



ASX Release  
20 November 2013

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## 2013 ANNUAL GENERAL MEETING – MANAGING DIRECTOR’S ADDRESS

Following my appointment as Managing Director and Chief Executive Officer last month I felt this would be a good opportunity to introduce myself to you. Today I am going to provide an overview of my background, why I sought to join Emeco, and my priorities for the company over the coming months.

### Background

My main experience has been at executive leadership positions in the mining services, logistics, and steel industries. Before commencing at Emeco I was Executive Vice President of Business Development at a logistics company, Aurizon, formerly known as QR National. I also held a number of senior operational roles at Aurizon, including CEO of Freight Group and CEO of ARG. Prior to my time at Aurizon, I held executive and management roles at Brambles Industrial Services, Cleanaway Industries, Smorgon Steel and BHP Steel.

I would like to briefly reflect on my time as CEO at Freight Group, a role I served from 2009 to 2011. Freight Group is a large subsidiary of Aurizon, with revenues in excess of \$1 billion and a workforce of approximately 4000 employees. However, at the time it had some areas of concern. As such, I focused on overseeing a range of major operational reforms, including building its iron ore business and rebuilding the intermodal business. Upon leaving Freight Group I had overseen the company delivering an EBIT turnaround of \$280 million.

The overarching principle I have worked to in my 20 plus years’ experience in the sector is that the best way to achieve value and creating growth is through understanding and meeting customers’ needs – and this will be a key focus as I work with the executive leadership team and the Board in leading Emeco through its next phase of development.

### Moving to Emeco

I chose to take this role at Emeco for a number of reasons, but above all I was attracted by Emeco’s strong brand in the sector. I had encountered Emeco in my previous roles and found it had a good reputation in the industry. I also found the Group to have a solid value proposition that was not always well understood, particularly given Emeco’s broad customer mix coupled with its geographical and product mix, which provides the Group with a natural hedge.

My impressions from outside Emeco have been reinforced since commencing as CEO earlier this month. I have been impressed by the executive leadership team, who is very dedicated and has a comprehensive understanding of the business. I have also found the internal processes that have been developed at Emeco are very solid and provide an excellent base for the business going forward. In my dealings with staff I have found them to be capable and quick to respond. I am delighted to be in the role and am excited about leading Emeco’s team through the prevailing conditions and into the future.

## Priorities

Since commencing as CEO I have focused on developing my understanding of Emeco's customers, markets, operations, and financial position.

I have also focused on assessing Emeco's safety management. I believe personally that all injuries are preventable and that ZERO HARM in all workplaces is achievable. I have been impressed with what I have seen so far of Emeco's safety management and capability, but there is always room for improvement and I will work hard with the management team and our employees to work towards zero harm at all Emeco work locations.

Our operational update to the market on Monday detailed how the challenging headwinds in the sector have affected Emeco's performance in the short-term. However, I feel that Emeco has a solid base with a number of opportunities to further develop the business and add value for its customers. This includes expanding our presence both in the services and products we provide and across new geographies, such as the Americas. I am also working with the executive leadership team and Board in reviewing our long-term strategy in Indonesia.

To explore these strategic initiatives Emeco must have the right capital structure in place. The Company has made significant progress in this regard through a disciplined approach to balance sheet management, including asset sales and debt reduction while maintaining a strong cash flow from operations, and this will be a key focus as we look to grow the business.

As I stated earlier, one of the key drivers for me is ensuring we continue to understand and meet our customers' needs. In developing the initiatives to grow the business my focus will always be to ensure Emeco remains adaptive to customers' needs, so that we are best placed in driving value for shareholders.

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### About Emeco

Established in 1972, Emeco is the world's largest, independent mining equipment rental business and services major resource projects across Australia, Canada, Chile and Indonesia. Emeco pursues a best in class asset management strategy and operates a global fleet of equipment from a range of original equipment manufacturers to deliver the most effective equipment rental and maintenance solutions for its customers. Emeco is a publicly listed company on the Australian Securities Exchange (ASX:EHL).

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