



FY 12-13

**INVESTOR
PRESENTATION**

BSA LIMITED
HALF YEAR RESULTS



10-20 Bond Street:
Chillers with variable
speed drives

BSA RESULTS OVERVIEW

FINANCIAL REVIEW

BUSINESS UNIT REVIEW

SUMMARY

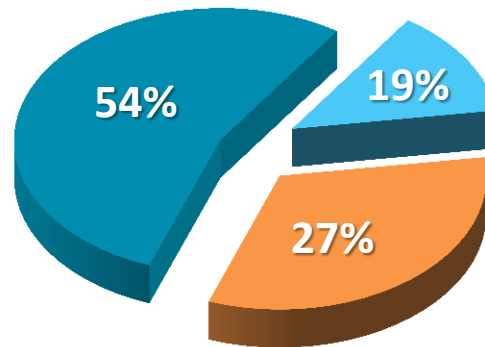


Highlights

- Revenue \$234m (pcp \$264m)
- EBITDA \$7.2m (pcp \$11.0m)
- Net debt of \$20.3m (pcp net cash of \$6.7m)
- NPAT \$1.8m (pcp \$6.0m)
- Award of Foxtel Regional Contract ~\$50m per annum and two year contract extension
- Record Technical Design and Construction Projects order book \$213m with the \$93m New Royal Adelaide Hospital project awarded subsequent to year end
- 49% growth in Technical Maintenance Services revenues
- 0.5c fully franked interim dividend
- Continued improvement in HSSE with 50% reduction in Lost Time Incidents

BUSINESS UNIT ALIGNMENT WITH STRATEGY

Revenues
1H FY2013



- Technical Design and Construction Projects
- Technical Maintenance Services
- Technical Field Force Solutions

TECHNICAL DESIGN AND CONSTRUCTION PROJECTS

Specialists in all aspects of Heating, Ventilation, Air Conditioning (HVAC) and Fire Systems across commercial and industrial buildings

Includes design, drafting, manufacturing, construction and commissioning

TECHNICAL MAINTENANCE SERVICES

Ongoing maintenance services for HVAC and Fire Systems

Customers include:
Melbourne University
Monash University
Fortescue Metals
Ausgrid

TECHNICAL FIELD FORCE SOLUTIONS

Installation and maintenance services for major Australian corporations including:

Foxtel and Optus
Includes expertise in telecommunications, digital hardware, fibre splicing, satellite and wireless infrastructure and field force management

CONSISTENT EXECUTION

CORE STRENGTHS

- Disciplined tendering and contract management
- Excellent project and field force management
- Logistics, customer contact and billing
- National network
- Culture of strong risk management
- Culture of continuous improvement and innovation supported by significant internal IT and software development resources

BUSINESS MODEL

- Contract Based
- New build and upgrade installation
- Ongoing facilities services and maintenance
- Recurring ticket of work

CLEAR STRATEGIC PRINCIPLES



LEADERSHIP	SUSTAINABILITY	GROWTH
Each business unit has a scalable platform for growth	Low gearing, maintainable payout ratio	Quality organic prospects in each business unit
Enterprise Resource Planning System & industry best practice business unit support systems	Disciplined approach to contracting	Focus on containment of overheads & improvement programs to increase EBITDA %
Industry leadership in chosen market sectors	Balanced portfolio of Tier 1 contracts providing annuity revenue	Bolt on acquisitions that meet strategic fit criteria

**PREDICTABLE, GROWING EARNINGS AND
SHAREHOLDER DISTRIBUTIONS**



Fiona Stanley Hospital:
Triple M delivered the
mechanical services

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SOUND FIRST HALF PERFORMANCE

Sound financial performance

- Revenue \$234million (pcp \$264m)
- EBITDA \$7.2 million (pcp \$11m)
- NPAT \$1.8 million (pcp \$6.0m)
- Effective tax rate 26% (pcp 11%)
- Earnings per share of 0.8 cents

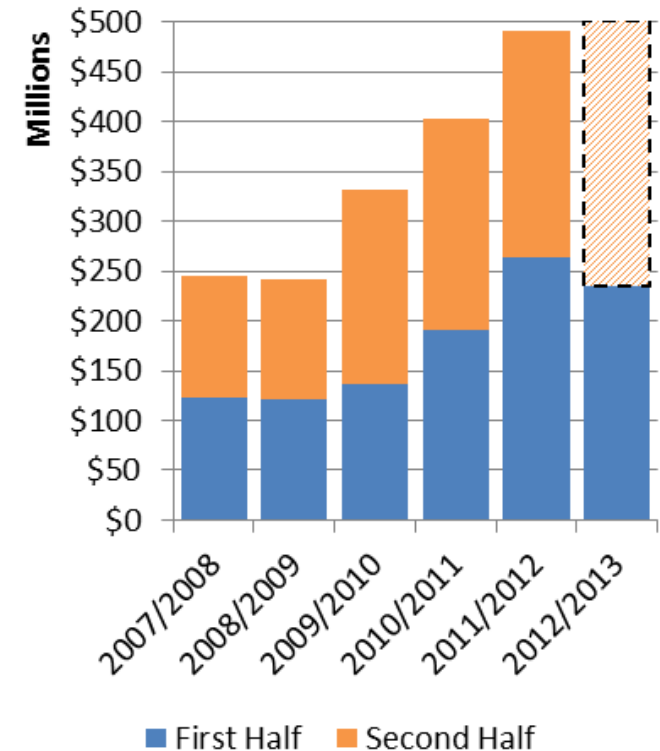
Interim Dividend

- 0.5c per share fully franked - payable 22nd April 2013

Balance sheet

- Operating cash out-flow (\$20.8) million with Net Debt of \$20.3m
- Conservatively geared, good interest cover

Revenue



RESULTS SKEWED TO SECOND HALF

(\$000) SUMMARY	Half Year 2012/13	Half Year 2011/12	Movement Actual
Revenue \$	234,485	264,248	(29,763)
EBITDA \$	7,238	11,052	(3,814)
EBITDA %	3.1%	4.2%	(26%)
PBT \$	2,477	7,141	4,664
Income Tax Expense \$	-639	-797	158
NPAT \$	1,838	5,955	(4,117)
Dividends (fully franked)	0.5c	1.0c	(0.5c)
Earnings per share - basic	0.8c	2.67c	(1.87c)

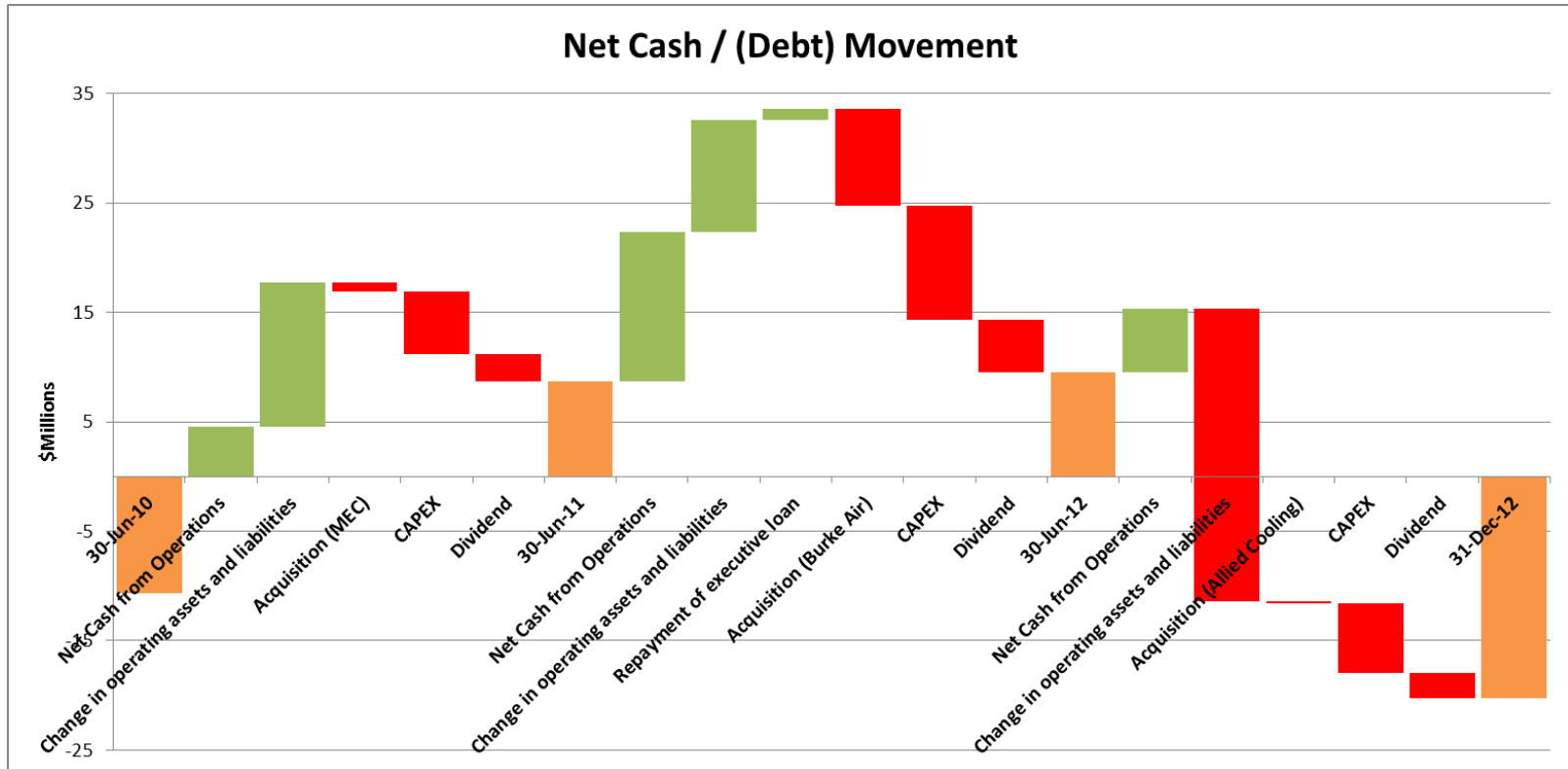
- EBITDA margins impacted by investment in TMS overhead structure and lower first half TDCP margins
- 2012 /13 reflects increase in effective tax rate to 26% (pcp 11.0%) as a result of changes to the eligibility rules regarding R&D

CASHFLOW REFLECTS UNWIND IN WIP POSITION

(\$000)	Half Year	Half Year
SUMMARY	2012/13	2011/12
Revenue	234,485	264,248
Cash flows from operations	(20,841)	12,026
Cash flows from investing	(2,983)	(9,839)
Cash flows from financing	5,776	(11,965)
Net (Debt) / Cash at end of period	(20,352)	6,739

- Cash flow from operations reflects the impact of the timing of major projects and the unwind of negative work in progress
- Capex of \$6.4 million (pcp \$4.4m) – predominantly service vehicle fleet growth, new premises fit-out and DRP investment
- Income taxes paid \$4.5m (pcp \$1.1m) – due to change in FY2012 effective tax rate
- Dividends paid - \$2.289m

IMPACT OF CHANGE IN WORKING CAPITAL



NEW BANK FACILITIES

(\$000) SUMMARY	Half Year 2012/13	Half Year 2011/12
Working Capital	19,612	(1,386)
Net Cash/(Debt)	(20,352)	6,739
Equity	74,224	76,930
Net Debt: Net Debt + Equity	21.5%	Net Cash
Interest expense	839	768
Interest cover (EBITDA)	8.6x	14.3x

- Bank facilities extended to 30th September 2014 from 31st July 2013
- Long term bank borrowings increased from \$9.0m to \$17.8m
- \$16m Debtor Finance facility available and undrawn
- Working capital management remains key focus
- \$50m bank guarantee and surety bond facilities: \$36m utilised / \$14m available

Foxtel:
Commercial Satellite
dish installation



BSA RESULTS AND OVERVIEW

FINANCIAL REVIEW

BUSINESS UNIT REVIEW

SUMMARY

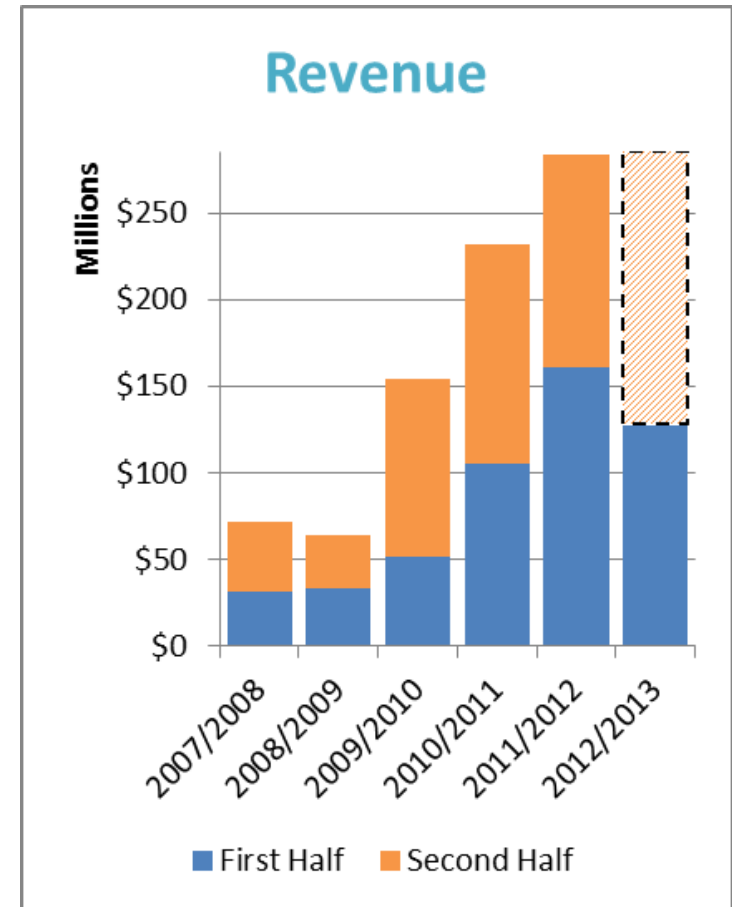
TECHNICAL DESIGN AND CONSTRUCTION PROJECTS

City Square (also known
as Brookfield Place):
Plant Room



OVERVIEW

- Revenue \$128 million (pcp 161m)
- EBITDA (excluding Corporate allocations) \$3.1 million (pcp \$7.4m)
- \$213 million order book with \$93m of contracts secured since December 2012
- Recent contract wins include:
 - ▣ New Royal Adelaide Hospital (Hansen Yuncken Leighton Contractors Joint Venture)
 - ▣ 5 Martin Place (Grocon)
 - ▣ Charles Perkins Centre (Brookfield Multiplex)
 - ▣ Swinburne AMC (Baulderstone)
 - ▣ Indooroopilly Shopping Centre (Brookfield Multiplex)
 - ▣ Barrangaroo Fire Services JV with Premier Fire (Lend Lease)
 - ▣ Shellharbour Shopping Centre Completion (Brookfield Multiplex)



NEW ROYAL ADELAIDE HOSPITAL



- \$93 million contract with the Hansen Yuncken Leighton Contractors Joint Venture (HYLC JV) for the installation of HVAC Services for the New Royal Adelaide Hospital Project
- The 800 bed New Royal Adelaide Hospital will be Australia's most advanced hospital, and the single largest infrastructure project in South Australian history
- Construction on the project commenced in 2011 and is expected to be completed in 2016

1. Aerial view from the south



2. Interior of the concourse level three



3 Exterior view of the east plaza



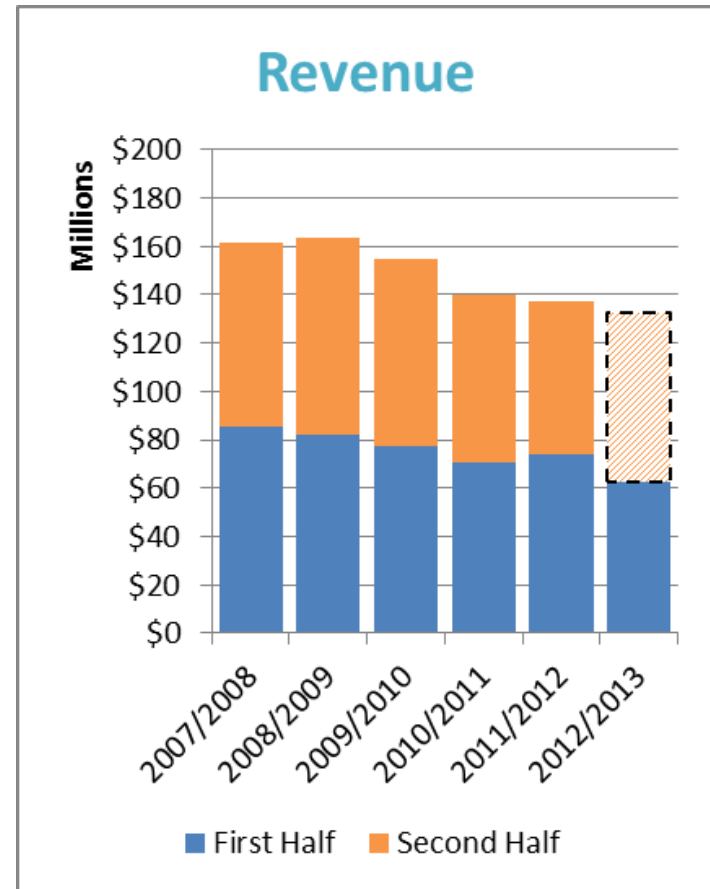
TECHNICAL FIELD FORCE SOLUTIONS

Foxtel satellite dish
installation



OVERVIEW

- Revenue of \$63 million (pcp \$74m)
- EBITDA of \$3.3 million (excluding Corporate Allocations) (pcp \$4.3m)
- Partnership with Foxtel extended for an additional 2 years to 2017 with inclusion of Regional Australia (formerly Austar activity)
- Contract with Department Of Broadband, Communications and the Digital Economy, to provide installation services for analog to digital upgrade
- Silcar contract concluded in December 2011 as a result of a shift in supplier alignments by Telstra



- New contract executed in December 2012
- Extends BSA's existing metropolitan services to 2017, being an additional 2 years
- Includes 100% of field activities in regional Australia
- The opportunity for BSA to be awarded this work in regional Australia has presented itself from Foxtel's recent acquisition of Austar and a formal tender process
- BSA commenced providing residential and commercial satellite installation and maintenance services to Foxtel customers in 1998 and the signing of this contract serves to further strengthen BSA's alliance with Foxtel which is now in its 14th year



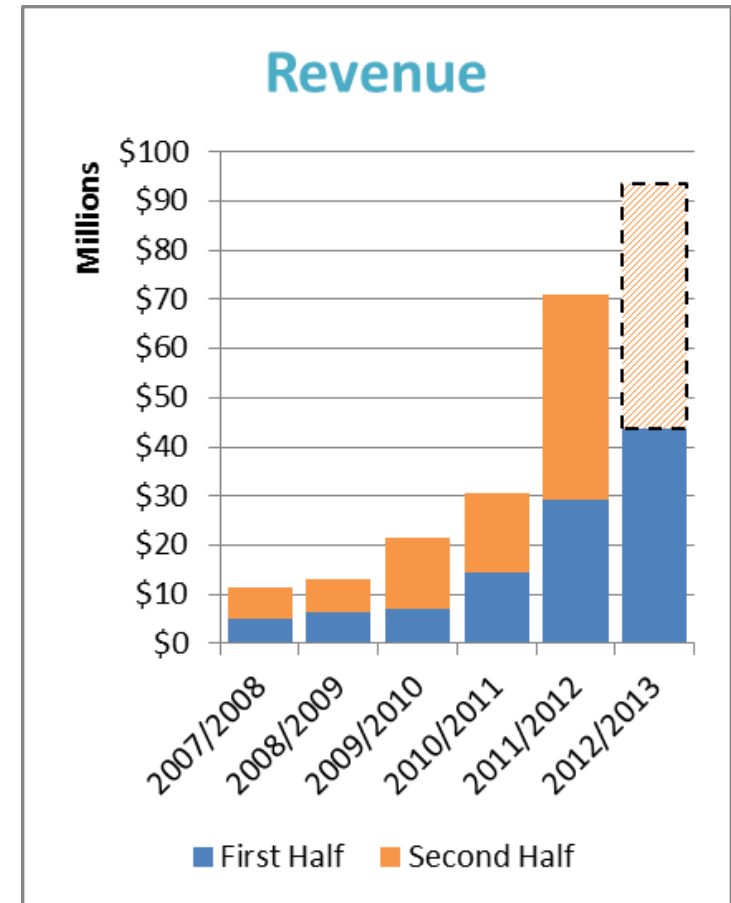
TECHNICAL MAINTENANCE SERVICES

Chiller Control Panel
interrogation



OVERVIEW

- TMS business unit formed from the maintenance units of Triple “M”, Allstaff and BurkeAir to focus on the provision of HVAC and Fire maintenance services
- Revenue increase to \$44million (pcp \$30m)
- EBITDA of \$2.6million (excluding Corporate allocations) (pcp 3.1m):
 - Increase in overhead structure to support accelerated growth in this key division
 - \$0.5m loss on write off of bad debt associated with the insolvency of Lowrie Constructions Pty Limited
- Significant growth in BurkeAir West Coast operations with 95% or a \$12.6M increase, with expansion in regional mining areas and service contracts in metropolitan Perth
- East Coast operations have experienced revenue growth of 10% in tough conditions after successful mobilisation of contracts with Ausgrid and Monash University



- The Technical Maintenance Service (TMS) operations has been consolidating its operations to obtain synergies through systems, customers and technologies
- TMS completed the following initiatives during the first half;
 - Integrated ERP systems across all divisions,
 - Deployment of field staff mobility tablets
 - Standardisation of accounting practices, business operations and support functions
 - Upgrade of property facilities and vehicles
 - Implementation of account management programs





BSA RESULTS OVERVIEW

FINANCIAL REVIEW

BUSINESS UNIT REVIEW

SUMMARY

- Strong second half forecast with full year revenue of circa \$500 million and earnings in line with FY2012
- Achievement of leadership position in HSSEQ and risk management
- Interim Dividend 0.5c fully franked dividend
- Bank facilities increased and extended to support growth and working capital requirements
- Strong forward Technical Design and Construction Projects order book totaling \$306m
- Healthy future revenue from Technical Field Force Solutions underpinned by renegotiated Foxtel contract to 2017
- Newly formed Technical Maintenance Services business unit achieved 49% revenue growth during the half with annuity style revenue now circa \$90 million p.a

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