

Annual General Meeting 2015

Tuesday 17 November



TOGETHER
WE DELIVER.

Board of Directors



John Rubino
Chairman



Rob Velletri
Managing Director



Peter Dempsey
(Lead) Independent
Non-Executive Director



Chris Michelmore
Independent Non-Executive
Director



Dietmar Voss
Independent Non-Executive
Director

Agenda

1. Chairman's Address
2. Managing Director's Address
3. Items of Business
4. Other Business

1. Chairman's Address

John Rubino

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Company Profile

Monadelphous Group Limited (ASX:MND) is a S&P/ASX 200 company that provides construction, maintenance and industrial services to the resources, energy and infrastructure sectors throughout Australasia.

People	Revenue	NPAT	Earnings per share	Dividends per share
4,536	\$1,865m	\$105.8m	113.9c	92.0c

(as at 30 June 2015)

Engineering Construction



Maintenance and Industrial Services



Chairman's Address

- Sales and earnings performance reflects trends in commodity prices
- Focus on productivity helped protect margins and ensure overheads remained aligned to business activity levels
- Another record safety performance achieved
- Leading capabilities, broad market coverage, multi-disciplinary service offering provide ongoing competitive advantage
- Committed to long term sustainable growth through development of new customer and service markets both domestically and overseas
- Continue to enhance productivity, maintain a healthy balance sheet and invest in the right opportunities.

2. Managing Director's Address

Rob Velletri

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Group Highlights

Financial

- Sales revenue down 19.9% to \$1,865m
- NPAT of \$105.8m down 23.6%^, EBITDA of \$168.0m
- EPS 113.9c, DPS 92c fully franked
- Robust cashflow from operations of \$117.8m, conversion rate of 88%

Operating

- Record safety performance – TCIFR 3.16, a 3% improvement on previous year
- \$450m new contracts and contract extensions secured, \$600m awarded since June 2015
- Margin pressure offset by focus on improving productivity and efficiency
- Cost reduction program delivered annualised savings of \$56m

Strategic

- Expanded water business with acquisition of Water Infrastructure Group
- Strengthened position in coal seam gas (CSG) market
- Established company in North America (Monaro LLC) in October 2015.

^Underlying basis. Refer to Appendix for reconciliation.

Financial Performance

Group highlights

	Unit	FY15	FY14 [^]	Change
Sales Revenue	\$m	1,865.0	2,329.6	(19.9%)
EBITDA [^]	\$m	168.0	221.2	(24.1%)
EBITDA Margin [^]	%	9.00	9.50	(0.5pp*)
NPAT [^]	\$m	105.8	138.6	(23.6%)
NPAT Margin [^]	%	5.67	5.95	(0.28pp*)
EPS [^]	cps	113.9	150.4	(24.3%)
Operating Cash Flow	\$m	117.8	117.6	0.17%
DPS (Fully Franked)	cps	92.0	123.0	(25.2%)

*pp = percentage points.

[^]Underlying basis. Refer to Appendix for reconciliation.

Financial Position and Funding

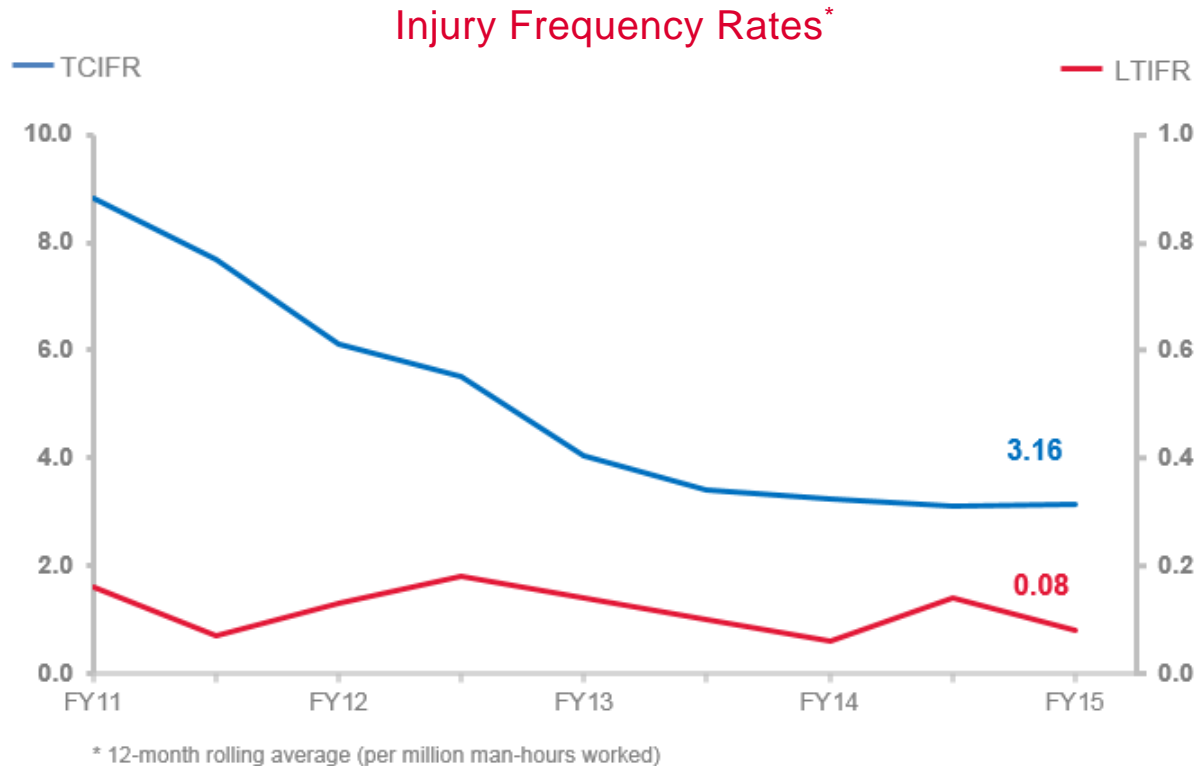
Strong balance sheet

	FY15 \$m	FY14 \$m	Change
Cash at Bank	209.8	217.9	(3.7%)
Net Cash Position (Cash less interest bearing loans and borrowings)	186.6	180.8	3.2%
Capital Expenditure (Cash and Hire Purchase)	11.5	7.1	62.0%

Bank Guarantee and Performance Bond Facilities

Utilised	392.6	507.3
Available	282.4	168.3
Total Facility	675.0	675.6

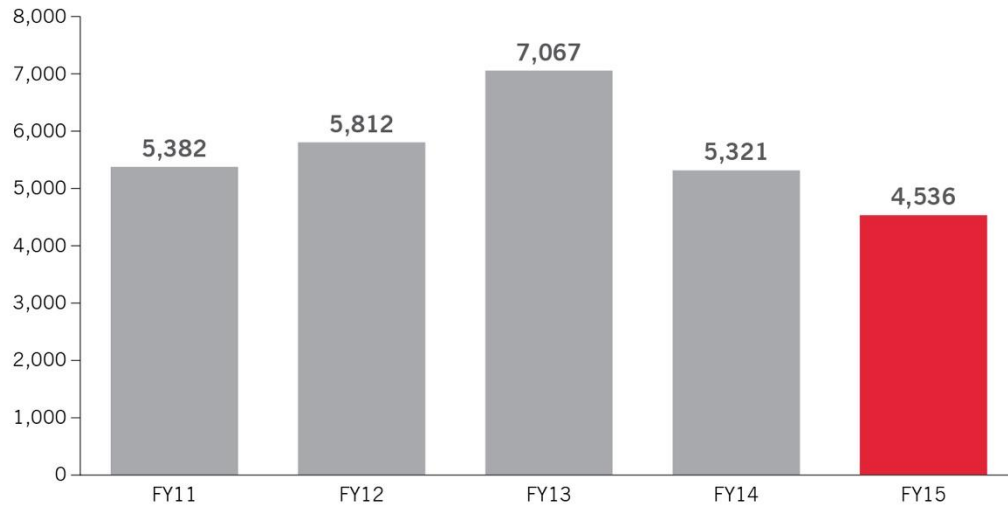
Safety Scorecard



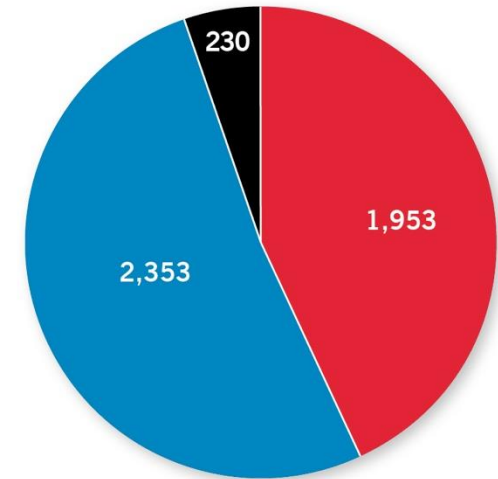
- Record safety performance – TCIFR improved 3%
- Implementation of incident management system has improved reporting
- Continued focus on safety leadership and risk management.

People Performance

Employee Numbers



Employees by Division



- Reduction in employee numbers in line with completion of projects, slowdown in construction activity and consolidation of support and services functions
- Tight market conditions led to improved availability of labour
- Key talent retention rates continue to be strong.

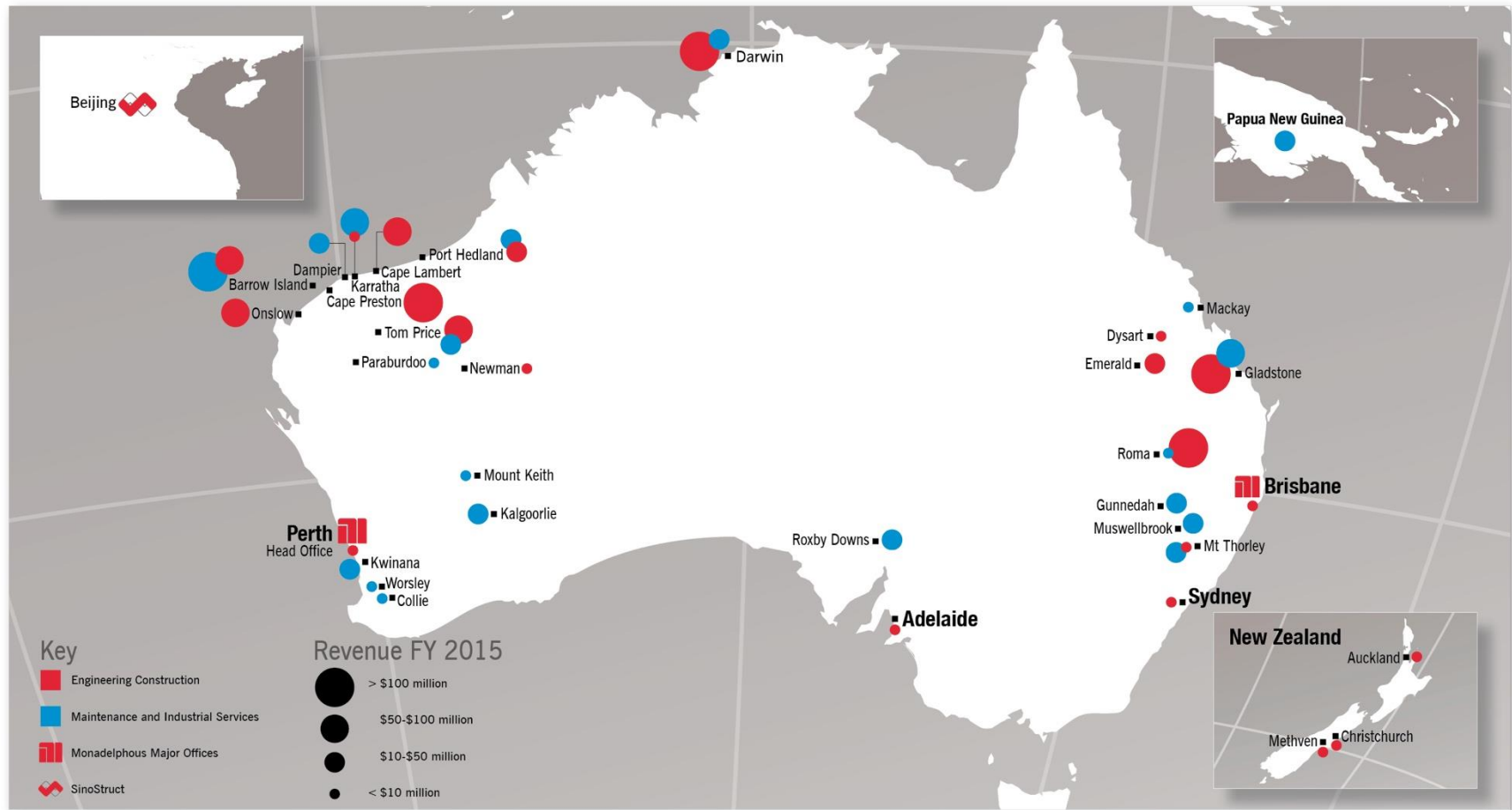
- Engineering Construction
- Maintenance and Industrial Services
- Group Support

Productivity

Company-wide cost reduction program



FY15 Contract Activity



Divisional Highlights

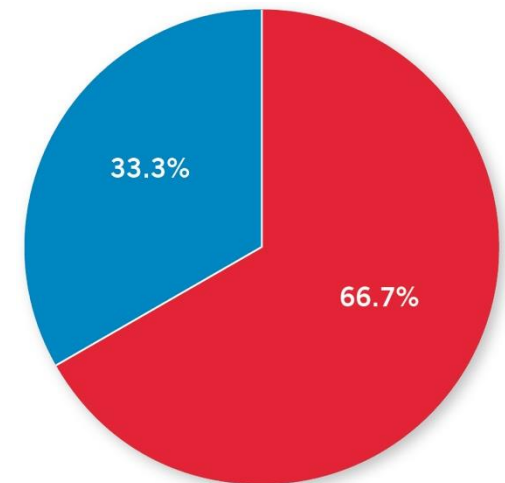
Engineering Construction

- Established strong position in upstream CSG market
- Growth in infrastructure work (pipelines and water)
- Integrated Water Infrastructure Group

Maintenance and Industrial Services

- Worked with customers to reduce costs and improve productivity
- Retained all contracts
- Successful completion of three major LNG shutdowns
- Strengthened position with oil and gas customers.

Revenue contribution



- Engineering Construction
- Maintenance and Industrial Services

Engineering Construction



Eurombah Creek Gas Processing Facility, Queensland

Engineering Construction (cont'd)



Ichthys Onshore LNG Facility, Darwin, Northern Territory

Engineering Construction (cont'd)



Solomon Hub, Fortescue River Gas Pipeline, Pilbara, Western Australia

Engineering Construction (cont'd)



Sino Iron Project, Cape Preston, Western Australia

Engineering Construction (cont'd)



Wiggins Island Coal Export Terminal, Gladstone, Queensland

Maintenance and Industrial Services



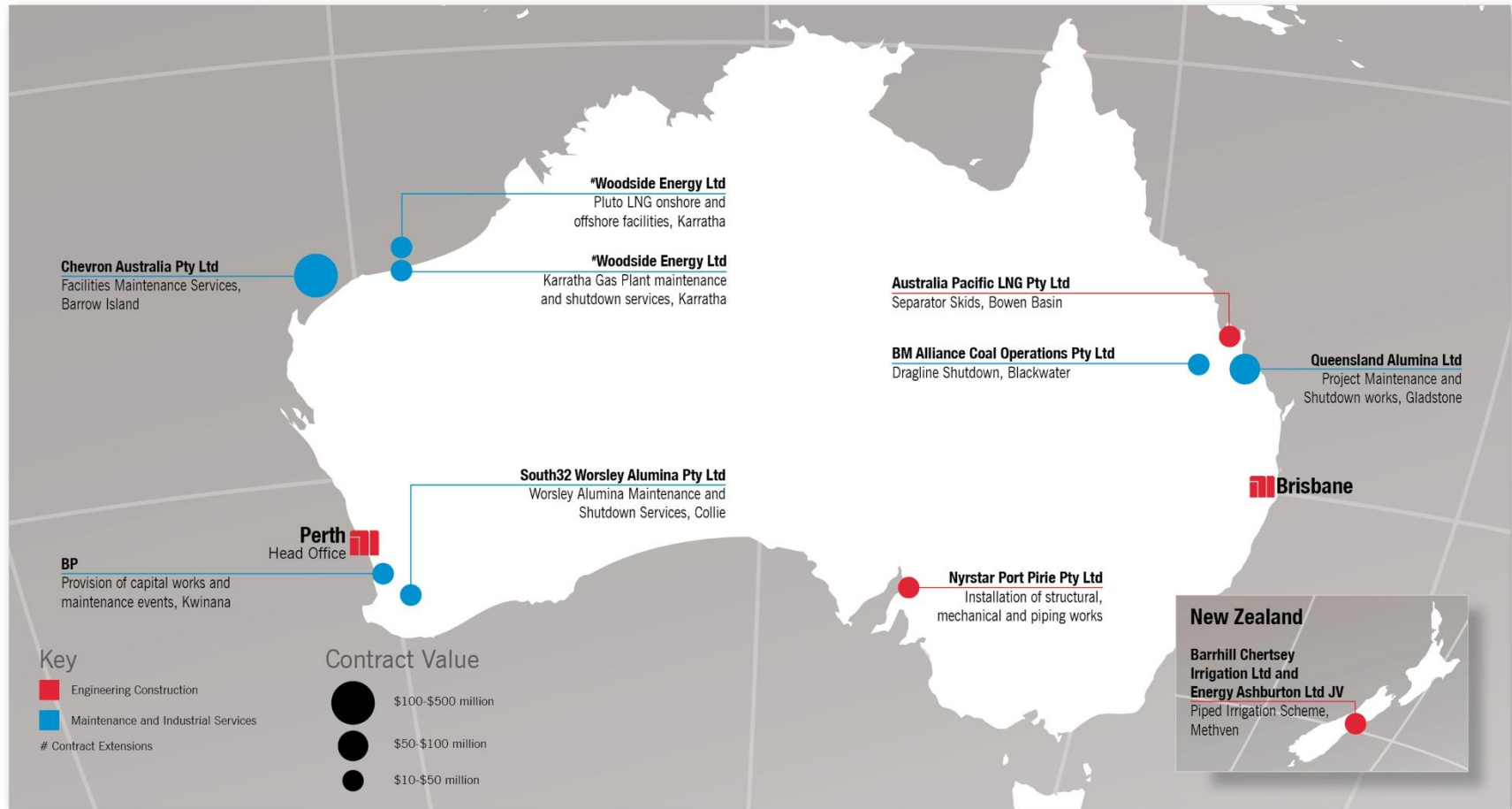
Woodside, Karratha Gas Plant, Karratha, Western Australia

Maintenance and Industrial Services (cont'd)

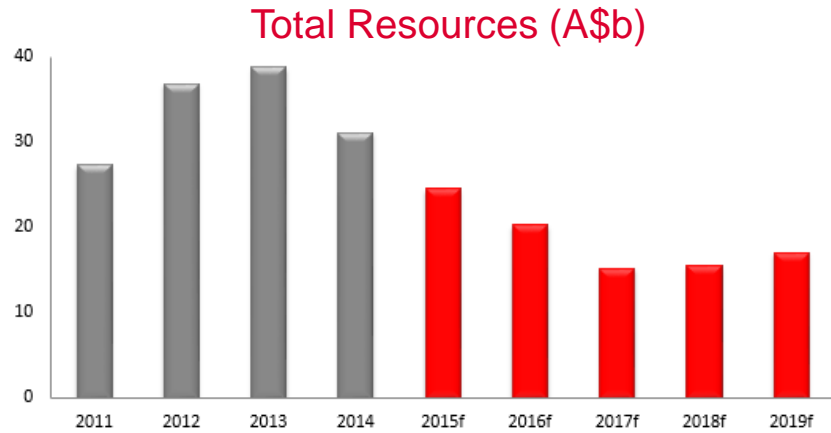


Chevron Australia-operated Gorgon Project, Barrow Island, Western Australia

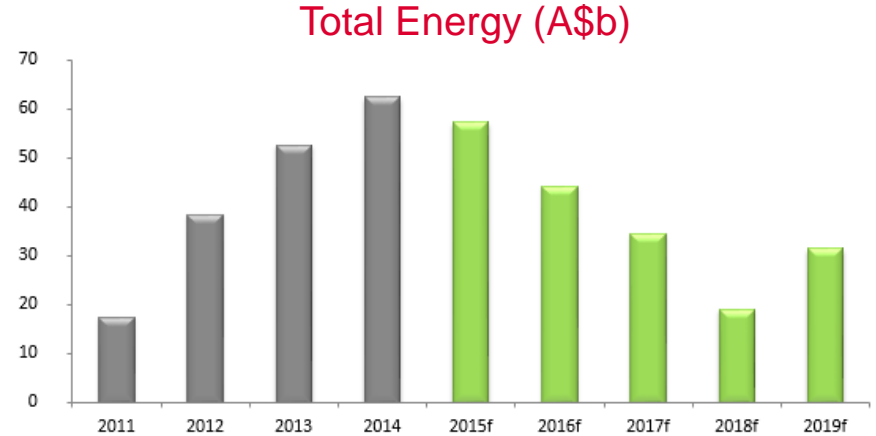
Contracts Secured Since 30 June ~ \$600m



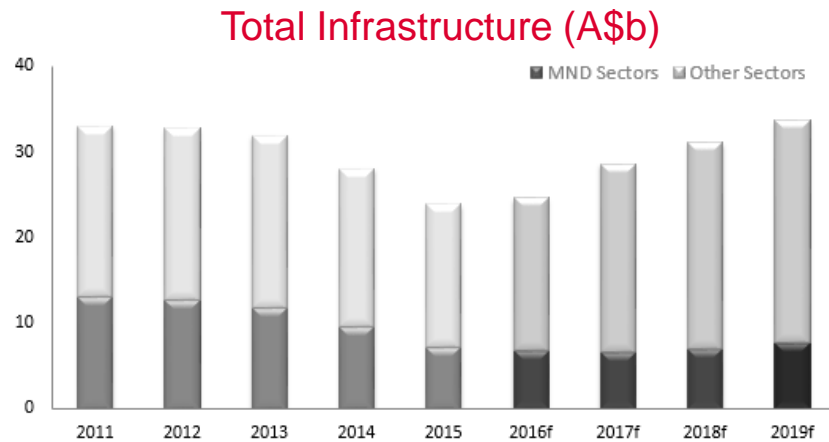
Australian Market Conditions



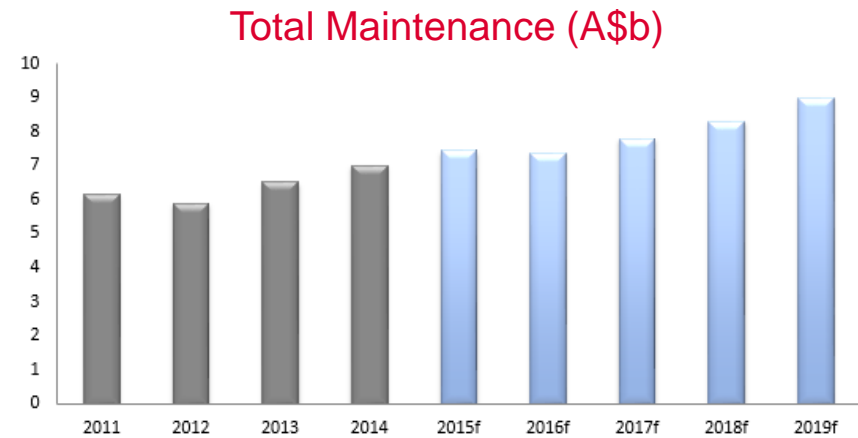
Source BIS Shrapnel - Total New Fixed Capital Expenditure Constant (updated May 2015)



Source BIS Shrapnel - Total New Fixed Capital Expenditure Constant (updated May 2015)



Source BIS Shrapnel - Value of work done Constant (November 2015)



Source BIS Shrapnel - Mining and Energy sector Constant (October 2014)

Market Growth Strategy

Monadelphous' long-term sustainable growth will come through maximising returns in our core service markets and broadening our revenue base through targeted entry into new customer and service markets.

Maximise our position in core markets

- Efficient, competitive and productive delivery of core services
- Boost business development activities
- Apply full suite of multi-disciplinary services and capabilities

Enter new service markets

- Broaden maintenance market services
- Grow services in Water Infrastructure, Marine and related infrastructure
- Develop opportunities in power generation, transmission and distribution

Expand core services in overseas markets

- Establish presence in North American oil and gas market
- Pursue opportunities in PNG and Mongolia
- Convert global opportunities for China-based fabrication services.

Strategic Progress

Maximise our position in core markets




- New contracts, renewals and extensions with long term customers
- Secured new panel service contracts and wellhead skids for CSG market
- Secured new Barrow Island facilities maintenance contract
- Company well placed to secure new major maintenance contracts of strategic importance

Enter new services markets



- Award of further irrigation projects through Water Infrastructure business
- Opportunities incorporating access solutions and corrosion management significantly progressed
- Actively pursuing opportunities in power and utility network services

Expand core services in overseas markets



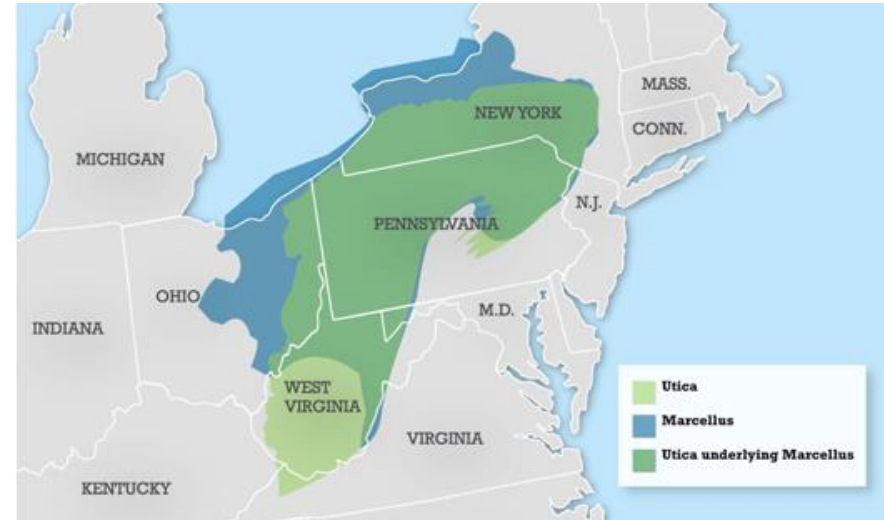
- Established Monaro LLC in USA
- Strategic partnership for global EPC projects to the resources sector under development
- Opportunities for overseas fabrication supply to North and South America at prequalification and tender stage.

Monaro LLC

US partnership

- Based in Pittsburgh, North East USA
- Multidisciplinary construction services in the Marcellus and Utica gas regions
- Our partner is Mascaro Construction, a Pittsburgh-based civil contractor
- Bob Santillo has been appointed as CEO.

Map - North East Coast of USA



Marcellus and Utica shale gas regions

- Marcellus and Utica regions contain abundance of shale gas
- The Marcellus region continues to invest in new takeaway and downstream infrastructure
- North East coast is expected to support a strong US gas production forecast in the next decade.

Outlook

- Australian market conditions are expected to remain challenging
- A surplus capacity of service providers and a focus by customers on operating costs and productivity of existing assets is driving a competitive environment
- Opportunities for new major construction contracts in energy and resource commodity markets are likely to remain at reduced levels
- Prospects for oil and gas maintenance and industrial services activities are expected to be positive
- Company is in a strong position to capitalise on \$1 billion of maintenance service tenders in progress
- First half revenue expected to be 10% lower than second half of 2014/15 due to reducing demand for construction
- 2015/16 full year revenue dependent on project timing and new awards
- Margins expected to remain under pressure, focus on fixed cost base will be a priority
- Company remains committed to advance its market growth strategy and will pursue investment opportunities to support diversification objectives.

Shareholder Questions



QCLNG Plant, Curtis Island, Queensland

3. Items of Business



Sino Iron Project, Cape Preston, Western Australia

Annual Reports



To receive and consider the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2015.

Resolution 1: Re-election of Director



To re-elect a Director: Mr Chris Michelmore who, being eligible, offers himself for re-election.

Resolution 1: Re-election of Director

The total of valid proxies received for Resolution 1 is 32,523,636 being:

30,230,732	FOR the resolution
180,102	AGAINST the resolution
2,037,001	OPEN to proxy
75,801	ABSTAIN

Resolution 2: Adoption of Remuneration Report



To consider and adopt the Remuneration Report for the year ended 30 June 2015.

Resolution 2: Adoption of Remuneration Report

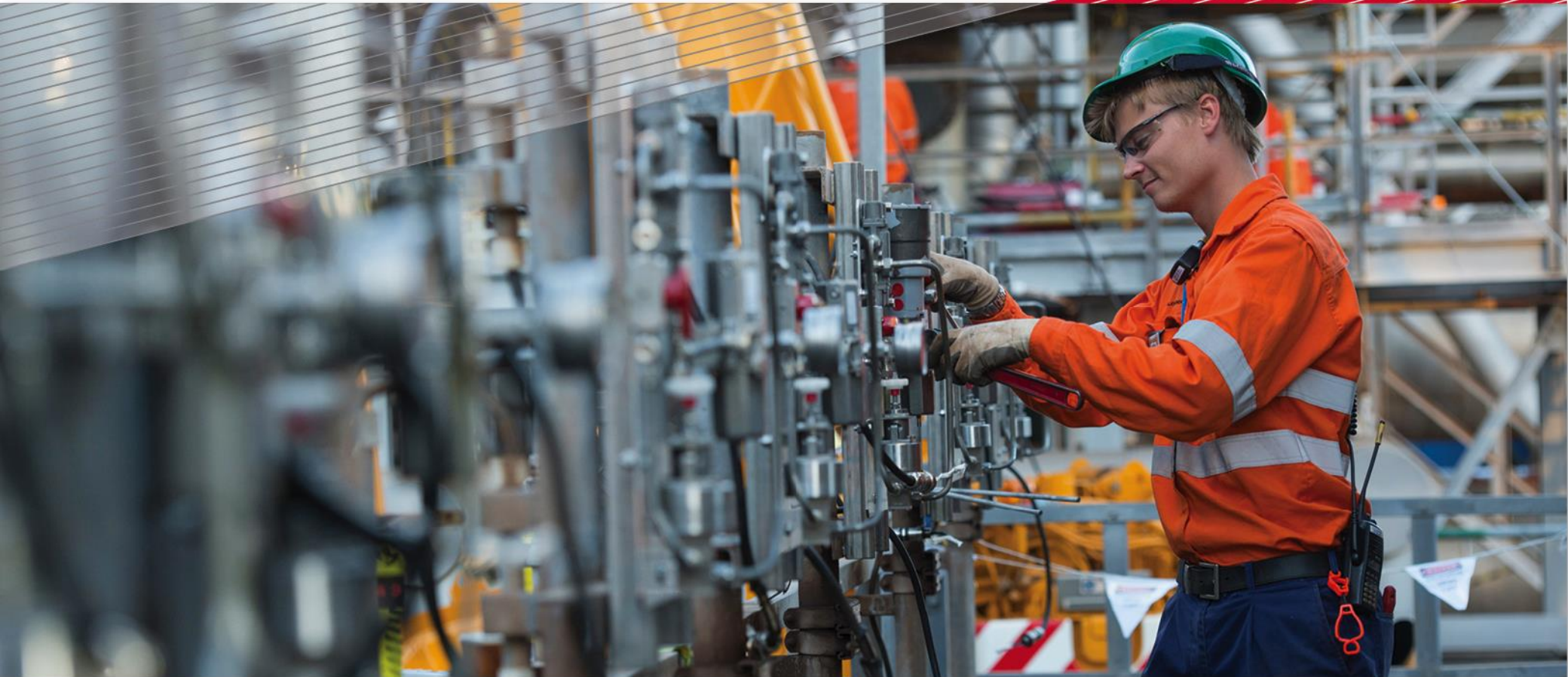
The total of valid proxies received for Resolution 2 is 32,319,320 being:

28,105,884	FOR the resolution
1,897,175	AGAINST the resolution
2,034,160	OPEN to proxy
282,101	ABSTAIN

Poll



4. Other Business



Woodside, Karratha Gas Plant, Karratha, Western Australia

For more information:

Investor Relations

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www.monadelphous.com.au

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Important Notice

Disclaimer

Information, including forecast financial information, in this presentation, should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in Monadelphous Group Limited or any other company. Due care and attention has been used in the preparation of forecast information, however, actual results may vary from forecast and any variation may be materially positive or negative.

Forecasts, by their very nature, are subject to uncertainty and contingencies may occur which are outside the control of Monadelphous Group Limited. Before making or varying any decision in relation to holding, purchasing or selling shares, securities or other instruments in Monadelphous Group Limited, investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.

Appendix - Notes to Financials

Non-IFRS Financial Information

Monadelphous Group Limited results are reported under International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Company discloses certain non-IFRS measures that are not prepared in accordance with IFRS and therefore are considered non-IFRS financial measures. The non-IFRS measures should only be considered in addition to and not as a substitute for, other measures of financial performance prepared in accordance with IFRS.

^The term “underlying” used within this document, is a non-IFRS profit measure which refers to the statutory result for the full-year ended 30 June 2014 excluding the one-off gain from the sale of subsidiaries, Skystar Airport Services Pty Ltd and Skystar Airport Services NZ Pty Ltd (“Skystar”). This measure is important to management as an additional way to evaluate the Company’s performance. The underlying profit measure is unaudited.

Underlying EBITDA is a non-IFRS earnings measure which does not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. Underlying EBITDA represents earnings before interest, tax, depreciation and amortisation and excluding the profit on sale of Skystar. Underlying NPAT represents NPAT excluding the after tax profit on sale of Skystar.

	FY15 \$'000	FY14 \$'000
Reconciliation of profit before income tax to underlying EBITDA (unaudited)		
Profit before income tax	147,041	205,203
Gain from sale of Skystar	-	(10,353)
Interest expense	1,701	3,101
Interest revenue	(4,478)	(3,371)
Depreciation expense	22,932	25,656
Amortisation expense	779	1,006
Underlying EBITDA	167,975	221,242
Reconciliation of profit after income tax to underlying NPAT (unaudited)		
Profit after income tax	105,825	146,510
Gain from sale of Skystar	-	(7,934)
Underlying NPAT	105,825	138,576