



2011 Half-year Results

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Half-year Summary



Highlights and Growth Drivers
Financial Performance and Guidance

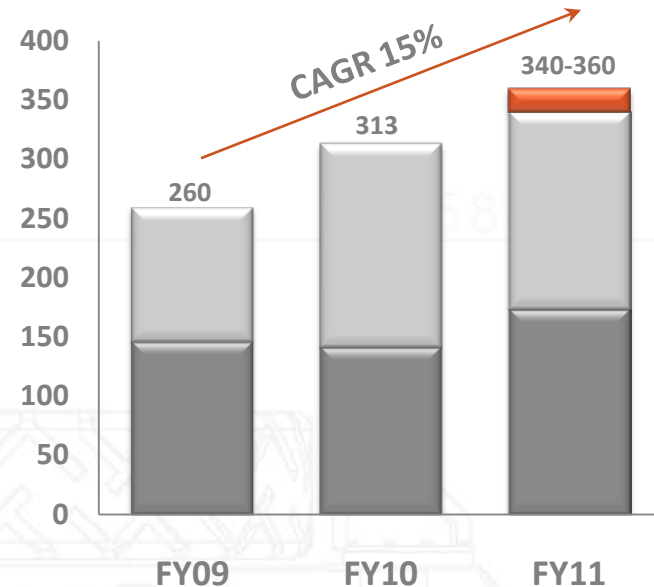
Highlights and Growth Drivers

Half-year		Dec'10	% change (pcp)
Revenue	\$'m	173.5	23% ↑
EBITDA (pre one-off item)	\$'m	52.7	19% ↑
Adjusted NPAT	\$'m	19.6	11% ↑
Interim dividend	cps	1.0	11% ↑
Net assets	\$'m	297.8	38% ↑
Net debt	\$'m	138.4	31% ↓
Gearing - leverage	%	32%	33% ↓

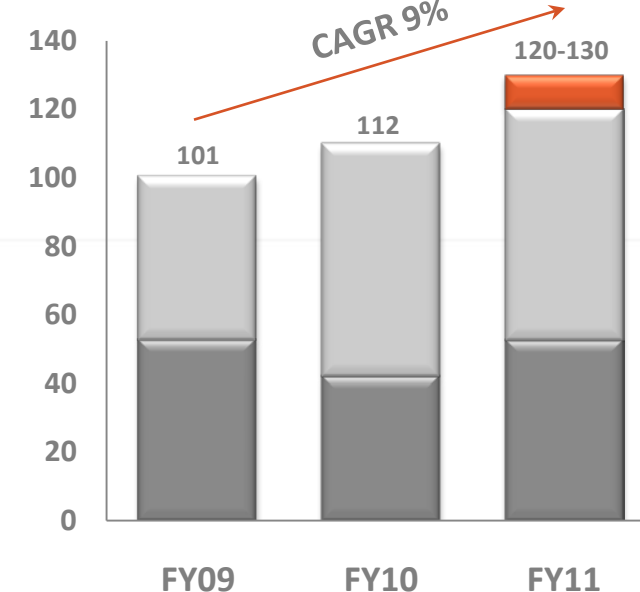
- Growth in Technology Division product sales
- Buoyant demand in Mining Services Division
- Strengthened balance sheet through institutional raising in October 2010
- Interim dividend of 1 cent fully franked delivered
- Expect strong 2nd half performance through:
 - Improved China and Diesel Division sales
 - New markets for CAS-CAM/RF collision avoidance products
 - BMA collision avoidance contract to continue to ramp up

Financial Performance and Guidance

Revenue
\$m



EBITDA
\$m



H1

H2

Guidance Range

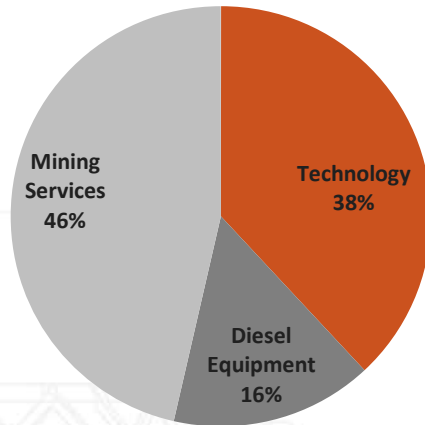
- Adjusted NPAT guidance in the range of \$50 - \$55 million
- Diversified revenue base delivers solid organic growth in revenue and EBITDA
- EBITDA improvement in 2nd half expected due to:
 - Gas drainage solution moving in-house
 - Sale of newly developed diesel equipment
 - China sales rebound



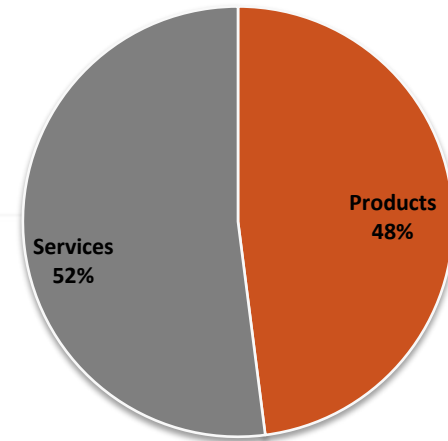
Financial Results

Revenue Diversification

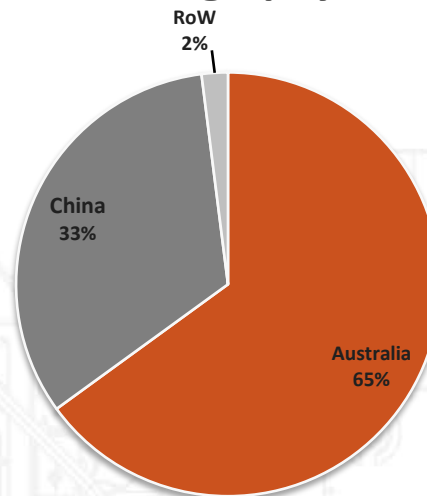
Revenue Contribution



Business Type



Geography



Operating Performance

		Dec'09	Dec'10	% Change
Revenue	\$m	141.5	173.5	23% ↑
EBITDA (pre one-off item)	\$m	44.3	52.7	19% ↑
EBITA	\$m	33.9	38.4	13% ↑
Adjusted NPAT (before investment allowance)	\$m	15.7	19.6	25% ↑
Adjusted NPAT	\$m	17.7	19.6	11% ↑
Adjusted EPS	cps	5.88	5.83	0% —
DPS	cps	0.9	1.0	11% ↑

Balance Sheet

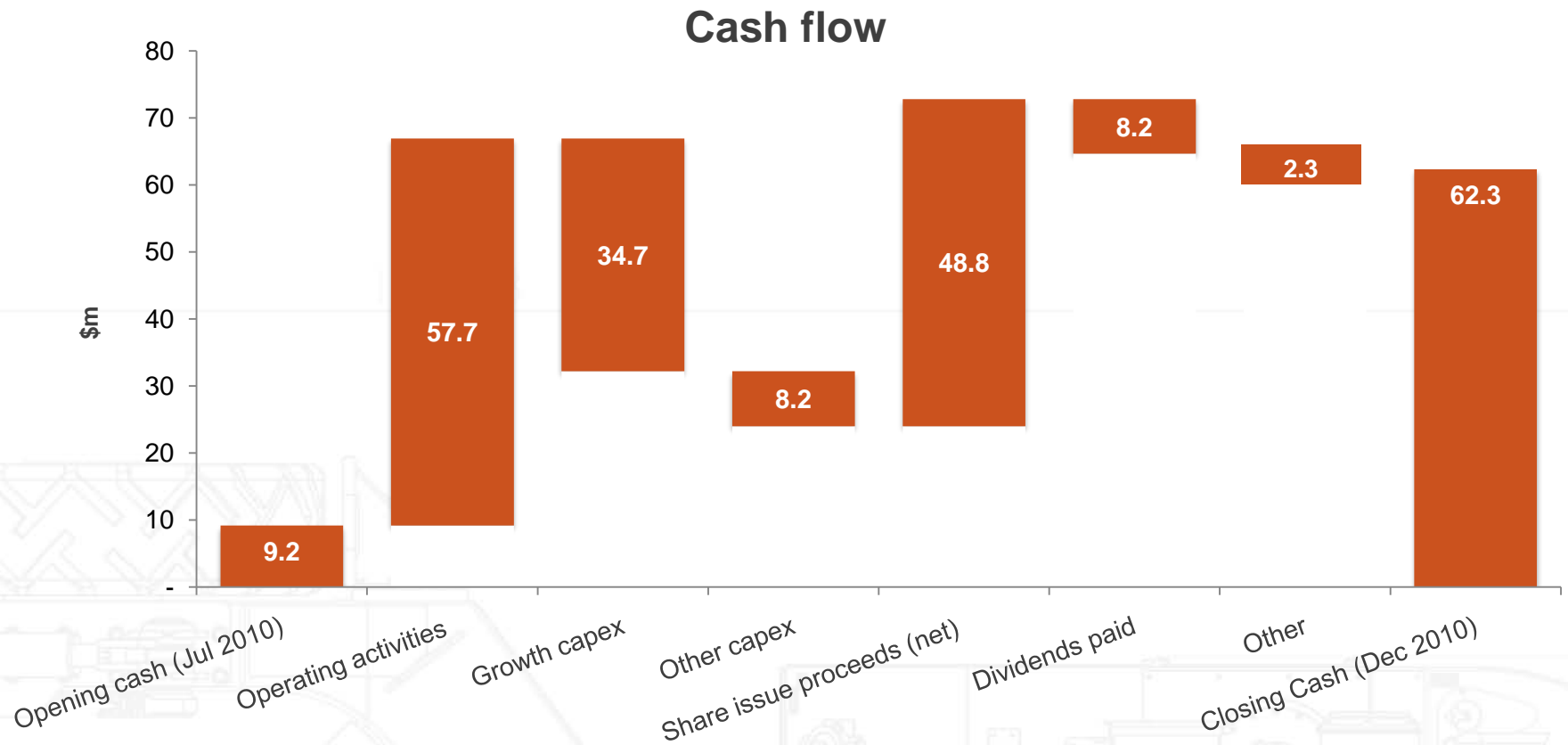
\$m	Dec'09	Dec'10
Operating assets		
Working capital	42.0	63.8
PP&E	189.9	201.1
Intangibles	184.4	174.9
Other assets	7.2	13.1
Other liabilities	(6.5)	(16.6)
Net operating assets	417.0	436.2
Financed by:		
Cash	(14.3)	(62.3)
Short term and long term debt	215.4	200.7
Net debt	201.1	138.4
Equity	215.9	297.8
Total funding	417.0	436.2
Net debt / equity	48%	32%
Net debt / EBITDA (times annualised)	2.2	1.3

Funding and Debt Position

		Dec'09	Dec'10	% Change
Cash	\$m	14.3	62.3	336% ↑
Debt	\$m	215.4	200.7	7% ↓
Net Debt	\$m	201.1	138.4	31% ↓
Net Debt / Equity	%	48%	32%	33% ↓
Capex	\$m	45.3	42.9	6% ↓

- Institutional capital raising for working capital and growth
- Reduced net debt by 31%
- Improved net debt to equity ratio
- Continued investment in growth capex for Mining Services

Cash flow H1 FY11



- Improved net cash flow from operations 2011: \$57.7m (2010: \$17.4m)
- Capital raising from institutions for working capital and business growth
- Final dividend fully franked 2011: \$8.2m (2010: \$8.2m)

Operational Overview



Divisional Overview
Technology Division
Diesel Equipment Division
Mining Services Division

Divisional Overview



Technology



Diesel Equipment



Mining Services



Head office support

Operational Units

Technology Division		<ul style="list-style-type: none"> Underground methane gas drainage directional drill guidance systems Open cut mining Collision Avoidance Systems 	Founded in 1993
		<ul style="list-style-type: none"> Vehicle and heavy equipment tracking software solutions GPS in vehicle monitoring systems 	Founded in 1991
		<ul style="list-style-type: none"> China based distribution, sales, service, spares and support of Industrea and OEM underground mining equipment into China Manufacture of specialist mining products in China 	Founded in 1992
Diesel Equipment Division		<ul style="list-style-type: none"> Design, manufacture and provision of maintenance, spares, service and support Heavy underground mining equipment especially for longwall relocation 	Founded in 1978
		<ul style="list-style-type: none"> Design, manufacture and provision of maintenance, spares, service and support Specialist underground mining vehicles (flame and explosion proof) Materials handling equipment and accessories 	Founded in 1977
		<ul style="list-style-type: none"> General engineering and fabrication services Abrasive blasting and painting 	Founded in 1993
Mining Services Division		<ul style="list-style-type: none"> Integrated contract mining services including <ul style="list-style-type: none"> mine planning and management open cut mining and earth moving services earthmoving equipment and experienced operating staff drill and blast contracting services 	Founded in 1986

Technology Division

\$m	Dec'09	Dec'10	chg %
Revenue	27.7	66.0	138% ↑
EBITA	6.6	17.0	159% ↑
EBITA Margin %	24%	26%	



- New mine approvals to drive growth in Australian mining technology products
- Drill Guidance System (DGS) continues as global leader in underground coal methane gas drainage
- Additional order for 2 DGS units to Russia and continuing sales of drill guidance tool into civil market in Japan
- Major expansion of Collision Avoidance System (CAS-CAM/RF®) through \$35.6m BMA contract
- On completion of BMA contract over 6,500 units installed worldwide across 33 different mines
- Strong outlook for Collision Avoidance System both domestically and globally based on continued client emphasis on safety and productivity

Diesel Equipment Division

\$m	Dec'09	Dec'10	Chg %
Revenue	54.6	27.0	50% ↓
EBITA	14.9	5.5	63% ↓
EBITA Margin %	27%	20%	



- New mine approvals to drive growth in Australian mining technology products
- Introduction of larger and more sophisticated equipment in late H210 and early 1H11
- Sales expected to rebound in 2H11
- New capital budgets allocated after Chinese New Year
- PJB performing strongly
- Continued development of PJB flameproof explosion proof underground personnel carrier exclusively for Chinese market

Mining Services Division

\$m	Dec'09	Dec'10	chg %
Revenue	58.5	80.5	38% ↑
EBITA	12.7	17.4	37% ↑
EBITA Margin %	22%	22%	



Huddy's Mining Services Excavators at Mt Isa

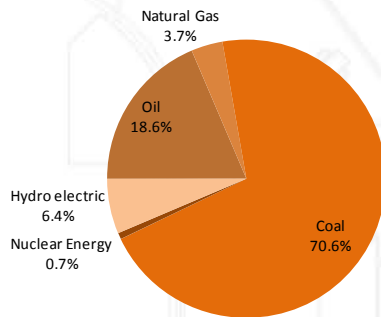
- Expansion of works at Lady Annie and Blackstar Open Cut mines in Mt Isa
- Expansion prospects with Rio Tinto's Mt Thorley Warkworth to increase production
- Continued focus on geographic, customer and commodity diversification
- Expect organic growth through existing customers
- Multiple new contract opportunities 2011/12 period
- Baralaba revenues interrupted in 2H11 due to Queensland flooding

Strategy and Outlook



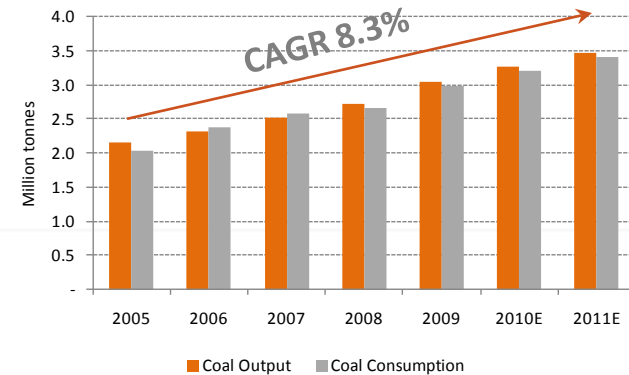
Chinese Coal Market - Coal Production

- China is the largest coal producer in the world producing 3.1 billion tonnes of coal in 2009 – 43.9% of global coal production
- China is expected to produce 3.5 billion tonnes of coal in 2011 representing a CAGR of 8.3% since 2005
- Approximately 97% of China's coal reserves are underground requiring highly specialised mining equipment
- China's coal production in 2009 grew 9%, whilst world coal production grew 2%
- China's demand for coal is driven by
 - Power generation (71% of power needs supplied by coal)
 - Steel production
 - Construction materials
- China's proven coal reserves at the end of 2009 were 114.5 billion tonnes representing 13.9% of global proven reserves



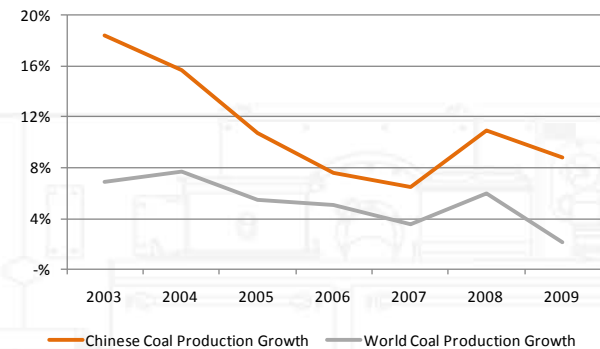
Source: BP Statistical Review of World Energy 2010

Chinese coal demand and supply



Source: sxcoal, CEIC, UBS estimates

Chinese and global coal production growth



Source: BP Statistical Review of World Energy 2010

Chinese Coal Market - Safety & Productivity

China's Five-year plans have been designed to increase coal production, mechanisation, efficiency and safety

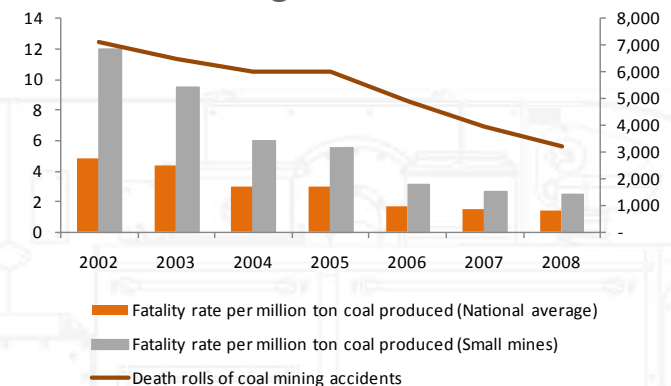
China's Five-year plans		
Key Priorities	11th plan 2006-2010	12th plan 2011-2015
Increase coal production	✓	
Target annual coal output of 3.6-3.8 bn tons by 2015		✓
Construction of large mines	✓	
Target 10 large mining companies (capacity greater than 1000 mtpa)		✓
Improvements in technology	✓	
Increased productivity	✓	
Increasing the mechanisation rate to above 75%		✓
Better mine safety	✓	
Reduce number of mining companies to 4,000		✓
Environmental protection	✓	

China's mechanisation



Source: CMIA, 11th Five-year plan

China's coal mining fatalities

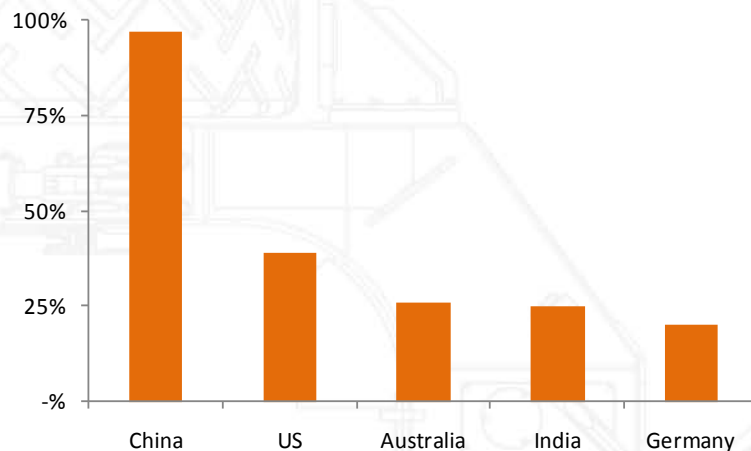


Source: State Administration of Work Safety, Shanxi Government

Chinese Coal Market - Demand for Equipment

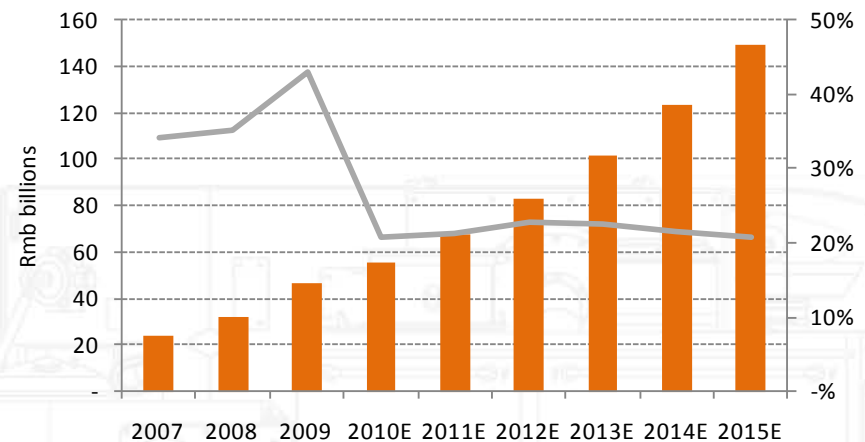
- China's demand for equipment is expected to be 56 Rmb billion in 2010 and 150 Rmb billion by 2015, representing a CAGR of 22%
- 97% of China's coal reserves are underground
 - Industrea is ideally positioned to distribute and service a wide range of in-house OEM
- Harsh operating conditions in China's underground mines results in greater replacement demand for equipment
- Consolidation of the coal mining industry will result in greater mechanisation driving demand for coal mining equipment
- Fixed asset investment of 240 Rmb billion in 2008 representing growth of 40% on the previous year

Percentage of underground mines



Source: BP Statistical Review of World Energy 2010

China's demand for coal mining equipment



Equipment Demand Equipment Demand Growth

Source: China National Coal Machinery Industry Association, UBS estimates

China Outlook

- New capital budgets allocated after Chinese New Year (Late February / early March)
- Expected increase in orders March through November, reflecting seasonal trends
- Manufacturing plant acquired and product build commencing
- Transition to providing complete suite of gas drainage and associated services in China
- Expanded gas drainage offering will provide increased client penetration and revenue opportunities
- Product expansion with Industrea “drill rig” manufacture
 - Total gas drainage package will incorporate AMT’s unique and market leading Drill Guidance System (DGS)

Outlook

- Considering further strategic and earnings enhancing acquisitions to add to the Technology and Diesel Equipment divisions
- Australian market for all divisions expected to grow over next 24 months
- Expect substantially improved China and Diesel Division sales in 2nd half
- New markets for CAS-CAM/RF collision avoidance products
- Strong performance under AMT BMA contract to continue in 2nd half
- Industrea Gas Management Pty Ltd set up to capitalise on Australian, Chinese and Russian underground gas drainage opportunities
- Resumption of Cockatoo Coal revenues in due course
- Targeting extensions of existing Mining Services division contracts to take advantage of conditions in connection with resources boom



Income Statement
NPAT Reconciliation
Balance Sheet
Net Cash Flow
Definitions

Income Statement

Half-year	Dec'09	Dec'10	% Change
	\$m	\$m	
Revenue	141.5	173.5	23% ↑
EBITDA <i>(before one-off costs)</i>	44.3	52.7	19% ↑
Depreciation	(10.4)	(16.3)	
EBITA	33.9	38.4	13% ↑
Amortisation	(2.3)	(3.4)	
Finance costs	(8.4)	(7.9)	
Tax Expense	(5.5)	(7.5)	
Adjusted NPAT	17.7	19.6	11% ↑
Reported NPAT	33.4	17.5	48% ↓
EBITDA margin	31%	30%	
EBITA margin	24%	22%	
Adjusted EPS (cents)	5.88	5.83	

NPAT Reconciliation

Half-year	Dec'09	Dec'10	% Change
	\$m	\$m	
Adjusted net profit after tax			
Before tax investment allowance	15.7	19.6	25% ↑
Tax investment allowance	2.0	-	
	17.7	19.6	11% ↑
Amortisation - convertible bond	(2.0)	0.8	
Amortisation - customer contracts	(6.5)	(4.3)	
Movement in fair value of interest rate swap	2.1	1.2	
Tax effect of adjusting items	1.9	1.0	
Net profit after tax before one-off items	13.2	18.3	39% ↑
<i>One-off items:</i>			
Reversal of deferred tax on Huddy acquisition	20.2	-	
Cost of unsuccessful acquisition net of tax	-	(0.8)	
Reported net profit after tax	33.4	17.5	48% ↓

Balance Sheet

Half-year	Dec'09	Dec'10
	\$m	\$m
Cash and deposits	14.3	62.3
Receivables	64.0	69.2
WIP and accrued profit	14.3	18.2
Inventory	18.7	25.0
Property, plant & equipment	189.9	201.0
Intangible assets	184.4	174.9
Derivatives & other assets	7.1	13.1
Total assets	492.7	563.7
Trade and other creditors	45.0	48.6
Borrowings	149.6	200.7
Convertible bonds - fair value	65.8	-
Vendor liability	10.0	-
Provision for tax	(1.0)	14.0
Deferred tax liabilities	2.7	0.2
Derivative & other liabilities	4.8	2.4
Total liabilities	276.8	265.9
Net assets	215.9	297.8
Net Debt + Bonds	201.1	138.4

Net Cash Flow

Half-year	Dec-09	Dec-10
	\$m	\$m
EBITDA	44.3	52.8
<i>Movement in working capital:</i>		
(Increase)/decrease in receivables	(14.1)	(2.0)
(Increase)/decrease in WIP	(12.6)	12.5
(Increase)/decrease in inventory	(4.7)	2.1
Increase/(decrease) in payables	7.6	11.1
Other movements in working capital	5.2	(7.2)
	(18.6)	16.5
Cash from operations pre tax and interest	25.7	69.3
Tax (paid)/refunded	(0.9)	(3.9)
Net interest & finance costs	(7.4)	(7.7)
Net cash flow from operations	17.4	57.7
Net cash flow used for:		
Capital expenditure		
Fleet expansion - new contracts	(32.5)	(34.7)
Fleet repairs and maintenance	(10.0)	(7.5)
Other business capital expenditure	(2.8)	(0.7)
	(45.3)	(42.9)
Dividends	(8.2)	(8.2)
Other	3.0	(2.3)
Available cash flow	(33.1)	4.3
Other Cash Movements:		
Equity raising - net of costs	21.3	48.8
Share options exercised	4.1	0.0
Net cash movement for the period	(7.7)	53.1

Definitions

- Adjusted NPAT
 - Profit after tax pre non-cash amortisation, unrealised movements on interest rate hedging instruments and significant non-recurring items
- Working capital
 - Receivables, WIP, Inventory, Trade & other payables
- RoW
 - Rest of the world