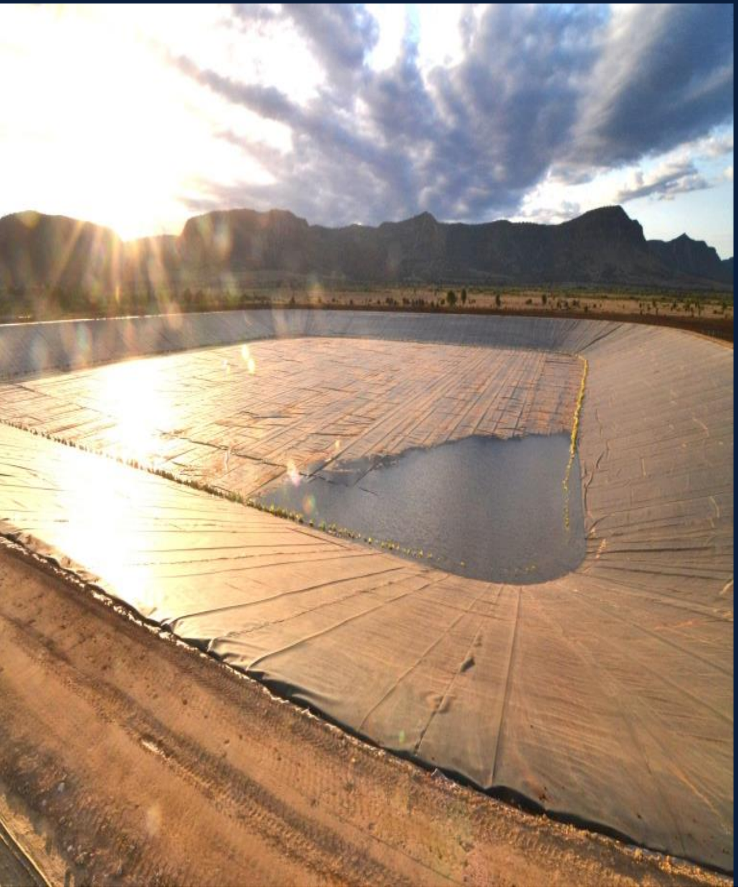
E&A Limited



FY13 Full Year Results

30 August 2013

Company Profile

E&A Limited (EAL) is a high yield investment company focused on identifying both organic and acquisition growth opportunities. We invest shareholder funds in our subsidiaries and proactively manage these investments in order to create wealth by delivering outstanding value to all our stakeholders.

E&A Limited's subsidiaries provide specialist services to the oil & gas, mining & resources, defence, infrastructure, water, renewable energy & power and financial services industries.

FY13 Highlights

Revenue **$200m** + People **750+** + EPS **7.2 cents** + Fully Franked Dividend of **5.0 cents** per Share = Total Shareholder Return **232%**

E&A Limited subsidiaries report in the following business segments:

- Heavy Mechanical & Electrical Engineering
- Water & Fluid Solutions
- Maintenance Engineering & Plant Construction
- Investment & Corporate Advisory

FY13 Key Highlights

Financial

- Record NPAT of $7.7 million, up 168% and in line with guidance
- Sales revenue increased by 22% to $200 million
- Earnings Per Share up 140% to 7.2 cents
- Final FY13 dividend increased by 25% to 2.5 cents fully franked. Full year fully franked dividend of 5 cents up 25%
- Strong and improving cashflows from operations

Operating

- Outstanding safety performance against strong growth
- Increased and continuing activity in coal seam gas market in QLD cemented by establishing permanent workshops now in Dalby and Roma
- Start FY14 with record levels of work in hand

Strategic

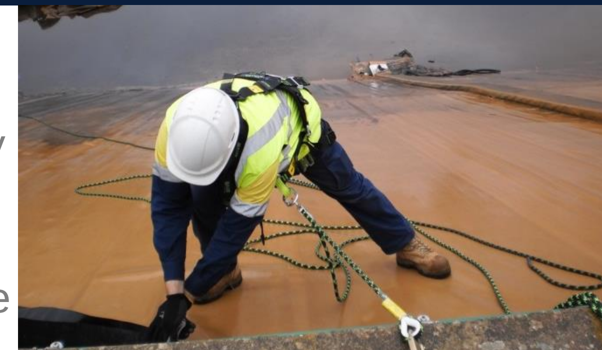
- Completed upgrade of Whyalla's wind tower fabrication facility
- Broadened capabilities with diversification into Renewable Energy sector with first wind tower sections completed and approved by Siemens
- Four separate factory relocations completed adding substantial additional capacity to complete secured work demand

Safety Performance

Outstanding Safety Performance

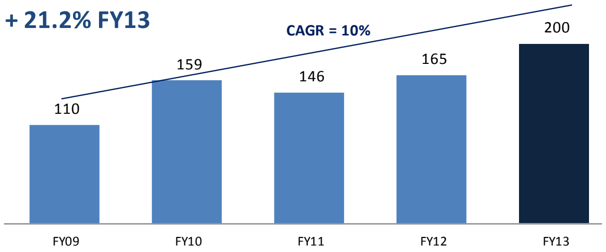
A number of E&A Limited's subsidiaries achieved significant safety milestones as at 27 August 2013:

- **ICE: 2,155 days** LTI free, over **1,126,930 hours** worked on site without a LTI.
- **Ottoway: 1,090 days** LTI free, over **1,744,000 hours** in the workshop and on site without a LTI.
- **E&A Contractors: 1,097 days** LTI free, over **877,600 hours** in the workshop and on site without a LTI.
- **Fabtech** has established industry leading safety systems and procedures, including AS4801 safety accreditation and has been LTI free for **1,520 days**, which is in excess of **1,000,000 hours** in the workshop and on site.

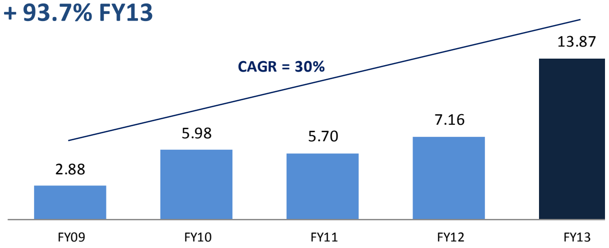


5 Year Historical Performance

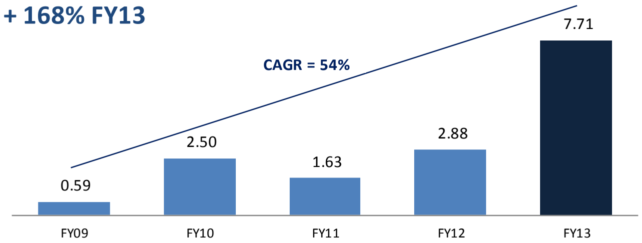
Sales Revenue ($M)
+ 21.2% FY13



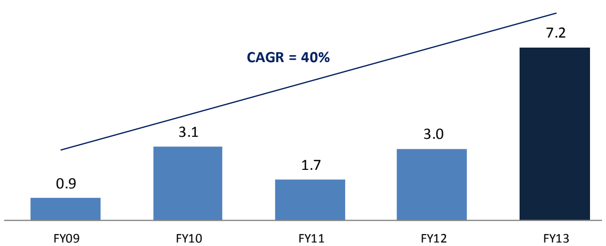
EBIT ($M)
+ 93.7% FY13



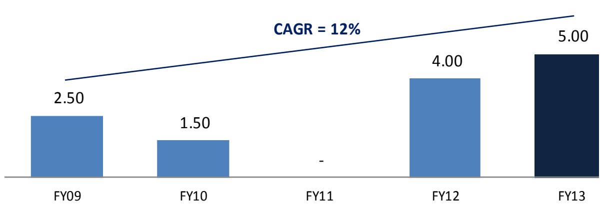
NPAT ($M)
+ 168% FY13



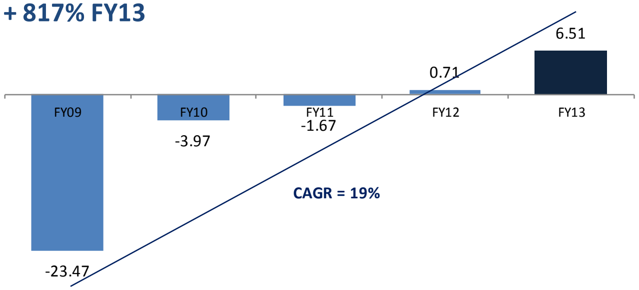
Earnings per Share (Cents)
+ 140% FY13



Dividends per Share (Cents)
+ 25% FY13



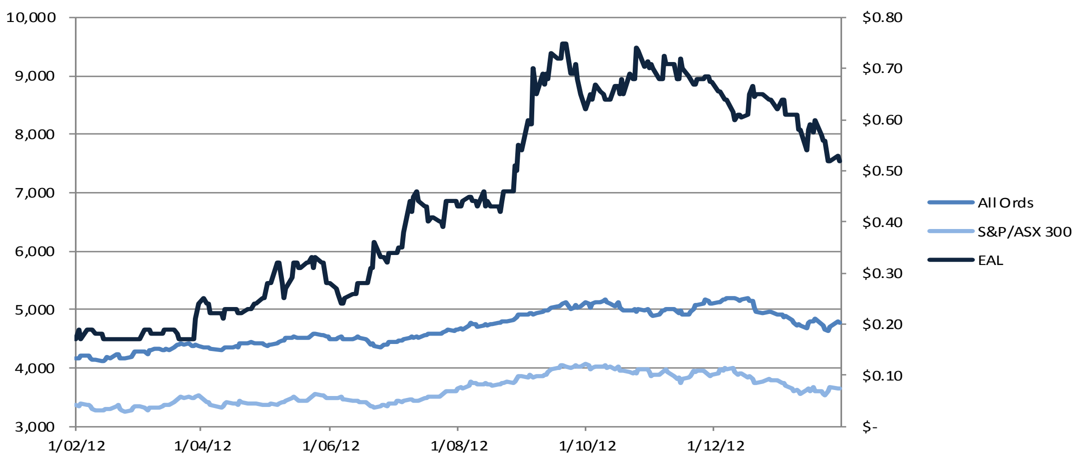
Net Tangible Assets per Share (Cents)
+ 817% FY13



FY13 Financial Performance

FY13 Full Year Results Summary EAL Group (000's)	FY13	FY12		Change (%)
Revenue	**200,041**	164,440	▲	**22%**
EBIT from continuing operations	**13,874**	7,163	▲	**94%**
Net interest expense	(2,790)	(3,697)	▲	**(25%)**
Net profit before tax	**11,084**	3,466	▲	**220%**
Tax expense	(3,378)	(587)	▲	**475%**
Reported statutory net profit after tax	**7,706**	2,879	▲	**168%**
Earnings Per Share (cents)	**7.2**	3.0	▲	**140%**
EBIT Margin	**7%**	4%	▲	**3%**
Return on shareholders' funds	**14%**	5%	▲	**9%**
Rolling 12 month TSR %	**232%**	58%	▲	**174%**

EAL Share Price v All Ordinaries Index & S&P/ASX 300



- Earnings per Share increased to 7.2 cents from 3.0 cents last year
- EBIT Margin improved to 7% on significantly greater revenue
- Return on shareholders' funds was 14% compared to 5% achieved last year
- Total Shareholder Return improved to 232% from 58% last year

FY13 Cash Flow Performance

FY13 Full Year Cashflow EAL Group ($'000s)	Full Year FY13	Full Year FY12	Percentage Change (%)
Cash flow from operations before interest and ta	**9,460**	**13,222**	**-28%**
Payment of interest and tax	(4,339)	(5,138)	-16%
Operating cash flow	**5,121**	**8,084**	**-37%**

- Strong and improving cashflows from operations given:
  - Working capital increase associated with funding a 22% growth in FY13 revenue
  - Increased exposure to milestone payment contracts relating to QLD coal seam gas projects in FY13 compared to prepaid WA labour hire contracts in FY12; and
  - Prior year cashflow included a one-off cash inflow of $6 million related to the Uranium One Honeymoon settlement
- In addition E&A Limited invested $13 million into significant facility expansion and upgrades in FY13 (Whyalla wind tower facility upgrade, 4 separate workshop relocations)

FY13 Financial Position & Funding

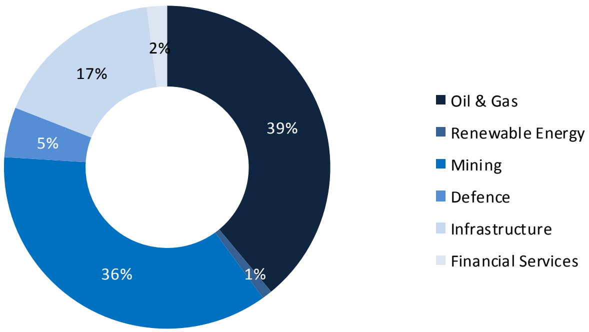
BALANCE SHEET METRICS EAL GROUP	June-13	June-12	Change (%)
Cash ($000s)	**2,196**	1,706	**29%**
Net Debt ($000s) *	**35,221**	23,986	**47%**
Net Debt to EBITDA (times) *	**2.17**	2.24	**-3%**
Interest Cover Ratio (times) *	**4.97**	1.94	**157%**

* includes significant investment in Whyalla facilities with no associated earnings in FY13

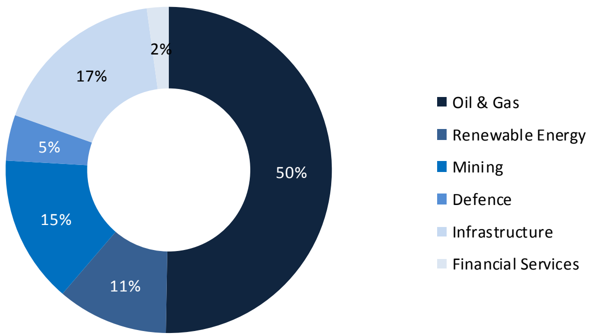
- Increase in borrowings related to Whyalla wind tower facility upgrade, other workshop upgrades, equipment investment and greater working capital associated with increased milestone payment contracts
- Strong debt serviceability maintained despite earnings from wind tower facility upgrade and premises expansion do not come on stream until FY14

Revenue by Industry Sector & Geography

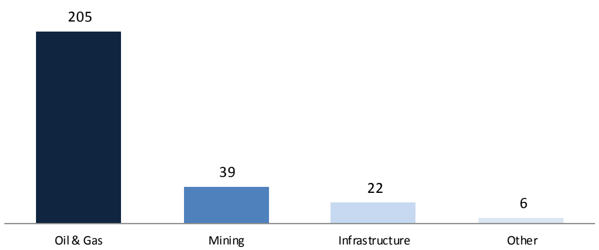
FY13 Revenue by Industry Sector



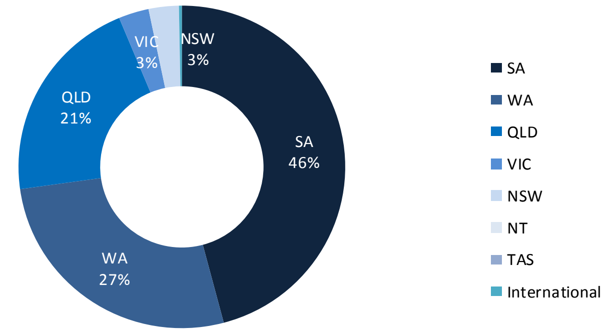
FY14 Revenue by Industry Sector - Forecast



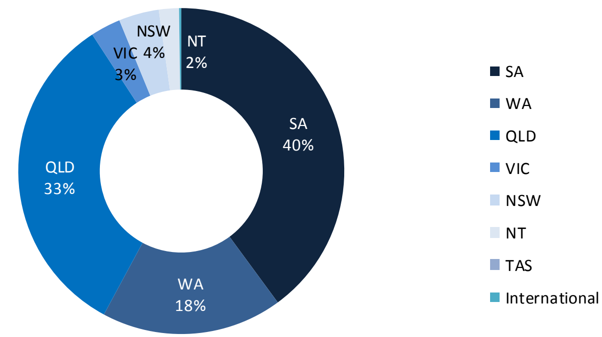
BREE - Comitted Projects by Commodity 2013 ($billions)



FY13 Revenue by Geography



FY14 Revenue by Geography - Forecast



- Diversified revenue derived from industry growth sectors. Increased exposure to Oil & Gas and Renewable Energy expected in FY14
- Significant geographic spread with cemented national presence in QLD, WA & SA

Segment Performance Summary

FY13 Full Year Segment Contributions EAL Group ($'000's)	Full Year FY13 Revenue	Full Year FY12 Revenue		Full Year FY13 EBIT	Full Year FY12 EBIT	
Heavy Mechanical & Electrical Engineering	**139,115**	118,604	▲	**6,943**	5,319	▲
Water & Fluid Solutions	**47,871**	29,452	▲	**5,015**	1,816	▲
Maintenance Engineering & Plant Construction	**18,352**	18,562	▼	**911**	576	▲
Investment & Corporate Advisory	**9,250**	5,428	▲	**1,005**	(548)	▲
Total *(Excluding intercompany sales eliminations)*	**214,588**	**172,046**	▲	**13,875**	**7,163**	▲

- All segments increased EBIT
- Strong growth in the Water Fluids & Solutions and Heavy Mechanical & Electrical Engineering segments on the back of increased coal seam gas activity in QLD and significant infrastructure projects
- Margin improvement in Maintenance Engineering & Plant Construction segment
- Increased deal flow in Investment & Corporate Advisory

Heavy Mechanical & Electrical Engineering

Heavy Mechanincal & Electrical Engineering *(in thousands)*	Full Year FY13	Full Year FY12	Percentage Change (%)
Segment Revenue	**139,115**	118,604	**17.3%**
EBIT	**6,943**	5,319	**30.5%**

- Segment comprises of Ottoway, ICE Engineering and E&A Contractors
- Positive Outlook, recent contract wins announced for Ottoway and EAC's investment into wind tower fabrication
- Ottoway has record high work in hand and is recruiting in order to meet client demand from Tier One contractors who require pipe spooling fabrication and installation for coal seam gas processing facilities in SE Queensland.
- Ottoway is fabricating pipe infrastructure for the new Royal Adelaide Hospital
- EAC will focus on wind tower, AWD modules and Arrium construction work in FY14
- ICE experienced significant growth during FY13 resulting from large WA mining contracts. ICE expects to increase its exposure to the growing coal seam gas market in FY14
- Expected segment earnings improvement in FY14

Water & Fluid Solutions

Water & Fluid Solutions *(in thousands)*	**Full Year FY13**	**Full Year FY12**		**Percentage Change (%)**
Segment Revenue	**47,871**	29,452	▲	**62.5%**
EBIT	**5,015**	1,816	▲	**176.2%**

- Segment comprises of Fabtech and Blucher
- Strong performance off the back of the coal seam gas sector in SE Queensland
- Fabtech: won three large coal seam gas contracts in SE QLD and each contract has been in excess of $10m
- Blucher: best year since it was acquired by EAL
- Blucher has introduced new product lines and entered new market segments
- Fabtech & Blucher are forecasting to deliver improved FY14 results

Maintenance Engineering & Plant Construction

Maintenance Engineering & Plant Construction *(in thousands)*	**Full Year FY13**	**Full Year FY12**	**Percentage Change (%)**
Segment Revenue	**18,352**	18,562	**(1.1%)**
EBIT	**911**	576	**58.1%**

- Segment comprises of QMM and Heavymech
- Strong second half project work improved earnings
- The outlook for the next six months with QMM is steady
- Heavymech's Whyalla operations grew significantly throughout the year
- Machinery upgrades & investment in CNC capacity made
- Expected earnings improvement in FY14

Investment & Corporate Advisory

Investment & Corporate Advisory *(in thousands)*	**Full Year FY13**	**Full Year FY12**	**Percentage Change (%)**
Segment Revenue	**9,250**	5,428	**70.4%**
EBIT	**1,005**	(548)	**283.4%**

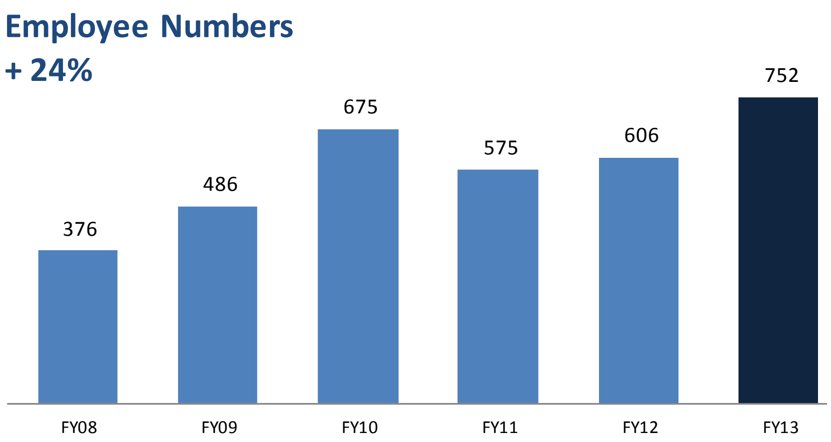
- Segment comprises of Equity & Advisory and includes the listing and corporate costs associated with the parent entity, E&A Limited

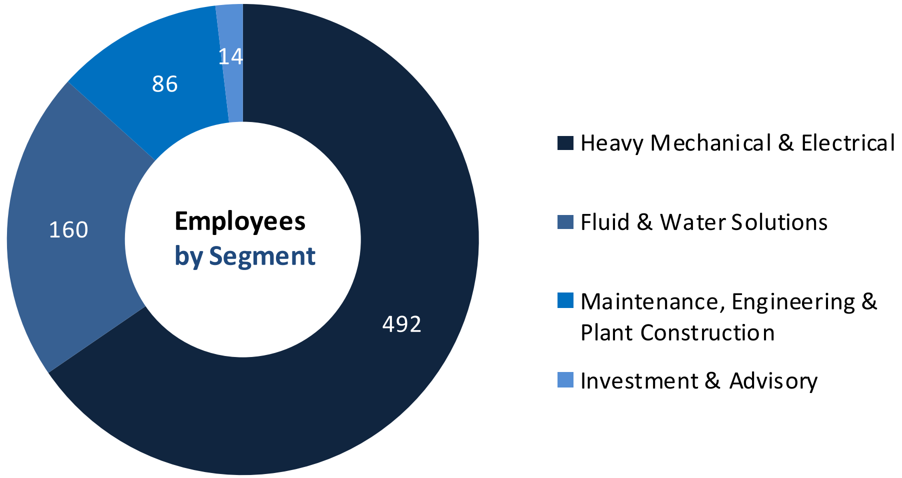
- Earnings uplift driven by 70.4% growth in revenue and dividends received by E&A Limited from its subsidiaries

- Activity in the mergers, acquisitions and divestment field continue to improve slowly along with external client demand for Equity & Advisory's corporate advisory services

- Positive FY14 earnings expected, contributing to the cost of maintaining E&A Limited's corporate office. This aspect of E&A Limited's business structure in unique

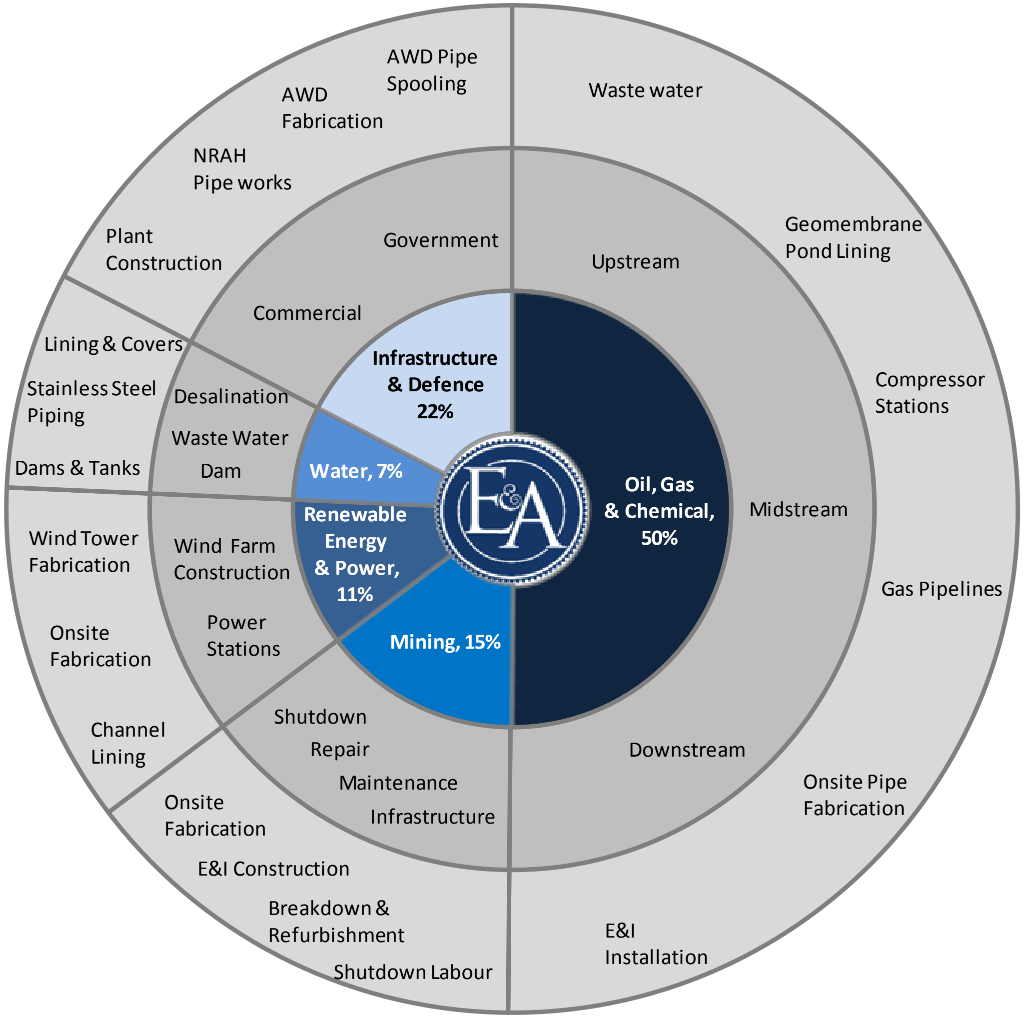
People Performance





- Successful recruitment campaign to meet increased secured work
- Addition of an experienced Renewable Energy Executive Team
- Improved performance management systems with all executives having “skin in the game”

FY14 Industry Segments & Focus



Strategies for Long-Term Growth

Organic growth
- Existing businesses continue to develop

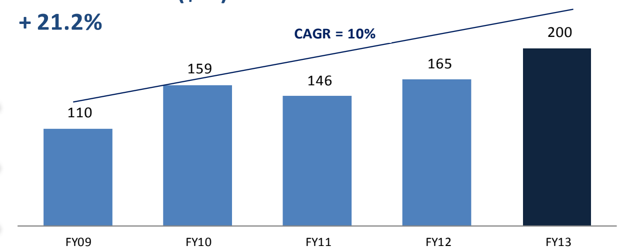
Acquisition
- Disciplined and risk-averse acquisition and funding model
- Targeted growth sectors

Partnering
- Company culture of partnering to add value

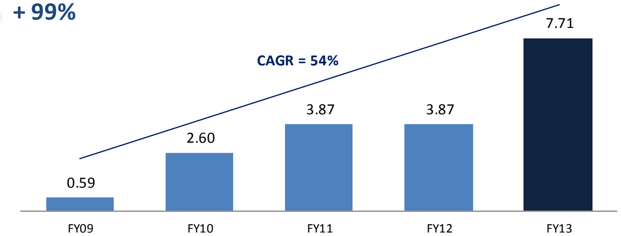
E & A Way
- Governance
- Systems
- Reporting
- Financial management
- Safety
- Engaged Management Style

Alignment of Interests
- Shareholders
- Directors
- Management

Sales Revenue ($M)
+ 21.2%



Underlying NPAT ($M)
+ 99%



FY14 Outlook

- E&A Limited subsidiaries start FY14 with record levels of work in hand
- Revenue & Earnings growth expected from investment in renewable energy wind tower fabrication facility and premises upgrades to service oil & gas and water sectors
- Management expects strong cashflows to be generated over FY14
- E&A Limited is expecting an improvement in balance sheet ratios as earnings from wind tower fabrication and premises upgrade come on stream in FY14
- Company is anticipating organic growth supplemented by acquisitions
- E&A Limited expects to maintain a dividend payout ratio of between 60%-70% of NPAT for FY14 and is offering a high dividend yield based on the current share price

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