley Alumina
- Queensland Alumina

Other

- CBH Ship Loader Refurbishment
- Orora Glass Furnace Rebuild
- Kiewit Waste to Energy

Looking Forward



Looking Forward

- Company is well positioned to take advantage of increased OPEX opportunities in oil and gas sectors
- Australian LNG exports to increase by 13% in 2014-15*
- Streamlining processes to maintain low overheads
- Market has become more competitive, however our oil and gas experience puts us ahead of our competitors
- Focus on growth and development of our maintenance business
- Expand client offering to include marine services

Financial Performance



Pluto LNG Site, Courtesy of Woodside

Financial Performance

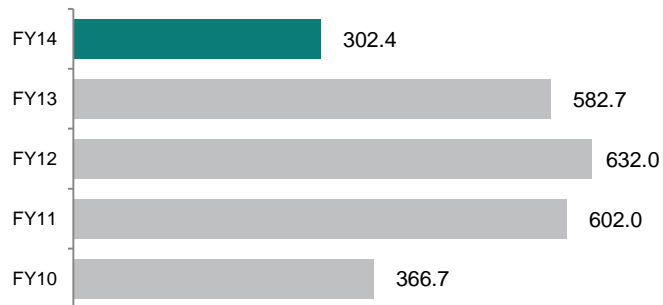


<i>AUD millions – unless otherwise mentioned</i>	FY14	FY13	% Change
Revenue	302.4	582.7	↓ 48%
Earnings before Interest ,Tax, Depreciation & Amortisation (EBITDA)	-6.3	33.1	↓ 119%
Earnings before Interest and Tax (EBIT)	-20.5	17.7	↓ 216%
Profit after Tax	-11.9	9.7	↓ 219%
Net Cash Flow from Operating Activities	-36.1	-27.0	↓ 36%
Basic Earning per Share - Weighted Average Shares (AUD cents)	-2.3	2.0	↓ 209%
EBITDA Margin (%)	-2.1%	5.7%	↓ 137%
EBIT Margin (%)	-6.8%	3.0%	↓ 323%
Net Margin (%)	-3.9%	1.7%	↓ 330%
Interest Cover (Times)	-5.8	4.6	↓ 225%
NTA per Share - Year End Shares (AUD cents)	26.5	30.3	↓ 13%
NTA per Share - Year End Shares (SGD cents)	31.2	35.5	↓ 12%
Current Ratio (Times)	2.35	1.58	↑ 48%
Quick Ratio (Times)	1.27	1.05	↓ 33%
Net Debt to Equity ratio (%)	-10.8%	10.6%	↓ 202%
Return on Capital Employed (%)	-4.2%	6.7%	↓ 161%

Financial Performance

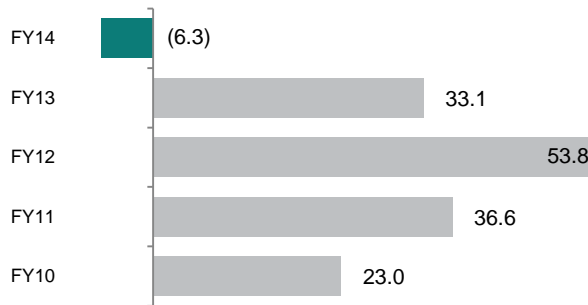


Historical Performance



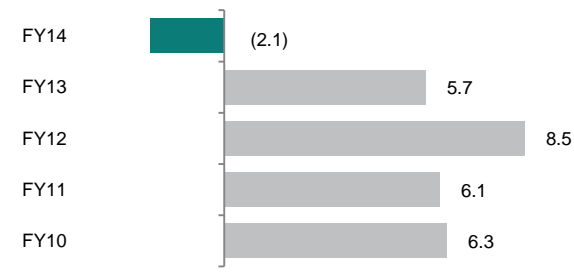
Revenue (AU\$M)

-48%*



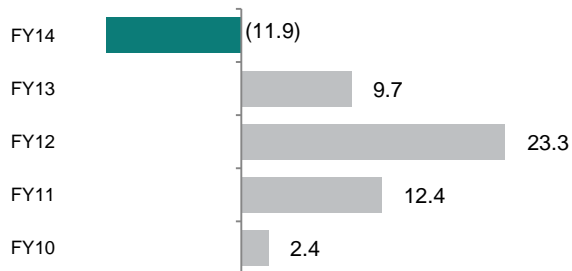
EBITDA (AU\$M)

-119%*



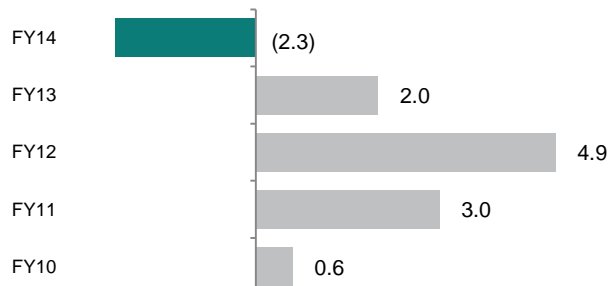
EBITDA Margin (AU\$M)

-137%*



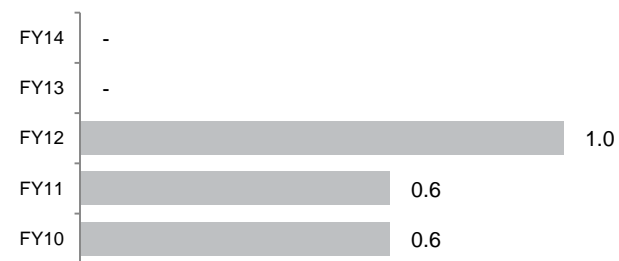
Net Profit After Tax (AU\$M)

-219%*



Earnings per Share (AU Cents)

-209%*

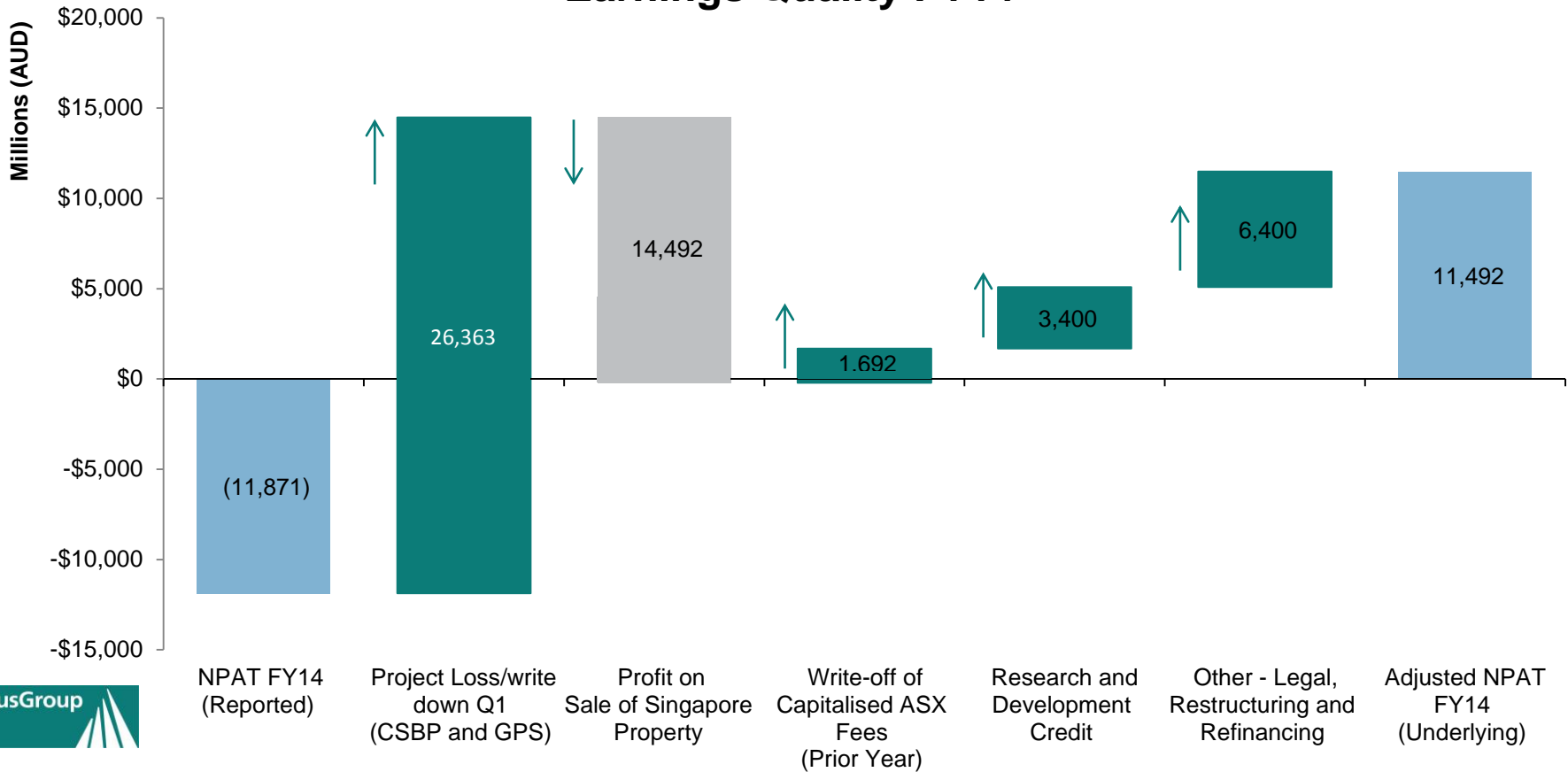


Dividends per Share (Sing Cents)

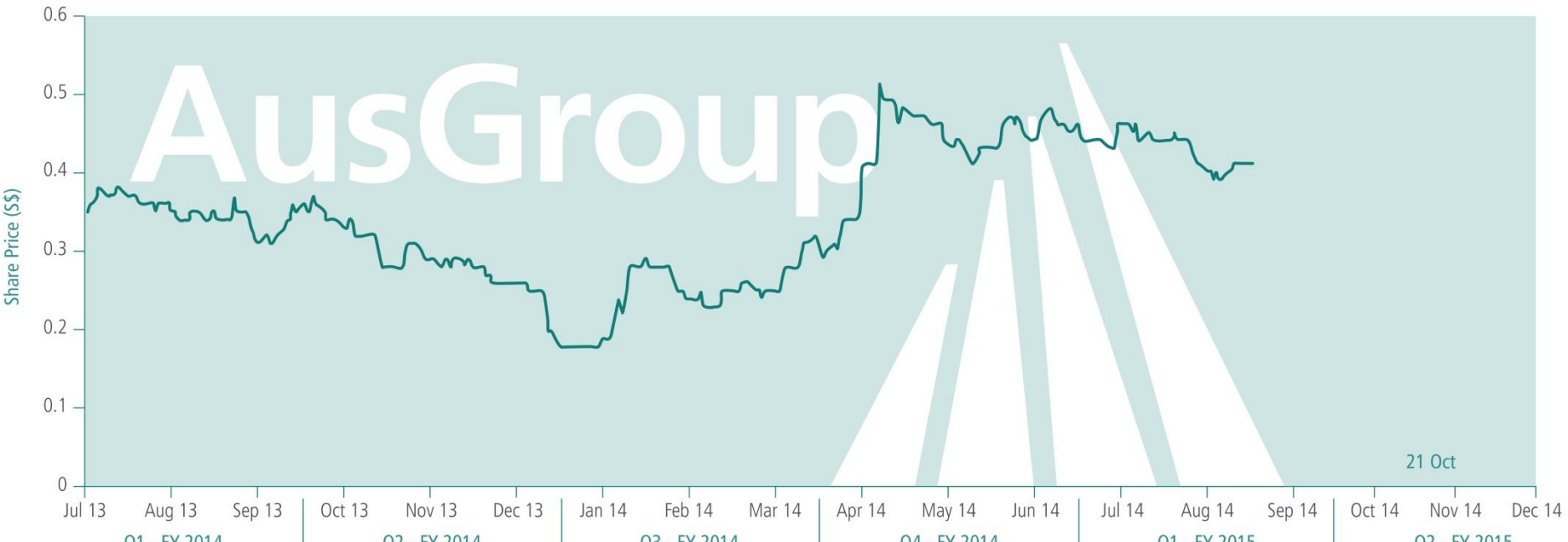
-100%*

*FY13 to FY14

Earnings Quality FY14



AusGroup



21 Oct

Q1 - FY 2014

- 4 July 2013 - Award of a three year multi-discipline contract with Alcoa
- Recognition of losses on Gorgon Pipe Spools and CSBP

Q2 - FY 2014

- 2 October 2013 - Sale of the Singapore Property
- 11 October 2013 - Stuart Kenny was appointed as CEO and MD
- 16 October 2013 - Woodside Multidiscipline Contract Awarded
- 1 November 2013 - Gerard Hutchinson was appointed as CFO
- 10 December 2013 - Early repayment of ANZ and HSBC Facilities

Q3 - FY 2014

- 17 January 2014 - Ms Ooi Chee Kar Appointed as independent Director
- 22 January 2014 - Completion of 96.1m Share Placement at S\$0.168 (S\$16.2m)
- 28 February 2014 - Inpex Scaffolding Contract Award AU\$174m

Q4 - FY 2014

- 3 April 2014 - Ezion Holdings Limited becoming a 6.9% shareholder
- 9 April 2014 - The Group entered into a collaboration agreement with Ezion Holdings Ltd
- 11 April 2014 - Yara Pilbara Shutdown contract award
- 24 April 2014 Wingate Facility Drawdown on AU\$20M 2.5 yr term loan
- AU\$50M DBS bank guarantee facility
- 20 May 2015 - Captain Larry Johnson and Wu Yu Liang appointed as Non-Independent Directors
- 27 June 2014 Completion of 70m Share Placement at S\$0.3675 (S\$25.7m)

Q1 - FY 2015

- 10 July 2014 - Eng Chiaw Koon is appointed as a Non-Independent Director
- 23 July 2014 - The Group entered into a sale and purchase agreement with Ezion Holdings Limited for the purchase of Ezion Offshore Logistics Hub Pte Ltd and Teras Australia Pty Ltd for an aggregate consideration of S\$55M subject to shareholders approval

Q2 - FY 2015

- TBA - EGM
- 21 October 2014 - AGM

Disclaimer



The information in this presentation:

- Is not an offer or recommendation to purchase or subscribe for securities in AusGroup Limited or to retain any securities currently held
- Does not take into account the potential and current individual investment objectives or the financial situation of investors
- Was prepared with due care and attention and is current at the date of the presentation
- Actual results may materially vary from any forecasts (where applicable) in the presentation

Questions



AGC staff on the Pluto LNG Site