



FULL YEAR RESULTS

28 AUGUST 2015

- Challenging market conditions persist as mining companies continue to cut costs resulting in less new work and tighter margins
- FY15 consolidated loss after tax of \$217.9 million, primarily due to impairments taken on equipment, goodwill and inventory assets
- PBT from continuing operations of \$13.7 million (before asset write downs and onerous lease provision)
- Major restructuring charges incurred during the year
- Strong operational cash flow of \$53.8 million despite tough market
- Capital expenditure restricted with increased focus on asset utilisation
- Significant cash inflows following CSA settlement and sale of Mongolian subsidiary
- Repayment of Syndicated Debt Facility (July 2015)
- Net cash position at year end of \$74.2 million

- New, streamlined operating model implemented
- Improved organisational structure - reduced layers of management
- Major cost reduction program successfully executed
- Consolidation of Perth offices into single 'world-class' facility
- Banking review finalised – closure of syndicated banking facility
- Healthy balance sheet supported by strong net cash position
- Order book of \$1.15 billion supported by quality long-term contracts
- Revised tendering approach – supported by lower cost base
- Strong tender pipeline >\$2 billion of new work currently under consideration
- Majority of projects with blue-chip clients with low cost, long life assets

- Key project performing to expectations:
 - Tropicana operations performed well in second half – on track for further improvement
- Revenue and margins impacted by:
 - Early contract terminations due to financial pressures facing mine owners
 - Significant reduction in new projects both in Australia and overseas
 - Shift by many mining companies to self perform
 - Pressure from existing clients to cut costs on current contracts
 - Commodity price volatility impacting investment
- Continued focus on improved safety performance – LTIFR significantly lower than mining industry average
- Employee numbers decreased to 1295 at 30 June 2015

- Australia:
 - A 3 year contract extension by Rio Tinto to continue tailings dam management operations at Argyle Diamond Mine in WA
 - Awarded additional raise-drilling contracts at Olympic Dam
 - Short-term underground mining services contracts at:
 - Mount Wright Gold Mine in Queensland for Carpentaria Gold
 - Lanfranchi and Savannah Mines in Western Australia for Panoramic Resources
 - Ballarat Gold Project in Victoria for Castlemaine Gold Fields
 - Numerous short-term dry hire equipment agreements with multiple customers
- International:
 - A 5 year contract extension at the Lafarge Kanthan Quarry in Malaysia



FINANCIAL RESULTS

Income Statement

\$ m	2015	2014	Change
Total revenue¹ from continuing operations	660.2	1,015.9	(35%)
EBITDA (from continuing operations) ²	97.1	171.0	(43%)
EBIT (from continuing operations) ³	37.4	69.3	(46%)
Asset write-downs and onerous lease provision	(233.8)	(2.0)	
Interest	(23.7)	(18.8)	26%
Tax expense	(0.5)	(19.6)	(97%)
Net (loss)/profit after tax from continuing operations	(220.6)	28.9	
Profit from discontinued operations (net of tax)	2.6	1.5	73%
(Loss)/profit for the period	(217.9)	30.4	

1. Total revenue includes joint ventures but excludes other income

Non – IFRS Financial Information:

2. EBITDA is earnings before interest, tax, depreciation, amortisation, asset write-downs and onerous lease provision

3. EBIT is earnings, before interest, tax, asset write-downs and onerous lease provision

\$ m	2015	2014
EBITDA (consolidated)	100.8	172.9
Net interest paid	(10.8)	(15.9)
Income taxes paid	(1.9)	(8.7)
Working capital and provisions	(34.3)	(70.4)
Operating cash flow	53.8	77.9
Proceeds from sale of assets	14.0	31.6
Capital expenditure	(19.7)	(99.0)
Net repayment of borrowings	-	(50.0)
Sale of subsidiaries	84.6	-
Dividend paid	-	-
Other items	(5.2)	(4.6)
Cash on hand at the beginning of year	109.4	153.5
Cash on hand	236.9	109.4

Note: Columns may not add due to rounding

- Strong operating cash flow of \$53.8 million despite challenging market
- Net capital expenditure restricted to \$5.7 million
- Increased focus on asset utilisation
- Syndicated banking facility no longer required – debt repaid in July 2015

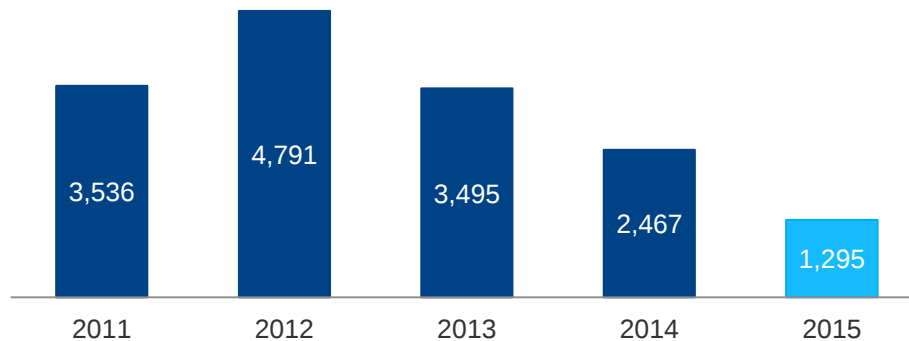
\$ m	2015	2014	Change
Current assets	382.6	354.6	28.0
Non-current assets	141.7	469.1	(327.4)
Total assets	524.3	823.7	(299.4)
Net assets	221.8	432.2	(210.4)
Net cash	74.2	(55.9)	130.1
Gearing	(33.5%)	12.9%	

- Strong cash position at 30 June 2015
- Significant asset write-down of \$229 million and sale of Mongolian operations
- \$159 million debt was repaid on 31 July 2015

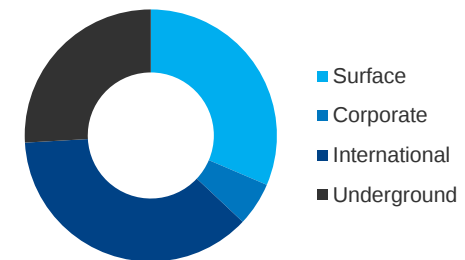


PEOPLE AND SAFETY

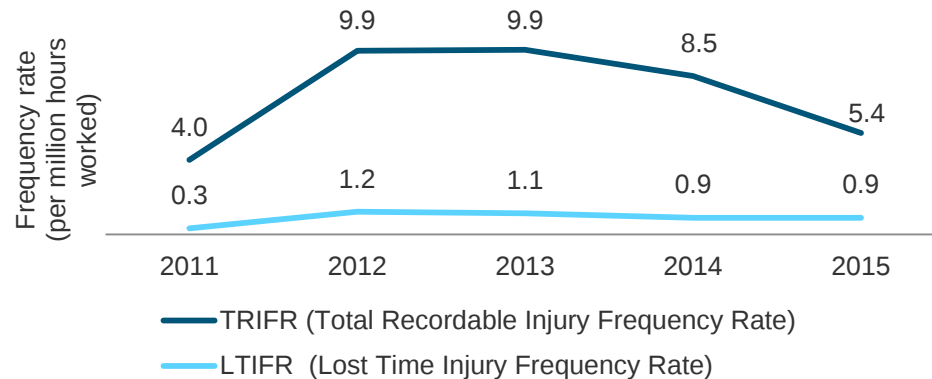
Group Employee Numbers



Employees by division



- Major organisational restructure implemented – designed to deliver lean, fit-for-purpose service delivery to sites
- Focus on talent retention – successful redeployment of key operational staff following conclusion of major contracts
- New online talent and performance management system implemented
- 20 apprentice's successfully completed training and awarded certification across a range of trades as part of the Macmahon apprenticeship program



- Consistent safety performance in 2015 - 70% of all Macmahon projects LTI free for the entire year
- Top-down safety approach ensuring company-wide accountability
- Streamlining of internal Health, Safety, Environment and Quality systems and processes

KEY MILESTONES

- Improved TRIFR ratios
- Kanthan, Malaysia operating 10 years LTI free
- Eaglefield operating over 8 years LTI free
- WAC workshop operating 7 years LTI free
- Nebo workshop operating 7 years LTI free
- Doorn-Dijl Yoordaning – No LTIs recorded
- Maintenance of certification to ISO18001 and AS/NZS 4801
- 14247 Safe Act Observations conducted
- 3869 Planned Task Observations conducted

STRATEGY AND OUTLOOK

- Challenging market conditions are expected to persist for the near to medium term
- Iron-ore price remains depressed, however production is forecast to increase in coming years
- Gold price is volatile – although MAH exposed to one of the lowest cost producers / operations (Tropicana)
- Falling \$A is assisting Australian mining companies
- Increased competition for limited new work resulting in margin pressure
- Ongoing focus on cost reduction and productivity improvements
- Revenue for FY16 expected to be between \$280 - \$350 million

- Delivering sustainable profits and returning value to shareholders
- Increasing work winning conversion rate by:
 - Lowering cost base
 - Streamlining systems and processes – improving productivity
 - Selective tendering
 - Focusing on early client engagement
- Improving safety performance across all operations
- Maintaining current contracts through superior project performance
- Expanding presence in established overseas markets – particularly in South East Asia and Africa

Appendices

- Board of directors
- Management team
- Where we operate
- Revenue and order book diversification



Jim Walker

**Non-Executive
Director,
Chairman**

Mr Walker has over 40 years of experience in the resources sector, most recently as Managing Director and Chief Executive Officer of WesTrac Group, where he led the Company's rapid development in industrial and mining services locally and in China.

Prior to this, Mr Walker held various roles with other Australian Caterpillar dealers.



Giles Everist

**Independent
Non-Executive
Director**

Mr Everist brings a strong commercial background and extensive experience in the contracting and resources sectors at both the Board and executive management level.

Mr Everist completed his Bachelor of Sciences (Honours) in Mechanical Engineering at the University of Edinburgh and is also a Chartered Accountant.



Eva Skira

**Independent
Non-Executive
Director**

Ms Skira has a background in banking, capital markets, stockbroking and financial markets, previously holding executive positions at Commonwealth Bank in the Corporate Banking/Capital Markets divisions and later with stockbroker Barclays de Zoete Wedd.

She has served on a number of boards in business, government and the not-for-profit sectors across a range of industries.



Vyryl Vella

**Non-Executive
Director**

Mr Vella has over 40 years experience in the civil engineering, building, property and construction industries.

During Mr Vella's 34 years with the Leighton Group (now CIMIC) he held various positions including General Manager NSW, Director of Leighton Contractors Pty Ltd, Founding Director of Welded Mesh Pty Ltd, Managing Director of Leighton Properties and Associate Director of Leighton Holdings.



Sy and Dyk

**Chief Executive Officer
and Managing Director**

Mr van Dyk was appointed as CEO and Managing Director in July 2015.

Mr van Dyk joined Macmahon as Chief Financial Officer in April 2014 and has more than 25 years' finance experience primarily within the resources sector.

Prior to joining Macmahon, Mr van Dyk was with the WesTrac Group for 13 years where he held a number of senior operational roles, including Chief Operating Officer Western Australia and more recently Chief Financial Officer.



Sy and Dyk

**Chief Executive Officer and
Managing Director**

Mr van Dyk was appointed as CEO and Managing Director in July 2015.

Mr van Dyk joined Macmahon as Chief Financial Officer in April 2014 and has more than 25 years' finance experience primarily within the resources sector. He holds a Bachelor of Commerce (Hons) and is a Chartered Accountant.

Prior to joining Macmahon, Mr van Dyk was with the WestTrac Group for 13 years where he held a number of senior operational roles, including Chief Operating Officer Western Australia and more recently Chief Financial Officer.



Greg Miller

**General Manager
Underground**

Mr Miller holds a Bachelor of Engineering (Mining) and more than 15 years' experience in underground mining in Australia. More than nine of those years in senior management roles.

Working at Macmahon since 1996, Mr Miller has previously held a number of project manager roles across Australia.



Mark Ruston

**General Manager
Surface East and Africa**

Mr Ruston holds a Bachelor of Engineering (Civil), Graduate Diploma of Mining, and a Master of Business Administration. He has more than 25 years mining industry experience, both with mine owners and mining contractors, with a focus on the design, operation and management of open cut operations.

More recently, Mr Ruston has held a number of executive management positions, and has been responsible for creating significant value and building cultures that consistently deliver exceptional performance.



Michael Finnegan

**General Manager
Surface West and SE Asia**

Mr holds a Bachelor of Engineering (Mining) with 20 years' experience in the mining industry. The last 10 years have primarily been spent in senior line management positions.

Mr Finnegan has a strong commercial and technical background and has spent time in operations on the east and west coast of Australia as well as a number of countries throughout Asia.

Management team (continued)



Brenton Perry

**General Manager
Construction**

Mr Perry holds a Bachelor of Engineering (Civil) and a Master of Business Administration. He has 24 years experience in construction and surface mining contracting.

Mr Perry commenced with Macmahon in 1993 and has previously held Project Manager roles on a variety of projects throughout Australia.

Mr Perry has held business unit management roles for the last 4 years.



Peter Truscott

**General Manager
Plant & Maintenance**

Mr Truscott holds a Bachelor of Engineering (Mechanical). He joined Macmahon in 2005 as Engineering Manager for the Underground Division before becoming the Group National Plant Manager and then Group General Manager Plant in 2005.

Mr Truscott has worked for 15 years in maintenance engineering and project management roles across a diverse industrial background including processing plants, underground mine infrastructure, surface and underground mobile plant



Coogee Barbuzza

**General Manager
BD and Estimating**

Mr Barbuzza holds a Bachelor of Engineering (Hons) (Civil). He has 33 years working in the resources sector. Of this, 25 years has been with several mining contractors including Macmahon (since 2010), Eltin, HWE and Downer.

Since 1994 he has primarily held senior tender management and work winning roles. He has a wide understanding of mining contracting across a range of contract types, different countries, minerals and mining companies



Roger Hughes

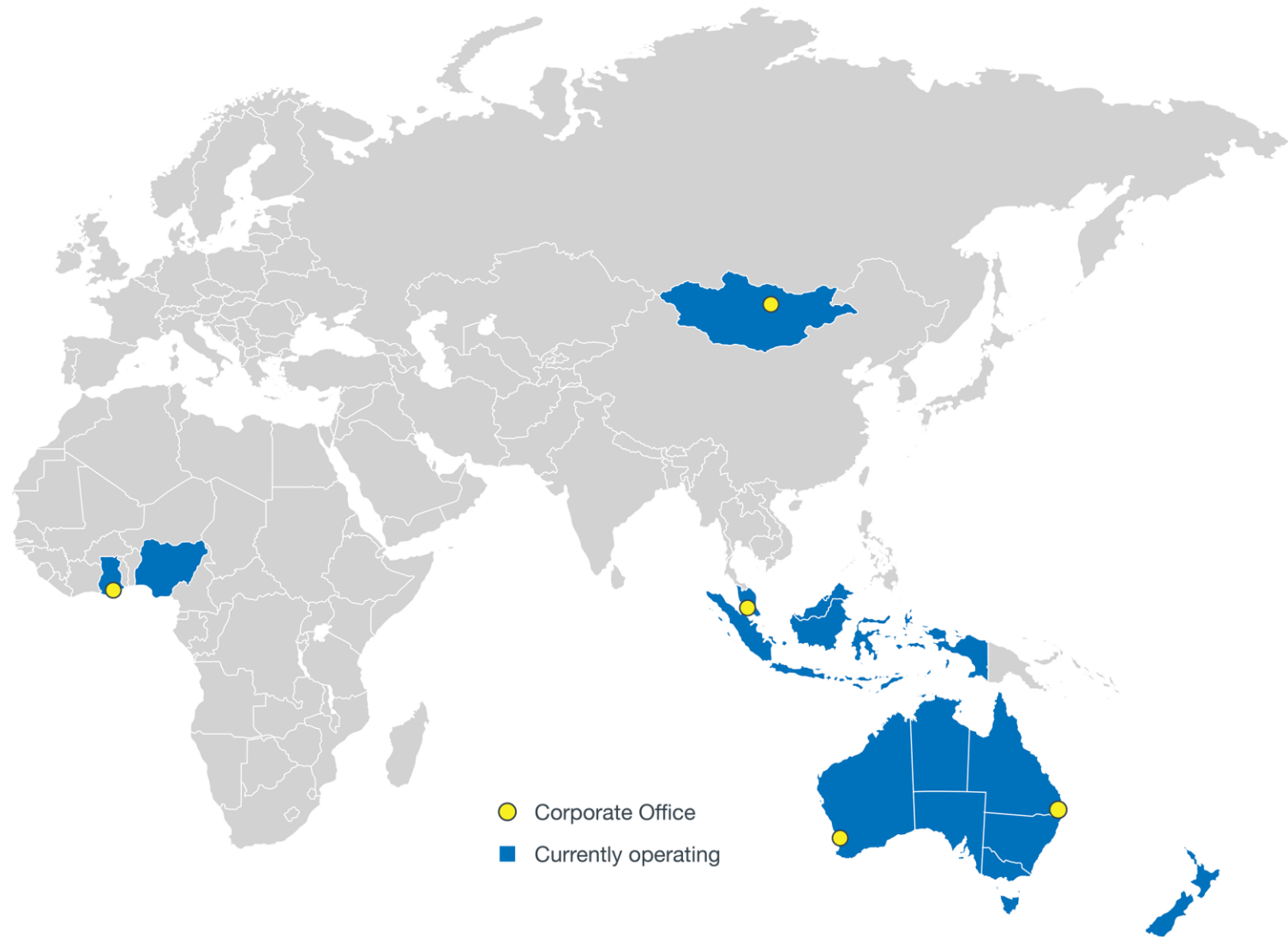
**General Manager
HR and HSEQ**

Mr Hughes holds a Bachelor of Commerce and a double major in Human Resources and Industrial Relations.

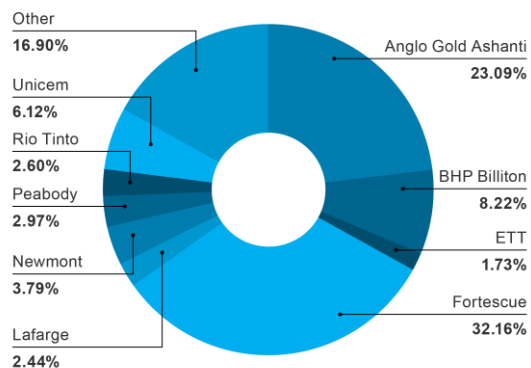
Mr Hughes joined Macmahon in 2011 as the General Manager Human Resources for the Mining Division before becoming the Group Manager for Human Resource Services in 2012.

Prior to joining Macmahon, Mr Hughes worked for 20 years in numerous senior human resources, industrial relations and strategy roles, including senior management positions with BHP Billiton and FMG. Roger has significant contractor management experience and his BHP Billiton training includes the DuPont Safety Leadership program and ICAM.

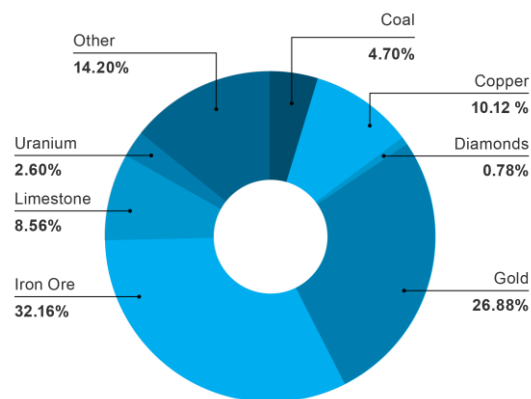
Where we operate



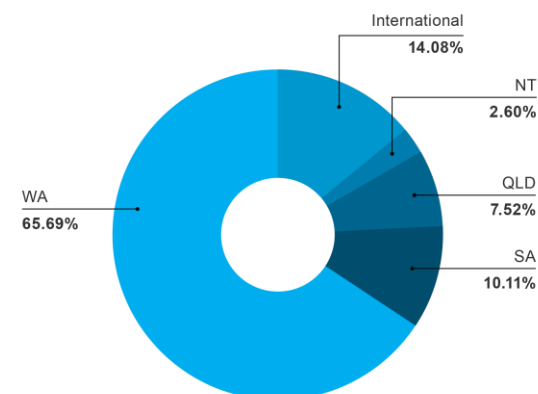
Revenue by client



Revenue by commodity



Revenue by location



This presentation contains forward looking statements that are subject to risk factors associated with the business. While Macmahon considers the assumptions on which these statements are based to be reasonable, whether circumstances actually occur in accordance with these statements may be affected by a variety of factors. These include, but are not limited to, levels of actual demand, termination of key contracts, currency fluctuations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. These could cause actual trends or results to differ from the forward looking statements in this presentation.

All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.

Non- IFRS Financial Information

This presentation uses non-IFRS financial information including EBITDA, EBIT, GROUP EBITDA and Group EBIT which are used to measure both group and operational performance. Non – IFRS measures have not been subject to audit or review.

References to “Macmahon”, “the Company”, “the Group” or “the Macmahon Group” may be references to Macmahon Holdings Ltd or its subsidiaries.

Thank you



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