2014 FULL YEAR RESULTS

21 AUGUST 2014

KEN LEWSEY, MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

GREG HAWKINS, CHIEF FINANCIAL OFFICER

PRESENTATION OVERVIEW

- Highlights
- Operational review
- Financials
- Strategy & Outlook
- Questions
- Appendices

HIGHLIGHTS

Ken Lewsey
Managing Director & Chief Executive Officer

Emeco

BETTER EQUIPPED

DURING CHALLENGING TIMES THE BUSINESS ACHIEVED ITS STRATEGIC OBJECTIVES

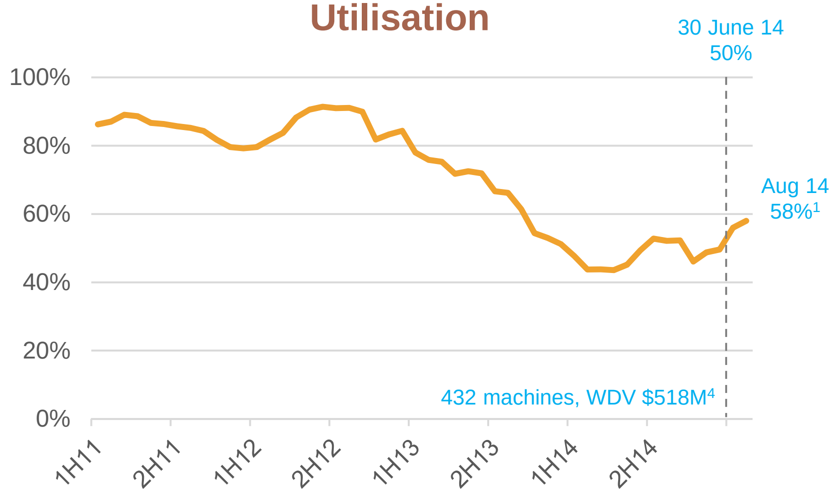
FY14 Objective	How we achieved it…	
New management team	Built a new management team with skills to succeed in a very different market	✓
Improve utilisation through project wins and rationalisation of fleet	Improved utilisation from outset of FY15, currently 58%[1], which is up on prior corresponding period of 42%	✓
Restore confidence in financial position reduce gearing risks	Successful refinancing of Emeco, no maintenance covenants on 144A bond issue	✓
Focus on key markets	Exited loss making Indonesian business, whilst building scale and customer depth in our core markets	✓
Reduce capital intensity	Fully maintained contract wins in Australia, external maintenance services growth in Canada, building maintenance capability in Chile	✓
Enhance business development capabilities	Invested in rebuilding business development capability, early signs of success with contract wins achieved in the last quarter of FY14	✓

Note:
1. Including non-current assets held for sale current utilisation is 54%

FY14 OVERVIEW

PROJECT WINS OVER FOURTH QUARTER FY14 RESULTED IN UTILISATION IMPROVEMENT FROM LATE FY14

Utilisation



Financial performance[2,4]

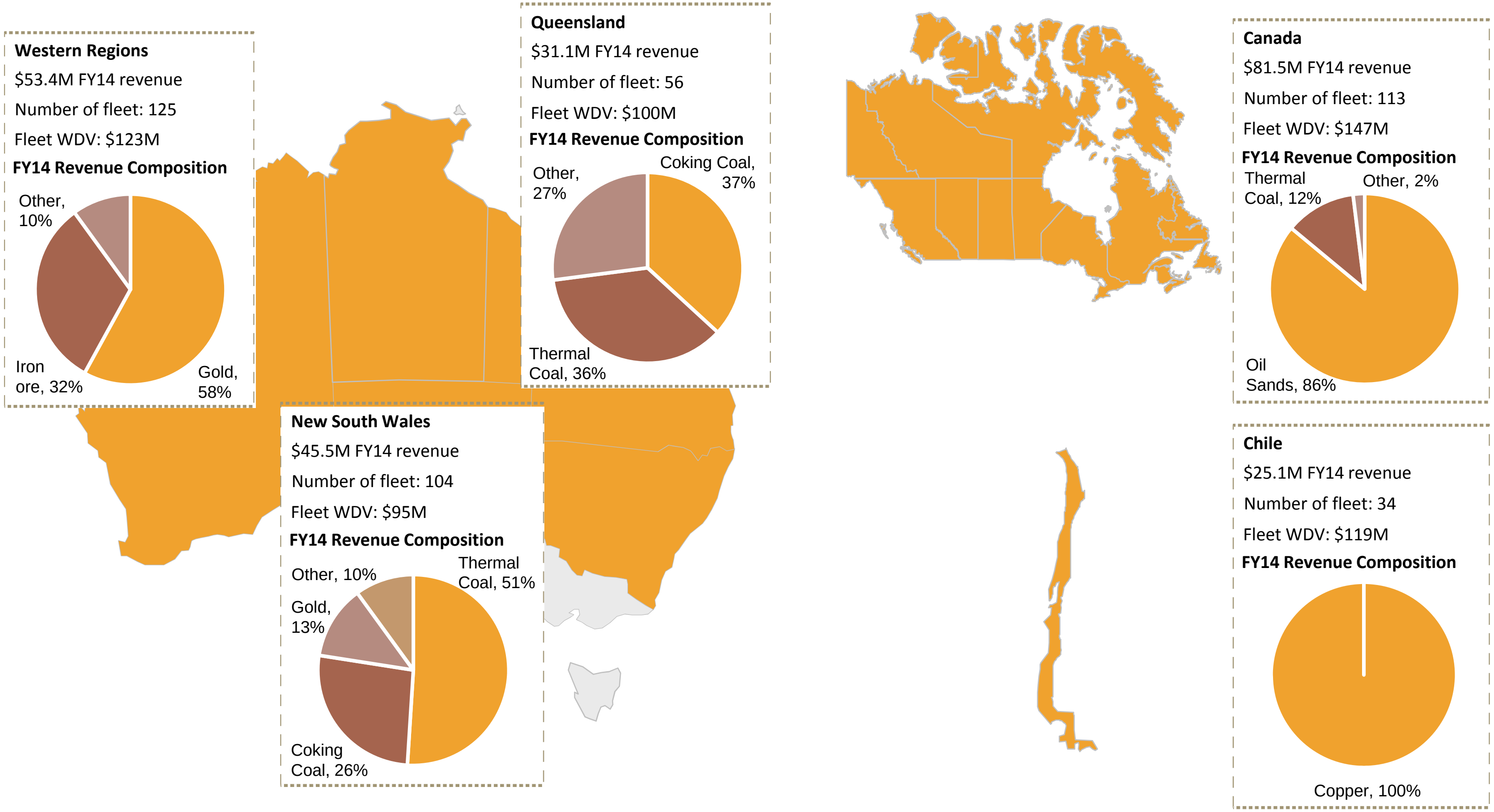
A$million	FY13	FY14	PCP Var $M
Revenue	379.4	241.1	(138.3)
EBITDA	160.3	72.1	(88.2)
Operating NPAT	28.5	(21.6)	(50.1)
Statutory NPAT[3]	0.0	(224.2)	(224.2)
Free cashflow	(14.0)	85.9	99.9

- Mining industry continued to adversely impact business in FY14, EBITDA of $72.1M 55% down on FY13 result
- Cash generation of $85.9M driven by disposal of non-core fleet and reduced capital expenditure, used to reduce debt prior to success refinancing in March 2014

Note: 1. Including non-current assets held for sale current utilisation is 54%
2. Table represents operating results
3. Statutory NPAT includes $157.9M goodwill impairment, $43.7M tangible asset impairments, $1.2M one-off redundancy costs and $19.1M written-off debt establishment fees. Refer to Emeco's 2104 Annual Report for more information
4. Excludes discontinued operations

CURRENT OPERATIONS

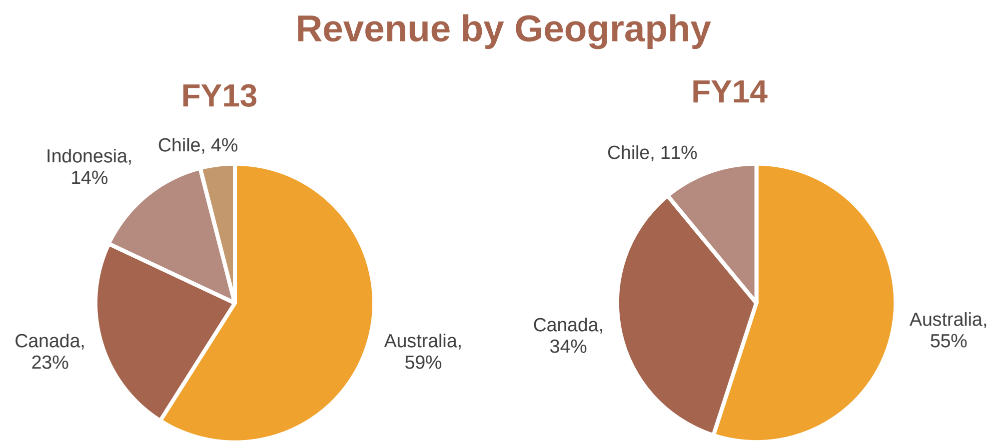
EMECO OPERATES IN LOW COST, HIGH PRODUCTION MINING MARKETS

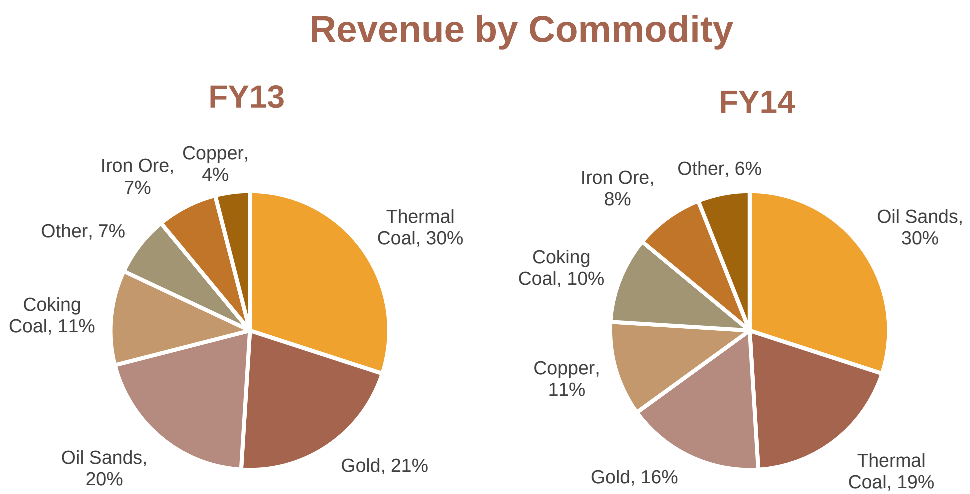


EARNINGS COMPOSITION

DIVERSIFICATION LIMITED EXPOSURE TO THE AUSTRALIAN MINING INDUSTRY

- Overseas geographies representing larger composition of earnings in FY14
- Exited loss making Indonesian business in FY14
  - generated cash of $40M;
  - removed approximately $3.5M in operating costs annually
- Change in commodity mix
  - Reduced activity in bulk commodities, miners insourcing work traditionally performed by contractors
  - Growth in number of oil sands and copper customers over FY14 further diversifying earnings

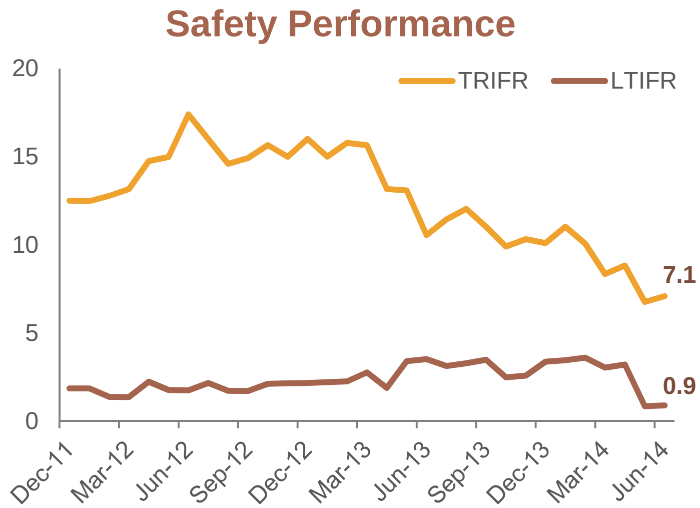




SAFETY & SUSTAINABILITY

A HIGH STANDARD OF HSE IS KEY IN A COMPETITIVE MARKET

- **Health, Safety & Environment**
  - Reduced TRIFR by 33%
  - Reduced LTIFR by 74%
  - Increased HSE lead indicators
  - Improved HSE systems and processes
- **Sustainability**
  - Working closely with Indigenous contractors in oil sands market
  - Independent survey of customer satisfaction levels
  - Two female executives appointed to senior leadership roles. Greater representation of women employed across the workforce
  - Improved annual sustainability reporting process



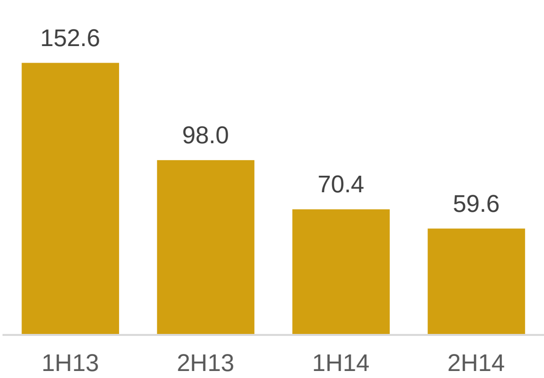
OPERATIONAL REVIEW

Ken Lewsey
Managing Director & Chief Executive Officer

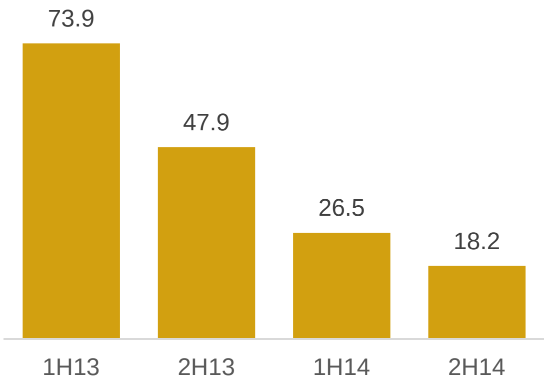
REGIONAL PERFORMANCE - AUSTRALIA

CONTRACT WINS IN RECENT MONTHS HAVE BENEFITED UTILISATION

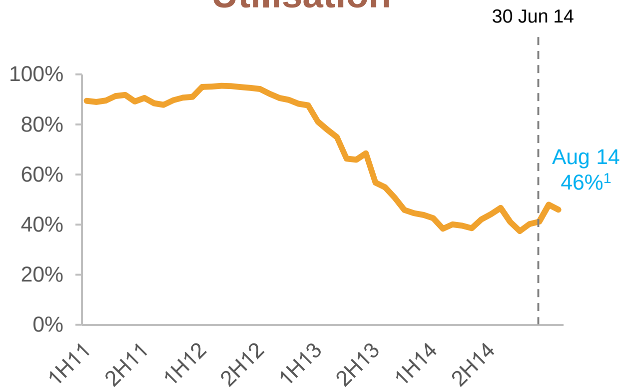
Revenue



EBITDA



Utilisation



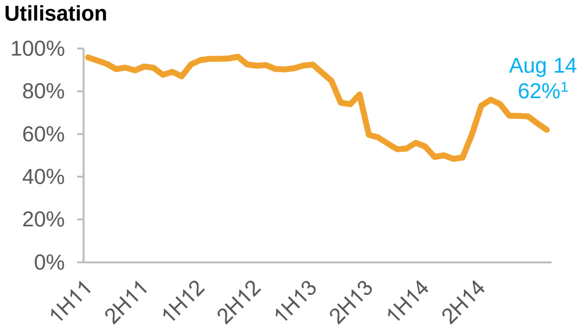
- Full year impact of contract losses and rental rate reductions over FY13 reflected in FY14 performance
- Investment in business development capability led to increased level of enquiry over 2HFY14 and a number of conversions toward the end of the year
- Rationalisation of Australian fleet focused on maintaining asset classes with high demand, while releasing cash from under-utilised assets to fund future growth

Note:
1. Excludes non-current assets held for sale

REGIONAL PERFORMANCE - AUSTRALIA

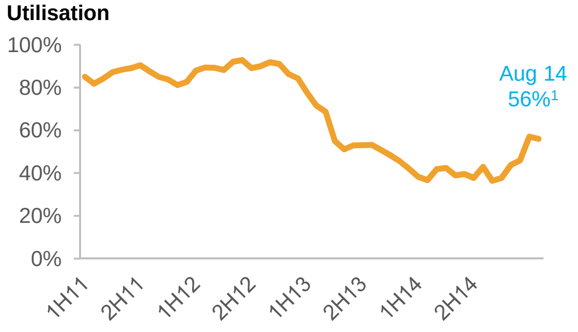
PERFORMANCE OF AUSTRALIAN BUSINESS VARIED ACROSS REGIONS

New South Wales



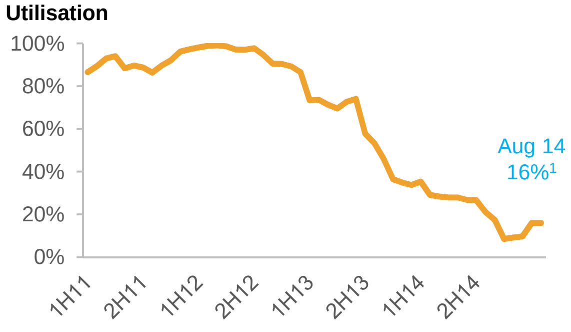
- FY14 contract wins in gold and thermal coal
- Recent decline in utilisation result of unit off-hires with existing customers

Western Australia



- FY14 project wins resulting in greater representation of gold in earnings composition
- Saracen renegotiated for further two year extension
- BD capability extended to South Australia and Northern Territory, first project secured Q4 FY14 in Northern Territory

Queensland



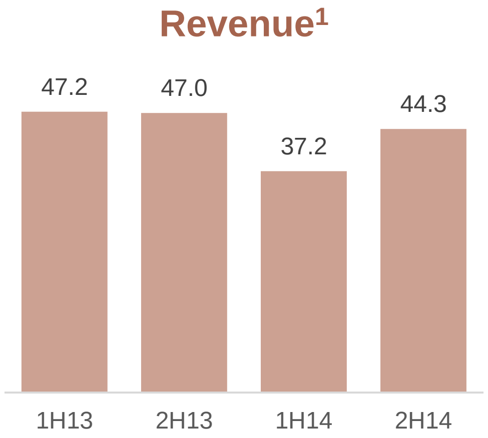
- Queensland coal markets most impacted by low commodity prices
- Stronger level of enquiry expected to drive improvement in FY15

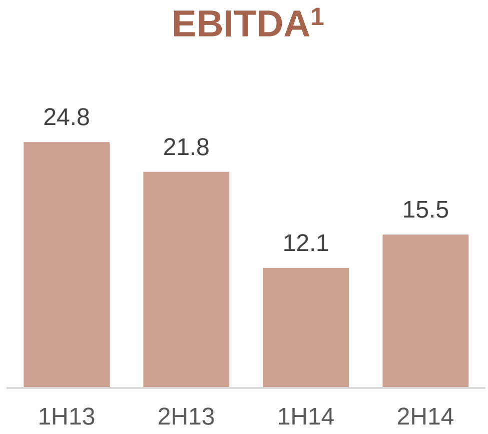
Emeco

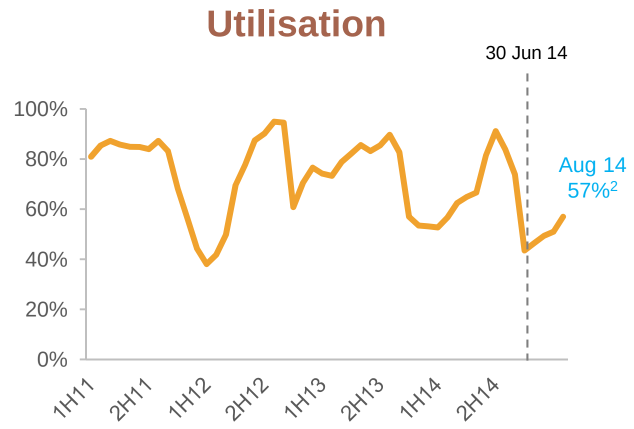
Note:
1. Excludes non-current assets held for sale

REGIONAL PERFORMANCE - CANADA

CONTINUED TO EXPAND CUSTOMER BASE OVER FY14







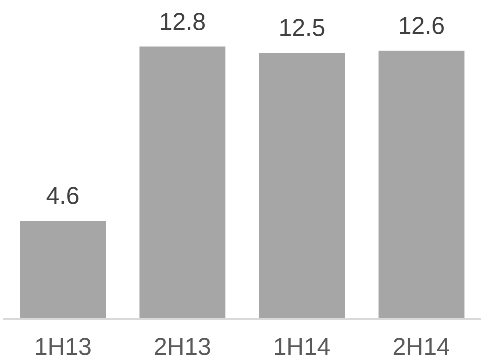
- Number of large customers increased from eleven to thirteen; third master service agreement (MSA) signed with major oil producer; 10 year extension of MSA with major oil producer; greater level of partnering with large indigenous contractors in oil sands industry
- External maintenance services revenue increased to $6.2M, up from $3.0M the prior year; new 10 year contract to provide maintenance services to a major oil sands producer to drive further growth in FY15
- FY14 performance was affected by warmer weather resulting in the early cessation of the winter oil sands works program and an unplanned temporary plant shut-down at one of our major oil sands customers

Note:
1. Figures in AUD millions
2. Excludes non-current assets held for sale

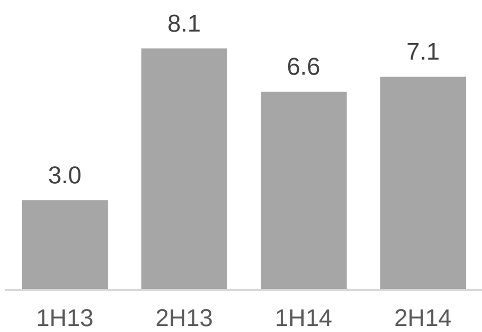
REGIONAL PERFORMANCE - CHILE

NEW CONTRACT PROVIDING PLATFORM FOR FUTURE GROWTH

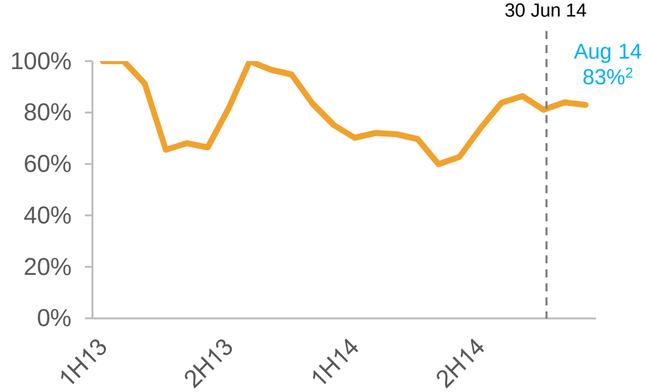
Revenue[1]



EBITDA[1]



Utilisation



- Recently announced Encuentro project expected to support 50% utilisation over 5 year period, estimated revenue between $27M and $32M annually
- Further $25M invested in Chilean fleet increasing total fleet to $110M at 30 June 2014, including $22M of transfers from Canada and Indonesia over FY14
- Current pipeline to support strong utilisation over FY15, Management assessing opportunities to relocate Australian fleet to Chile

Emeco

Note:
1. Figures in AUD millions
2. Excludes non-current assets held for sale

BETTER EQUIPPED

FINANCIALS

Greg Hawkins
Chief Financial Officer

FINANCIAL SUMMARY

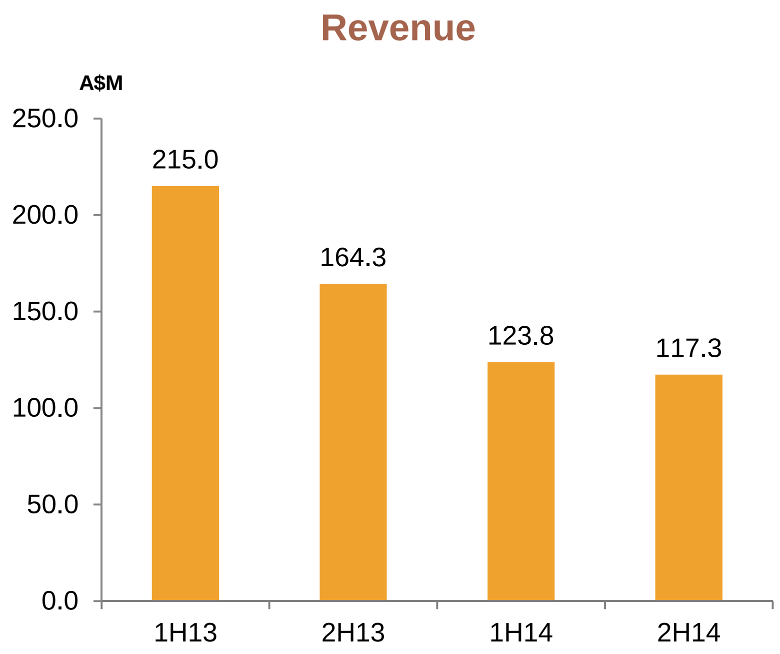
At a glance…

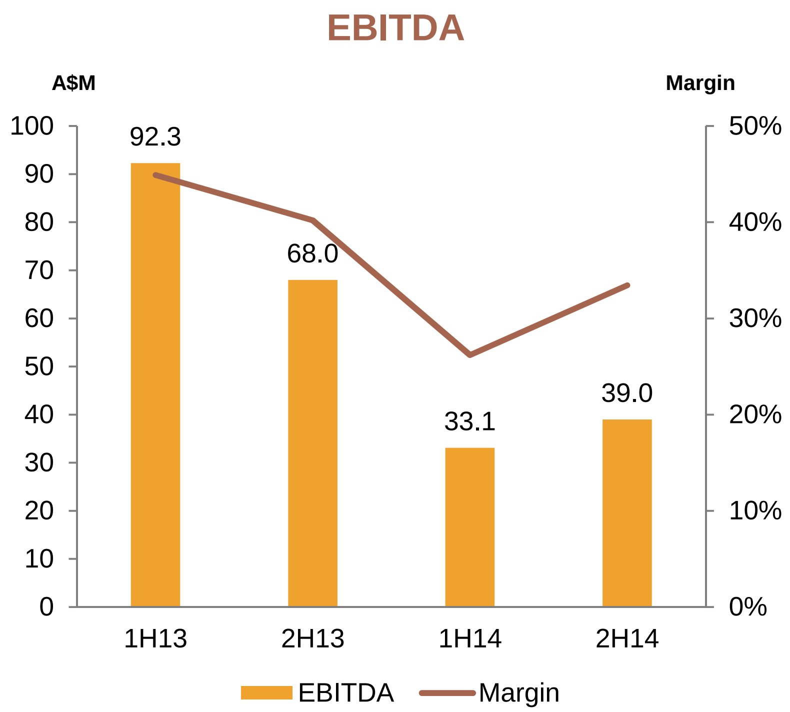
A$million	FY13[1]	FY14[1]	PCP Var $M
Revenue	379.4	241.1	(138.3)
EBITDA	160.3	72.1	(88.2)
EBIT	61.3	(6.1)	(67.4)
NPAT	28.5	(21.6)	(50.1)
Statutory NPAT[2]	0.0	(224.2)	(224.2)
Free cash flow	(14.0)	85.9	99.9
ROC[3]	6.5%	(0.8)%	(7.3)%
Operating EPS (cps)	4.8	(3.6)	(8.4)

Note:
1. Table represents operating results
2. FY14 Statutory NPAT includes one-off costs (pre-tax) comprising intangible asset impairments of $157.9 million, tangible asset impairments of $43.7 million, debt establishment cost write-offs of $19.1 million and redundancy costs $1.2 million
3. ROC calculated as Operating EBIT divided by average invested capital for the period

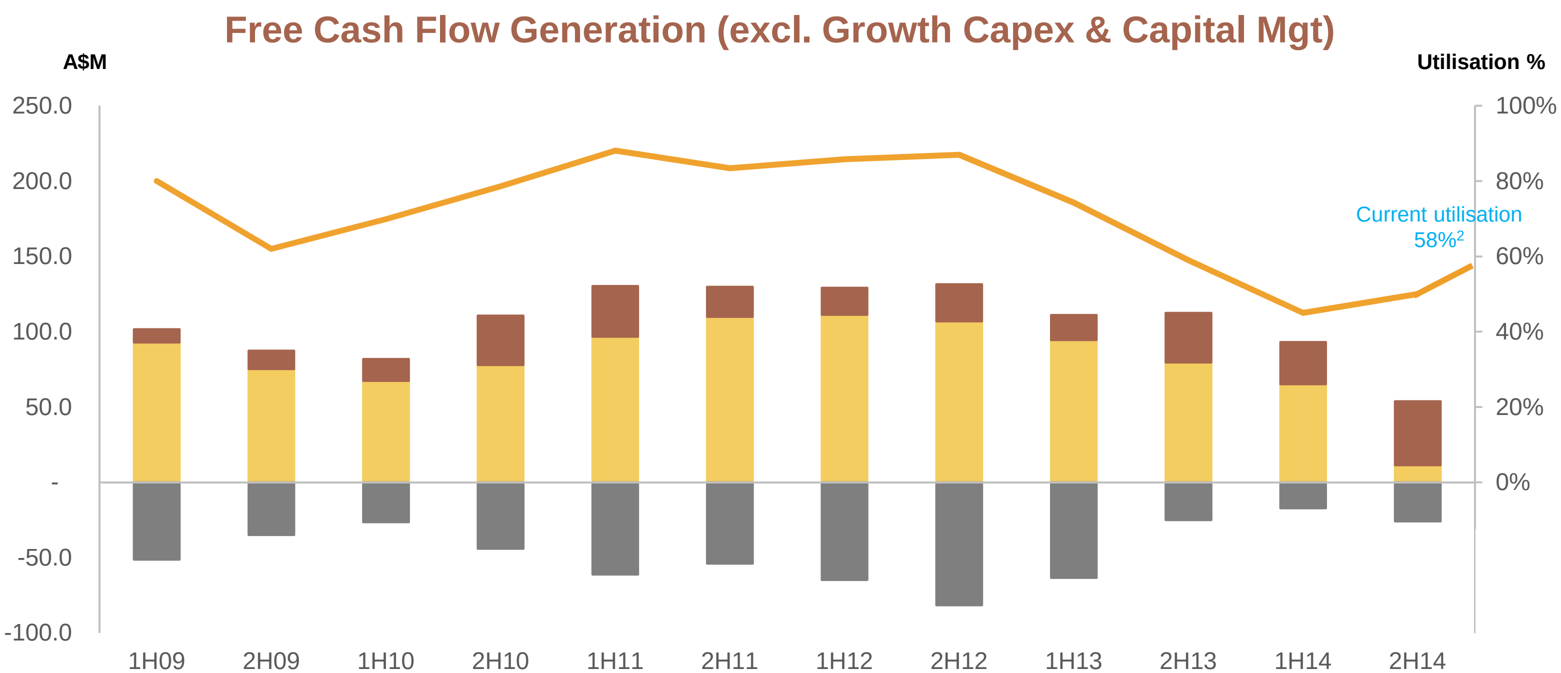
FINANCIAL PERFORMANCE

COST REDUCTIONS DRIVING MARGIN IMPROVEMENT IN H2 FY14





FREE CASHFLOW ACROSS THE CYCLE



	1H09	2H09	1H10	2H10	1H11	2H11	1H12	2H12	1H13	2H13	1H14	2H14
Free cashflow before growth capex and shareholder returns ($M)	**60**	**53**	**55**	**67**	**69**	**76**	**64**	**50**	**48**	**87**	**76**	**28**

Cash flow from Operating Activity
Disposals[1]
Sustaining Capex[1]
Average Utilisation (Group)

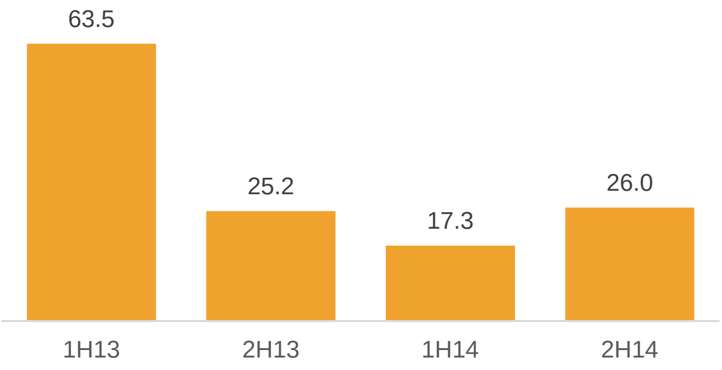
Note:
1. Sustaining capex includes other PP&E additions; disposals includes other PP&E disposals
2. Including non-current assets held for sale current utilisation is 54%

RENTAL FLEET & CAPITAL STRATEGY

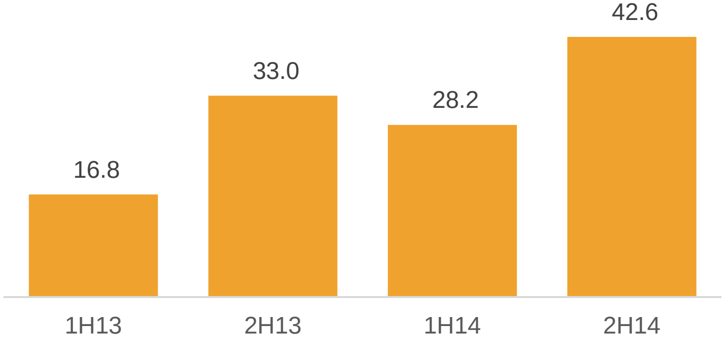
FOCUS ON RIGHT SIZING FLEET TO MATCH DEMAND IN OUR MARKETS

- Sustaining capex of $43.3M in FY14 down due to:
  - end of life replacement spend on hold - right sizing fleet via attrition;
  - reduced major components spend on lower utilisation
- FY15 sustaining capex to increase year on year as a result of pick up in activity:
  - end of life replacement focused on high demand asset classes, funded by disposals
- $40M WDV held as assets held for sale at 30 June 2014 scheduled for disposal in FY15
- Age profile of fleet unchanged following disposals over FY14

Sustaining Capex[1]



Disposals[1]

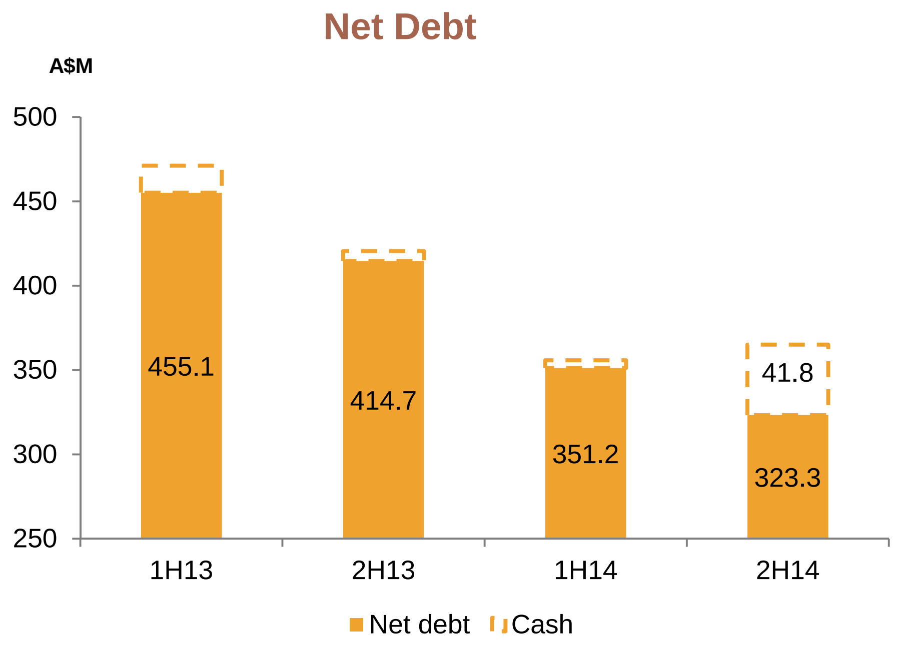


Note:
1. Sustaining capex includes other PP&E; disposals includes other PP&E disposals
2. Based on expected deals to complete by 28 February 2014

BALANCE SHEET

SUCCESSFUL REFINANCING PROVIDES FLEXIBLE AND SUSTAINABLE DEBT STRUCTURE

- Net debt reduced to $323M at 30 June 2014
- Successful refinancing in March 2014 securing US$335M 144A bond issue:
  - maturity profile extended to 2019
  - covenant light structure
- $50M revolver facility undrawn at 30 June 2014
- $42M cash held at 30 June 2014, cash generation over FY15 to further improve liquidity



STRATEGY & OUTLOOK

Ken Lewsey
Managing Director & Chief Executive Officer

FY15 OUTLOOK

- Next 12 months continue to build on work completed in FY14
- Improved utilisation from outset of FY15 as a result of project wins over Q4 FY14 (58%)
- Continue to strengthen customer relationships and expand market penetration (have had early success)
- Maintained project wins in Australia and growth in external maintenance services in Canada over FY14 expected to reduce capital intensity
- Long term Encuentro agreement provides foundation to expand our Chilean business, with growth supported in part by relocation of Australian assets
- FY15 cash generation to fund future growth
- Fleet strategy to match asset classes to regional demand

STRATEGIC FOCUS

OUR DETAILED STRATEGIC REVIEW HAS LOOKED AT HOW WE EVOLVE WITHIN THE CONTEXT OF THE CURRENT MARKET:

Strategic imperatives

- Reduce capital intensity
- Build on our value differentiator and brand
- Deepen and widen customer relationships
- Further leverage existing capabilities and assets
- Diversify our historic market risk
- Lessen our exposure to the mining cycle

Strategic priorities

- Focus on addressing our leverage and strengthening our balance sheet
- Improve utilisation rates and returns:
  - Add greater value to our customers' operations (productivity and solutions focus)
  - Expand maintenance services in Australia and globally
  - Target projects in select new geographies that drive utilisation and revenue
  - Position the right fleet to compete
- Generate cash to strategically grow the business

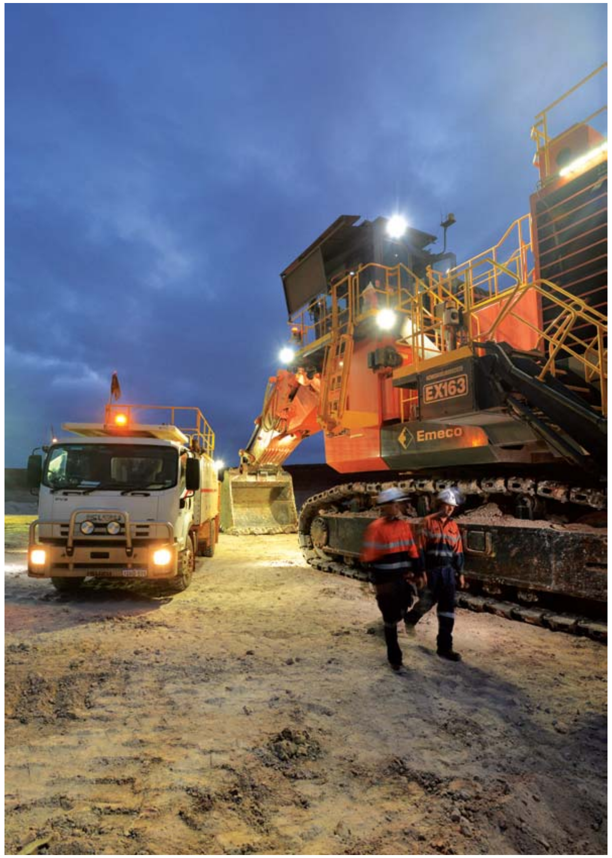
QUESTIONS

FURTHER INFORMATION

Thank you for your interest in Emeco

Further investor enquiries should be directed to:

- **Ken Lewsey CEO**
- **Greg Hawkins CFO**
- **Brendan Shalders Investor Relations**



APPENDICES

DETAILED FINANCIALS

Profit & Loss

A$ Millions	FY13	FY14	PCP Var $
Revenue	379.4	241.1	(138.3)
EBITDA	**160.3**	**72.1**	(88.2)
margin (%)	*42.3%*	*29.9%*	(12.3%)
EBIT	**61.3**	**(6.1)**	(67.4)
margin (%)	*16.2%*	*(2.5%)*	(18.7%)
NPAT	**28.5**	**(21.6)**	(50.1)
EPS (cps)	4.8	(3.6)	(8.4)
DPS (cps)	2.5	0	(2.5)
R12 ROC (%)	6.5%	(0.8%)	(7.3%)

Balance Sheet[2]

A$ Millions	FY13	FY14
Cash	5.8	41.8
Trade & other receivables	97.1	78.2
Rental plant	798.1	530.9
Intangibles	158.1	0.2
Sales & parts inventory	14.8	8.2
Other assets	52.2	89.1
Trade & other payables	(40.6)	(53.1)
Total debt	(415.4)	(343.8)
Other liabilities	(58.8)	(27.5)
Net assets	**611.2**	**324.0**

Cashflow

A$ Millions	FY13	FY14	PCP Var
Operating cashflow	175.6	57.4	(118.2)
General working capital	35.6	36.6	1.0
Sales & parts inventory	14.2	6.4	(7.8)
Interest & borrowing costs	(30.7)	(34.3)	(3.6)
Income tax payments	(20.9)	10.2	31.2
Cashflow from operating activities	**173.8**	**76.3**	**(97.5)**
Sustaining capex[1]	(88.7)	(43.3)	45.4
Disposals[1]	49.8	70.8	21.0
Cashflow from investing activities	**(38.9)**	**27.5**	**66.4**
Cashflow (before growth capex & s/h return)	**134.9**	**103.8**	**(31.1)**
Growth capex	(90.2)	(0.9)	89.3
Dividends	(37.1)	0.0	37.1
Share buy-back	(16.9)	0.0	16.9
Other financial activities	(4.7)	(17.0)	(12.3)
Free cashflow	**(14.0)**	**85.9**	**99.9**

Emeco

Note:
1. Sustaining capex includes other PP&E additions; disposals includes other PP&E disposals
2. Balance sheet includes discontinued operations

BETTER EQUIPPED

GEOGRAPHIC SEGMENTS

Australia

A$ Millions	1H13	2H13	1H14	2H14
Revenue	152.6	98.0	70.4	59.6
EBITDA	**73.9**	**47.9**	**26.5**	**18.2**
margin (%)	*48.4%*	*48.9%*	*37.7%*	*30.6%*
EBIT	**34.8**	**18.6**	**1.6**	**(5.2)**
margin (%)	*22.8%*	*19.0%*	*2.3%*	*(8.6)%*

Canada

A$ Millions	1H13	2H13	1H14	2H14
Revenue	47.2	47.0	37.2	44.3
EBITDA	**24.8**	**21.8**	**12.1**	**15.5**
margin (%)	*52.5%*	*46.4%*	*32.6%*	*34.9%*
EBIT	**12.8**	**10.6**	**3.4**	**4.8**
margin (%)	*27.1%*	*22.6%*	*9.1%*	*10.8%*

Chile

A$ Millions	1H13	2H13	1H14	2H14
Revenue	4.6	12.8	12.5	12.6
EBITDA	**3.0**	**8.1**	**6.6**	**7.1**
margin (%)	*65.2%*	*63.3%*	*53.2%*	*56.7%*
EBIT	**1.8**	**4.6**	**2.8**	**1.3**
margin (%)	*39.1%*	*35.9%*	*22.5%*	*10.5%*

Note:
1. Weighted average based on drawn amount for each facility
2. Sustaining capex includes other PP&E additions; disposals includes other PP&E disposals
3. Excludes capitalised borrowing costs and fair value of debt

DISCLAIMER

Reliance on third party information
The information and views expressed in this Presentation were prepared by Emeco Holdings Ltd (the **Company**) and may contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. No responsibility or liability is accepted by the Company, its officers, employees, agents or contractors for any errors, misstatements in or omissions from this Presentation.

Presentation is a summary only
This Presentation is information in a summary form only and does not purport to be complete. It should be read in conjunction with the Company's 2013 final financial report. Any information or opinions expressed in this Presentation are subject to change without notice and the Company is not under any obligation to update or keep current the information contained within this Presentation.

Not investment advice
This Presentation is not intended and should not be considered to be the giving of investment advice by the Company or any of its shareholders, directors, officers, agents, employees or advisers. The information provided in this Presentation has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary.

No offer of securities
Nothing in this Presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Company securities in any jurisdiction.

Forward looking statements
This Presentation may include forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, these statements are not guarantees or predictions of future performance, and involve both known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. As a result, actual results or developments may differ materially from those expressed in the statements contained in this Presentation. Investors are cautioned that statements contained in the Presentation are not guarantees or projections of future performance and actual results or developments may differ materially from those projected in forward-looking statements.

No liability
To the maximum extent permitted by law, neither the Company nor its related bodies corporate, directors, employees or agents, nor any other person, accepts any liability, including without limitation any liability arising from fault or negligence, for any direct, indirect or consequential loss arising from the use of this Presentation or its contents or otherwise arising in connection with it.

Learn more about us

emecogroup.com