

2015 INTERIM RESULTS

26 FEBRUARY 2015

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HIGHLIGHTS

GETTING EMECO BACK TO WORK

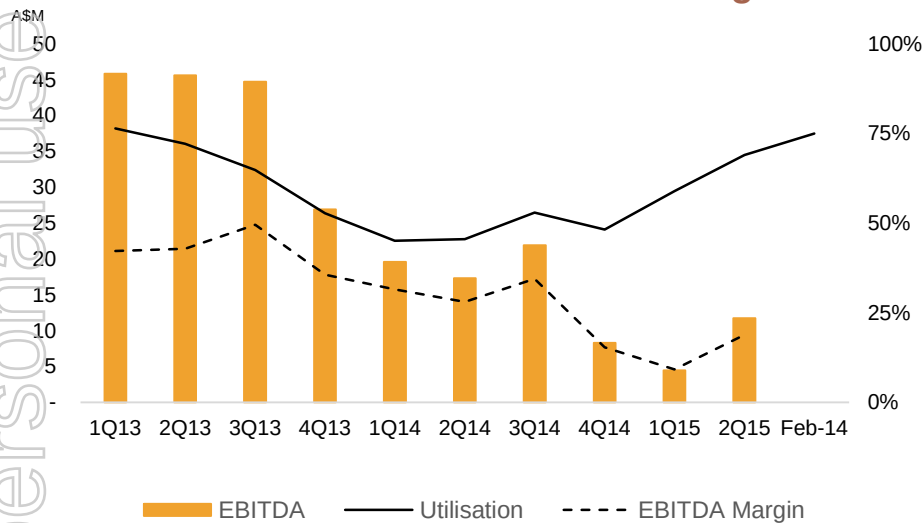
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- Group fleet utilisation 75%, up from 50% at June – existing contracts retained, new contracts won
- Global mining industry experiencing prolonged difficult trading conditions
- New corporate strategy unveiled to create a more resilient business and return to profitability
- Each regional business unit showing solid business development pipelines
- Focus now switches to rebuilding margins and executing strategy
- Turnaround journey well underway
 - Stabilise business ✓
 - Refinanced balance sheet ✓
 - Rebuild utilisation ✓
 - Improve margins and cash flow (in progress)

1H FY15 OVERVIEW

STRONG SECOND QUARTER SHOWS POSITIVE RESULTS OF BACK-TO-WORK PLAN

Utilisation¹ vs EBITDA and margins



Financial performance^{2,3,4}

A\$million	1H FY15	1H FY14	PCP Var \$M
Revenue	110.7	123.8	(13.1)
EBITDA	16.2	36.9	(20.7)
Operating NPAT	(49.6)	(10.7)	(38.9)
Statutory NPAT ⁵	(52.1)	(169.4)	117.3
Free cashflow	(9.0)	75.1	(84.1)

- Revenue remained strong, but first half cash flow impacted by approximately \$12 million in one-off costs as a result of driving utilisation, including pre-rental costs in Australia and contract set-up costs in Chile
- Trend shows utilisation and margin trend bottomed in 1Q FY15, with margin recovery in 2Q FY15 and utilisation continuing to climb into 3Q FY15

Note: 1. Including non-current assets held for sale current utilisation is 72%,

2. Table represents operating results

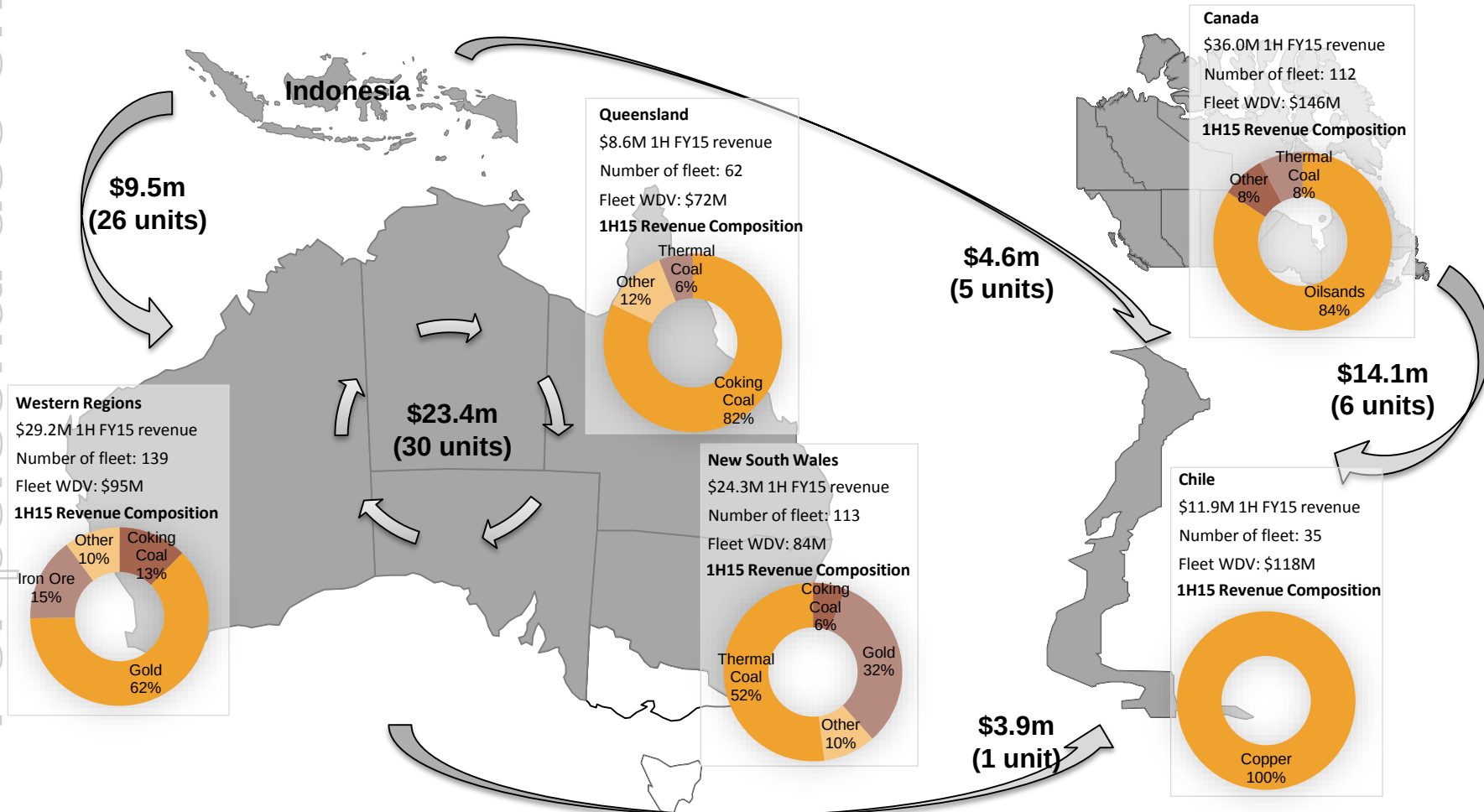
3. Unrealised FX reclassified below EBIT

4. Excludes discontinued operations

5. Statutory NPAT includes \$0.4M tangible asset impairment reversal, \$0.1M one-off redundancy costs, \$2.1m Corporate development costs and \$1.8M written-off debt establishment fees. Refer to Emeco's 2015 Interim Financial Report for more information

CURRENT OPERATIONS

MOBILE FLEET AND GEOGRAPHICAL DIVERSITY



Note:

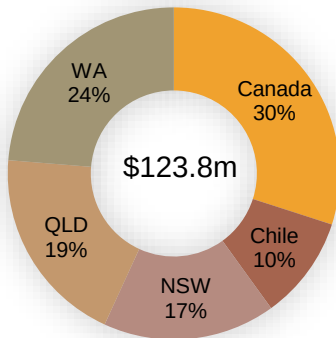
1. Figures in AUD millions
2. Excludes assets held for sale
3. Redeployments in last 18 months

EARNINGS COMPOSITION

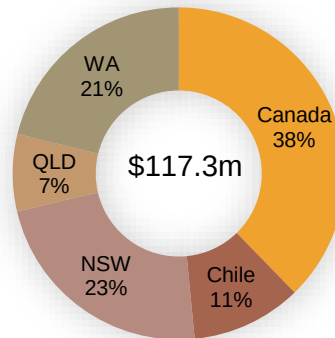
STRONG COMMODITY AND GEOGRAPHICAL DIVERSITY

Revenue by Geography

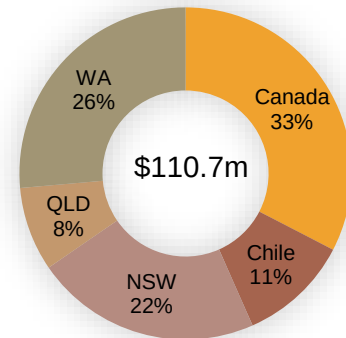
1H FY14



2H FY14

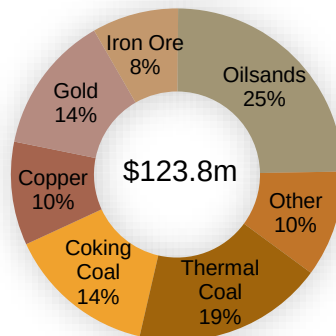


1H FY15

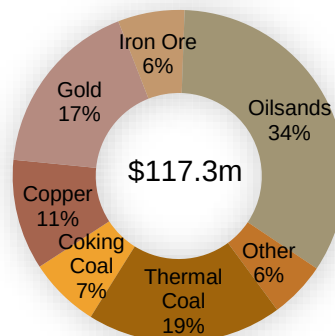


Revenue by Commodity

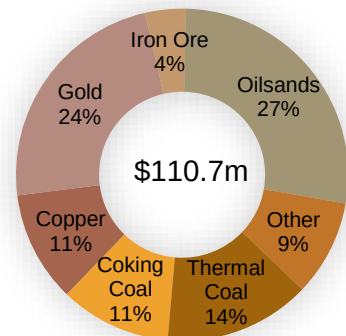
1H FY14



2H FY14



1H FY15





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OPERATIONAL REVIEW

HSE & SUSTAINABILITY

A HIGH STANDARD OF HSE IS KEY IN A COMPETITIVE MARKET

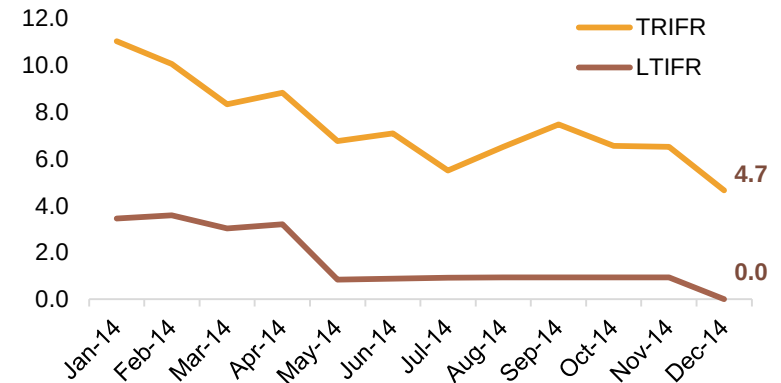
■ HEALTH, SAFETY & ENVIRONMENT

- Reduced TRIFR by 57% in 2014
- Reduced LTIFR by 100% in 2014
- Life Saving Rules rolled out in all regions
- Rollout of Core Risk Control Protocols (CRCP'S) has commenced in all regions

■ DEVELOPING OUR PEOPLE FOR A SUSTAINABLE FUTURE

- Talent management system being implemented
- Mentoring program for women in leadership positions introduced in Australian business
- Frontline First and Building Leaders programs commenced in Australia and Canada

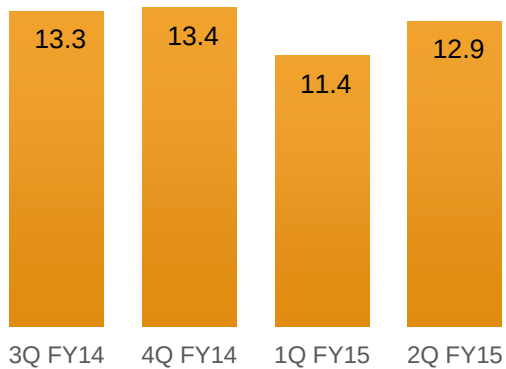
Safety Performance



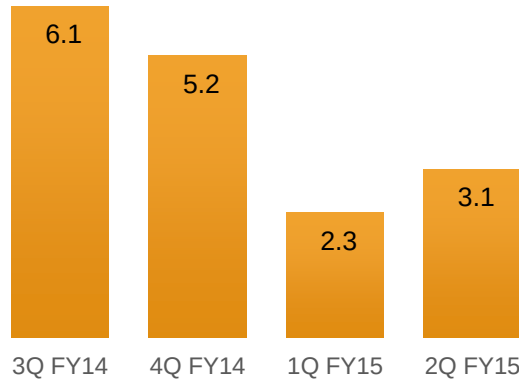
REGIONAL PERFORMANCE – NEW SOUTH WALES

EMECO'S MOST RESILIENT AUSTRALIAN MARKET

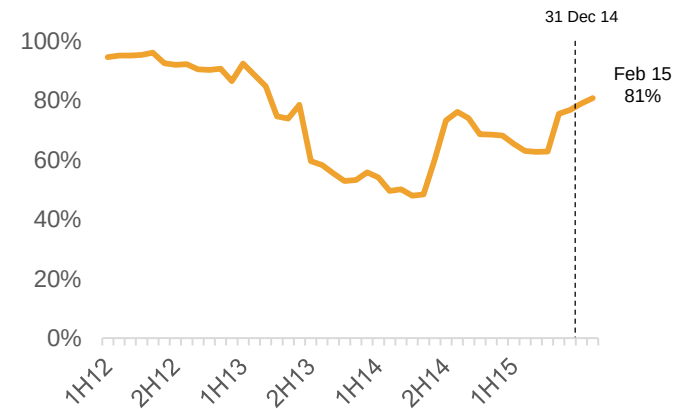
Revenue



EBITDA



Utilisation¹

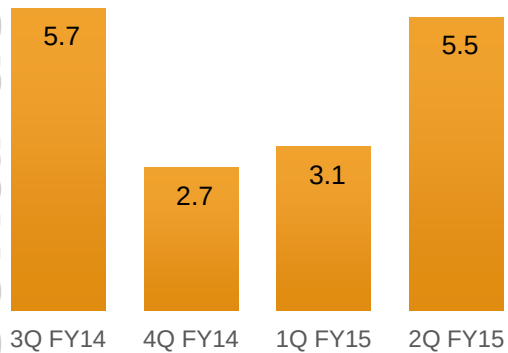


- Existing large thermal coal contract retained, two significant new contracts in gold and coal
- Fleet relocated from Queensland to service new contracts
- Margins remain tight, but utilisation is strong
- Healthy business development pipeline with multiple enquiries

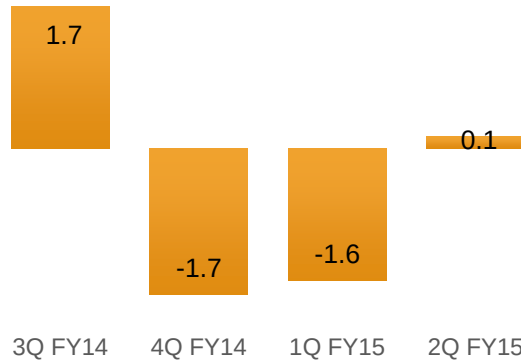
REGIONAL PERFORMANCE - QUEENSLAND

EARTHMOVING VOLUMES RETURNING

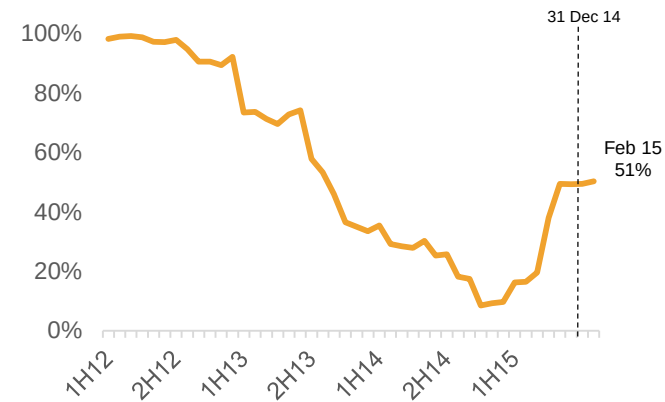
Revenue



EBITDA



Utilisation¹

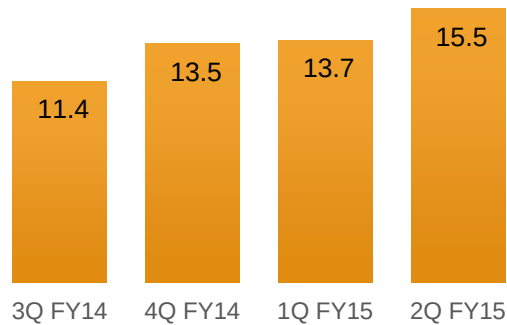


- Noticeable return of earthmoving contracts and enquiries in the metallurgical coal sector following record low period
- Currently most active business development pipeline
- Emeco successfully winning market share
- Forming contractor alliances

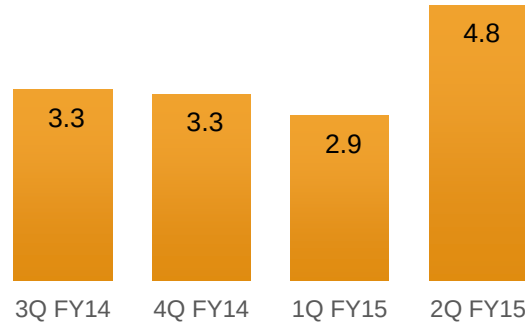
REGIONAL PERFORMANCE – WESTERN AUSTRALIA

LONG-TERM, FULLY-MAINTAINED FLEET CONTRACTS IN GOLD

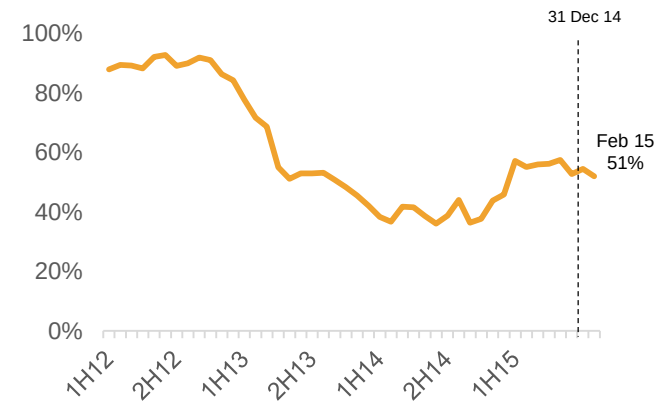
Revenue



EBITDA



Utilisation¹



- Underpinned by two fully-maintained, long-term fleet rental contracts with mid-tier gold miners
- New contract win in thermal coal
- New opportunities available in gold
- Limited opportunities in iron ore due to price falls

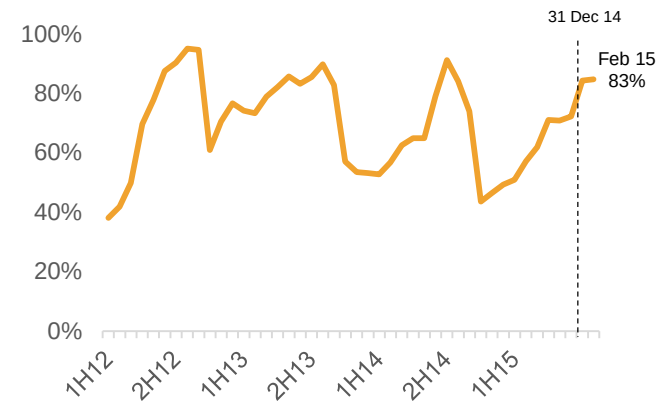
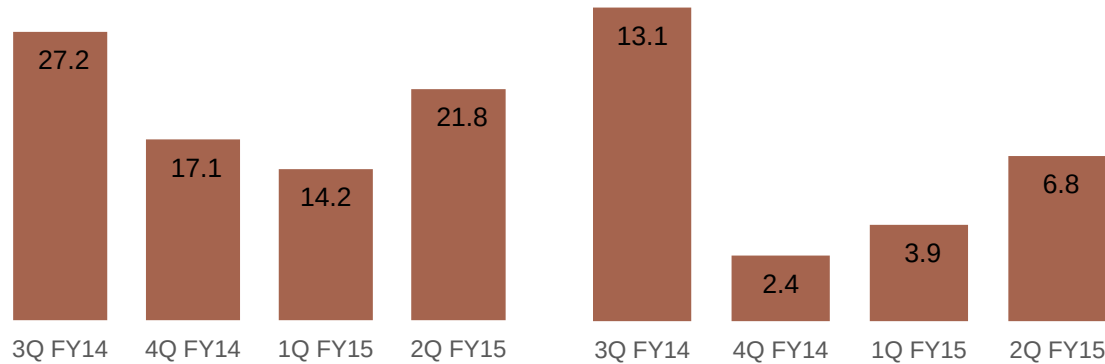
REGIONAL PERFORMANCE - CANADA

OIL PRICE DECLINE BEING MANAGED

Revenue¹

EBITDA¹

Utilisation²



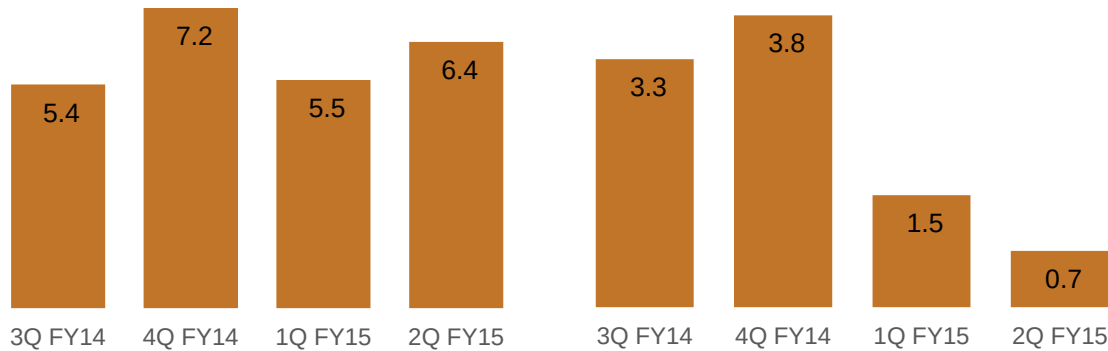
- High utilisation and near-full order book for current winter works program
- Only one winter contract deferred because of oil price decline
- Working with existing clients to ensure current rates are meeting cost objectives
- Oil sands underpinned by long-term investment profile
- Good diversification opportunities into services, such as maintenance, and commodities, such as coal

REGIONAL PERFORMANCE - CHILE

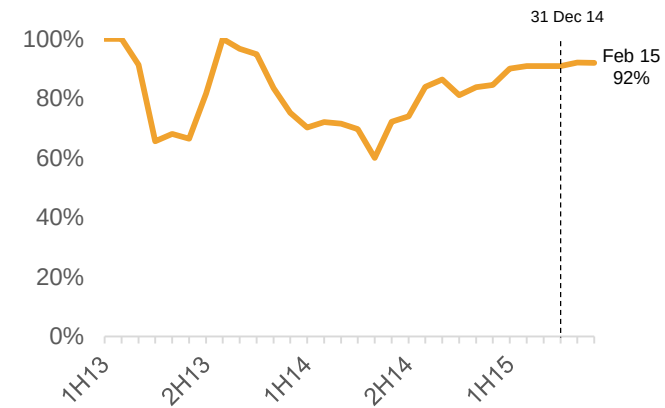
KEY CONTRACT NOW HITTING TARGET

Revenue¹

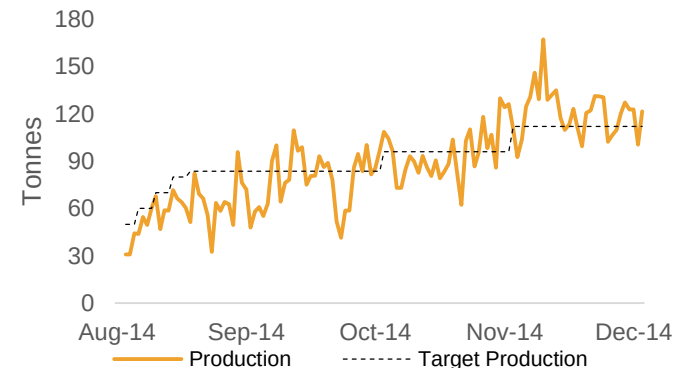
EBITDA¹



Utilisation²



Production



- Encuentro project contract now performing strongly and exceeding customer's targets
- First half result impacted by set-up costs and delays in ramp-up
- Active business development program in Chile and neighbouring Peru



FINANCIALS

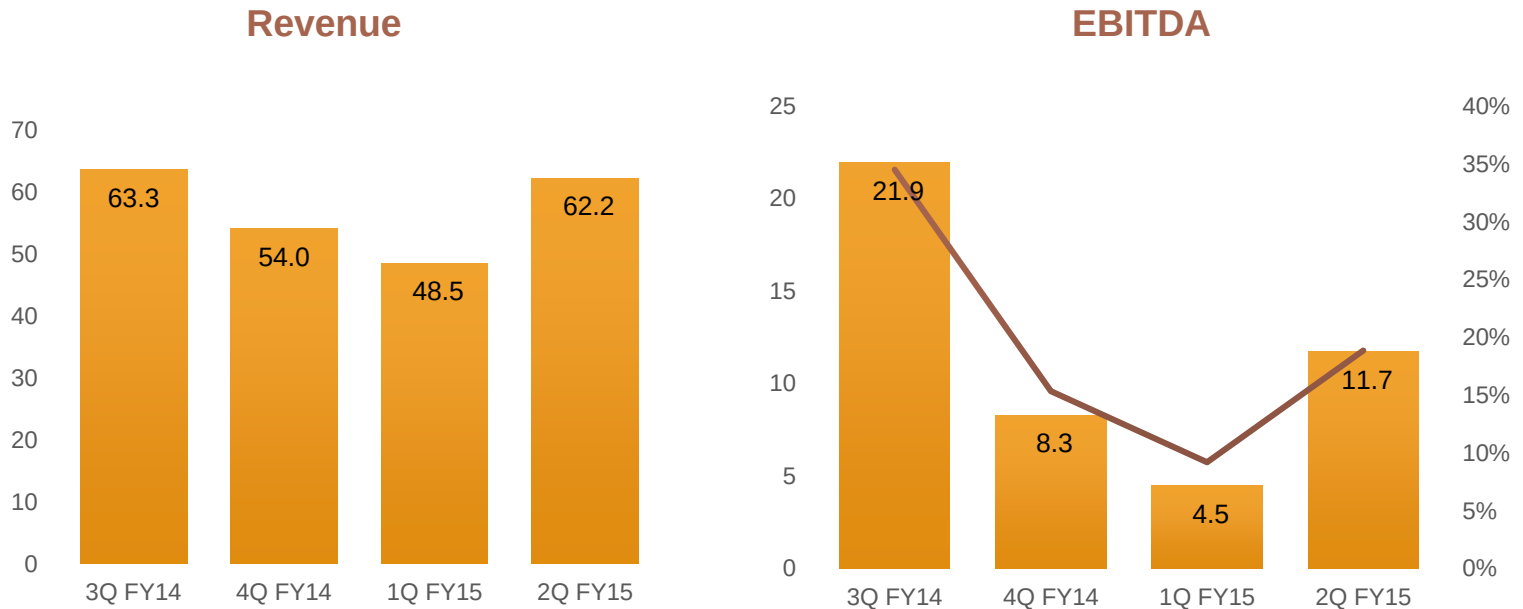
FINANCIAL SUMMARY

At a glance...

A\$million	1H FY14	2H FY14	1H FY15
Revenue	123.8	117.3	110.7
EBITDA	36.9	30.2	16.2
EBIT	(0.9)	(11.0)	(32.6)
NPAT	(10.7)	(10.8)	(49.6)
Free cash flow	75.1	10.8	(9.0)
R12 ROC⁵	2.9%	(1.4)%	(6.6)%
Operating EPS (cps)	(1.9)	(1.9)	(8.8)

FINANCIAL PERFORMANCE

BUSINESS TURNING IN 2Q FY15 AS ONE-OFF COSTS ELIMINATED



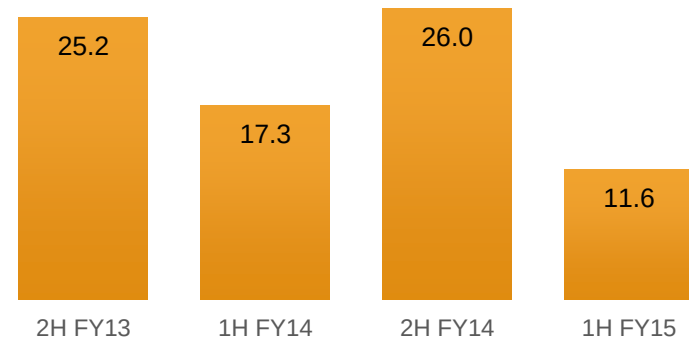
- Utilisation growth driving revenue
- Cost reductions driving margin improvement

RENTAL FLEET & CAPITAL STRATEGY

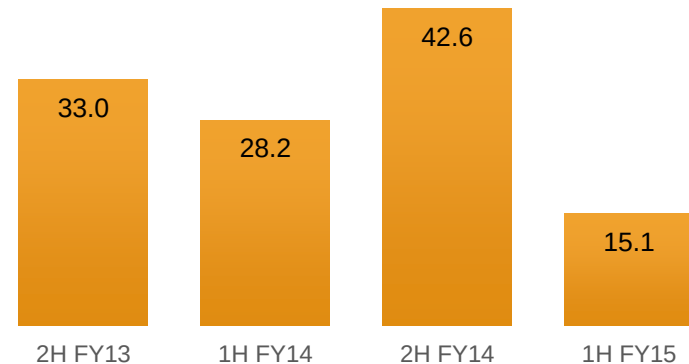
FOCUS ON RIGHT FLEET MIX TO MATCH DEMAND IN OUR MARKETS

- Capital expenditure closely monitored in current climate
- Capex of \$11.6 million mostly dedicated to re-builds
- Some new equipment funded through operating leases
- \$15.1 million generated by asset sales with agreements for a further \$5.3 million committed to settle in 2H FY15

Sustaining Capex¹



Disposals²



Note:
1. Sustaining capex includes other PP&E; disposals includes other PP&E disposals
2. Includes Indonesia disposals

BALANCE SHEET

SUCCESSFUL REFINANCING PROVIDES FLEXIBLE AND SUSTAINABLE DEBT STRUCTURE

- Liquidity strengthened with new \$75 million asset backed loan,
 - Currently undrawn
 - Covenant light
- Cash reserves of \$34.1 million at December 31
- Cash build anticipated in 2H FY15

CAPITAL STRUCTURE

Bonds	- US\$335m, Maturity 2019
ABL	- A\$75m, Maturity 2017
Swaps	- Volume: US\$210.0
	- MTM: AUD\$23.2m



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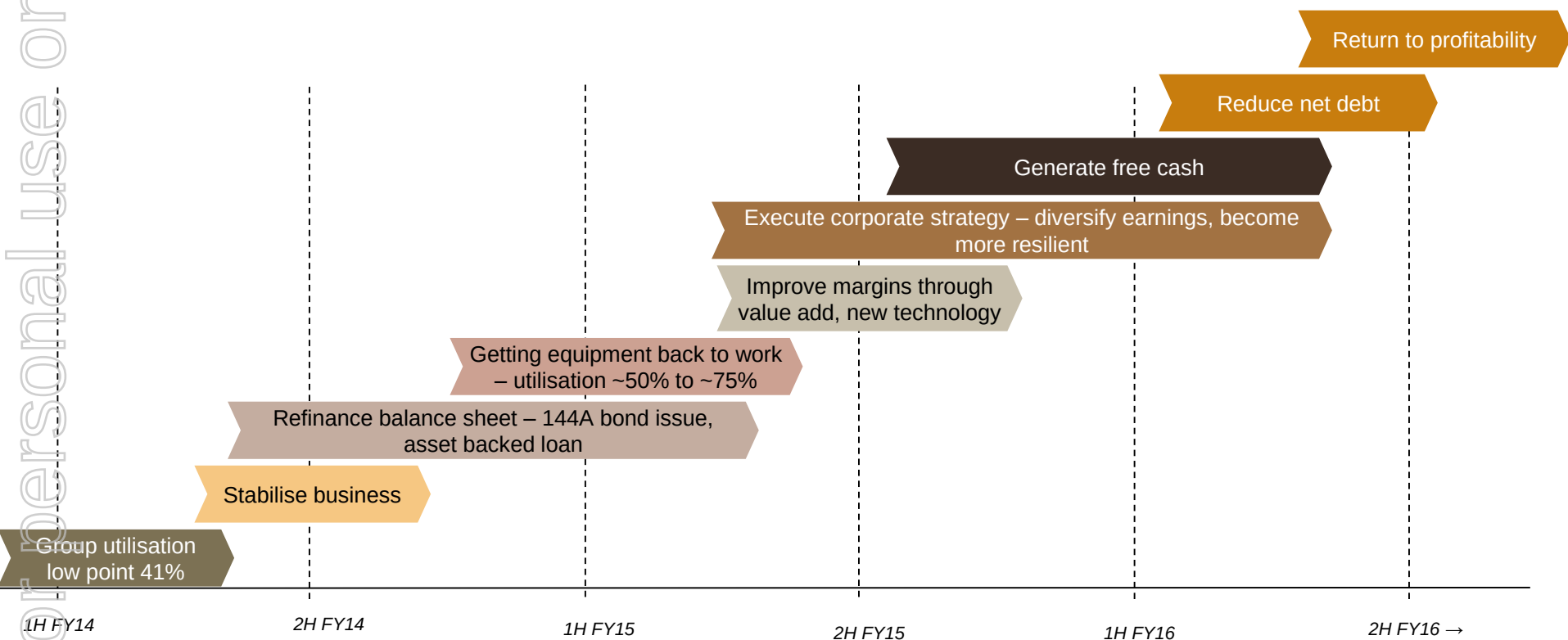
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STRATEGY & OUTLOOK

STRATEGY AND OUTLOOK

THE STORY SO FAR...



EMECO – A NEW WAY OF COMPETING

Winning work

- Winning work with fully-maintained, whole-fleet solutions for mid-tier miners
- Actively partnering with mid-tier contractors, combining Emeco fleet and contractor capability to open up new opportunities

New Services

- Expanding low-capex maintenance services and tendering other ancillary service proposals
- Value-add propositions for clients drive improved Emeco margins
- Emeco Business Improvement Program enhancing the business and lowering costs

Technology

- Working with clients to improve their productivity. New technology provides clients with additional product offering

EMECO'S STRATEGY

Emeco will be a market-driven business with a range of specialist propositions that are tailored to meet customer needs and delivering excellent returns for shareholders

1



Reshape the core rental business and improve profitability

Improve profits & reduce capital intensity	Market solutions	Create partnerships with customers
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- Improve utilisation rates and returns:
 - Align value propositions with customer needs
 - Build value partnerships with customers by providing fleet performance and earthmoving solutions
 - Expand low-capital intensity services, in particular maintenance and those that drive on-going site presence
 - Target projects in select new geographies
 - Position the right fleet to compete
- Generate cash for growth

Deep and broad customer engagement

Flexible, responsible deal making

2



Extend customer relationships with specialist mining products and services

Diversify revenue	Increase scale	Broaden customer relationships
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- Build a diversified specialist mining services business:
 - Target adding value to mid-tier mining companies
 - Select attractive niches that are suited to consolidation/aggregation/growth
 - Leverage cross-selling benefits

3



Innovate, diversify and look to new business models

Deliver differentiation	Diversify markets	Disrupt the playing field
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- Diversify beyond mining
- Position technology as a point of difference in each of our offerings
- Generate new revenue streams by bringing best practice technology to mid-tier miners and contractors

Operational excellence

Safety, culture and brand



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QUESTIONS



FURTHER INFORMATION

Thank you for your interest in Emeco

For further investor enquiries please contact:

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APPENDICES

DETAILED FINANCIALS

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Profit & Loss³

A\$million	1H FY14	2HFY 14	1H FY15
Revenue	123.8	117.3	110.7
EBITDA	36.9	30.2	16.2
Margin(%)	29.8%	25.7%	14.6%
EBIT	(0.9)	(11.0)	(32.6)
Margin(%)	(0.7)%	(9.4)%	(29.4)%
NPAT	(10.7)	(10.8)	(49.6)
EPS (cps)	(1.9)	(1.9)	(8.8)
DPS (cps)	0	0	0
R12 ROC(%)	2.9	(1.4)	(6.6)

Balance Sheet²

A\$million	30/06/2014	31/12/2014
Cash	41.8	34.1
Trade & other receivables	78.9	74.2
Rental plant	530.9	517.8
Intangibles	0.2	0.1
Sales & parts inventory	8.2	8.7
Other assets	88.4	101.2
Trade & other payables	(53.1)	(51.5)
Total debt	(343.8)	(388.2)
Other Liabilities	(27.5)	(11.0)
Net assets	324.0	285.5

Cashflow²

A\$million	1H FY14	2H FY14	1H FY15
Operating Cashflow	33.1	24.3	13.3
General working capital	29.1	7.5	(3.8)
Sales & parts inventory	4.1	2.3	(0.6)
Interest & borrowing costs	(11.5)	(22.8)	(21.4)
Income tax payments	10.2	0.0	0.0
Cashflow from operating activities	65.0	11.3	(12.5)
Sustaining capex ¹	(17.3)	(29.0)	(11.6)
Disposals ¹	28.3	42.5	15.1
Cashflow from investing activities	11.0	16.5	3.5
Cashflow (before growth capex & s/h return)	76.0	27.8	(9.0)
Growth capex	(0.9)	0.0	0.0
Dividends	0.0	0.0	0.0
Other financial activities	0.0	(17.0)	0.0
Free cashflow	75.1	10.8	(9.0)

Note:

1. Sustaining capex includes other PP&E additions; disposals includes other PP&E disposals
2. Includes discontinued operations
3. Table represents operating results, refer Emeco 2015 interim report

GEOGRAPHIC SEGMENTS

New South Wales

A\$million	1H FY14	2H FY14	1H FY15
Revenue	18.8	26.7	24.3
EBITDA	7.6	11.3	5.4
<i>margin (%)</i>	40.4%	42.3%	22.2%
EBIT	0.7	1.7	(4.4)
<i>margin (%)</i>	3.7%	6.4%	(18.1)%

Queensland

A\$million	1H FY14	2H FY14	1H FY15
Revenue	22.7	8.4	8.6
EBITDA	8.3	(0.1)	(1.4)
<i>margin (%)</i>	36.6%	(1.2)%	(16.3)%
EBIT	0.3	(5.3)	(7.0)
<i>margin (%)</i>	1.3%	(63.1)%	(81.4)%

Western Australia

A\$million	1H FY14	2H FY14	1H FY15
Revenue	28.9	24.9	29.2
EBITDA	10.6	6.6	7.7
<i>margin (%)</i>	36.7%	26.5%	26.4%
EBIT	0.7	(2.0)	(5.4)
<i>margin (%)</i>	2.4%	(8.0)%	(18.5)%

Canada

A\$million	1H FY14	2H FY14	1H FY15
Revenue	37.2	44.3	36.0
EBITDA	12.1	15.5	10.7
<i>margin (%)</i>	32.6%	334.9%	29.7%
EBIT	3.4	4.8	(1.3)
<i>margin (%)</i>	9.1%	10.8%	(3.9)%

Chile

A\$million	1H FY14	2H FY14	1H FY15
Revenue	12.5	12.6	11.9
EBITDA	6.6	7.1	2.2
<i>margin (%)</i>	52.8%	56.3%	18.5%
EBIT	2.8	1.3	(5.7)
<i>margin (%)</i>	22.4%	10.3%	(47.9)%

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