Emeco Holdings Limited 2020 Full Year Results

27 July 2020

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FY20 FINANCIAL HIGHLIGHTS[1,2]

Revenue	$540.4m	▲16%
Operating EBITDA[1]	$246.1m	▲15%
Operating EBIT[1]	$138.2m	▲10%
Operating NPAT[1]	$87.5m	▲39%
Free cash flow[1]	$71.2m	
Net leverage[1,4]	1.46x	
Return on capital (ROC)[5]	21.0%	

Notes:

1. Refer to Statutory to Operating reconciliations in Appendix B
2. Continuing operations only. Comparative period FY19. Metrics are before the impact of AASB16 Leases.
3. Total Workshops segment revenue including inter-segment revenues
4. Net debt / Operating EBITDA, before the impact of AASB16 Leases
5. ROC calculated as Operating EBIT over average capital employed
6. Annualised Q4 FY20 commodity revenue compared to FY19

- Continued growth in revenue, together with tight cost controls, drove the largest operating EBIT in Emeco's history
- Strong free cash flow generation pushed leverage below our FY20 target of 1.5x
- ROC remains consistently high at 21.0%, facilitated by Force rebuild capability and mid-life equipment model
- FY20 sees further commodity diversification, with strong growth in iron ore and gold revenue
- Iron ore revenue increased 3.2x and gold revenue increased 2.4x[6]

WHAT WE SAID WE WOULD DO IN FY20 AND WHAT WE ACHIEVED

Guidance	Metric	Result	
Growth in revenue	Revenue	▲16%	✓
EBITDA between $244m and $247m	Operating EBITDA[1]	$246.1m	✓
Growth in earnings	Operating EBITDA[1]	▲15%	✓
Growth in workshops activity	Workshops activity[2]	▲43%	✓
Strong free cash flow	Free cash flow	$71.2m	✓
Leverage[3] to 1.5x	Net leverage	1.46x	✓
Strong ROC above WACC[4]	Return on capital	21.0%	✓
Value accretive, strategic M&A	Acquired Pit N Portal	PNP	✓
Increase commodity diversification	Hard-rock[5] commodity revenue	▲2.7x[5]	✓
Widened value proposition	Full suite of underground services, boilermaker services, field maintenance services, further EOS projects	Force by Emeco, EOS, PNP	✓
$25m EBITDA from growth assets	Growth assets EBITDA: on target to achieve $25m, but for COVID-19 disruption in Q4. Generated 21% ROC, 91% operating utilisation in FY20	~$23m	–

Notes:

1. Refer to Statutory to Operating reconciliations in Appendix B
2. Total Workshops segment revenue including inter-segment revenues
3. Net debt / Operating EBITDA, before the impact of AASB16 Leases
4. Weighted average cost of capital
5. Gold and iron ore revenue. Annualised Q4 FY20 compared to FY19

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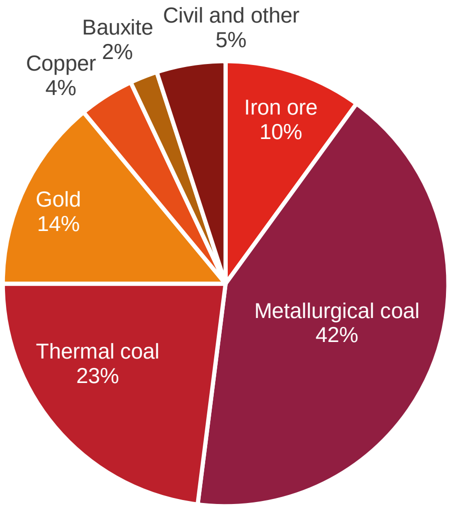
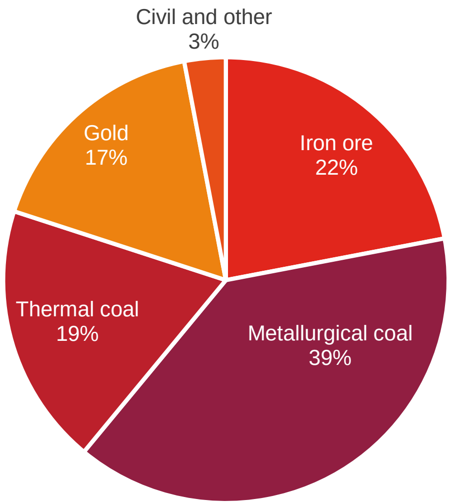
COMMODITY EXPOSURE

Iron ore revenue more than tripled and gold revenue more than doubled, as the business grows around coal (65% to 49% of total revenue)

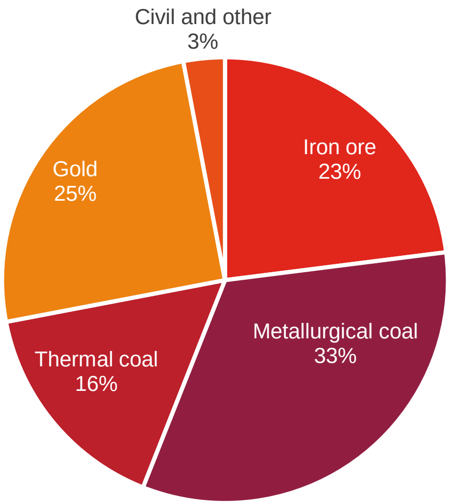
FY19 Group revenue



FY20 Group revenue



Q4 FY20 Group revenue (with Pit N Portal)



FY21 will see significant further commodity diversification through growth in hard rock commodities

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COVID-19, people and safety update

COVID-19 UPDATE AND RESPONSE

The safety of our workforce remains our top priority

Ensuring the safety of our team and supply chain

- Established **Coronavirus Response Committee**, led by CEO and external medical professionals
- Enforced **strict social distancing**, established a **contact tracing register** and **national travel ban** with limited exceptions
- **Coronavirus management response plans** implemented for every site at which Emeco operates, including head office and each workshop and project site
- **Coronavirus leave** to provide support to employees prohibited from work
- Subsidised **influenza vaccinations** for all employees
- **Coronavirus hotline** available to our workforce 24/7
- **Secured continuity of operations** and supply chain:
  - **Regular forecasting** of business requirements and engagement with suppliers to identify any supply chain vulnerabilities and conducting analyses of alternative sources of supply
  - **Holding adequate stock** and components in each of the key regions – Kalgoorlie, Perth, Mackay and Rutherford
  - Force workshops **reduces our reliance on OEMs**

Operational impact

- No major mines have been severely impacted to date
- No confirmed cases of COVID-19 in Emeco employees
- Detailed supply chain analysis undertaken, resulting in investment in parts and consumables, however minimal impact was experienced
- Minor additional costs incurred and inefficiencies to operations requiring relocation of employees, additional accommodation, transport vehicles and roster changes
- Some interstate border closures have had a minor impact on operations, however these are expected to ease
- Initial decline in utilisation during Q4 as coal customers reduced costs in response to lower coal prices, however utilisation has since stabilised

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PEOPLE AND SAFETY

Emeco reduced its TRIFR to 2.9 in FY20 and has achieved 4 years lost time injury free

People

- People continue to be the key to our success. Our people are as diverse as our clients and they deliver Emeco's value proposition
- With the acquisition of Pit N Portal, Emeco's workforce of approximately 1,000 highly skilled workers; mechanics, fitters, boiler makers, engineers, operators and apprentices, we focus on delivering great outcomes for our employees, clients and the communities we operate within
- Emeco attracts skilled trades as we offer the diversity of open cut, underground, workshops and component rebuild experience, unique in the industry
- Emeco promotes business and industry sustainability by offering student work experience programs, traineeships, trade apprenticeships, mining graduate intakes, supervisory and leadership development
- Emeco people are guided by our ideology:
  - Refuse to be average
  - Think smarter
  - Know more
  - Give a damn
  - 100% perseverance / 0% excuses

Safety

- Zero lost time injuries and 4 years lost time injury (LTI) free
- Current total recordable injury frequency rate (TRIFR) is 2.9, reduced from 4.6 at 30 June 2019
- Safety of our workers is paramount – our goal is to continue to reduce the TRIFR and we are excited to see solid improvement
- The acquisition of Pit N Portal at the end of February 2020 increased Emeco's group workforce, with alignment to our positive safety culture
- Emeco was a first mover with its COVID-19 response, including policies on social distancing, hygiene, fitness for work, rosters, travel and sustained close contact, prioritising the health and safety of our people
- Management will continue to be proactive and vigilant in ensuring a safe workforce for our people

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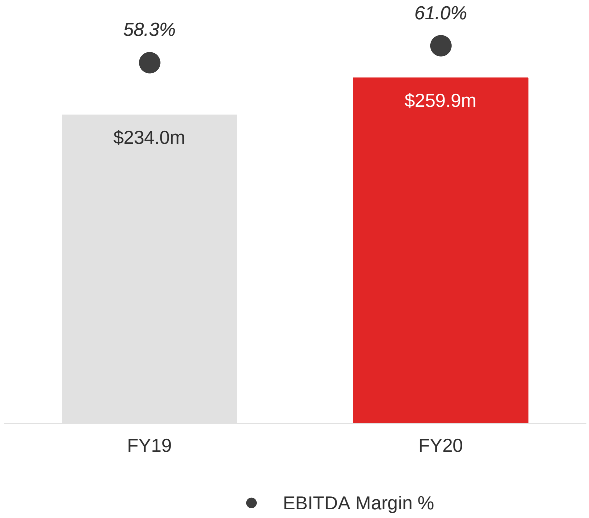
Operating segments

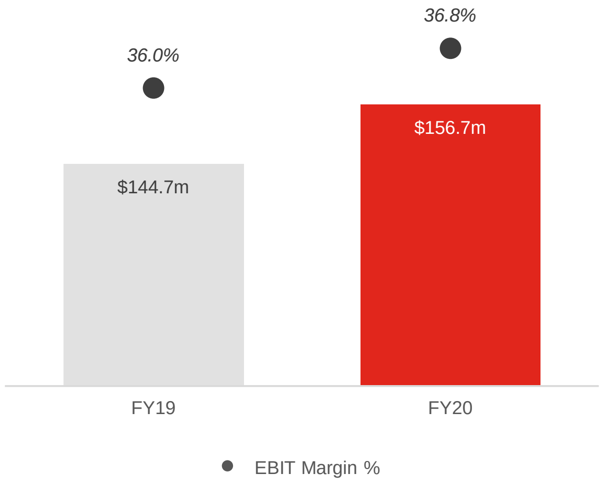
RENTAL

Rental division continued its trend of earnings growth and margin expansion in FY20

Operating EBITDA[1] up 11% and margin up 270bps



Operating EBIT[1] up 8% and margin up 80bps



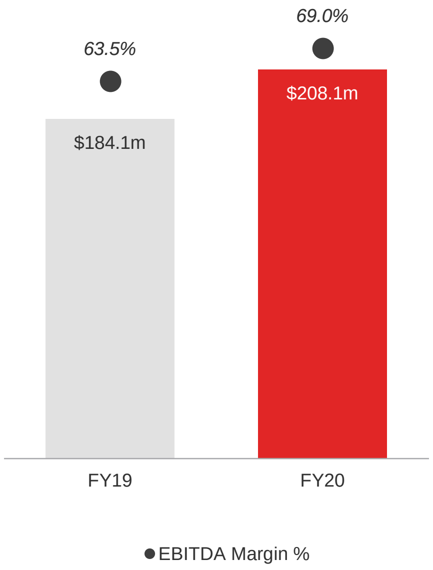
Notes:

1. Pre-corporate costs. Comparative period FY19. Numbers shown before the impact of AASB16

RENTAL – EASTERN REGION

Eastern Region continued to grow earnings and lift margins in FY20

Operating EBITDA up 13%[1]



FY20 overview

- Earnings and margins continued to grow
- Major customer, Whitehaven was extended for an additional 3 years which provides certainty of demand for the region
- Our cost focus throughout FY20 enabled us to maintain a strong earnings result and improve EBITDA margins
- Operating utilisation[2] averaged 70% (FY19: 69%)
- Gross utilisation[3] averaged 94% (FY19: 94%)
- In Q4, customers provided off-hire notices and utilisation declined in anticipation of COVID-19 related disruptions

FY21 outlook

- As the COVID-19 situation has stabilised operationally, customer behaviour has settled and some termination notices have since been retracted
- However, off-hire notices received in Q4 FY20 expected to impact FY21 Eastern Region earnings between 10%-20%
- Lower coal prices have resulted in increased bidding activity as customers look for more cost effective, less capital intensive solutions. Remaining tight equipment market places Emeco well to service market demand
- Opportunities to redeploy fleet into new projects over FY21 with a focus on:
  - Longer term, fully maintained contracts
  - Further diversifying the commodity mix
- Growth in FY22 from a platform of increased services from new projects. Customers are looking for value and savings, the application of Emeco's maintenance resources will deliver savings whilst providing Emeco growth and tenure

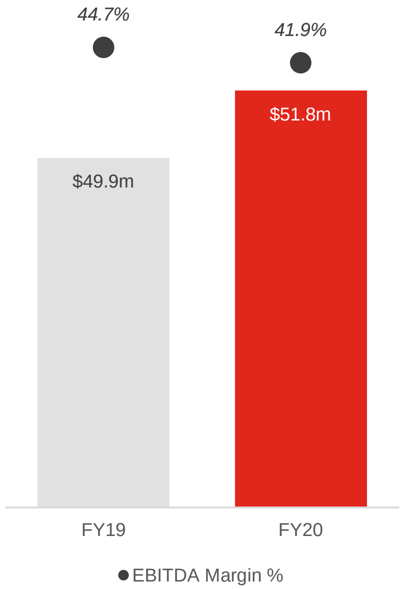
Notes:

1. Comparative period FY19 and excluding the impact of AASB 16 Leases.
2. Operating utilisation defined as average operating hours per asset as a percentage of 400 hours per month
3. Gross utilisation defined as ratio of fleet rented to customers (excludes assets held for salle

RENTAL – WESTERN REGION

Growth will continue in FY21 on the back of strong gold and iron ore demand

Operating EBITDA up 4%[1]



FY20 overview

- Growth generated as new iron ore and gold projects replaced legacy projects
- Numerous long-term contracts in Western Region, utilising our full capability including maintenance services and EOS
- Significant new 5-year contract with Saracen awarded and 3-year contract extension with Evolution
- Margins impacted by:
  - One-off costs of moving and preparing fleet from legacy to new projects
  - Additional costs related COVID-19 in Q4 as we adjusted rosters and facilitated social distancing protocols, impacting margins
- Operating utilisation[2] averaged 50% (FY19: 49%)
- Gross utilisation[3] averaged 86% (FY19: 81%)

FY21 outlook

- Strong demand in gold and iron ore supporting growth in the Western Region of approximately 15% in FY21, with a weighting to 2H21
- Operating EBITDA margins to increase significantly in FY21 as the proportion of double-shift projects increases
- Bidding numerous construction projects, particularly in iron ore
- Additional COVID-19 costs to persist in the short term, however will not significantly impact growth in FY21
- Significant interest in EOS technology and expect EOS projects to grow in FY21
- Opportunities for Pit N Portal to provide their existing customers an open cut solution replicating their underground business
- Fully maintained project sites will deliver strong utilisation and earnings in FY21. There will be opportunities to build on these projects

Notes:

1. Comparative period FY19 and excluding the impact of AASB 16 Leases.
2. Operating utilisation defined as average operating hours per asset as a percentage of 400 hours per month
3. Gross utilisation defined as ratio of fleet rented to customers (excludes assets held for salle

PIT N PORTAL

Pit N Portal achieved strong growth in FY20 and expands our customer proposition to include underground capabilities

FY20 overview

- Pit N Portal was acquired on 28 February 2020 contributing 4-months of earnings significantly increasing gold exposure
- Business performed in line with expectations throughout FY20, **generating $9.0m in operating EBITDA[1] in four months**
- Expands Emeco's service offering to include hard-rock underground equipment and mining services
- In addition to rental, Pit N Portal provides its customers a full suite of services (on-site infrastructure, operators and technical and engineering services)
- Gained a number new mining customers on long term contracts and doubled our gold exposure

FY21 outlook

- Growth of up to 15% expected pre-growth projects
- 5-year contract with Mincor Resources expected to commence in FY21, underpinning the growth of Pit N Portal and providing commodity diversification into nickel
- Strong bidding activity for new projects and scope expansions anticipated to drive further growth, as Pit N Portal's reputation grows and gold prices fuel demand
- Increasing interest from customers for Pit N Portal to provide a combined open cut and underground mining solution
- Expect the Pit N Portal model to be a key growth area of the business, requiring modest growth capex aligned with the commencement of projects

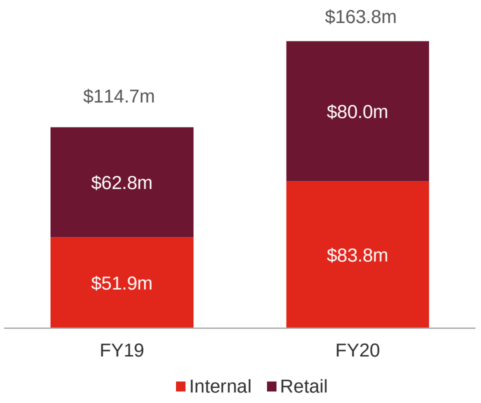
Notes:

1. Excludes the impact of AASB 16 leases.

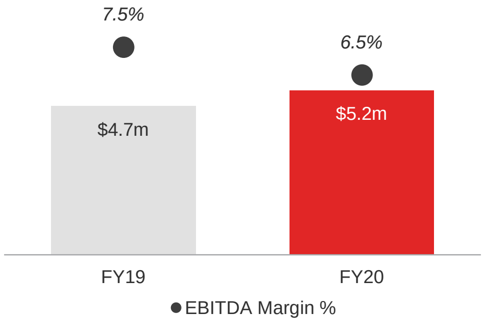
FORCE WORKSHOPS

Workshops throughput continued to grow and contribute earnings and savings to the Group in FY20

Activity[1] up 43% on FY19



Operating EBITDA[2,3] up 11% on FY19



FY20 overview

- Continued increase in workshops activity (in both retail and internal works), up 43%
- Increased internal portion of workshop activity to 51% in FY20 (FY19: 45%) driven by supporting major contract wins for the Rental division and Pit N Portal rebuilds
- Operating EBITDA margins slightly declined due to the increase in the proportion of internal works
- Additional internal work enabled the business to ensure critical component availability, lowering capital invested and reducing costs to generate a high Group ROC of 21%
- Pit N Portal underground equipment rebuilds expands workshops capability
- Growth of boiler making and fabrication services, up 105% from FY19

FY21 outlook

- We expect activity levels to remain high, as we focus on the following initiatives:
  - Increase proportion of components rebuilt through Force relative to those sourced from OEMs
  - Partner with Pit N Portal to grow the retail underground maintenance business in the Goldfields
  - We are confident of increasing our retail works on the east coast. Historically, Force retail work has been limited to the Western Region
  - Further grow boiler making and fabrication work and establish field maintenance services across Australia

Notes: 1. Revenue pre-intercompany eliminations compared to FY19. 2. Operating EBITDA from retail sales, excludes internal work. 3. Excludes the impact of AASB16 Leases.

Financial results

PROFIT AND LOSS

Further strong growth in revenue and earnings in FY20

FY20 Operating financial performance[1,2]

$m unless otherwise stated	FY19	FY20	Change
Operating revenue	464.5	540.4	16.3% ▲
Operating EBITDA[1]	214.0	246.1	15.0% ▲
Operating EBITDA margin	46.1%	45.5%	60bps ▼
Operating EBIT[1]	125.4	138.2	10.2% ▲
Operating EBIT margin	27.0%	25.6%	140bps ▼
Operating NPAT[1]	63.1	87.5	38.6% ▲
Return on capital (ROC)[3]	21.0%	21.0%	0bps —

Notes:

1. Refer to Statutory to Operating reconciliations in Appendix B
2. Continuing operations only. Comparative period FY19. Metrics are before the impact of AASB16 Leases.
3. ROC calculated as Operating EBIT over average capital employed

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CASH FLOW

Strong free cash flow continues as the business benefits from its growing scale

Overview

- Strong free cash flow of $71.2m demonstrating strong cash generating ability of the business
- Working capital returned to normal levels after a strong FY19 working capital inflow, an increase in parts and consumables due to COVID-19 and growing earnings
- Reduction in capital inventory as components are utilised in the fleet as inventory items are optimised
- Net sustaining capex of $110.3m, increased due to larger fleet and acquisition of Pit N Portal
- Sustaining capital expenditure broadly in line with depreciation and expected to remain aligned with depreciation in FY21
- Interest costs reduced following the note buy-back in FY19 and impact of being fully hedged
- Emeco has now recognised all of its carried forward Australian tax losses, however cash tax will not commence until $289m of Australian taxable losses are utilised, which is not expected to occur for several years

FY20 cash flow[1,2]

$m	**FY19**	**FY20**
Operating EBITDA	214.0	246.1
Working capital	21.4	(19.8)
Financing costs	(49.5)	(46.1)
Operating cash flow[2]	**185.9**	**180.1**
Net sustaining capex	(88.5)	(110.3)
Component inventory (capex)	(7.3)	1.4
Free cash flow (pre-growth capex)	**90.1**	**71.2**
Growth capex	(85.1)	-
Free cash flow	**5.0**	**71.2**

Notes:

1. Refer to Statutory to Operating cash flow table in Appendix B
2. Financing costs cash outflow has been adjusted $1.5m, EBITDA by ($8.3m) and financing repayments $6.8m for the impact of AASB 16 Leases for comparative purposes to FY19

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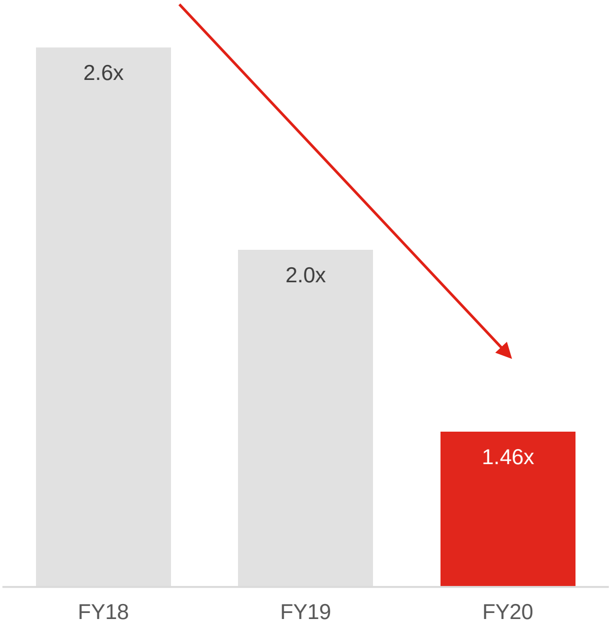
BALANCE SHEET

Leverage down to 1.46x and remain focused on further leverage reduction

Overview

- Further deleveraged to 1.46x[1], down from 2.0x at 30 June 2019 and below our FY20 target of 1.5x
- Fully underwritten equity raising for the Pit N Portal acquisition in January 2020, growth in earnings and strong cash flow generation throughout 2H20 contributed to deleveraging
- Comfortable tenure remaining on US notes, which mature in March 2022 and ability to refinance at any time following non-call period which ended in March 2020
- Increased the RCF limit from $65m to $100m in January, providing additional liquidity
- Drew our RCF to secure liquidity in the height of the COVID-19 volatility, with current cash on hand of ~$200m
- COVID-19 slows the pace of deleveraging and will impact achieving our stated target of 1.0x by the end of FY21
- Emeco's credit ratings remain unchanged by S&P (B+) and Fitch (B+)

Leverage (net debt[2] / operating EBITDA[3])



Notes:

1. Net debt / FY20 operating EBITDA, excluding the impact of AASB16 Leases for comparative purposes
2. Net debt based on hedged AUD equivalent of US notes and excludes the impact of AASB16 Leases for comparative purposes
3. Refer to Statutory to Operating earnings table in Appendix B

Outlook and strategy

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OUTLOOK

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Softness in Eastern Region offset by growth in Western Region and Pit N Portal

What we are seeing in the market	— COVID-19 has not significantly impacted operations, whilst some off-hires in the Eastern Region will impact FY21 earnings, this has now stabilised — Significant demand in Western Region (particularly gold and iron ore) in both open pit and underground mining, however increased COVID-19 costs expected to remain in the short-term — Strong bidding activity across all Rental regions and in Pit N Portal, including in the Eastern Region despite coal price decline, as customers look for cost savings and to preserve capital — Equipment market remains tight, placing Emeco well to service market demand — Opportunities to diversify revenue to expand fully maintained rental projects as fleet transitions from between projects — Softness in coal markets may limit short term growth, however current conditions do not indicate significant growth (or decline) in earnings in FY21 as growth in Western Region and Pit N Portal are expected offset coal project turnover
Financial outlook	— Off-hire notices received in the Eastern Region expected to impact FY21 earnings between 10%-20% — Lower coal prices have resulted in increased bidding activity as customers look for more cost effective, less capital intensive solutions. — Confident of redeploying Eastern Region fleet into new projects over FY21 with a focus on longer tenured, fully maintained contracts further diversifying the commodity mix — Strong demand in gold and iron ore supporting growth in the Western Region of approximately 15%, with a weighting to 2H21 — Western Region operating EBITDA margins to increase significantly in FY21 as the proportion of double-shift projects increases — Continued growth in Pit N Portal underground of up to 15% on annualised FY20 earnings with further growth projects expected in FY22 — We expect workshop activity levels to remain high, as we focus on increasing internal works vs OEM supply and growing underground equipment service, east coast retail presence and boiler making services — Strong growth expected in FY22 as the Western Region continues strong momentum, Pit N Portal wins further projects and Eastern Region places equipment into new, fully maintained projects — Strong free cash flow and continue deleveraging — No cash tax expected for several years

In FY21 we will continue to diversify our commodity and customer mix, increase our service levels and win long term projects. This will provide a platform for growth in FY22

STRATEGY

Continue to maximise our fleet to create value for customers and shareholders

Our goals	— Continue to be the lowest cost, highest quality provider of mining equipment — Redeploy off-hired fleet from coal into new long tenured, fully maintained opportunities, targeting hard rock commodities and implementation of EOS and other services — Expanding Pit N Portal's customer base to include open cut operations whilst continuing to grow its underground business — Improve quality, cost effectiveness and efficiency through continuous improvement projects and implementing technology based systems and processes — To further increase the resilience of the business by continuing to grow customer, revenue and commodity diversification — Generate strong cash flow to drive sustained shareholder value, committed to deleveraging and extending debt maturity on more favourable terms
What we are doing to achieve them	— Further invest in EOS, both in terms of implementation to new sites and development of the technology — Investing in technology and systems to facilitate growth and the widening of our value proposition, for example optimising our use of asset management software (AMT), upgrading our safety software (STEMS), and improving our ERP — Transition Eastern Region fleet into new projects over FY21, with a focus on projects with greater tenure and providing a fully maintained service to enter FY22 with a stronger, more resilient business — Replicate Pit N Portal's business model into open cut projects, providing a diverse range of mining customers with a complete underground and open cut solution — Continue to grow strong Workshops activity levels, focusing on internal works to support the Rental fleet and grow the retail business by leveraging the combination with Pit N Portal's underground rebuild capability and growing revenue in the Eastern Region — Increase the proportion of components rebuilt through Force — Refinance Emeco's senior secured notes on more favourable terms

THE EVOLUTION OF EMECO

Our journey towards maximising our customer value proposition

FY16 – Ensuring Emeco's survival

- Implemented significant cost savings through best-practice standards implemented across the business
- Exited international businesses to focus on Australian market
- Investment in EOS technology to drive innovation for the future

2017 – Andy's and Orionstone Recap

- Comprehensive recapitalisation plan to de-risk Emeco's capital structure and enable long-term growth
- Strategic acquisitions enhance capabilities and renew fleet
- Combined group achieves significant cost synergies and capital expenditure savings to drive shareholder returns

2017 – Force Equipment

- Provides the capability to cost-effectively rebuild equipment and extend fleet life, underpinning our mid-life asset strategy
- Ensure security of supply of critical spares, and reduced costs while driving reliability of our equipment in a tightening market
- New retail maintenance services enhance our customer offering and diversify our business

2018 – Matilda Equipment

- Expands our Queensland presence with significant projects and long-term relationships
- Additional 179 high quality, in-demand machines
- Enhances Emeco's ability to cost-effectively source fleet for future replacement and growth requirements

2019 – Strategic asset purchases

- Purchased in-demand mid-life equipment supporting Emeco's fleet optimisation strategy
- Balanced strict returns hurdles (17-20% IRR) and continued deleveraging
- Demonstrated procurement capability and global network to source mid-life assets
- Utilised Force workshops to rebuild equipment under budget

2020 – Pit N Portal transformation

- The largest provider of underground hard-rock rental equipment
- Provides a breadth of additional on-site services on long term contracts
- Widens Emeco's commodity diversification
- Customer base predominantly mid-tier and junior miners
- Ability to replicate business model in open cut mining

FY20 achievements

- Strong free cash flow of $71.2m
- Reduced leverage to 1.46x
- Continued to grow earnings and rental margins
- Further reduced operating costs
- Secured a number of longer term contracts, increasing fully maintained services and EOS deployment
- Growth in iron ore and gold revenue

FY21 and beyond

- Continue to be the lowest cost, highest quality provider of mining equipment
- Increase the quantity of long tenured, EOS enabled projects with mid-tier hard-rock miners
- Continue diversifying commodity exposure
- Refinance debt on improved terms
- Generate strong cash flows to drive shareholder value, focusing on deleveraging

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Whilst maintaining strong discipline on return on capital and leverage

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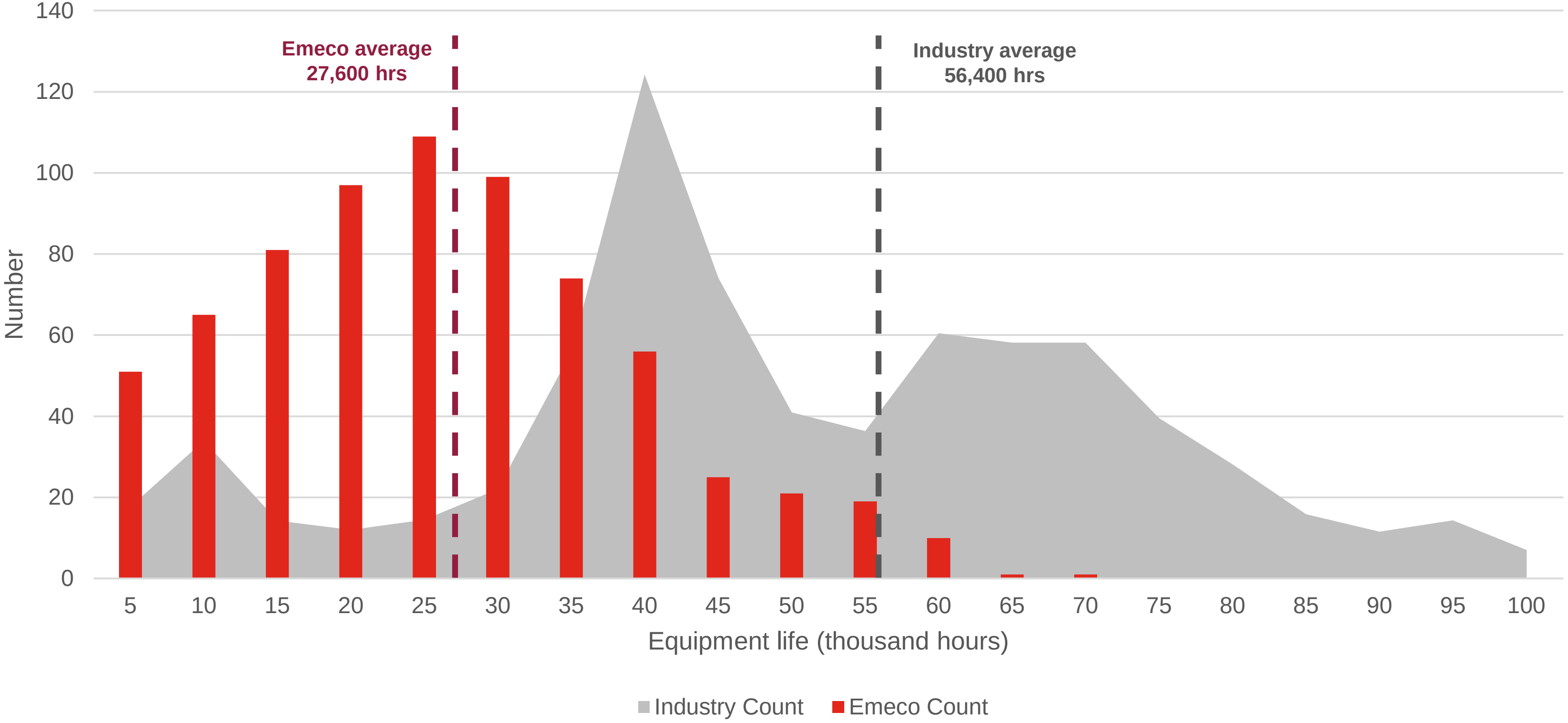
Appendix A:
Fleet and industry data

AVERAGE FLEET AGE

Emeco's fleet has significantly more life remaining than the industry average

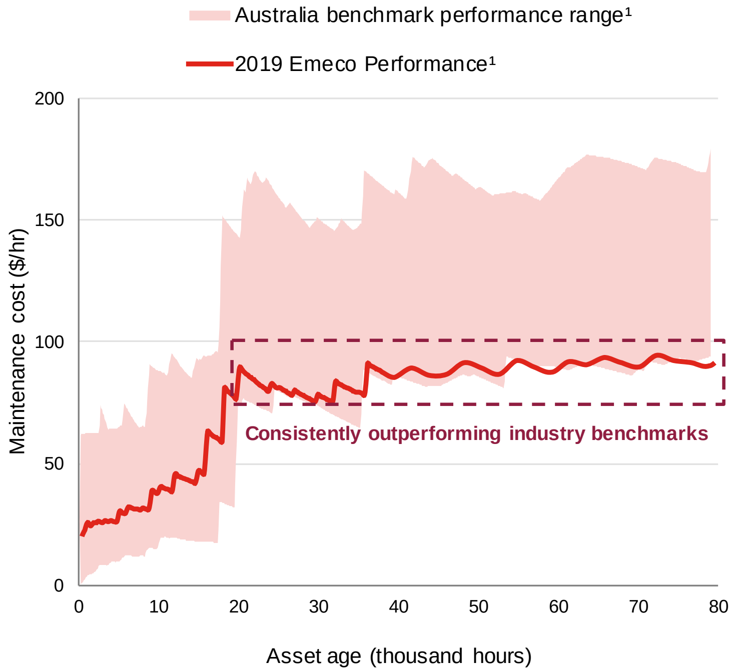


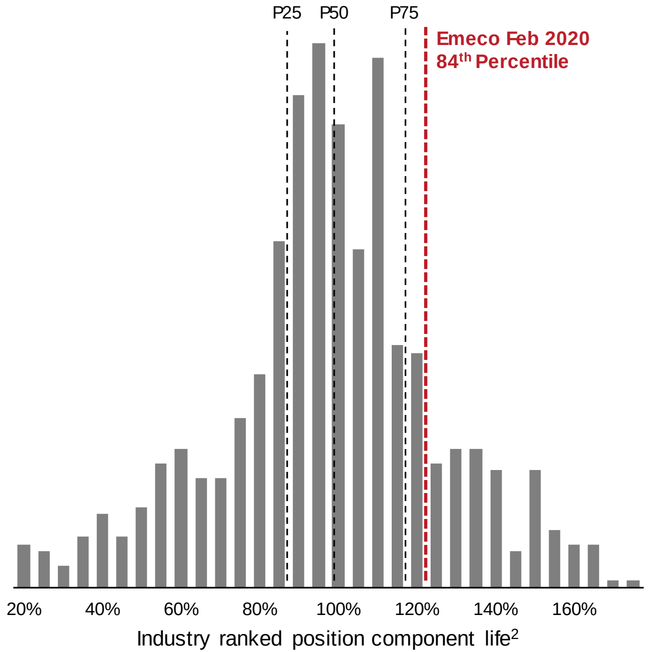
Source: Emeco fleet data, Quartile One

Note, not to scale

LOWEST ON THE COST CURVE

Emeco operates at the lowest end of the cost curve





Source: Emeco fleet data, Quartile One

Notes: 1. CAT 789C haul truck life cycle cost; 2 Component life relative to OEM recommended replacement frequency. Equipment in scope includes large dump trucks and large dozer fleet models including: 777, 785, 789, 793, D10, D11.
Time horizon: calendar year 2019

Appendix B: Statutory to operating reconciliations

RECONCILIATIONS

FY20 operating[1] earnings reconciliation

$Am	NPAT	EBIT	EBITDA
Statutory Result	**66.1**	**105.3**	**234.1**
Ineffective hedge (gain)	(2.1)	-	-
Income tax benefit	(10.9)	-	-
Tangible asset impairment	13.8	13.8	-
Impairment of investments	0.5	0.5	0.5
Long term incentive expense	14.3	14.3	14.3
Restructuring expense	2.0	2.0	2.0
Acquisition and project costs	3.5	3.5	3.5
Impact of AASB 16 leases	0.2	(1.3)	(8.3)
Operating result	**87.5**	**138.2**	**246.1**
Impact of AASB 16 leases	(0.2)	1.3	8.3
Operating result post AASB 16	**87.3**	**139.5**	**254.4**
Notional tax at 30%	(26.2)		
Tax adjusted Operating NPAT	**61.1**		

Notes:

1. Operating financial metrics are non-IFRS measures, before the impact of the transition to AASB16 Leases

FY20 cash flow reconciliation

$Am	Operating	AASB 16 inclusive
Operating EBITDA	**246.1**	**254.4**
Working Capital	(19.8)	(19.8)
Net sustaining capex	(110.3)	(110.3)
Component inventory	1.4	1.4
Financing costs	(46.1)	(47.6)
Free cash flow	**71.2**	**78.0**
Financing activities	93.4	86.6
Financing cash flows	**93.4**	**86.6**
Capital raising - net of costs	63.2	63.2
Investing activities [(a)]	(57.4)	(57.4)
Investing cashflows	**5.8**	**5.8**
Non-operating costs	(8.6)	(8.6)
Non-recurring items	**(8.6)**	**(8.6)**
Net cash movement	**161.9**	**161.9**

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AASB16 IMPACT

AASB16 Leases net debt and leverage reconciliation

	FY19 Operating	FY20 Operating	AASB 16 Adjustment	FY20 AASB16 Operating
Gross debt				
Hedged Notes	441.7	441.7	-	441.7
Revolving credit facility	-	97.0	-	97.0
Leases	21.9	62.6	-	62.6
Total Debt	**463.6**	**601.2**	**-**	**601.2**
Cash	(36.2)	(198.2)	-	(198.2)
Less: AASB 16 Leases	-	(44.5)	44.5	-
Net Debt	**427.4**	**358.6**	**44.5**	**403.1**
Operating EBITDA	214.0	246.1	8.3	254.4
Leverage	**2.00x**	**1.46x**		**1.58x**

AASB16 Leases EBITDA reconciliation

$Am	FY20 pre-AASB16	FY20 post-AASB16
Operating EBITDA		
Eastern Region	208.1	212.3
Western Region	51.8	52.6
Rental	**259.9**	**264.9**
Pit N Portal	9.0	9.3
Workshops	5.2	7.9
Corporate	(28.0)	(27.7)
Group Operating EBITDA	**246.1**	**254.4**

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