



GR ENGINEERING SERVICES LIMITED

Investor Presentation

FY15 Financial Results



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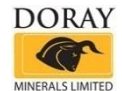
About GR Engineering

Mineral Processing



- Process engineering design and construction contractor servicing the mining and minerals processing industry
- Specialising in EPC / EPCM contracting to provide project delivery with secure cost, time, plant performance and contract completion warranties and guarantees
- Australian offices in Perth and Brisbane. Offshore presence in West Africa, United Kingdom, PNG, Indonesia and the Americas
- Primary expertise in gold, base metals and industrial mineral commodities
- GR Engineering operates in a niche market – limited EPC competitors, high barriers to entry

Selected Clients



Oil and Gas Services



- Oil and gas services business providing operations, maintenance and well management services to Australian and South East Asian oil and gas industry

Selected Clients



FY15 Results Analysis

Revenue

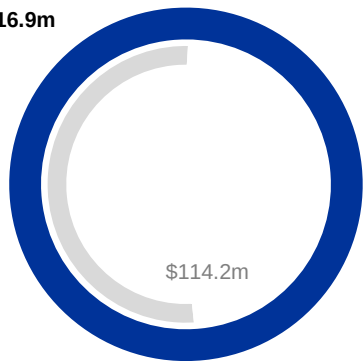
EBITDA

PBT

Op. Cash Flow

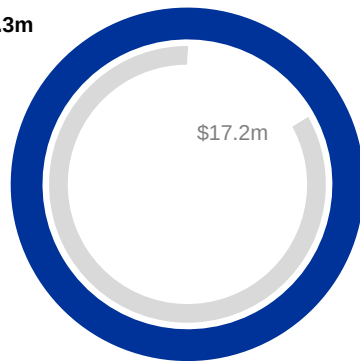
Dividend

\$216.9m



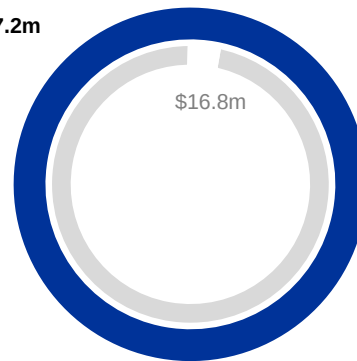
↑90%

\$20.3m



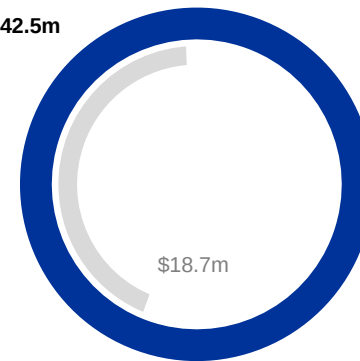
↑18%

\$17.2m



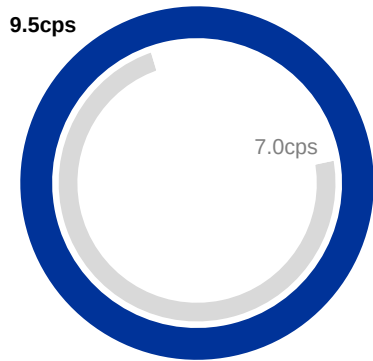
↑2%

\$42.5m



↑127%

9.5cps



↑36%

FY15
FY14

FY15 Results Summary

Key Themes

Earnings

- Record sales revenue - \$216.9 million
 - EBITDA - \$20.3 million - disciplined approach to operating costs maintained
 - Increased operating cash flow - \$42.5 million – elevated levels of design and construction activity
-

Operations

- Positive results from implementation of growth strategy – geographical expansion, broader commodity mix and expanded delivery models
 - Successful outcomes being delivered across a diverse range of projects
 - Key awards have provide strong earnings visibility through FY16 and into FY17
 - Operational capacity maintained to facilitate additional work
-

Balance Sheet

- Net cash of \$63.5 million
- Shareholder returns enhanced with increased full year dividend of 9.5cps (fully franked)

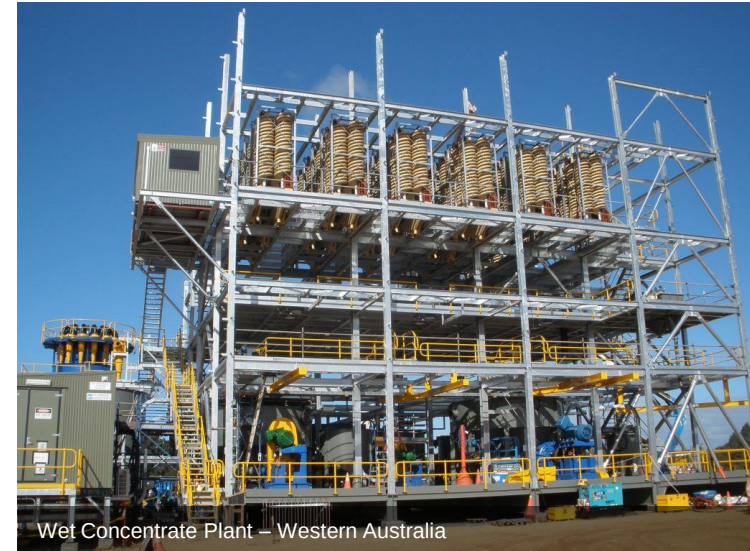
Operational Performance

Design and Construction

- Positive contributions received from all major projects, including:
 - Hemerdon Tungsten & Tin Project (UK)
 - Keysbrook Mineral Sands Project (WA)
 - Paraburdoo MRP (WA)
 - Syama Oxide Project (Mali)
 - Wetar Copper Expansion Project (Indonesia)
 - Telfer sustaining works projects (WA)
- Larger offshore earnings contributions and projects for non-traditional commodities (tungsten, tin and mineral sands)
- Benefits obtained from growth strategy materialising
- TRIFR of 6.3 – focusing on zero harm culture

Studies and Consulting

- Completed 31 studies for projects in Australia and internationally
- Engaged on 14 studies as at 30 June
- Activity on projects that are well suited to EPC delivery and across a broad commodity mix



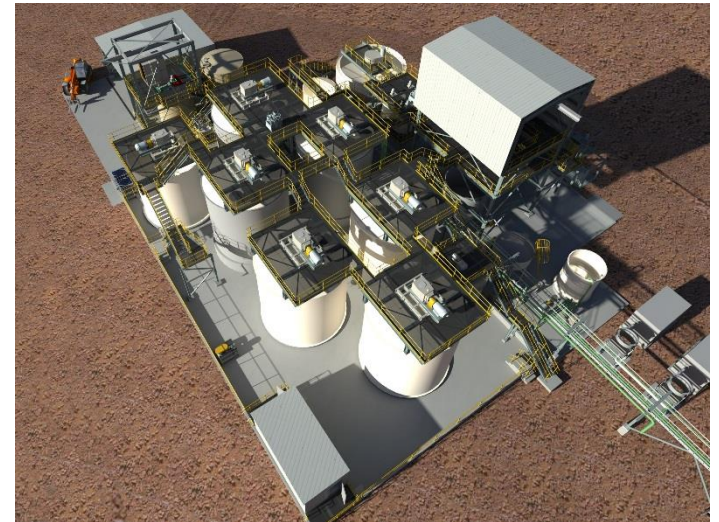
Operational Performance

Upstream Production Solutions

- Delivering results within expectation
- Secured new services contracts in Queensland in FY15
- Revenue underpinned by recurrent operations and maintenance contracts
- FY15 revenue of \$31.2 million

Order book and pipeline

- Group order book comprised of predominantly Western Australian industrial and precious metals projects (gold, copper, nickel and mineral sands)
- Significant recent awards for:
 - Nova Nickel Project process plant and infrastructure (\$126 million)
 - Forrestania Mill Recovery Enhancement Project (up to \$22 million)
- Contracted and recurrent revenue for FY16 estimated at approximately \$220 million



Corporate Summary

Capital Structure

Shares on issue	m	150.7
Share price (GNG.ASX) (31/08/15)	\$	1.10
Market capitalisation	\$m	165.8
Cash (30 June 2015)	\$m	64.6
Debt (30 June 2015)	\$m	1.1
Enterprise Value	\$m	102.3

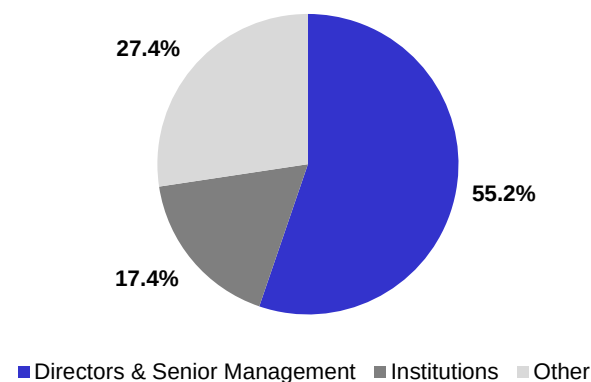
Directors & Management

Joe Ricciardo	<i>Non-Executive Chairman</i>
Geoff Jones	<i>Managing Director</i>
Tony Patrizi	<i>Executive Director</i>
Barry Patterson	<i>Non-Executive Director</i>
Terry Strapp	<i>Non-Executive Director</i>
Peter Hood	<i>Non-Executive Director</i>
Joe Totaro	<i>CFO & Company Secretary</i>

Share Price Performance



Shareholder Breakdown



Contact

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