



FY14 REVIEW

**New, proven
management team**

#1

**Industry
Leadership**



**Reputation for
Quality and Delivery**

Delivered growth



Forecast growth



Scale, National Major

**Improving
Execution**



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Results Highlights



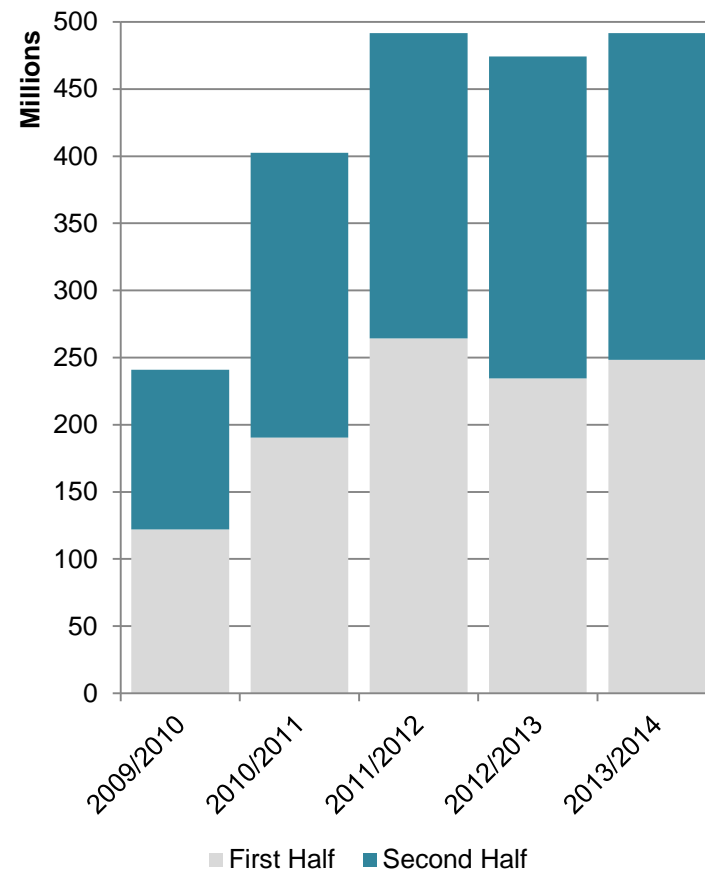
Full Year Highlights

- ◆ Revenue \$492 million (2013: \$474 million);
- ◆ EBITDA loss of \$10.7 million (2013: profit of \$12.8 million);
- ◆ Goodwill was impaired by \$40 million in the full year
- ◆ Net loss of \$54.8 million (2013: net profit of \$3.8 million);
- ◆ Operating cash inflow \$5.5 million (2013: outflow of \$16.5 million)
- ◆ Basic loss per share of 23.97cents (2013: earnings per share of 1.64 cents)
- ◆ Net debt reduced by \$13.9 million in the second half, to \$18.8 million (2013: \$20.5 million)
- ◆ Nil final dividend was declared
- ◆ Strong order book with annualised recurring revenue of \$250 million and construction Work in Hand of \$250m

Second Half Highlights

- ◆ FY14 H2 Revenue \$243 million
- ◆ FY14 H2 EBITDA \$3.1 million
- ◆ Net debt reduced by \$13.9 million as a result of strong operating cash flows in the second half of \$16.1 million

Revenue



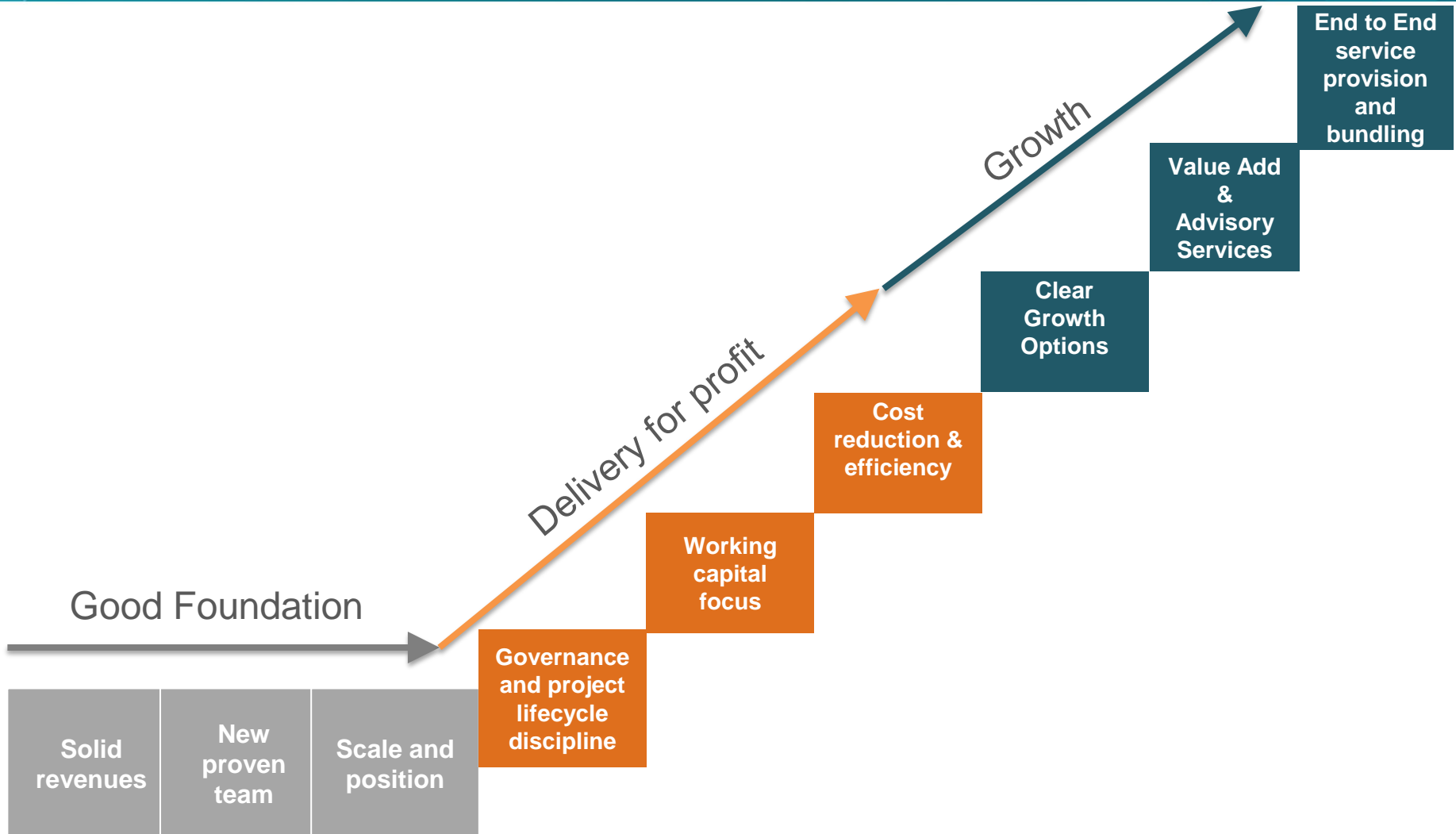
NB: Reconciliation of non-IFRS measures to IFRS information is included in Appendix 1

We Are Well Positioned



	TECHNICAL DESIGN & CONSTRUCTION PROJECTS TDCP	TECHNICAL MAINTENANCE SERVICES TMS	TECHNICAL FIELD FORCE SOLUTIONS TFFS
FY14 Revenue	\$234.2m (FY13 \$249.7m)	\$98.5m (FY13 \$89.8m)	\$158.9m (FY13 \$134.8m)
Business	<ul style="list-style-type: none"> ▪ Design, drafting, manufacturing, construction and commissioning of Heating, Ventilation, Air Conditioning (HVAC) and Fire Systems ▪ Commercial, large scale residential and industrial buildings ▪ National Presence 	<ul style="list-style-type: none"> ▪ Ongoing maintenance services for HVAC and Fire Systems ▪ Unique and market leading data capture and analysis technology ▪ National presence 	<ul style="list-style-type: none"> ▪ Communications, installation and maintenance services for major Australian Telco operations including Foxtel and Optus ▪ Large scale ticket of work and field force management ▪ National presence with over 1000 contractors
Features	<ul style="list-style-type: none"> ✓ #1 National provider ✓ Strong delivery record ✓ Recognised design and value engineering skills ✓ Strong forward order book 	<ul style="list-style-type: none"> ✓ Annuity-based revenue ✓ Able to leverage directly from TDCP ✓ Project Management focus ✓ Leading mobility information systems 	<ul style="list-style-type: none"> ✓ Annuity-based revenue ✓ Strong call centre and field force expertise ✓ Well positioned to capitalise on NBN ✓ Strong regional presence

We Are Getting Back to Basics



We are Getting Back to Basics



Good Foundation

1. Solid Revenues

- Good forward order book
- Good long term annuity contracts with top tier clients
- We are in a business that is attractive - provided contracts are managed properly
- We have the revenue. Focus will be on converting this to:
 - Earnings
 - Cash
 - Bottom line dollars
 - Seeking to return to dividend payments

2. New Proven Team

- Operational understanding as well as successful business track record
- These are businesses the team is familiar with and has turned around before

3. Scale & Position

- Reputation for Quality and Delivery
- Reputation for Design and Advisory skills
- We are a market leader in two out of three business units. In the other, we have huge skills to leverage off and opportunity to grow
- Geographic spread
- Technical capability
- We have a presence across all areas of the asset life cycle

4. Governance and Project Lifecycle Discipline

- Account management
- Enhanced project review procedures
- Enhanced Bid Governance Procedures
- Risks & opportunities “Flying Squad”
- General Managers executing well and efficiently with close attention to detail
- Contract execution and delivery is key

5. Working Capital Focus

- Improving cash flows, reducing net debt
- Converting ROCE into simple metrics at the contract management level
- Tight capital expenditure controls
- Focus on capital light contracts

6. Cost Reduction and Efficiency

- Margin execution and margin improvement happens at the coal face
- Restructure to reduce overheads and operational cost base
- Thin corporate layer
 - Removal of “checkers” and “check the checkers”
- Reward & accountability in the BU’s
- Recruit to lift ability to deliver against this goal
- Operational cost base too high

7. Clear Growth Options

- Outsourcing of ticket of work management is on the increase
- Timing is good as we are at the start of the current growth cycle in residential and non residential construction
- We have national blue chip clients in our maintenance and Telco business but have a small market share – we have a lot of room to move before market share becomes a brake
- Government infrastructure spending increasing across the nation

8. Value Add & Advisory Services

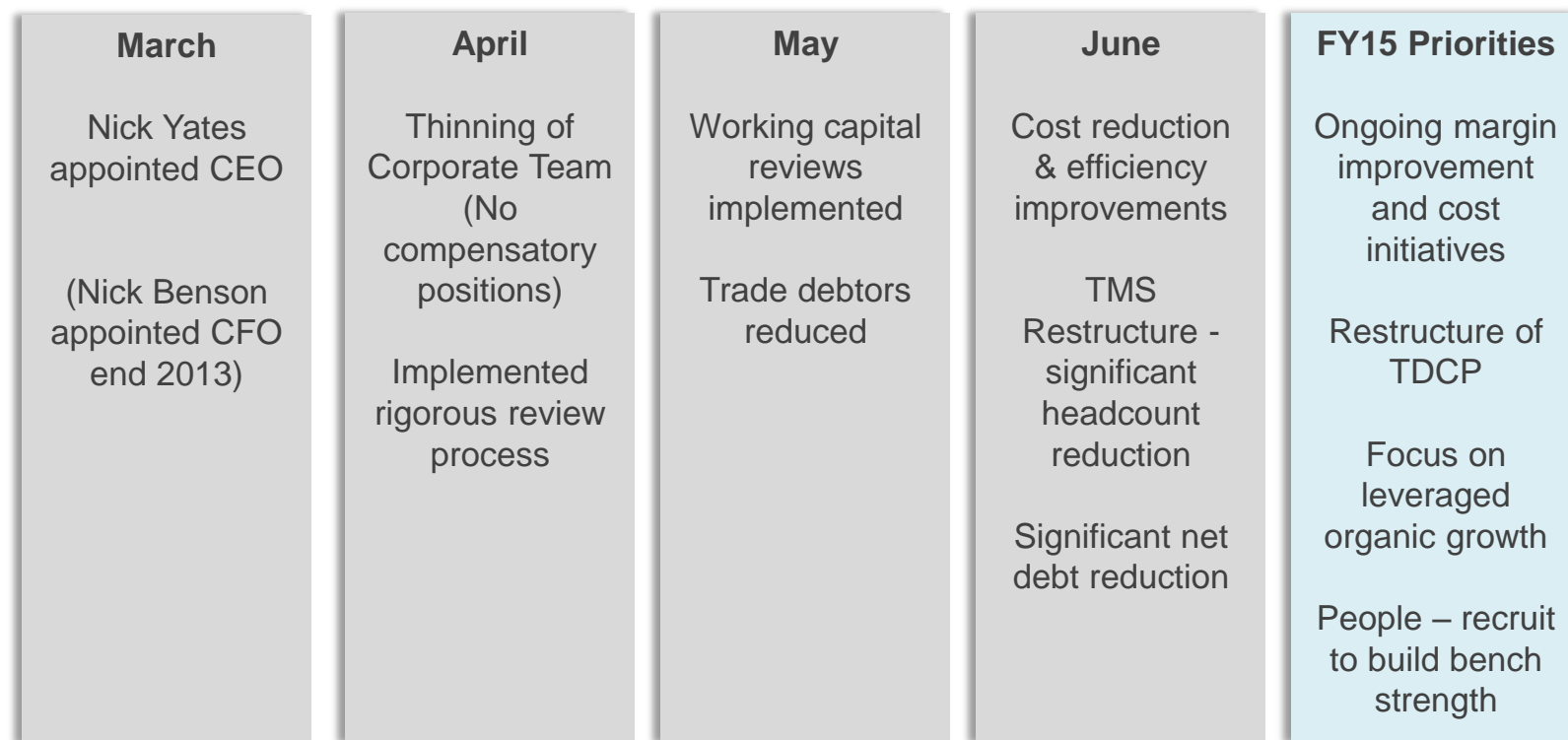
- Value add services as a mechanism for differentiation and enhanced customer relationships
- Customers actively seeking data analysis and advisory services rather than just straight Technical “tool time”. This is driven by the current strong focus on capital discipline and the need to get longer life and higher utility out of assets at reduced cost.
- Our unique and leading technology solutions provide three benefits:
 1. Point of difference to other suppliers
 2. Better data access for clients to enable them to optimise outcomes
 3. Innovative solutions to reduce costs and increase margins
- BSA Advanced Learning expansion

9. End to End service provision and bundling

- We are siloed. Removing barriers to cross sell provides huge growth potential
- TMS – leverage off the Design & Construct Business and look to provide “one stop shop”
- In the Telco space we have a limited customer base – we have room to move
 - Untapped markets:
 - Large scale telecommunication/data/voice providers
 - NBN
 - Internet Service Providers

We Are Improving Execution by Getting Back to Basics

2014



Focus is on profitability before growth . . . but there are several growth sources

- ◆ Every service with every client
- ◆ Every discipline in every state (e.g. Fire services)
- ◆ Leveraging “man in the van” capability to in-home service providers
- ◆ Grow margin accretive BSA Advanced Learning business unit – newly appointed General Manager
- ◆ Continuing move towards annuity-style revenue
- ◆ Leverage Expertise to add value to customers rather than just provide hands on technical services
 - Services design and compliance
 - Asset management and maintenance planning
 - Data Analysis
 - Workforce Management
 - Field based “Ticket of Work Operations Management”

What is the Market Doing?



TDCP

- Building & Construction Industry has turned the corner with sustainable growth expected going forward
- High attrition rates in the HVAC industry has reduced tier one competition
- Profit margins forecast to improve over the next five years
- Large scale players backing design innovation and value engineering expertise
- Move towards providing end to end solutions – design, installation, maintenance

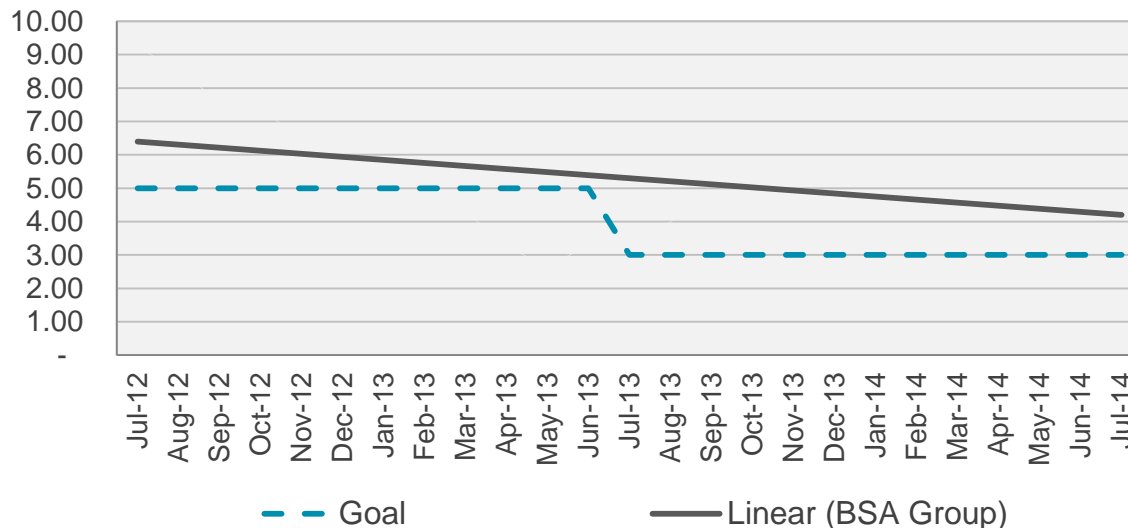
TMS

- Outsourcing of maintenance and asset management continuing
- Next generation customers actively seeking data analysis and advisory services as well as baseline Technical Services
- Strong focus on capital discipline is driving the need to increase asset life and utility at reduced cost.

TFFS

- Focus on outsourcing ticket of work management and field workforce management
- NBN driving Retail Service Provider market
- Revised NBN strategy will open opportunities in wireless

BSA Group FY14 Monthly Lost Time Incident Trend



BSA's ongoing commitment to workplace health and safety has delivered substantial improvement across all key indicators over the last three years including:

- ◆ A reduction of 48% in our Lost Time Incident Frequency Rate (LTIFR);
- ◆ A 50% reduction of our Total Reportable Incident Frequency Rate (TRIFR); and
- ◆ A 78% reduction in our Lost Days Frequency Rate (LDFR). of our key indicators in this vital field.

- ◆ BSA's commitment to delivering robust improvement programs provides, most importantly, a safer work place for our people as well as a range of other benefits.
- ◆ Underpinning the work, health and safety culture as well as operational improvement programs has been the development and implementation of the BSA Integrated Management System (IMS) which has focused on enhancing consistency and compliance across the Group.
- ◆ The IMS achieved 3rd Party Accreditation for Safety, Quality and Environment in March 2014.
- ◆ BSA's unwavering drive to ensure that our staff arrive home safely every night will continue in FY2015, and we look forward to seeing further reductions across all of our key indicators in this vital field.



One of the 64 Level One Mechanical Services Ring Main modules arriving on site at the new Royal Adelaide Hospital.

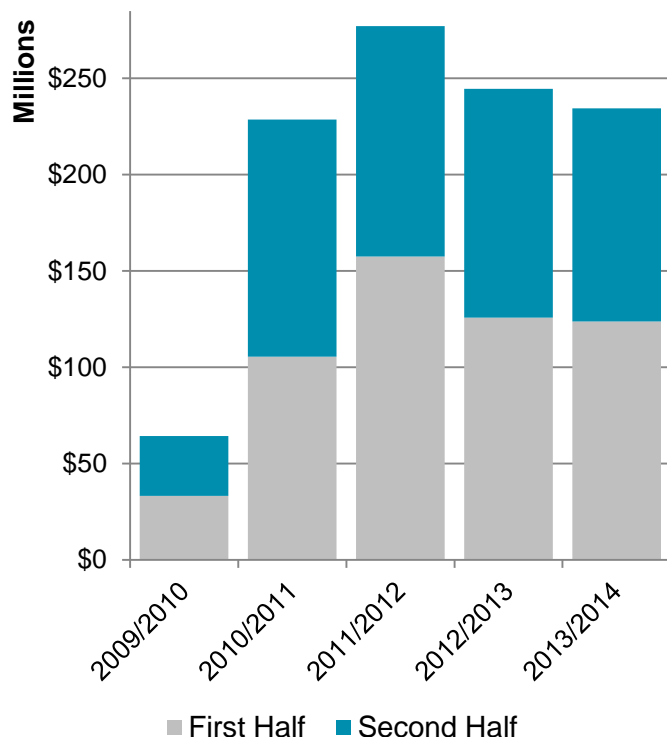
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Revenue



Overview

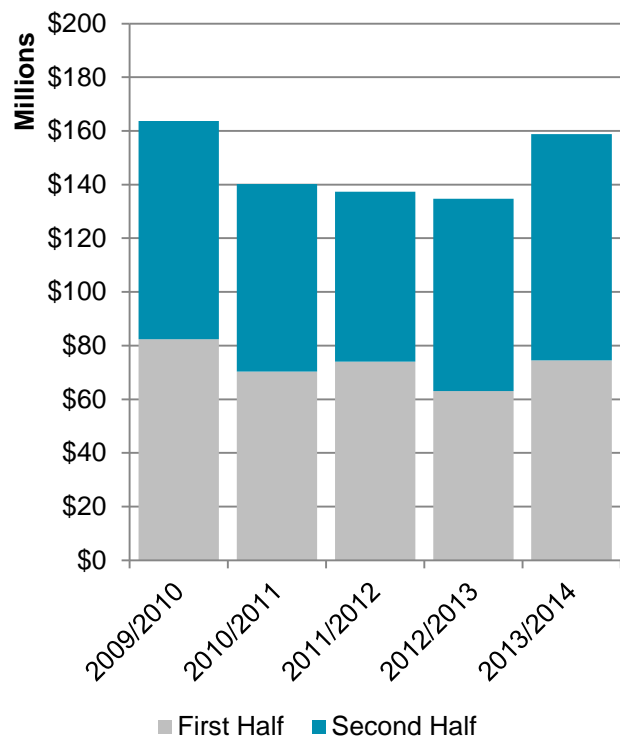
(Excluding corporate recharges & Impairment)

- ◆ Revenue \$234.2 million (2013: \$249.7 million)
- ◆ H2 Revenue \$110.5 million (2013: \$118.8 million)
- ◆ EBITDA loss of \$12.4 million (2013: \$6.0 million profit)
- ◆ H2 EBITDA loss of \$1.3 million (2013: \$2.8 million profit)
- ◆ Commencing FY15 with healthy forward order book of \$250m
- ◆ Contract wins include: Eastland Shopping Centre, Werribee Shopping Centre, Royal Victorian Eye & Ear Hospital, Dubbo Hospital, Wagga Wagga Hospital, 5 Martin Place Sydney, IKEA Marsden Park, Barangaroo
- ◆ The nRAH project has a number of significant and as yet unapproved variations which are the subject of ongoing negotiations. They will be submitted for payment in the normal course of carrying out the subcontract. Despite this, work on nRAH is progressing well and the working relationship is excellent

Strategy

- ◆ Focus on profit growth ahead of revenue growth
- ◆ Reject the current industry “race to the bottom”
- ◆ Focus on projects utilising design smarts to realise higher margins
- ◆ Grow fire services business nationally

Revenue



Overview

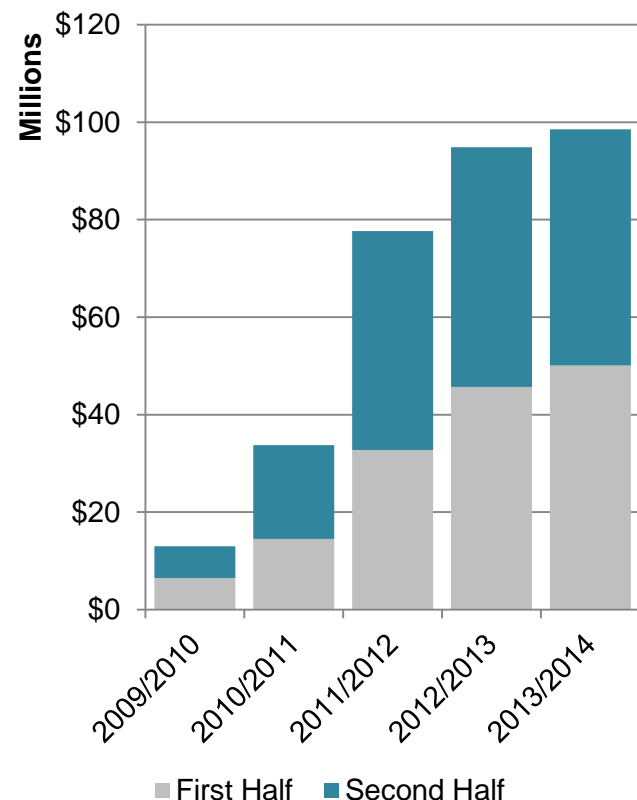
(Excluding corporate recharges & Impairment)

- ◆ TFFS Revenue \$158.9 million (2013: \$134.8 million)
- ◆ H2 Revenue \$84.4 million (2013: \$71.7 million)
- ◆ TFFS EBITDA \$3.6 million (2013: \$5.1 million)
- ◆ H2 EBITDA \$1.8 million (2013: \$1.8 million)
- ◆ TFFS completed over 600,000 tickets of work in FY14
- ◆ Following the award of the Foxtel Contract to complete 100% of Regional works, TFFS successfully completed field work force transition into regional Australia.
- ◆ TFFS awarded a contract with long term client Optus, to deliver Hybrid Fibre Coax (HFC), Unconditioned Local Loop (ULL) and National Broadband Network (NBN) Installation, Maintenance and Service Assurance services for Consumer, Wholesale and Optus Business customers for a term of 3 years
- ◆ BSA Advanced Learning (BAL) has continued to grow, offering training to over 2000 students this financial year.
- ◆ Considerable time and resources invested into IT research and development initiatives, resulting in improvements to operational efficiencies

Strategy

- ◆ Huge growth potential in taking existing services to a broader range of clients including large Telco providers, NBN and Internet Service Providers
- ◆ Grow margin accretive BSA Advanced Learning business under newly appointed General Manager

Revenue



Overview

(Excluding corporate recharges and Impairment)

- ◆ TMS Revenue \$98.5 million (2013: \$89.8 million)
- ◆ H2 Revenue \$48.4 million (2013: \$49.2 million)
- ◆ TMS EBITDA \$3.1 million (2013: \$5.5 million)
- ◆ H2 EBITDA \$2.0 million (2013: \$3.0 million)
- ◆ Results affected by project write backs totalling \$1.5million. Legacy projects now complete
- ◆ Contract wins include: Harvey Norman National Multi-Services, Monash University Maintenance Contracts and Maintenance Services at Gold Coast University Hospital

Strategy

- ◆ Growth Potential in Multi-Service offering and Facilities Maintenance
- ◆ Leverage data and mobility solutions to provide point of difference and address market demand
- ◆ Use Mobility and IT Solutions to drive greater efficiency and therefore increased margins
- ◆ Continue to leverage off remote area skills and national coverage
- ◆ Leverage off construction arm to provide end-to-end package



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Financial Performance

(\$000) SUMMARY	Full Year 2013/14	Full Year 2012/13
Revenue \$	491,613	474,180
EBITDA profit (loss) \$	(10,748)	12,815
EBITDA %	(2.2%)	2.7%
EBIT profit (loss) \$	(59,077)	4,374
NPAT \$	(54,847)	3,763
Ordinary dividends - fully franked	NIL	0.5 cents
Earnings (loss) per share – basic	(23.97) cents	1.64 cents

*Above EBITDA excludes goodwill impairment

- ◆ EBITDA \$13.47m (pre provisions & write downs)
- ◆ \$40 million goodwill impairment during the year
- ◆ \$24 million project provisions, debtor provisions and write downs, largely related to legacy issues in the year.

NB: Reconciliation of non-IFRS measures to IFRS information is included in Appendix 1

(\$000) SUMMARY	Full Year 2013/14	Full Year 2012/13
Cash generated from / (used in) Operations	5,581	(16,524)
Cash flows from investing	(3,450)	(5,205)
Cash flows from financing	1,157	(996)
Net Debt at end of period	(18,800)	(20,544)

- ◆ Improved working capital management across the Group
- ◆ Return to positive cash flow for the year
- ◆ Net debt reduction of \$13.9 million in H2



150 exhaust fume stacks were installed on the Monash University, New Horizons Building.

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Overall Focus

- ◆ Full review of all operations for each Business Unit and Corporate Functions, with mandate to reduce operating expenses and increase efficiencies across the board
- ◆ Improved and focused marketing initiatives
- ◆ Contract Management and overall controls and process improvements

Technical Design and Construct Projects

- ◆ Continued successful execution and commercial outcomes on nRAH
- ◆ Achieve successful completion of all existing projects
- ◆ Continue focus on project controls, and contract management
- ◆ Renewed focus on marketing and business development initiatives

Technical Maintenance Services

- ◆ Focus to continue on growing recurring revenue base
- ◆ Expand services across Fire and Electrical Maintenance Markets

Technical Field Force Solutions

- ◆ Increased Business Development focus, targeting both new markets and new opportunities with existing clients
- ◆ Focus on growth in BSA Advanced Learning to capitalise on market need in this margin accretive business

Forecasts

- ◆ We expect FY15 Revenue to be in the order of \$500 million.

APPENDIX 1: Disclosing non-IFRS Financial Information



Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)

\$'000	FY14	H1 FY14	H2 FY14	FY13
(Loss)/Profit for the year from continuing operations	(54,847)	(23,367)	(31,480)	3,763
Add back				
Income tax benefit	(6,455)	(5,642)	(813)	(965)
Finance Costs	2,319	1,098	1,221	1,932
Interest Revenue	(94)	(69)	(25)	(357)
Depreciation	6,888	3,441	3,447	7,002
Amortisation expense	1,441	720	721	1,440
Impairment of intangibles	40,000	10,000	30,000	-
EBITDA	(10,748)	(13,819)	3,071	12,815
Total Key Project Provisions and Write Downs	24,222	20,353	3,869	-
EBITDA excluding Key Profit Provisions	13,474	6,534	6,940	12,815

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