



**WorleyParsons**

resources & energy



# Acquisition of Jacobs ECR and capital raising

22<sup>nd</sup> October 2018



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# Transaction overview

<b>1. Transaction Summary</b>	<ul style="list-style-type: none"> <li>WorleyParsons has entered into a binding agreement to acquire Jacobs' Energy, Chemicals and Resources division ("Jacobs ECR") for an enterprise value ("EV") of US\$3.3bn (A\$4.6bn)<sup>1</sup> <ul style="list-style-type: none"> <li>Expected to deliver approximately 20% EPS accretion on an FY18 pro forma basis (pre-synergies, transaction and integration costs and acquisition related amortization),<sup>2</sup> increasing to approximately 50% post run-rate cost synergies</li> <li>Implied EV / FY18 EBITDA multiple of 11.5x pre-synergies (8.5x post-cost synergies)<sup>3</sup></li> </ul> </li> </ul>
<b>2. Acquisition of Jacobs ECR</b>	<ul style="list-style-type: none"> <li>The business represents Jacobs' Energy, Chemicals and Resources division</li> <li>Jacobs ECR has world-class chemicals, downstream hydrocarbons, MMO and mining &amp; minerals capabilities</li> <li>Jacobs ECR's diversified capabilities, geographic footprint, strong customer relationships and management expertise are highly complementary to WorleyParsons</li> </ul>
<b>3. Compelling strategic rationale for acquisition</b>	<ul style="list-style-type: none"> <li>Compelling transaction that provides a range of strong strategic benefits. In combining two complementary organisations, the transaction: <ul style="list-style-type: none"> <li>generates material EPS accretion and returns for shareholders</li> <li>creates a pre-eminent global provider of professional project and asset services in resources and energy</li> <li>provides global sector leadership across Hydrocarbons, Chemicals and Minerals &amp; Metals</li> <li>delivers enhanced earnings diversification and resilience</li> <li>brings significant value upside through substantial revenue opportunities and cost synergies</li> </ul> </li> </ul>
<b>4. Strong financial impact</b>	<ul style="list-style-type: none"> <li>Expected to deliver approximately 20% EPS accretion on an FY18 pro forma basis (pre-synergies, transaction and integration costs and acquisition related amortization),<sup>2</sup> increasing to approximately 50% post run-rate cost synergies</li> <li>Pro forma net debt/ FY18 EBITDA (pre-synergies) of 2.1x, with leverage expected to reduce to approximately 1.9x by completion<sup>4,5</sup></li> <li>Estimated run-rate cost synergies of A\$130m p.a. expected to be achieved within the first two years following transaction completion, with substantial additional benefits from optimisation initiatives and revenue and margin synergies. One-off synergy implementation costs of A\$160m are expected</li> </ul>
<b>5. Funding</b>	<ul style="list-style-type: none"> <li>Acquisition funded by: <ul style="list-style-type: none"> <li>A\$2.9bn fully underwritten accelerated non-renounceable entitlement offer ("Entitlement Offer")</li> <li>A\$985m in WorleyParsons stock issued to Jacobs</li> <li>A\$895m in incremental debt</li> </ul> </li> </ul>
<b>6. Timing</b>	<ul style="list-style-type: none"> <li>Transaction expected to be completed 4 to 6 months post announcement, subject to regulatory approvals and Jacobs restructure</li> </ul>

## Notes:

- USD converted to AUD at the spot AUD/USD exchange rate of 0.71
- FY18 EPS accretion as if the Jacobs ECR acquisition was effective from 1 July 2017, presented pre-synergies, transaction and integration costs and acquisition related amortization. In accordance with AASB 133, WorleyParsons' standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer
- Estimated run rate cost synergies of A\$130m p.a. converted to USD at the average AUD/USD exchange rate in FY18 of 0.78
- Leverage (net debt/EBITDA) as defined for debt covenant calculations
- Future performance involves risks and uncertainties. Refer to the important notice and disclaimer at the start of this presentation

# Agenda

1. Transaction summary
2. Overview of Jacobs ECR
3. Strategic rationale
4. Integration plan
5. Financial effects and funding
6. Timeline
7. Operating structure, trading update and summary

## Appendix

- Glossary
- Pro forma balance sheet
- Further details on Jacobs ECR
- Key acquisition terms
- Risks
- Offer jurisdictions



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# Transaction summary

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# Transaction Summary

WorleyParsons to acquire **Jacobs' Energy Chemicals and Resources division**, "Jacobs ECR", a leading global technical services provider across Hydrocarbons, Chemicals, Minerals & Metals, and undertake an entitlement offer to partially fund the acquisition

- Enterprise value USD\$3.3bn (A\$4.6bn)<sup>1</sup>
- In combining two complementary organisations, the transaction:
  - ✓ generates material EPS accretion and returns for shareholders<sup>2</sup>
  - ✓ creates a pre-eminent global provider of professional project and asset services in resources and energy
  - ✓ provides global sector leadership across Hydrocarbons, Chemicals and Minerals & Metals
  - ✓ delivers enhanced earnings diversification and resilience
  - ✓ brings significant value upside through cost and revenue synergies
- Implied (pre synergy) EBITDA multiple of 11.5x FY18 EBITDA (8.5x post cost synergies)<sup>3</sup>
- Acquisition funded via A\$2.9bn entitlement offer, A\$895m debt, and A\$985m in WorleyParsons stock issued to vendor
- The debt and equity components have been sized to ensure leverage remains within target range at completion



Notes:

1. USD converted to AUD at an AUD/USD = 0.71 exchange rate
2. FY18 EPS accretion as if the Jacobs ECR acquisition was effective from 1 July 2017, presented pre-synergies, transaction and integration costs and acquisition related amortization. In accordance with AASB 133, WorleyParsons' standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer
3. Estimated run rate cost synergies of A\$130m p.a. converted to USD at the average AUD/USD exchange rate in FY18 of 0.78



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# Overview of Jacobs ECR

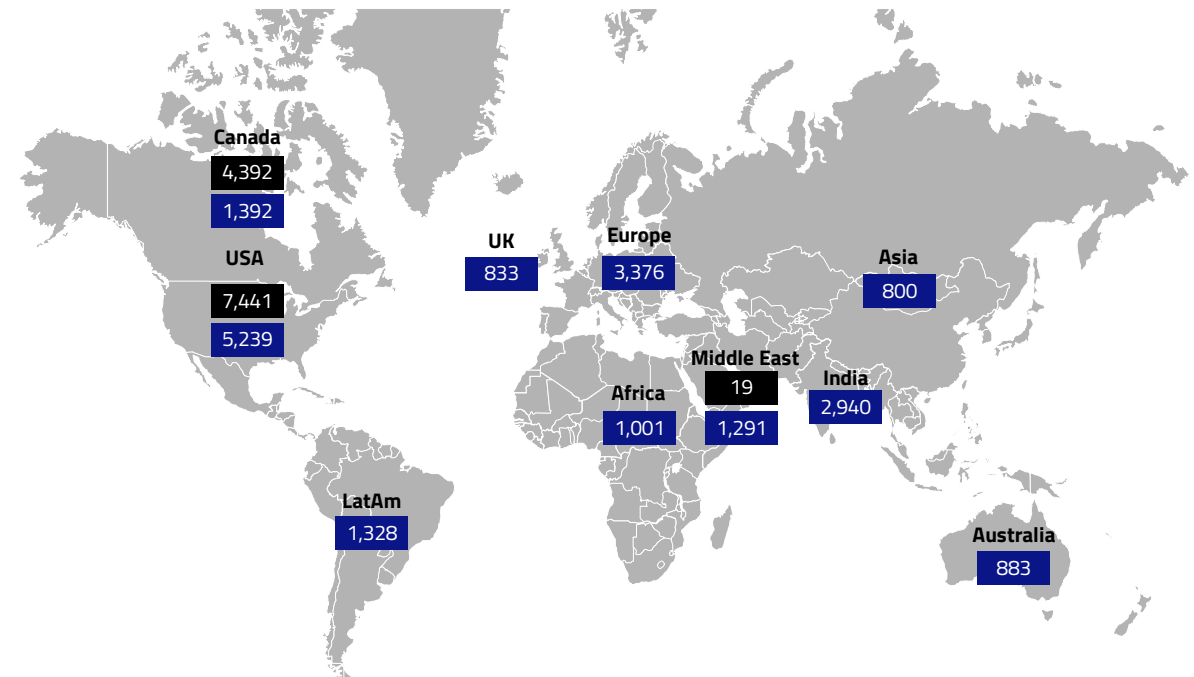
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# Jacobs ECR—Overview

Jacobs ECR has a global footprint with long-term client relationships in key strategic markets

- ✓ Leading technical services provider delivering full life-cycle capabilities across Hydrocarbons, Chemicals and Mining & Minerals sector
- ✓ Deep history of excellence spanning 70 years of operation
- ✓ World class management team
- ✓ Resilient business model focused on consulting, design, engineering, project & construction management and maintenance, modifications and turnarounds
- ✓ 78% of revenues are reimbursable
- ✓ Global footprint with long-term blue-chip client relationships
- ✓ Highly leverageable global delivery capabilities with 3,000 dedicated resources in India



Legend ■ Professional staff ■ Trade staff






**Jacobs ECR has 30,900 employees in 27 countries<sup>1</sup>**

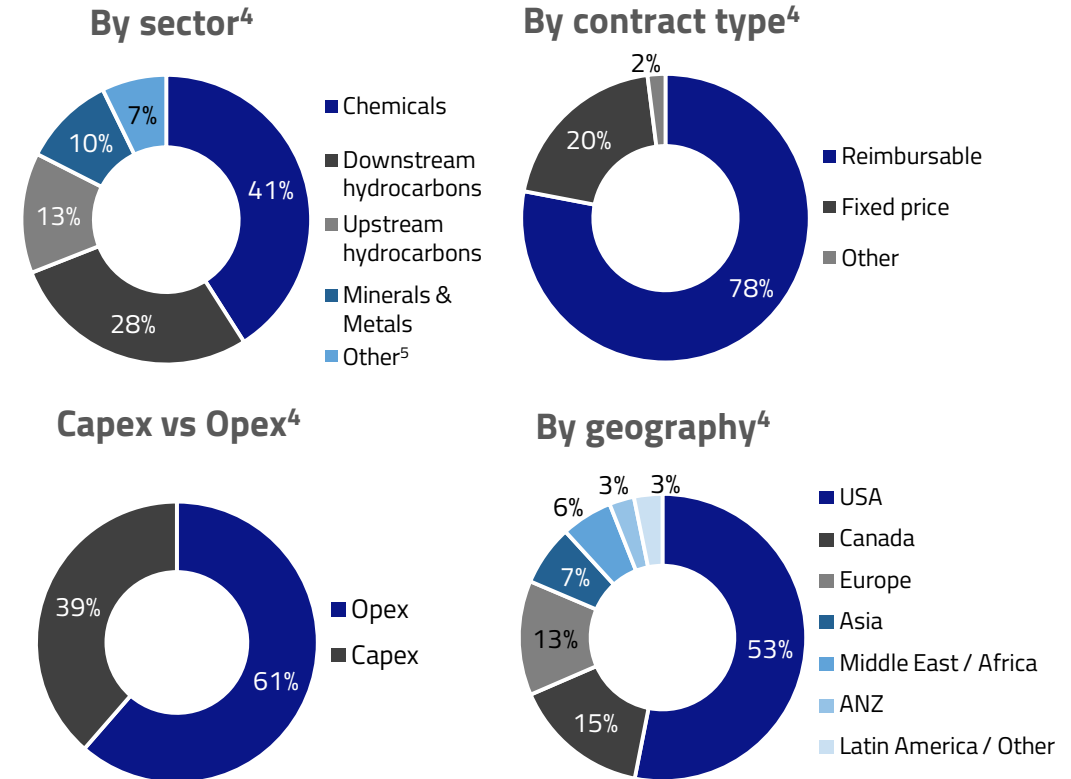
Note:

1. As at September 2018

# Jacobs ECR—A global leader offering full suite of capabilities

## Jacobs ECR's service offerings (further details in appendix)

	<b>Chemicals</b>	Global ENR #1 ranked <sup>1</sup> : Delivery of complex petrochemical and chemical projects, from new manufacturing complexes to expansions and modifications
	<b>Downstream hydrocarbons (refining)</b>	Global ENR #2 ranked <sup>1</sup> : Feasibility studies, technology evaluation, FEED, engineering, procurement, construction, commissioning and maintenance for grassroots projects and major expansions and revamps
	<b>Upstream hydrocarbons</b>	Onshore and offshore production facilities. Full field development solutions, including processing facilities, gathering systems, transmission pipelines, storage and terminals
	<b>Minerals &amp; Metals</b>	Full project lifecycle engineering, construction, commissioning and maintenance services. Proprietary sulfuric and phosphoric acid plant, and sulfur recovery technology with turnkey engineering, fabrication and installation capabilities
	<b>Construction, maintenance and turnaround<sup>5</sup></b>	Global ENR #1 ranked <sup>1</sup> : Industry leader in safety with BeyondZero® Culture of Caring. Performs work across all of Jacobs ECR's industry sectors



Notes:

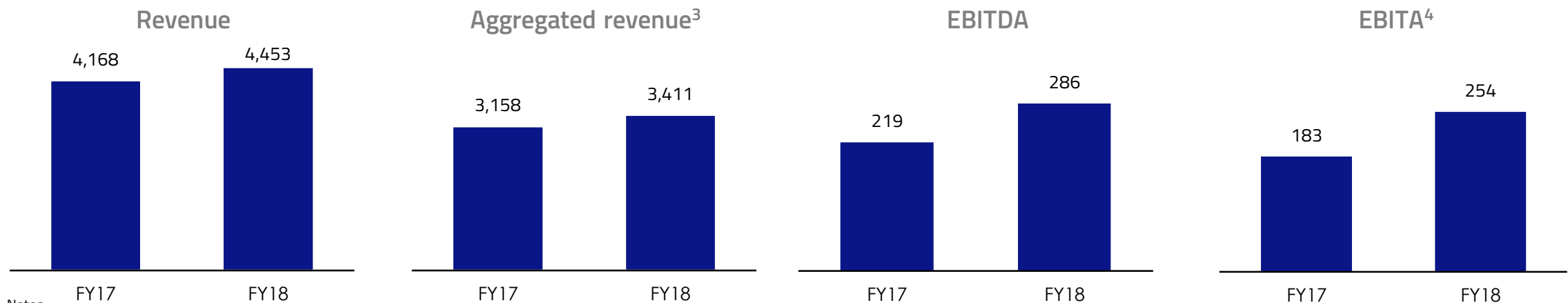
1. ENR 2017 Top 500 Design firms sourcebook
2. Calculated as proforma revenue net of any pass-through revenues
3. The ECR pro-forma revenue, EBITDA and EBITA were derived from the historical financial records of Jacobs adjusted for standalone costs, the financial impact of the terms of the purchase agreement and the revenue, EBITDA and EBITA of CH2M prior to acquisition
4. Last twelve months' revenue as of 30 June 2018 (excluding CH2M)
5. Comprises engineering and maintenance work across a range of industries, including biopharmaceuticals, pulp/paper, facilities and food and beverage

<b>US\$3.4bn</b> FY18 aggregated revenue <sup>2,3</sup>	<b>US\$286m</b> FY18 PF EBITDA <sup>3</sup>	<b>30,900</b> Employees	<b>27</b> Countries	<b>3,000</b> Staff GID
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# Jacobs ECR—Historical financial profile

- Financial performance underpinned by Jacobs ECR's strong position in global hydrocarbons (refining and upstream) and chemicals sectors
- Exposure to markets with attractive growth profiles driving improving earnings
  - early recovery in hydrocarbons end market and robust chemicals activity
  - strengthening minerals and metals activity with improved market sentiment across core commodities
  - construction, maintenance and turnaround activity supported by strong end markets in Canada and the US
- Supported by lean delivery and Jacobs ECR's GID platform

## Pro forma financials (US\$m, June y/e)<sup>1,2</sup>



### Notes:

- The ECR pro-forma revenue, EBITDA and EBITA were derived from the historical financial records of Jacobs adjusted for standalone costs, the financial impact of the terms of the purchase agreement and the revenue, EBITDA and EBITA of CH2M prior to acquisition
- Incorporates the pro forma contribution of CH2M (revenue adjustments of US\$483m and US\$187m; EBITDA adjustments of US\$51m and US\$15m; and EBITA adjustments of US\$36m and US\$11m in FY17 and FY18 respectively) as if the CH2M acquisition was effective from 1 July 2016. The CH2M FY17 revenue and earnings contributions are annualized estimates derived from CH2M's financial records for the 9 months to June 2017
- Calculated as proforma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income
- Earnings before interest, tax and the impact of amortization of identified intangibles arising from acquisitions



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# Strategic Rationale

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# The acquisition of **Jacobs ECR** drives our growth plan across all three horizons



# Delivering significant benefits to WorleyParsons' shareholders

In combining two complementary organisations, the transaction:

- 1 Generates material EPS accretion and returns for shareholders
- 2 Creates a pre-eminent global provider of professional project and asset services in resources and energy
- 3 Provides global sector leadership across Hydrocarbons, Chemicals and Minerals & Metals
- 4 Delivers enhanced earnings diversification and resilience
- 5 Brings significant value upside through cost and revenue synergies

# 1. Generates **material EPS accretion** and returns for shareholders

Strong pro forma EPS accretion while retaining balance sheet strength

**20%**

Approx. EPS accretion pre synergies<sup>1</sup>

**2.1x**

FY18 pro forma net debt/EBITDA<sup>2</sup>

**50%**

Approx. EPS accretion post synergies<sup>1</sup>

**1.9x**

net debt/EBITDA expected at completion<sup>2,3</sup>

**A\$735m** FY18 PF EBITDA

## Highly EPS accretive

- Expected to generate approximately 20% EPS accretion on an FY18 pro forma basis (pre-synergies)<sup>1</sup>
- EPS accretion expected to increase to approximately 50% on a pro forma FY18 basis including estimated run-rate cost synergies of A\$130m<sup>1</sup>

## Strong cash flow generation

- 100% increase in pro forma EBITDA
- Strong cash flow generation to support continued deleveraging

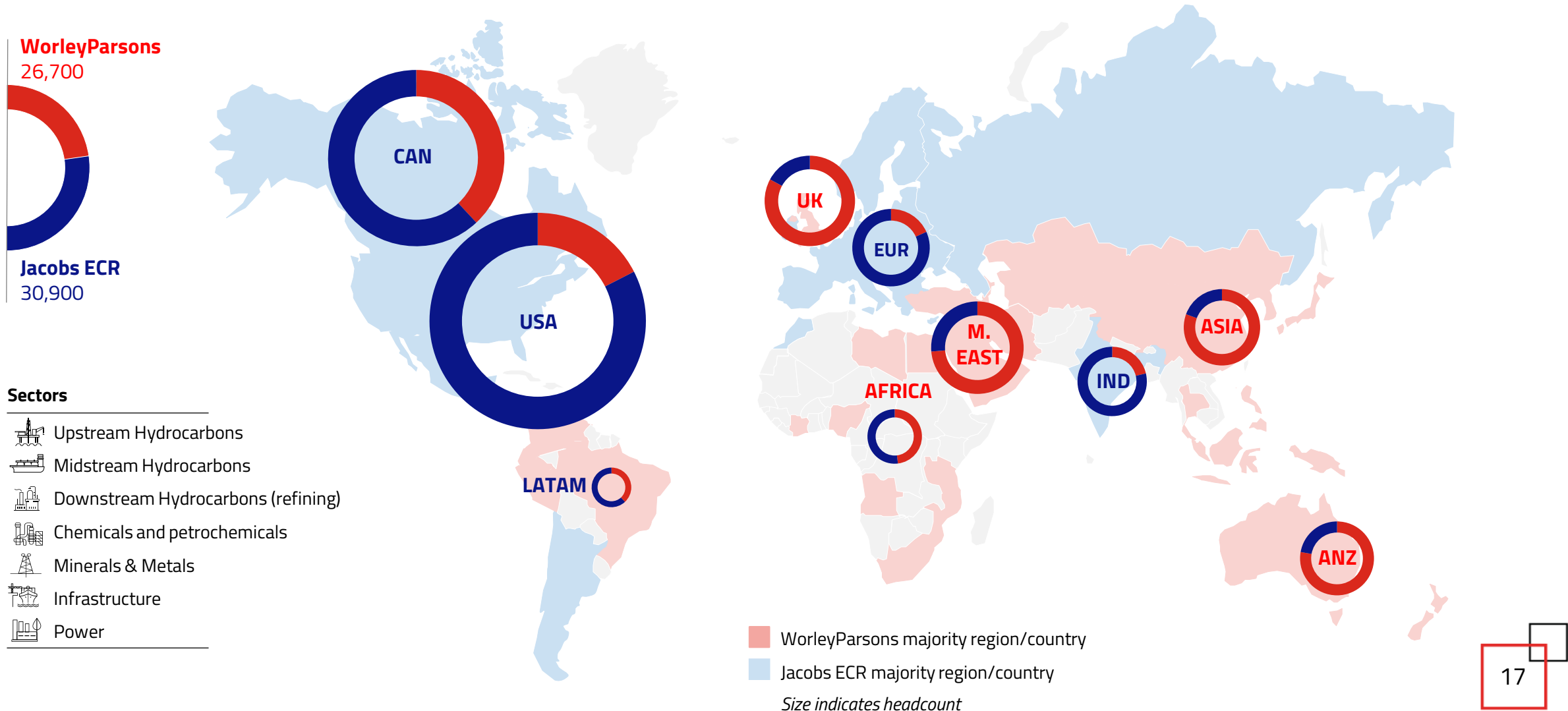
## Strong pro-forma balance sheet

- Pro forma net debt/EBITDA of 2.1x, expected to reduce to c.1.9x at completion<sup>2,3</sup>

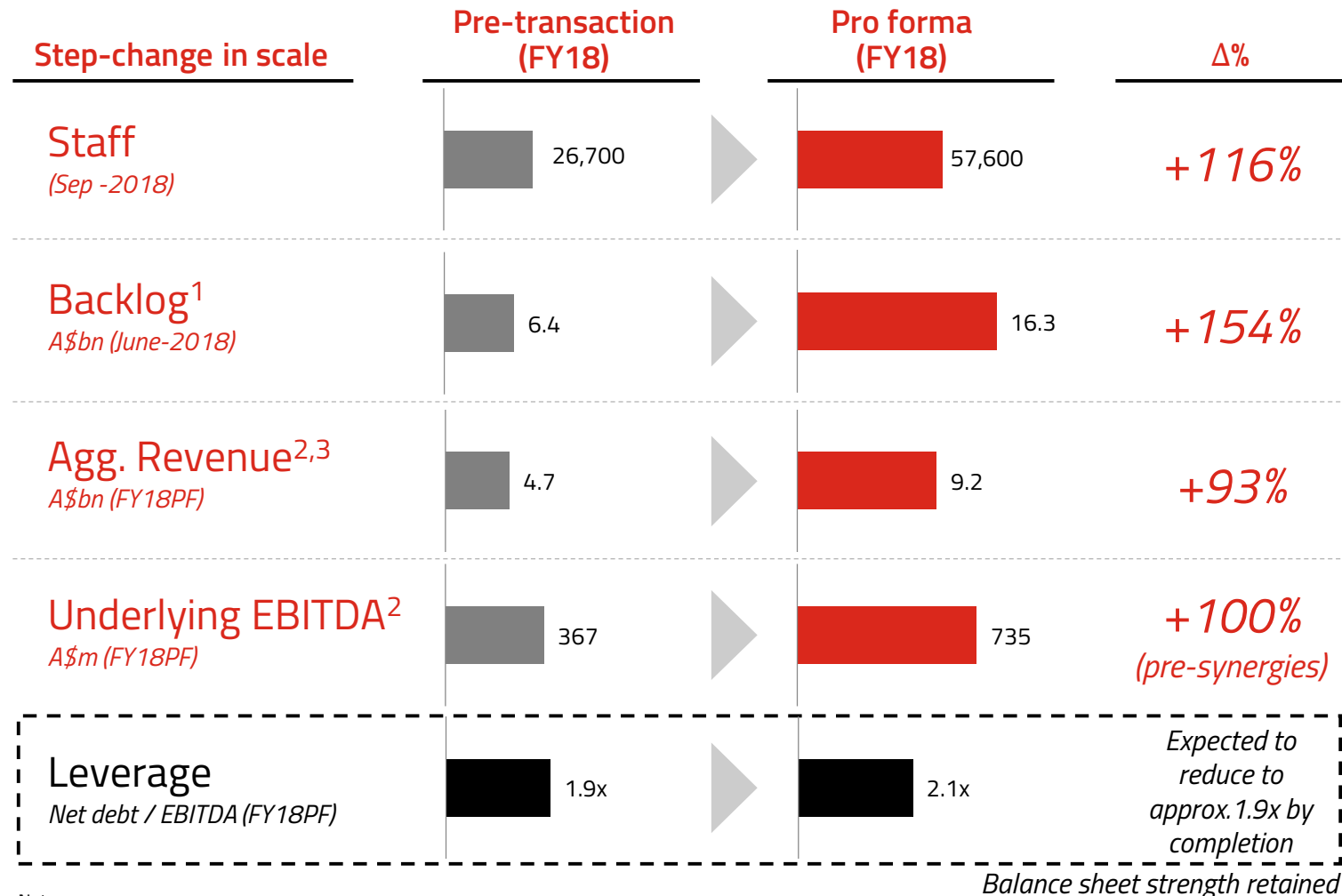
### Notes:

1. FY18 EPS accretion as if the ECR acquisition was effective from 1 July 2017, presented pre transaction and integration costs and acquisition related amortization. In accordance with AASB 133, WorleyParsons' standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer
2. Leverage (net debt / EBITDA) as defined for debt covenant calculations
3. Future performance involves risks and uncertainties. Refer to the important notice and disclaimer at the start of this presentation

## 2. Creates a pre-eminent global provider of professional project and asset services in resources and energy



## 2. Creates a pre-eminent global provider of professional project and asset services in resources and energy



### Highlights

- ✓ Creates the largest professional services provider in resources and energy
- ✓ Balance sheet strength to support growth
- ✓ Strong earnings profile and cash flow generation
- ✓ > 80% of revenues are reimbursable
- ✓ Ability to lead the industry with the financial scale to invest in digital transformation and new commercial models

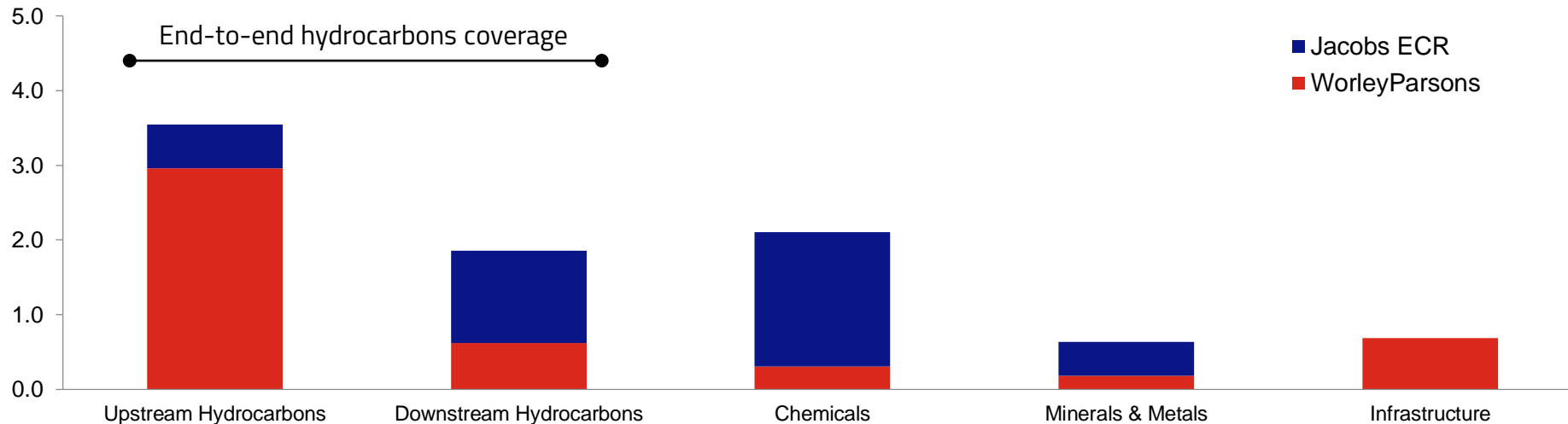
#### Notes:

1. WorleyParsons backlog 36 months from June 2018. Jacobs ECR backlog has no end date. Backlog USD converted to AUD at spot AUD/USD rate of 0.71
2. USD converted to AUD at the average AUD / USD exchange rate in the financial year of 0.78
3. Calculated as pro forma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income

# 3. Provides global sector leadership across Hydrocarbons, Chemicals and Minerals & Metals

Combination of complementary businesses establishing leadership positions in key markets and adding significant scale

FY18 revenue (A\$bn)<sup>1</sup>



### Complementarity

- Service offerings
- Customers
- Geographies

- |                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                    |                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>✓ WorleyParsons' core strength</li> <li>✓ Significantly strengthens WorleyParsons' upstream position in North America both onshore and offshore</li> </ul> | <ul style="list-style-type: none"> <li>✓ Refining leader – strong North America and Europe positions</li> <li>✓ Enables end-to-end coverage for integrated Hydrocarbons clients</li> <li>✓ ..with greenfield growth channels available in the Middle East, India and Asia</li> </ul> | <ul style="list-style-type: none"> <li>✓ Chemicals leader - strong North America and Europe positions</li> <li>✓ Attractive market typically less susceptible to volatility vs. Hydrocarbons</li> <li>✓ ..with greenfield growth channels available in the Middle East, India and Asia</li> </ul> | <ul style="list-style-type: none"> <li>✓ Leading combined ANZ footprint</li> <li>✓ Jacobs ECR strength in LAM, NAM, Mongolia and Morocco, WorleyParsons strength in Africa and Middle East</li> <li>✓ Broadens offering bringing proprietary technology</li> </ul> | <ul style="list-style-type: none"> <li>✓ WorleyParsons power and new energy business</li> <li>✓ Resource infrastructure to support resources and energy</li> </ul> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|

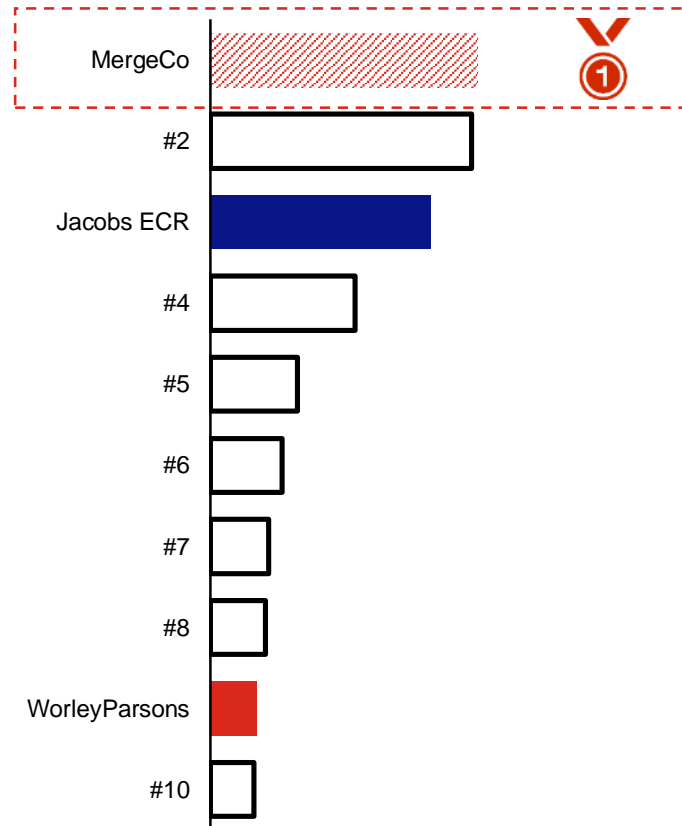
Notes:  
 1. Shown on an aggregated revenue basis. Calculated as proforma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income

# 3. Provides global sector leadership across Hydrocarbons, Chemicals and Minerals & Metals

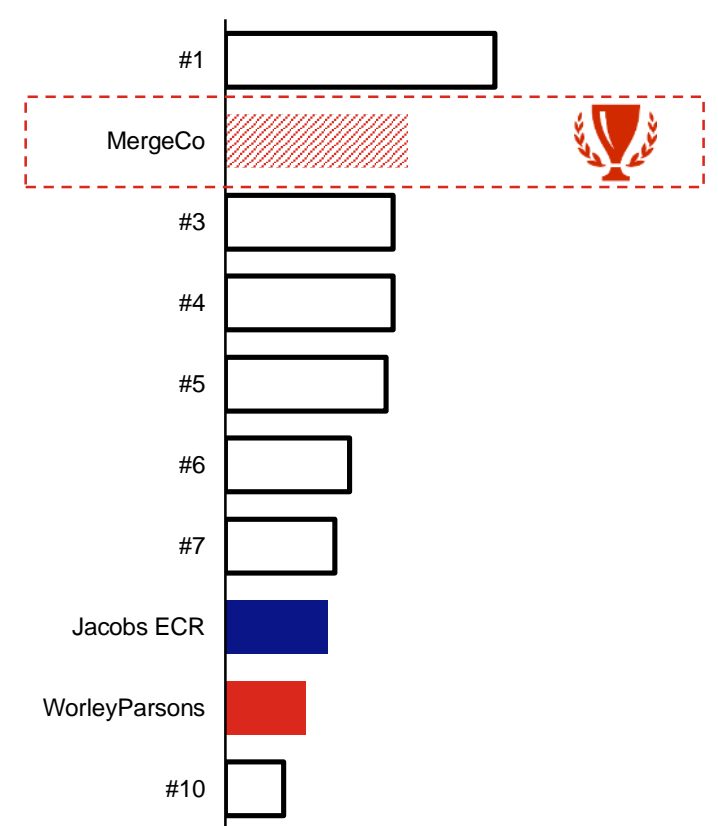
ENR Hydrocarbons global design rankings<sup>1</sup>  
(upstream only)



ENR Chemicals global design rankings<sup>1</sup>  
(includes Petrochemicals & Refining)



ENR Metals & Mining sector global design rankings<sup>1</sup>

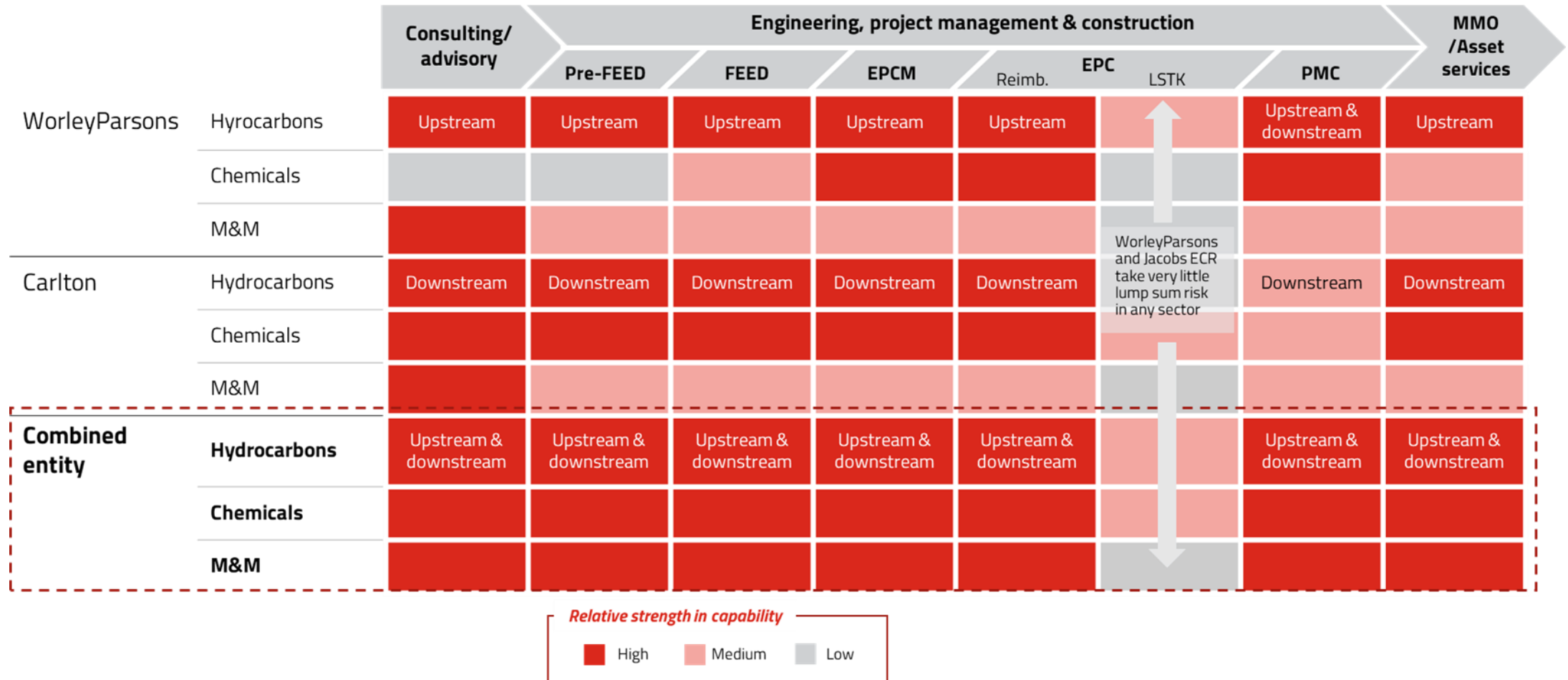


Notes:

1. ENR Global Sourcebook 2018. Design firms (excluding construction) ranked by revenue estimate (international and domestic); adjustments applied to consider Global revenue by sector where only International revenue was provided; Hydrocarbons excludes downstream petrochemicals & refining revenue; Chemicals includes chemicals (non petroleum), petrochemicals & refining revenue

# 3. Provides global sector leadership across Hydrocarbons, Chemicals and Minerals & Metals

The combined group provides end-to-end solutions across Hydrocarbons, Chemicals and M&M



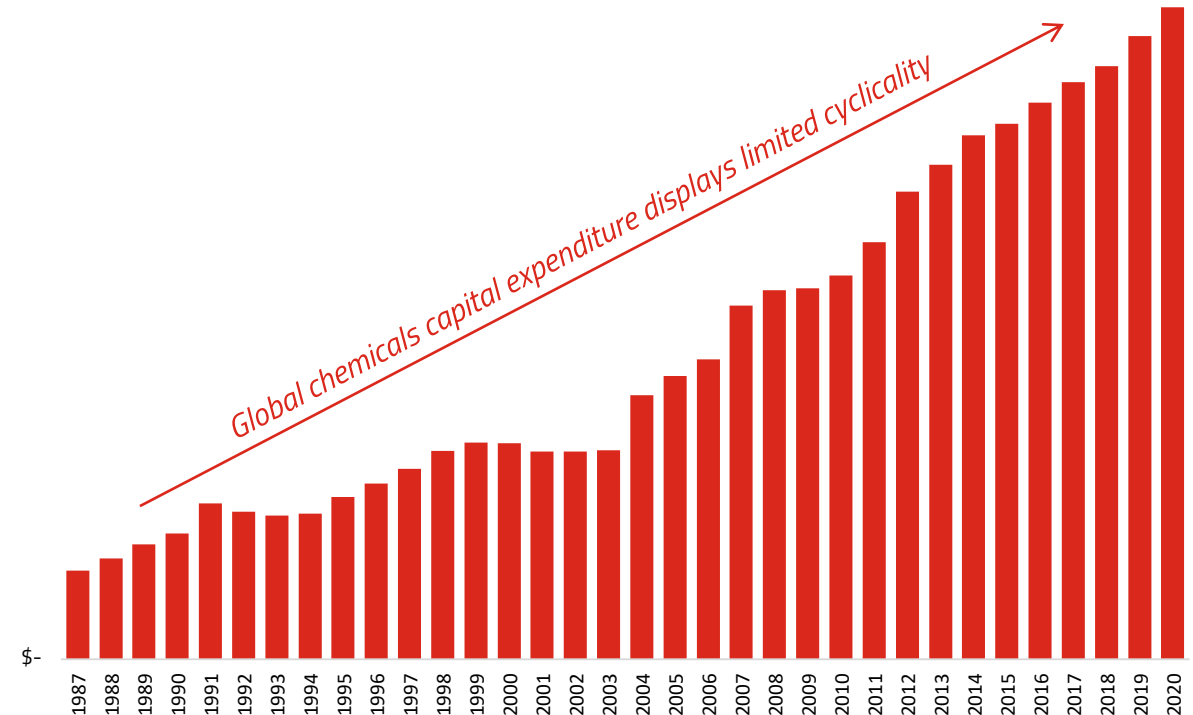
# 4. Delivers enhanced earnings diversification and resilience

A step change in exposure to the stable and expanding chemicals market...

## Highlights

- ✓ Balances exposure to upstream hydrocarbons
- ✓ Global chemicals capex investment historically not cyclical in nature, although local cycles are observed
- ✓ Driven by population and GDP growth

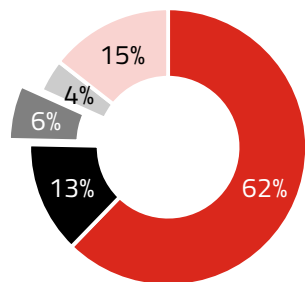
## Global chemicals capital expenditure<sup>2</sup>



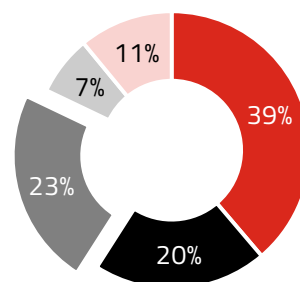
Source: Oxford Economics (2018)

## FY18 revenue<sup>1</sup>

### WorleyParsons pre-acquisition



### MergeCo pro forma



■ Upstream ■ Downstream ■ Chemicals ■ M&M ■ Other

### Notes:

1. Shown on an aggregated revenue basis (proportionally allocated by sector). Calculated as proforma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income
2. Future performance involves risks and uncertainties. Refer to the important notice and disclaimer at the start of this presentation

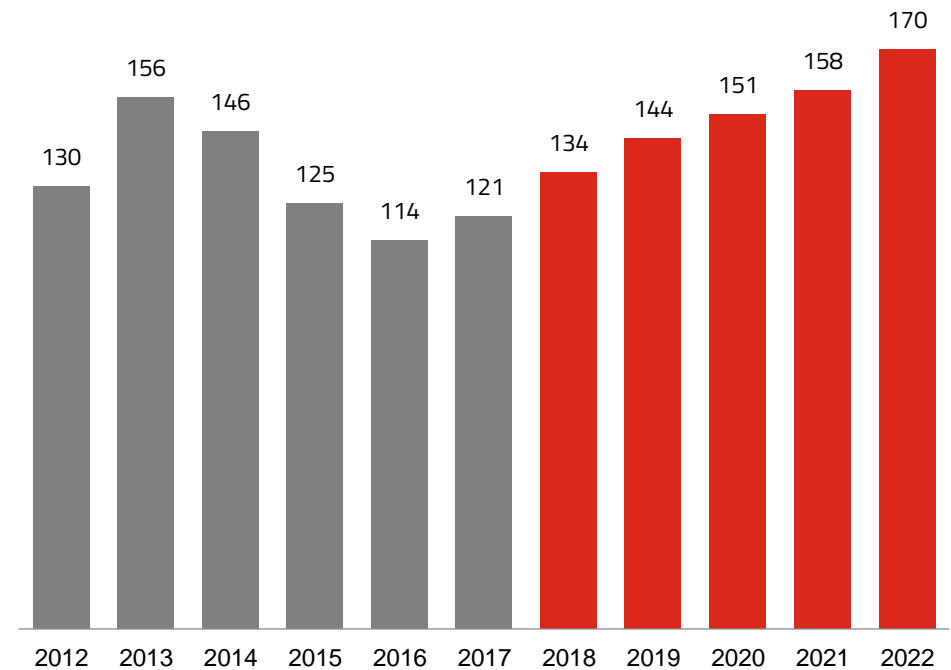
# 4. Delivers enhanced earnings diversification and resilience

... and a much greater exposure to the downstream refining market....

## Twin drivers of investment in the global refining market

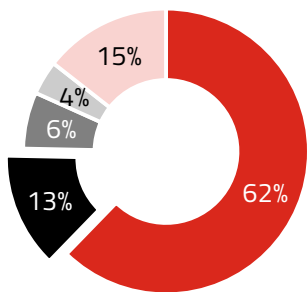
- ✓ Greenfield mega refineries in the Middle East, India and Asia as major oil producers build out their value chains
- ✓ Upgrades to existing refining centers to maintain competitive positioning, meet regulatory requirements and optimize for changing feedstock and output mix

## Global refining capital expenditure (US\$bn)<sup>2,3</sup>

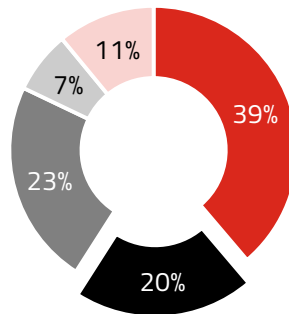


### FY18 revenue<sup>1</sup>

#### WorleyParsons pre-acquisition



#### MergeCo pro forma



■ Upstream   
 ■ Downstream   
 ■ Chemicals   
 ■ M&M   
 ■ Infrastructure

Notes:

1. Shown on an aggregated revenue basis (proportionally allocated by sector). Calculated as proforma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income
2. Future performance involves risks and uncertainties. Refer to the important notice and disclaimer at the start of this presentation
3. Includes petrochemicals

Source: IHS (July 2018)

# 4. Delivers enhanced earnings diversification and resilience

... with more exposure to the North American market ...and more stable opex revenue...

## Highlights

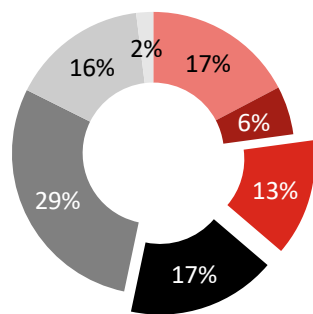
- ✓ Exposure to large-scale North American energy market strengthened
- ✓ Indian presence increasing by 4x – a key hydrocarbons and chemicals growth market
- ✓ Global footprint

## Highlights

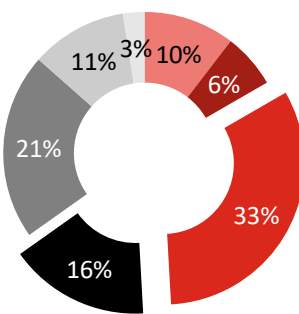
- ✓ Increased exposure to more stable opex revenues—typically less susceptible to capital constrained cycles
- ✓ Significant scale in both capex and opex – diversified offerings to customers

FY18 revenue (by geography)<sup>1</sup>

WorleyParsons pre-acquisition



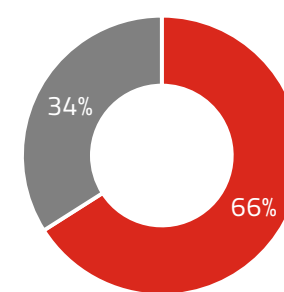
MergeCo pro forma



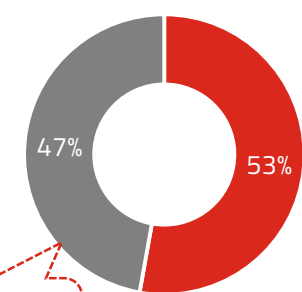
■ ANZ ■ Asia ■ USA ■ Canada ■ Europe ■ Middle East and Africa ■ LatAm

FY18 revenue (by client spend)<sup>1</sup>

WorleyParsons pre-acquisition



MergeCo pro forma



■ Capex ■ Opex

Less reliance on cyclical capex spending

Notes:

1. Shown on an aggregated revenue basis (proportionally allocated by geography and expenditure category). Calculated as proforma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income

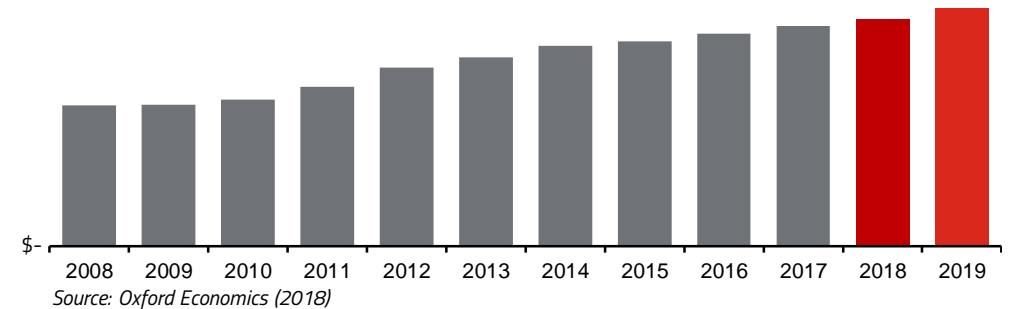
# 4. Delivers enhanced earnings diversification and resilience

... with all sectors indicating medium term growth

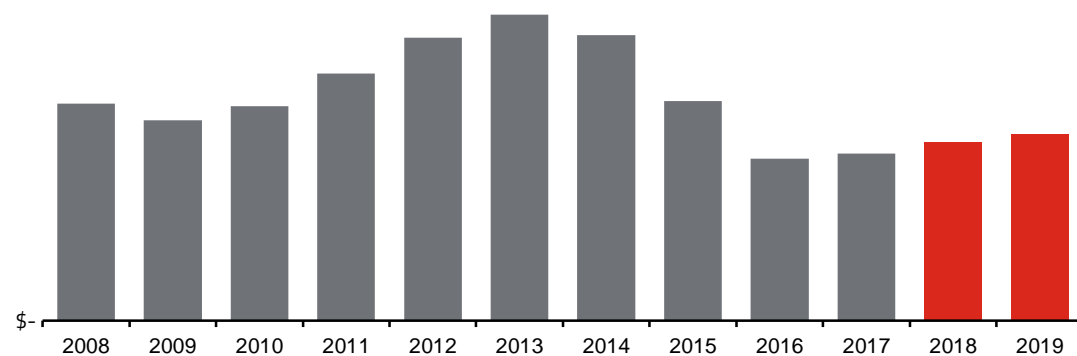
## Highlights

- ✓ 2018 **Chemicals** capex continuing long term growth trend
- ✓ 2018 **Hydrocarbons** capex >40% below 2013 peaks ... and below longer term market low point
- ✓ 2018 **Minerals & Metals** capex >60% below 2013 peaks ... and below longer term market low point

## Chemicals annual global capex



## Hydrocarbons annual global capex<sup>1</sup>

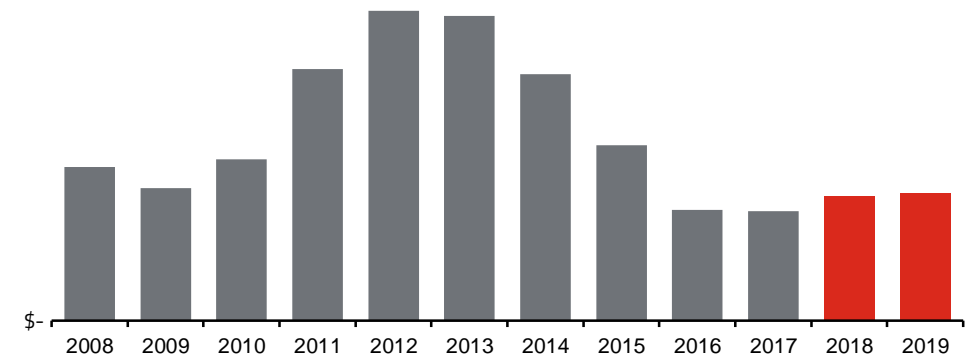


Source: Factset (2018)

Notes:

1. FY18 and 19 calculated as the average broker consensus capex estimates for Anadarko Petroleum, BP, Canadian Natural Resources, Chevron, China Petroleum & Chemical, CNOOC, ConocoPhillips, Devon Energy, Eni, EOG Resources, ExxonMobil, Gazprom, Occidental Petroleum, Oil & Natural Gas Corp, PetroChina, Repsol, Rosneft, Royal Dutch Shell, Statoil, Suncor Energy, Surgutneftegas and Total
2. FY18 and 19 calculated as the average broker consensus capex estimates for ALROSA, Anglo American, BHP Billiton, Fortescue Metals, Freeport-McMoRan, Fresnillo, Glencore, Norilsk Nickel, Norsk Hydro, Rio Tinto, South32, Southern Copper Corporation and Vale

## Minerals & Metals annual global capex<sup>2</sup>

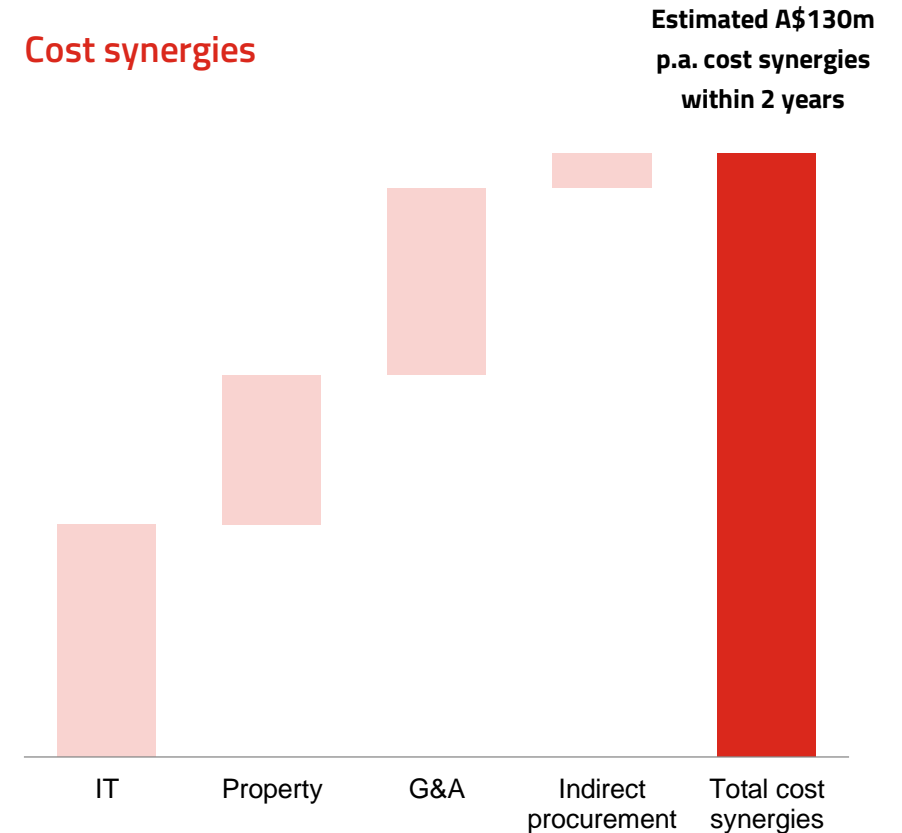


Source: Factset (2018)

# 5. Brings significant value upside through cost and revenue synergies

Significant cost synergies expected to deliver benefits from year one

<b>IT</b>	<ul style="list-style-type: none"> <li>Consolidation of IT server, database, network infrastructure and IT licenses</li> <li>Consolidation of functional overhead</li> </ul>
<b>Property</b>	<ul style="list-style-type: none"> <li>Relocate employees to underutilised offices and higher density greenfield offices, and sub-lease excess space</li> </ul>
<b>G&amp;A</b>	<ul style="list-style-type: none"> <li>Functional overhead consolidation</li> </ul>
<b>Indirect Procurement</b>	<ul style="list-style-type: none"> <li>Scale benefits in contract negotiation</li> </ul>
<b>Cost synergy Implementation costs</b>	<ul style="list-style-type: none"> <li>One-off implementation costs of approximately A\$160m</li> <li>Primarily incurred within the first 12 months following completion</li> </ul>



# 5. Brings significant value upside through cost and revenue synergies

Revenue synergies across sectors, customers, service offering and capabilities



# 5. Brings significant value upside through cost and revenue synergies

GID/GDC is a key driver to achieving global growth and margin protection—leveraging lower cost resources combined with customer facing locations to provide a cost competitive offering

## Jacobs ECR brings

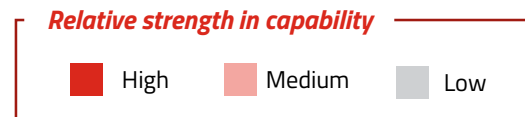
- 30 years of experience in India – one of the largest of the industry peers with 3,000 staff in Jacobs ECR
- Strongest capability in Downstream and Chemicals—sufficient to self-perform full projects from FEED
- Services both international workshare and domestic market resulting in a lower cost base and a strong training ground
- Highly successful in driving increased GID utilization, including on sustaining capital projects
- Successful graduate development program, recruiting 100 graduates per year
- Significant track record in the local Indian market

## Combination benefits

- Will create a very strong GID/GDC and local entity when combined with larger scale and cost base
- WorleyParsons will add upstream capability to combined business
- Leveraging Jacobs ECR’s successful model will enhance WorleyParsons competitiveness and profitability
- Provides access to local Indian market which is of increasing strategic interest

## GID/GDC capability

	Jacobs ECR	WorleyParsons	Combined
Front End capability	Medium	Low	High
Upstream	Medium	High	High
Downstream	High	Medium	High
Chemicals	High	Medium	High
M&M	Medium	Medium	High





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# Integration plan

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# Integration plan—overview

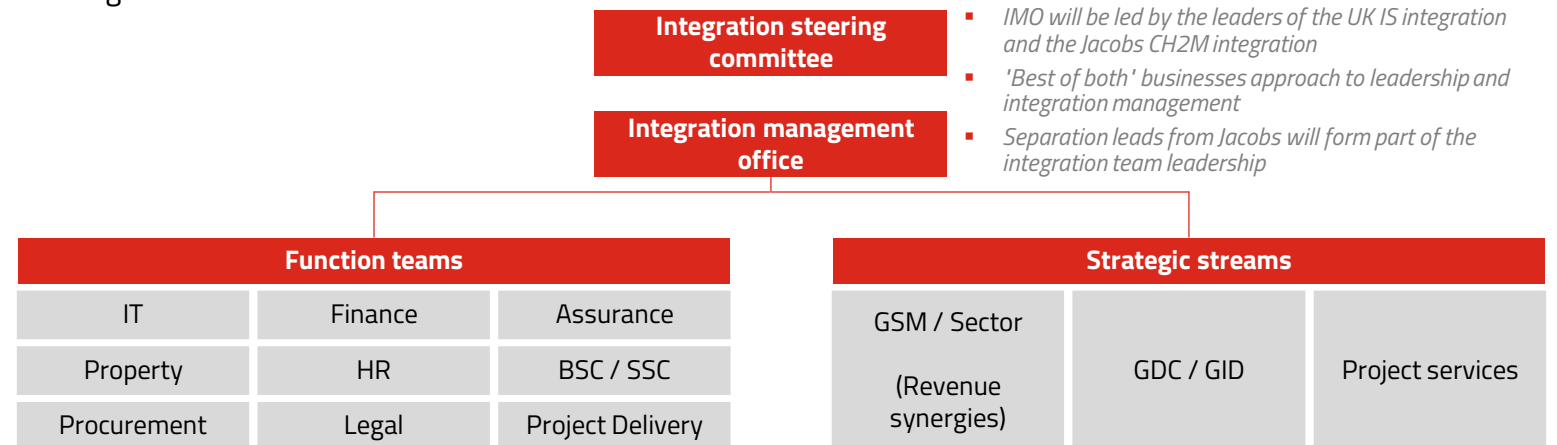
WorleyParsons has a detailed integration plan that leverages the deep combined expertise of both businesses

## Objectives

- ✓ Clear lines of leadership and communication
- ✓ Minimized disruption to operations
- ✓ Retain key people – "best of both" businesses
- ✓ Capture synergies
- ✓ Optimize merged business
- ✓ Continuous operating model refinement
- ✓ Continued focus on culture and safety

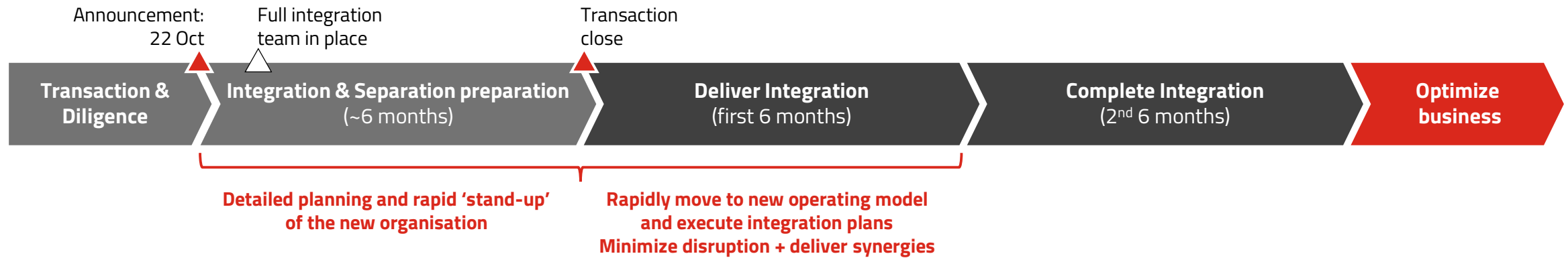
## Integration execution team

- Both WorleyParsons and Jacobs ECR management have strong track records of successful acquisition integration
  - WorleyParsons' carve-out acquisition of UKIS has exceeded all KPIs
  - Jacobs ECR management critical to the successful CH2M integration will be heavily involved
- Well resourced functional and strategic teams to implement integration, overseen by a dedicated integration management office
- Top tier global management consultant engaged to support with proven processes and expertise in integration



# Integration plan—indicative timeline

WorleyParsons is targeting completion of the majority of integration activities over a 12 month period from announcement



## Key steps

- ✓ Strategic rationale
- ✓ Asset quality
- ✓ Synergies
- ✓ Separation thesis
- ✓ Integration thesis
- ✓ Risk management
- ✓ Detailed synergy, integration and separation plans
- ✓ Day 1 and end state operating model design
- ✓ People and culture plans, executive selected
- ✓ IT readiness and TSAs
- ✓ Integration and Separation Management Office
- ✓ L2-3 appointments, full organisation design and talent selection finalized
- ✓ Move to new operating and functional delivery models
- ✓ More than 50% of synergies in progress
- ✓ Begin to retire TSAs
- ✓ Complete long-lead time integration activities (e.g. IT, GDC/GID, revenue synergies)
- ✓ On-going synergy capture
- ✓ Fully move to new operating model
- ✓ Retire all TSAs
- ✓ Optimise merged business
- ✓ Refine operating model as required



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# Financial effects and funding

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# Combined group – pro forma financial summary

## FY18 pro forma financial profile

A\$m	WorleyParsons (underlying) <sup>1</sup>	Jacobs ECR (pro forma) <sup>2,3</sup>	Combined (pre-synergies)	Estimated cost synergies <sup>4</sup>	Combined (post estimated cost synergies)
Aggregated Revenue <sup>5</sup>	4,749	4,401	9,150	-	9,150
Underlying EBITDA	367	368	735	130	865
Underlying EBITA <sup>6</sup>	313	328	641	130	771
Net debt	663		1,523		
Net debt / EBITDA <sup>7</sup>	1.9x		2.1x	→	Expected to reduce to approximately 1.9x by completion

### Notes:

1. WorleyParsons aggregated revenue and underlying earnings extracted from WorleyParsons' 30 June 2018 audited financial statements
2. The Jacobs ECR pro-forma revenue, EBITDA and EBITA was derived from the historical financial records of Jacob's adjusted for standalone costs, the financial impact of the terms of the purchase agreement and the revenue, EBITDA and EBITA of CH2M prior to acquisition
3. USD converted to AUD at the average AUD / USD exchange rate in the financial year of 0.78
4. Excludes one-off implementation costs to achieve these synergies, estimated at approximately A\$160m and expected to be primarily incurred within the first 12 months following completion
5. Shown on an aggregated revenue basis. Calculated as proforma revenue net of any pass-through revenues for Jacobs ECR. WorleyParsons aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass through revenue at nil-margin and interest income
6. Earnings before interest, tax and the impact of amortization of identified intangibles arising from acquisitions
7. Leverage (net debt/EBITDA) as defined for debt covenant calculations
8. FY18 EPS accretion as if the ECR acquisition was effective from 1 July 2017, presented pre transaction and integration costs and acquisition related amortization. In accordance with AASB 133, WorleyParsons' standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer
9. Future performance involves risks and uncertainties. Refer to the important notice and disclaimer at the start of this presentation

- Expect approximately 20% EPS accretion on an FY18 pro forma basis (pre-synergies)<sup>8</sup>
- EPS accretion increases to approximately 50% on a pro forma FY18 basis including run-rate cost synergies of A\$130m<sup>8</sup>
- In the short term, WorleyParsons' forecast earnings growth is expected to slightly exceed Jacobs ECR's due to Jacobs ECR's relatively higher exposure to the more stable chemicals and opex based end markets
- Maintenance of conservative leverage profile – combined pre-synergies Net debt / EBITDA at completion expected to be 1.9x<sup>7,9</sup>
- Jacobs ECR effective tax rate expected to be mid 20s

# Funding details

Acquisition funded via A\$2.9bn entitlement offer, A\$985m stock consideration and A\$895m debt

## Acquisition funding details<sup>1</sup>

<b>Acquisition consideration</b>	<ul style="list-style-type: none"> <li>Purchase EV of A\$4.6bn (US\$3.3bn)               <ul style="list-style-type: none"> <li>cash consideration of A\$3.7bn (US\$2.6bn)</li> <li>stock consideration of A\$985m (US\$700m)</li> </ul> </li> <li>Cash consideration funded with new debt and an equity raising</li> </ul>
<b>WorleyParsons stock consideration</b>	<ul style="list-style-type: none"> <li>58.2m new WorleyParsons shares</li> <li>Jacobs pro forma ownership of approximately 11% of the enlarged WorleyParsons (following completion of the equity raising); with shares issued as consideration to be escrowed for the later of 6 months post completion or 31 August 2019</li> <li>Priced at TERP of A\$16.92</li> </ul>
<b>Equity raising</b>	<ul style="list-style-type: none"> <li>Fully underwritten pro rata accelerated non-renounceable entitlement offer to raise gross proceeds of A\$2.9bn ("Entitlement Offer")</li> </ul>
<b>Debt</b>	<ul style="list-style-type: none"> <li>Funded with a A\$895m (US\$636m) bridge loan, will be replaced with longer term debt financing from banks and / or capital markets</li> </ul>
<b>Hedging</b>	<ul style="list-style-type: none"> <li>An FX hedging program to manage the conversion of the A\$ equity raising proceeds to US\$</li> </ul>

## Sources and uses

Sources	A\$m	US\$m <sup>1</sup>
Entitlement offer	2,903	2,064
Stock issuance to vendor	985	700
Incremental debt	895	636
<b>Total sources</b>	<b>4,782</b>	<b>3,400</b>

Uses	A\$m	US\$m <sup>1</sup>
Cash consideration to vendor	3,656	2,600
Stock consideration to vendor	985	700
Transaction costs <sup>2</sup>	141	100
<b>Total uses</b>	<b>4,782</b>	<b>3,400</b>

### Notes:

- USD converted to AUD at an AUD/USD = 0.71 exchange rate
- Excludes implementation and potential future debt take-out costs

# Debt funding

## Conservative leverage profile maintained

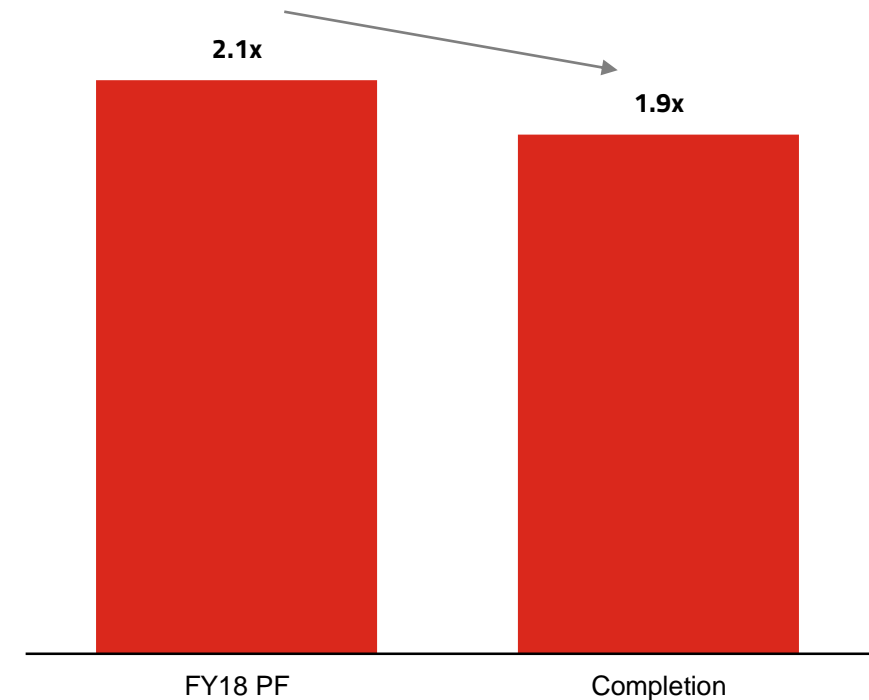
- Transaction is expected to be materially credit enhancing for WorleyParsons
  - preserves a conservative capital structure post transaction
  - increases WorleyParsons diversification by geography and end-market, and increases earnings resilience through the cycle
  - 78% of Jacobs ECR revenue derived from reimbursable contracts and minimal lump sum exposure<sup>1</sup>
- Debt funding comprises upfront committed debt bridge of A\$895m
- Pro forma FY18 net debt/EBITDA of 2.1x, expected to reduce to approximately 1.9x by completion<sup>2,3</sup>
- Strong cash flow generation and synergy realization expected to continue to reduce leverage
- Bridge tenor of 12 months with additional extension option
- Management have developed a bridge take out strategy
- Various debt and capital markets are available to WorleyParsons, including;
  - Bank debt refinancing in domestic and offshore markets
  - Accessing domestic and offshore bond and debt capital markets

Notes:

1. On an LTM basis to 30 June 2018
2. Leverage (net debt / EBITDA) as defined for debt covenant calculations
3. Future performance involves risks and uncertainties. Refer to the important notice and disclaimer at the start of this presentation

### Balance sheet impact<sup>2,3</sup>

*Pro forma leverage is expected to reduce further by deal completion (1H CY2019)*



# Equity funding details

## Entitlement offer details

<b>Offer size</b>	<ul style="list-style-type: none"> <li>1 for 1.47 fully underwritten pro rata accelerated non-renounceable entitlement offer to raise gross proceeds of c.\$2.9bn             <ul style="list-style-type: none"> <li>approximately 186.5m new fully paid ordinary shares ("New Shares") (equivalent to 68% of current issued capital)</li> </ul> </li> </ul>
<b>Offer price</b>	<ul style="list-style-type: none"> <li>A\$15.56 per New Share representing             <ul style="list-style-type: none"> <li>8.0% discount to TERP of \$16.92<sup>1</sup></li> <li>12.8% discount to last closing price of \$17.84 on Friday 19 October 2018</li> </ul> </li> </ul>
<b>Major shareholder and director commitments</b>	<ul style="list-style-type: none"> <li>John Grill is supporting the transaction by taking up \$100m of his entitlements</li> <li>Dar Al-Handasah Consultants Shair and Partners Holdings ("Dar Group") is supportive of the transaction and intends to participate in the entitlement offer</li> <li>Dar Group has committed to take up approximately \$170 million of its entitlements through the Institutional Entitlement Offer. In relation to its remaining c.\$490 million interest, Dar Group intends to participate in the Retail Entitlement Offer for a further amount which may be up to the full amount of its remaining interest</li> <li>The other Directors who are eligible have each confirmed their intention to participate in the raising</li> </ul>
<b>Record date</b>	<ul style="list-style-type: none"> <li>Record date is 7.00pm (AEDT) on Wednesday, 24 October 2018</li> </ul>
<b>Ranking of New Shares</b>	<ul style="list-style-type: none"> <li>New shares will rank equally with existing WorleyParsons shares</li> </ul>
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>UBS is Joint Lead Manager and Underwriter</li> <li>Macquarie Capital is Joint Lead Manager and Underwriter</li> </ul>

Note:

- The theoretical ex-rights price ("TERP") is the theoretical price at which WorleyParsons shares should trade at immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which WorleyParsons shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to WorleyParsons' closing price of A\$17.84 on Friday 19 October 2018

# Timeline

## Key dates

Dates and times are subject to change without notice <sup>1,2</sup>	Date
Trading halt and announcement of accelerated non-renounceable entitlement offer	Monday, 22 October 2018
Institutional Entitlement Offer opens	Monday, 22 October 2018
Institutional Entitlement Offer closes	Tuesday, 23 October 2018
Announcement of results of Institutional Entitlement Offer	Wednesday, 24 October 2018
Shares recommence trading	Wednesday, 24 October 2018
Entitlement Offer record date	7:00pm Wednesday, 24 October 2018
Retail offer booklet despatched to Eligible Retail Shareholders	Monday, 29 October 2018
Retail Entitlement Offer opens	Monday, 29 October 2018
Settlement of New Shares issued under the Institutional Entitlement Offer	Tuesday, 30 October 2018
Issue and commencement of trading of New Shares under the Institutional Entitlement Offer	Wednesday, 31 October 2018
Retail Entitlement Offer closes	5pm Wednesday, 7 November 2018
Announcement of results of Retail Entitlement Offer	Monday, 12 November 2018
Settlement of New Shares issued under the Retail Entitlement Offer	Wednesday, 14 November 2018
Issue of New Shares under the Retail Entitlement Offer	Thursday, 15 November 2018
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Friday, 16 November 2018
Holding statements sent to retail holders	Friday, 16 November 2018
Estimated completion	4 to 6 months from announcement, following regulatory approvals

### Notes:

1. The above timetable is indicative and subject to variation. WorleyParsons reserves the right to alter the timetable at its absolute discretion and without notice, subject to the ASX Listing Rules and the Corporations Act and other applicable law
2. All dates and times refer to AEDT



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# Operating structure, trading update and summary

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# Operating structure and key personnel

## Cultural Alignment

- Strong cultural alignment between Jacobs ECR and WorleyParsons
- Alignment of values at management level affirmed through diligence process
- Very similar risk profile and governance processes

## Board composition

- WorleyParsons Chairman, Board and CEO to continue in their current roles
- One Jacobs Non-Executive Director is expected to join the Board following the successful completion of the Acquisition and subsequent resignation from the Board of Jacobs

## Key management

- WorleyParsons CFO to continue in his current role
- An operating structure for the merged operations is well developed and will be released at the appropriate time
- Leadership team will be drawn from across Jacobs ECR and WorleyParsons



# Trading update and outlook<sup>1</sup>

**Outlook as per FY2018 results guidance – WorleyParsons is expected to deliver improved earnings in FY2019 on a standalone basis (prior to the impact of the Jacobs ECR transaction)**

Driven by continued improvement in market conditions, our resources and energy customers are increasing early phase activity for the next cycle of investment. This is reflected in the recent level of contract awards and our growing backlog. By maintaining our focus and growing our position in the resources and energy markets we expect to deliver improved earnings in FY2019.

Our focus on costs will continue so that operating leverage is delivered as the business grows. We expect to continue to improve our balance sheet metrics in FY2019.

FY19 results will be impacted by the Jacobs ECR transaction, including holding equity proceeds until closing.

We expect this year's interim dividend per share to be not less than last year's interim dividend.

Notes:

1. Future performance involves risks and uncertainties, and achieved earnings and EBITDA could be higher or lower. Refer to the important notice and disclaimer at the start of this presentation

# Transaction Summary

WorleyParsons to acquire **Jacobs' Energy Chemicals and Resources division**, "Jacobs ECR", a leading global technical services provider across Hydrocarbons, Chemicals, Minerals & Metals, and undertake an entitlement offer to partially fund the acquisition

- Enterprise value USD\$3.3bn (A\$4.6bn)<sup>1</sup>
- In combining two complementary organisations, the transaction:
  - ✓ generates material EPS accretion and returns for shareholders<sup>2</sup>
  - ✓ creates a pre-eminent global provider of professional project and asset services in resources and energy
  - ✓ provides global sector leadership across Hydrocarbons, Chemicals and Minerals & Metals
  - ✓ delivers enhanced earnings diversification and resilience
  - ✓ brings significant value upside through cost and revenue synergies
- Implied (pre synergy) EBITDA multiple of 11.5x FY18 EBITDA (8.5x post cost synergies)<sup>3</sup>
- Acquisition funded via A\$2.9bn entitlement offer, A\$895m debt, and A\$985m in WorleyParsons stock issued to vendor
- The debt and equity components have been sized to ensure leverage remains within target range at completion



Notes:

1. USD converted to AUD at an AUD/USD = 0.71 exchange rate
2. FY18 EPS accretion as if the Jacobs ECR acquisition was effective from 1 July 2017, presented pre-synergies, transaction and integration costs and acquisition related amortization. In accordance with AASB 133, WorleyParsons' standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer
3. Estimated run rate cost synergies of A\$130m p.a. converted to USD at the average AUD/USD exchange rate in FY18 of 0.78

# Appendix



# Glossary

Term	Definition
BSC	Business services center
CFIUS	The Committee on Foreign Investment in the United States
CH2M	A global design, build and manage professional services firm acquired by Jacobs (completed December 2017)
ENR	Engineering News-Record, an American engineering and construction news, analysis and data provider
EPC	Engineering, Procurement and Construction
EPCM	Engineering, Procurement and Construction Management
FEED	Front End Engineering Design
GDC	Global Delivery Centre, WorleyParsons' Indian global delivery center
GID	Global Integrated Delivery, Jacobs ECR's Indian global project delivery center
GSM	Global sales and marketing
Hydrocarbons	Business segment that includes the broader oil and gas sector, including upstream, midstream and downstream
Jacobs	Jacobs Engineering Group Inc., the parent company of Jacobs ECR
Jacobs ECR	Jacobs' Energy, Chemicals and Resources business, to be acquired by WorleyParsons
LatAm	Latin America
LSTK	Lump-sum turnkey
MMO	Maintenance, Modifications & Operations, a range of brownfield services to support the ongoing operation of existing assets
PM / CM	Project Management / Construction Management
SSC	Shared services center

# Pro forma balance sheet

A\$m, 30 June 2018 <sup>1,2</sup>	WorleyParsons <sup>3</sup>	Jacobs ECR <sup>4</sup>	Acquisition and financing adjustments <sup>5,6</sup>	Pro forma
Cash	262	34		296
Inventory, receivables	1,348	1,443		2,791
PP&E	54	385		439
Goodwill & intangibles	2,282	1,941	1,913	6,136
Other	530	189		719
<b>Total assets</b>	<b>4,476</b>	<b>3,992</b>	<b>1,913</b>	<b>10,381</b>
Loans / borrowings	999	-	895	1,894
Payables	819	1,151		1,970
Other	445	57		501
<b>Total liabilities</b>	<b>2,263</b>	<b>1,207</b>	<b>895</b>	<b>4,365</b>
<b>Net assets</b>	<b>2,213</b>	<b>2,784</b>	<b>1,018</b>	<b>6,016</b>
Net debt	663	(34)	895	1,523
ND / EBITDA	1.9x			2.1x

## Notes:

1. USD converted to AUD at the spot AUD/USD exchange rate of 0.71
2. WorleyParsons to accept certain defined benefit plan liabilities relating to Jacobs ECR employees (~US\$30m)
3. Extracted from WorleyParsons' 30 June 2018 audited financial statements
4. The Jacobs ECR pro-forma balance sheet was derived from the historical financial records of Jacobs and includes the assets and liabilities which are attributable to the Jacobs ECR business. This pro forma balance sheet also includes adjustments to assets and liabilities which arise from the terms of the purchase agreement
5. Represents the capital and debt raised, WorleyParsons shares issued to Jacobs, net cash outflows for the acquisition and elimination of the Jacobs ECR pre-acquisition structure. Includes issued capital reflecting proceeds from the equity raising less equity raising costs, WorleyParsons shares issued to Jacobs and borrowings from new debt facilities less debt raising costs
6. Does not include the effect of acquisition accounting. The difference between the acquisition price and net assets acquired has been attributed to intangibles. WorleyParsons will undertake a detailed purchase price allocation exercise post-acquisition which may result in changes to the fair value of assets and liabilities acquired and / or give rise to the recognition of separately identifiable intangible assets

# Summary Sale and Purchase Agreement terms

Term	Description
<b>Transaction price and consideration</b>	<ul style="list-style-type: none"> <li>▪ Enterprise Value of US\$3.3bn on a cash and debt free basis, of which US\$700m is payable in WorleyParsons stock and the residual in cash</li> <li>▪ Purchase price will be subject to standard closing account adjustments including in relation to working capital, cash and debt-like items</li> </ul>
<b>Closing conditions</b>	<ul style="list-style-type: none"> <li>▪ Receipt of material regulatory (including CFIUS) and anti-trust approvals</li> <li>▪ Satisfactory completion of the Jacobs ECR carve-out restructure</li> </ul>
<b>Reverse break fee</b>	<ul style="list-style-type: none"> <li>▪ WorleyParsons is required to pay Jacobs a termination fee of US\$99m if CFIUS approval is not obtained</li> </ul>
<b>Escrow conditions</b>	<ul style="list-style-type: none"> <li>▪ WorleyParsons shares issued to Jacobs as consideration will be subject to escrow until the later of 31 August 2019 or 6 months post completion</li> </ul>
<b>Non-solicitation</b>	<ul style="list-style-type: none"> <li>▪ Reciprocal non-solicit restriction on key management personnel for a period of two years from completion</li> </ul>
<b>Non-compete</b>	<ul style="list-style-type: none"> <li>▪ Jacobs will not provide certain defined Jacobs ECR services to energy, chemicals and resources clients for a period of five years from completion</li> </ul>
<b>TSA</b>	<ul style="list-style-type: none"> <li>▪ TSA term sheet covering Jacobs ECR shared services agreed. Details to be finalised prior to completion</li> </ul>
<b>Representation and warranties</b>	<ul style="list-style-type: none"> <li>▪ WorleyParsons and Jacobs each make representations, warranties and covenants that are customary for a transaction of this type</li> <li>▪ Supported by Warranty &amp; Indemnity insurance on market standard terms</li> </ul>

# Jacobs ECR—key sectors

## Chemicals

- Full asset lifecycle project management and process technology offering
- Services span initial facility concept through plant relocation, expansion, modification and maintenance, supporting blue chip projects globally

### Example projects



#### **Borealis AS** *Stenungsund, Sweden*

- EPCM and construction management, multiple projects
- Borealis is a leading provider of solutions across polyolefins, base chemicals and fertilizers



#### **BASF Antwerp Site** *Antwerp, Belgium*

- Comprehensive integrated chemicals requirements
- Key services include process, piping and electrical/instrumentation engineering services

### FY18 revenue



#### By key geography

USA:	69%
Europe:	12%
Asia:	7%
ME / Africa:	6%
Other:	6%

### Select key clients



MONSANTO



## Downstream hydrocarbons

- Major revamps and grassroots projects focused on sustainable value in petroleum refining and environmental facilities and infrastructure worldwide

### Example projects



#### **Shell, Enterprise Framework Agreement** *Global*

- Concept, front-end engineering, detailed design, procurement, project management, construction management and construction services for Shell projects globally



#### **Chevron Products Refineries and Terminals** *Various Locations, USA*

- Integrated project delivery (IPD) for downstream facilities
- Elective construction management (CM) services on an as-needed basis at various terminals throughout the U.S

### FY18 revenue



#### By key geography

USA:	58%
Europe:	24%
Canada:	14%
Other:	4%

### Select key clients



# Jacobs ECR—key sectors

## Upstream hydrocarbons

- Complete life cycle solutions on greenfield and brownfield projects – onshore, offshore and pipelines

### Example projects



#### Suncor Energy Oil Sands Base Plant *Alberta, Canada*

- Management and services to support the maintenance of the plant's process, including mechanical, rotating and operating equipment, as well as maintenance provisions



#### BP Tortue Offshore Development *Mauritania and Senegal, Africa*

- Pre-FEED to support final key decisions
- Involves subsea gas production, a floating gas treatment facility, pipelines and nearshore liquefaction facility

### FY18 revenue



### By key geography

Canada:	56%
USA:	24%
ME / Africa:	14%
Other:	6%

### Select key clients



## Mining & Minerals

- Capabilities span entire asset lifecycle, from planning, feasibility studies, engineering, procurement, construction and operations to decommissioning and mine closure

### Example projects



#### Oyu Tolgoi Underground Project South *Gobi Region, Mongolia*

- EPCM services for the next stage in the development of the Oyu Tolgoi copper and gold mine in Mongolia



#### Sisson Tungsten Mine *New Brunswick, Canada*

- Planning and engineering services for the plant and associated site infrastructure of the proposed mine project

### FY18 revenue



### By key geography

Asia:	33%
ANZ:	22%
LATAM:	18%
Canada:	16%
Other:	12%

### Select key clients



# Jacobs ECR—CM&T and Technology

## Construction, Maintenance & Turnaround

- CM&T performs work across the Chemicals, Upstream, Downstream and Mining and Minerals sectors. CM&T division revenue of c.US\$1.2bn in FY18 is reflected within the revenue of those sectors
- Full spectrum service offering—build, operate and maintain
- Projects range from capital construction projects, long-term mechanical maintenance, shutdowns and turnarounds to facility maintenance

### Example projects



#### Chemours Co. Washington Works Facility *West Virginia, USA*

- Five-year construction maintenance & turnaround contract
- Small cap construction, ongoing maintenance & turnaround development for Chemours' largest production facility



#### Kraton Corp. Belpre Ohio Facility *Ohio, USA*

- Four-year contract extension to provide maintenance and product handling and packaging services
- Includes ~125 full-time employees in a range of professions

### Select key clients

Imperial Oil

ExxonMobil



## Proprietary technology

### Chemetics

- Process technology-based engineering and design group
- Products and services include engineered systems, equipment consulting services, as well as complete systems and plans
- Business portfolio includes
  - ✓ acid technology (e.g. sulfuric acid plants)
  - ✓ chemical technology
  - ✓ fabrication

### Comprimo

- Provides EPC services to gas treating and sulfur recovery plants worldwide

#### Solutions

- Has licensed, engineered, and constructed **more than 500 plants** globally
- Covers gas treating, sour water stripping, sulfur recovery, tail gas treating, incineration, sulfur degassing and sulfur handling

#### Services agreements

- Continuous Services Agreement, which is tailored to client needs
- Annual fee model creates **stable recurring revenues**

# General risks

- There are general risks associated with investments in equity capital such as WorleyParsons shares. The financial performance of WorleyParsons may be affected by a number of factors common to public companies generally or common to companies operating in the industries in which WorleyParsons operates. Generally applicable factors that may affect the market price of WorleyParsons shares include:
  - Movements in the Australian and international equity markets
  - Movements in foreign currency exchange rates
  - Investor sentiment and the liquidity of the market for WorleyParsons shares
  - The level of interest and inflation rates
  - The level of borrowing which WorleyParsons undertakes
  - General Australian and international economic conditions and outlook
  - Geo-political instability, including international hostilities and acts of terrorism
  - Announcements and results of WorleyParsons' competitors
  - Analyst reports; and
  - Government, fiscal, monetary and regulatory policies, including taxation laws
- You should be aware that the price at which WorleyParsons shares are traded on the ASX may rise or fall. No assurances can be given that the New Shares will trade at or above the Offer Price. None of WorleyParsons, its directors or any other person guarantees the market performance of the New Shares.

# Specific risks

## Demand risk in the energy and resources services industry

- The markets for WorleyParsons' services are exposed to volatile and cyclical commodity prices, particularly the oil price. Those prices impact demand for WorleyParsons' customers' goods and services, the level of outsourcing in the sectors in which WorleyParsons operates, and in particular, the preparedness of customers to fund capital and operating expenditure. This may markedly impact demand for WorleyParsons' services such that, over relatively short periods, rapid and / or sustained changes in demand may be experienced. Such changes may lead to reduced revenue and increased costs, and overheads may need to be adjusted for efficiency relative to the level of earnings and business size.
- A number of strategies and processes are in place to mitigate demand risk, including maintaining a diversified business portfolio, retaining a proportion of employees on short notice contracts, seeking contractual protection for project demobilisation, sharing work across locations, and undertaking ongoing overhead efficiency reviews and rationalising overheads where necessary.

## Contract management risk

- Effective contract management seeks to ensure, among other things, appropriate project and customer selection and the effective management of customer expectations. There is a risk that WorleyParsons may fail to manage its contracts appropriately, and as a result, be subject to disputes with customers regarding matters including the payment of fees and liability for costs and delays. Such disputes may be costly, result in liability, and absorb significant amounts of management time.
- WorleyParsons seeks to mitigate this risk by implementing project delivery processes and procedures, providing training and development to project staff, and appropriately involving legal staff in the contract process.

## Project delivery risk

- WorleyParsons' ability to achieve superior shareholder returns is substantially influenced by its ability to deliver significant and / or strategically important projects to its customers' satisfaction. Failure to do so could result in fewer awards of significant projects, and a reduced market position.
- To mitigate this risk, WorleyParsons regularly reviews its project delivery systems and processes, and project peer reviews. Further to this, the WorleyParsons Academy has been established to further enhance the capability of its people in project management and project delivery.

## Increasing competition

- The markets in which WorleyParsons operates remain highly competitive. The competitive environment can be significantly affected by local market forces, such as new market entrants, production capacity utilization, economic conditions and product demand. Any increased competition from new and existing competitors can impact on WorleyParsons' ability to win new contracts, lead to a loss of market share, and cause a decline in sales and profitability. As a result, WorleyParsons' ability to develop and implement effective strategies will be a significant ongoing contributor of success.
- To address this, WorleyParsons has an annual strategy development process where a number of priority areas are reviewed on a regular schedule, utilising both internally and externally supplied market data and business knowledge.

# Specific risks

## Reputation risk

- The strength of WorleyParsons' reputation contributes to its success in winning and retaining work, attracting and retaining employees, and securing lines of credit and access to capital. There is a risk that this reputation could be damaged through unethical business practices, poor project outcomes, health and safety incidents or not meeting the market's expectations of financial performance.
- WorleyParsons adopts a range of actions to manage this risk, including requiring all its people to undertake various training, including Code of Conduct training. Other mitigating steps, including those referred to in health and safety risk, project delivery risk, and internal reporting risk, also assist in preserving WorleyParsons' reputation.

## Liquidity risk

- The ability of WorleyParsons to maintain an appropriate level of liquidity, particularly through timely conversion of unbilled contract revenue to cash, impacts returns to shareholders. There is a risk that given current market conditions, customers may delay paying or be unwilling or unable to do so. WorleyParsons seeks to mitigate this risk by focusing on effective working capital management and closely monitoring both cash collection targets and measures of debtor conversion.

## Commoditization and automation

- There is a risk that WorleyParsons may be slow to digitize or automate its internal and external processes which may impact its competitiveness and WorleyParsons' ability to deliver services efficiently and cost effectively or that it does not manage the transition to new methods of working smoothly resulting in an impact on WorleyParsons' ability to deliver services to customers on time and within budget. Any of these could impact profitability and carry reputational risk.
- WorleyParsons has a number of current initiatives led by its internal Capital Allocation Committee which are intended to mitigate the downside associated with commoditization and automation risk, as well as exploit the possible strategic upside associated with commoditization and automation, including the appointment of a director of digital transformation and the development of a digital transformation strategy.

## Litigation

- WorleyParsons may become involved in litigation, claims, investigations or disputes from time to time in the course of its business activities. Such litigation, investigations, claims and disputes, including the costs of settling claims and operational impacts, could adversely affect WorleyParsons' financial performance and reputation.

## Tax

- The risk that changes in tax law (including goods and services taxes and stamp duties), or changes in the way tax laws are interpreted in the large number of jurisdictions in which WorleyParsons operates, may impact the tax liabilities of WorleyParsons or the taxation treatment of an investment in WorleyParsons shares or the holding and disposal of those shares. WorleyParsons is seeing an increasing trend for Governments change their approach to the regulation and collection of tax. Consequently, there is a risk that the level of taxation imposed on WorleyParsons could change materially as a result of a change in legislation or approach in the countries in which it operates. In addition, the ability of WorleyParsons to obtain the benefit of existing tax losses and claim other beneficial tax attributes will depend on future circumstances and may be adversely affected by changes in ownership, business activities, levels of taxable income and any other conditions relating to the use of the tax losses or other attributes in the jurisdictions in which WorleyParsons operates.

# Specific risks

## Counterparty risk

- WorleyParsons is exposed to credit-related losses if counterparties to contracts fail to meet their obligations. This could occur if customers were to become insolvent or not meet their financial obligations to WorleyParsons and may adversely impact WorleyParsons' revenue and have flow-on impacts to WorleyParsons' credit position.

## Key personnel and specialist labor shortage

- WorleyParsons' growth and profitability may be limited by the loss of key management and other personnel, the inability to attract and retain new suitably qualified personnel or by increases in remuneration costs associated with attracting and retaining personnel. WorleyParsons is dependent on the availability of suitably skilled personnel to provide its services and therefore access to labor can sometimes represent an ongoing risk in some parts of the business.

## Health and safety

- WorleyParsons' operations sometimes require its people to be in high risk geographies, travel long distances by road, be in close proximity to complex operating equipment, and be engaged in construction and operating activities. As such, there is the risk of injury to, or the loss of life of people. To mitigate this risk, WorleyParsons has implemented a OneWay™ framework, which includes the expectation that every one of its people must meet with health, safety and environmental standards. OneWay™ measures are supported by WorleyParsons' business processes and used in assessing performance.
- Notwithstanding the preventative measures which WorleyParsons (or any sub-contractor) has taken or may take, it cannot be assured that accidents or unsafe operations will not occur and/or injure WorleyParsons' own personnel or third parties. Such events may result in additional costs and fines, and may jeopardise WorleyParsons' reputation and credibility.

## Environment

- WorleyParsons is subject to a broad range of environmental laws, regulations and standards in each of the jurisdictions in which WorleyParsons operates. This results in significant compliance costs resulting in an increased cost of doing business, and could expose WorleyParsons to legal liability (including potential damage claims or fines for noncompliance) or place limitations on the development of WorleyParsons' operations.
- WorleyParsons' operations entail risk of environmental damage, and WorleyParsons could incur liabilities in the future arising from the discharge of pollutants by WorleyParsons' clients into the environment, waste disposal practices, or accidents, as well as changes in enforcement policies or newly discovered conditions. To mitigate some of these risks, WorleyParsons continues to implement emissions reduction strategies and to support its customers in their efforts.

## Joint ventures

- WorleyParsons and Jacobs ECR are party to a number of joint venture arrangements (both incorporated and unincorporated) and accordingly are subject to risks associated with such arrangements, which include devolved management control and disagreements with joint venture partners regarding operational and financial matters. Where a joint venture partner does not act in the best interests of the joint venture, there is underperformance by the joint venture management team or where the interests of joint venture partners do not align with WorleyParsons, this may adversely affect WorleyParsons' business, financial condition or results of operations.

# Specific risks

## Cybersecurity risk

- WorleyParsons' work relies on the effective processing and storing of information using information technology. With the use of IT systems, there is a risk of unauthorized access, disruption, loss of critical or sensitive data and other security incidents as a result of cyberattacks.
- WorleyParsons seeks to mitigate this risk through strengthened security measures, continual threat monitoring, user education, and by implementing information security policies in line with international standards.

## Country risk

- WorleyParsons and Jacobs ECR operate in a number of countries and regions with developing legal, regulatory and political systems and where the geopolitical climates are challenging. Any deterioration of the geopolitical climate, including the outbreak of war or civil unrest or the imposition of economic sanctions in one or more of WorleyParsons' key markets may require WorleyParsons or its customers to discontinue business operations in the affected country or countries.

## Transaction risk

- WorleyParsons' strategy includes pursuing acquisitions and disposals. There is a risk that these may not always create value for shareholders or that acquisition targets will not be available on commercially reasonable terms. Also, shareholders' interests may be diluted and shareholders may experience a loss in value of their equity if WorleyParsons issues shares as consideration for acquisitions or if WorleyParsons funds acquisitions through raising equity capital by placing shares with new investors.

## Insurance

- Although WorleyParsons maintains insurance that it believes is appropriate to protect against major operating and other risks, not all risks are insured or insurable. WorleyParsons cannot be sure that adequate insurance coverage for potential losses and liabilities will be available in the future on commercially reasonable terms, and may also elect to self-insure and/or carry large deductibles. If WorleyParsons experiences a loss in the future, the proceeds of the applicable insurance policies, if any, may not be adequate to cover replacement costs, lost revenues, increased expenses or liabilities to third parties. This may have a materially adverse effect on WorleyParsons' financial position and performance.

## Legislative and regulatory changes

- Changes in the structure and regulation of the industries in which WorleyParsons operates in Australia and elsewhere could materially affect WorleyParsons and its business. WorleyParsons is subject to environmental laws and regulations, occupational health and safety requirements and technical and safety standards, as well as general regulation, including in relation to land use and land access, employment arrangements, native title and cultural heritage and technical regulation. Changes to government policy, law or regulations, or the introduction of new regulatory regimes (for example, in relation to climate change), may lead to an increase in operational costs and may have a materially adverse effect on WorleyParsons and its business.

## Changes to accounting policy

- Accounting standards may change. This may affect the reported earnings of WorleyParsons and its financial position from time to time, potentially adversely.

# Specific risks

## Internal Reporting Risk

- WorleyParsons operates a complex business which provides a wide range of services in a dynamic environment, while straddling multiple jurisdictions and regulatory frameworks. There is a risk that internal reporting systems may not accurately reflect WorleyParsons' business performance or objectives, and may therefore result in failure to meet forecasts provided to the market, thereby adversely affecting investor confidence and the Company's share price. WorleyParsons seeks to mitigate this risk by reviewing and enhancing those systems, and seeking to adapt them to the dynamic business environment.

## Climate Change Risk

- Climate change will have both physical and transitional risk implications for the industries we serve. Regulatory and other changes may lead to increased cost, delays or cancellation associated with some projects. Conversely, the pace of other projects such as those associated with new energy may increase. WorleyParsons is committed to being part of the solution, to reducing its emissions intensity and responding to its industry's and customers' climate change needs.

# Transaction risks

## Future dividends and franking capacity

- No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by WorleyParsons will be at the discretion of the directors and will depend upon the availability of profits, the operating results and financial condition of WorleyParsons, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by the directors. No assurances can be given in relation to the level of franking of future dividends. Franking capacity will depend upon the amount of Australian tax paid in the future, the existing balance of franking credits and other factors.

## Acquisition accounting

- In accounting for the acquisition, WorleyParsons will need to perform a fair value assessment of all of the assets, liabilities and contingent liabilities of Jacobs ECR, which will include the identification and valuation of identifiable intangible assets. For the purposes of the pro forma balance sheet set out in this presentation, no adjustments have been made in respect of potential purchase price allocation impacts (ie the difference between the acquisition price and net assets acquired has all been attributed to intangibles).
- The formal purchase price allocation exercise may result in a reallocation of the fair value of assets and liabilities in the combined group's balance sheet and may also result in a different depreciation and amortization profile in the combined group's income statement (and a corresponding increase or decrease in net profit after tax).

## Reliance on information provided

- WorleyParsons undertook a due diligence process in respect of Jacobs ECR, which relied in part on the review of financial and other information provided by the vendors of Jacobs ECR. Despite taking reasonable efforts, WorleyParsons has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, WorleyParsons has prepared (and made assumptions in the preparation of) the financial information relating to Jacobs ECR (on a stand-alone basis and also to WorleyParsons post-acquisition of Jacobs ECR) included in this presentation in reliance on limited financial information and other information provided by the vendors of Jacobs ECR. WorleyParsons is unable to verify the accuracy or completeness of all of this information. If any of the data or information provided to and relied upon by WorleyParsons in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Jacobs ECR and the combined group may be materially different to the financial position and performance expected by WorleyParsons and reflected in this presentation. In particular, WorleyParsons has not been provided with sufficient information to assess Jacobs ECR's unincorporated joint ventures and existing shareholder arrangements in detail. WorleyParsons intends to address the integration of certain of it and Jacobs ECR's joint ventures through the integration process.
- Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition have been identified and avoided or managed appropriately. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on WorleyParsons. This could adversely affect the operations, financial performance or position of WorleyParsons.
- The information reviewed by WorleyParsons includes forward looking information. While WorleyParsons has been able to review some of the foundations for the forward looking information relating to Jacobs ECR, forward looking information is inherently unreliable and based on assumptions that may change in the future.

# Transaction risks

## Analysis of acquisition opportunity

- WorleyParsons has undertaken financial, business and other analyses of Jacobs ECR in order to determine its attractiveness to WorleyParsons and whether to pursue the acquisition. It is possible that such analysis, and the best estimate assumptions made by WorleyParsons, draw conclusions and forecasts that are inaccurate or which will not be realized in due course. To the extent that the actual results achieved by Jacobs ECR are different than those indicated by WorleyParsons' analysis, there is a risk that the profitability and future earnings of the operations of the Combined Group may be materially different from the profitability and earnings reflected in this Presentation.

## Equity funding risk

- WorleyParsons has entered into an underwriting agreement under which UBS AG, Australia Branch and Macquarie Capital (Australia) Limited (together, the "Joint Lead Managers") have agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the underwriting agreement between WorleyParsons and the Joint Lead Managers ("Underwriting Agreement"). The Joint Lead Managers' obligation to underwrite the Offer is conditional on certain customary matters, including WorleyParsons delivering certain certificates, sign-offs and opinions. If certain events occur, the underwriters may terminate the underwriting agreement.
- Termination of the Underwriting Agreement would have an adverse impact on the amount of proceeds raised under the Entitlement Offer and could affect WorleyParsons' ability to pay the purchase price for the Jacobs ECR acquisition. If the Underwriting Agreement is terminated, WorleyParsons will not be able to terminate the share purchase agreement for the Jacobs ECR acquisition. In these circumstances, WorleyParsons would need to find alternative funding to meet its obligations under the share purchase agreement. Termination of the Underwriting Agreement could materially adversely affect WorleyParsons' business, cash flow, financial condition and results of operations.

## Risk of dilution

- Investors who do not participate in the Offer, or do not take up all of their entitlement under the Entitlement Offer, will have their percentage security holding in WorleyParsons diluted by not participating to the full extent in the Entitlement Offer. Investors should also note that as part of the consideration for the acquisition of Jacobs ECR, approximately 11% of the issued capital of the combined entity will be placed to the vendor. Investors may also have their investment diluted by future capital raisings by WorleyParsons. WorleyParsons may issue new shares to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest. WorleyParsons will only raise equity if it believes that the benefit to investors of conducting the capital raising is greater than the short term detriment caused by the potential dilution associated with a capital raising.

# Transaction risks

## Financial capacity of vendors

- If the acquisition completes, there can be no guarantee as to the on-going financial capacity of the vendor of Jacobs ECR. In these circumstances, if a warranty or other claim was made under the share purchase agreement in respect of the acquisition of Jacobs ECR, to the extent that any warranty and indemnity insurance does not cover the particular claim, there is a risk that funds may not be available to meet that claim. Any inability to recover amounts claimed from the vendor could materially adversely affect the WorleyParsons' financial position and distributions.

## Separation and integration risk

- Under Jacobs' existing supplier, joint venture, customer and other contractual arrangements (including certain rights implied by statute), various rights of review, consent, waiver or approval requirements, termination rights and rights of first refusal arise on a change of control. There is no guarantee that the relevant counterparties will not exercise their rights. If these arrangements are terminated by a counterparty or negotiated on less favourable terms, it may have an adverse impact on WorleyParsons' financial performance and prospects.
- The integration of a business of the size of Jacobs ECR carries risk, including potential delays or costs in implementing necessary changes, and difficulties in integrating various operations. The success of the Jacobs ECR acquisition, and the ability to realize the expected synergy benefits of the acquisition outlined in this presentation, will be dependent on the effective and timely integration of Jacobs ECR business alongside WorleyParsons' business following completion of the acquisition.
- While WorleyParsons has undertaken analysis in relation to the synergy benefits of the Jacobs ECR acquisition, they remain WorleyParsons' estimate of the synergy benefits expected to be achievable as part of the Jacobs ECR acquisition, and there is a risk that the actual synergies able to be realized as part of the acquisition may be less than expected or delayed, or that the expected synergy benefits of the acquisition may not materialize at all or cost more to achieve than originally expected or dis-synergies may occur. These risks include, amongst others, unforeseen costs relating to integration of some systems (including information technology systems) of both of the businesses.
- A failure to fully integrate the operations of Jacobs ECR, or a delay in the integration process, could impose unexpected costs that may adversely affect the financial performance and position of WorleyParsons.

## Completion risk

- There is a risk that the acquisition of Jacobs ECR may not complete on the currently expected timing, or at all, due to among other factors a failure to satisfy any of the conditions precedent to the Sale and Purchase Agreement, including failure to obtain required regulatory (including CFIUS) and anti-trust approvals, failure to complete the Jacobs ECR carve-out restructure, breach of warranty or covenant (subject to specified materiality thresholds and carve-outs), a material adverse effect on the Jacobs ECR business (subject to specified materiality thresholds and carve-outs) or a law or order of a governmental authority being in effect which prohibits the acquisition. WorleyParsons and Jacobs ECR are required to obtain clearance from CFIUS and obtain certain anti-trust approvals prior to completion. As a condition of obtaining these approvals, WorleyParsons and / or Jacobs ECR may be required to make divestments of certain assets, agree to certain other arrangements or restrictions with governmental authorities and/or incur additional costs. Any such divestments, arrangements, restrictions or costs could prevent or delay completion of the transaction and/or may have a material adverse effect on the financial performance of WorleyParsons post completion. Additionally, if CFIUS approval is not obtained, WorleyParsons will be required to pay US\$99 million to Jacobs under the terms of the Sale and Purchase Agreement. If the acquisition was not completed, WorleyParsons would assess the most appropriate way to return proceeds to shareholders. Any failure to consummate the acquisition could materially and adversely affect WorleyParsons and the market price of its shares.

# Transaction risks

## Debt funding

- WorleyParsons intends to fund the acquisition of Jacobs ECR in part by a committed debt bridge of US\$636m under a new debt facility. The drawdown of funds under this bridge facility will be subject to conditions usual for debt facilities of this nature and the particular documentation and commercial requirements of WorleyParsons' bridge lenders. In the event that any of these conditions or requirements are not satisfied, the bridge funding may not be advanced for the purposes of funding the acquisition and the operation of the Jacobs ECR business following completion. In these circumstances, WorleyParsons may need to procure alternative debt financing. There can be no assurance that such alternative debt financing will be available at all or, if it is available, that it will be available on terms no less favorable than those currently proposed. If such alternative debt funding is not available and WorleyParsons is unable to complete the acquisition, WorleyParsons may incur costs in connection with its failure to complete the acquisition.
- WorleyParsons has various covenants in relation to its debt facilities. In the event that these covenants are breached, WorleyParsons' lenders may cancel their commitments under the facilities and require all amounts payable to them under or in connection with the facilities to be repaid immediately.
- If WorleyParsons is unable to repay or refinance its debt facilities upon maturity or in the event of a breach of a covenant, WorleyParsons may have to seek further equity funding, dispose of its assets, or enter into new debt facilities on less favorable terms. These factors could materially adversely affect WorleyParsons' ability to operate its business and financial performance.

# Transaction risks

## Historical liabilities

- If the acquisition of Jacobs ECR completes, WorleyParsons will become directly or indirectly liable for any liabilities that Jacobs ECR has incurred in the past, including liabilities which were not identified during its due diligence or which are greater than expected, for which insurance may not be adequate or available, and for which WorleyParsons may not have post-closing recourse under the share purchase agreement. These could include liabilities relating to environmental claims or breaches, contamination, current or future litigation, regulatory actions, health and safety claims, warranty claims and other liabilities. In particular, Jacobs ECR has historical liabilities (including workers compensation claims) relating to employee exposure to asbestos and these liabilities are intended to be retained by Jacobs ECR under the share purchase agreement. Such liabilities may adversely affect the financial performance or position of WorleyParsons post-acquisition.

## Jacobs ECR specific risks

- Jacobs ECR is subject to a number of risks specific to its business including, without limitation, events that impact O&M and EPC markets (including economic factors specific to the oil and gas industry, severe weather, and geo-political events), tight credit markets in relation to project financing, an inability to sustain growth, increased environmental regulation and risk of environmental or compliance liability, lack of capital for continued growth, liability claims in relation to its products or services, increased energy and transportation costs, a failure to compete effectively or increased competition, information technology failures, and unauthorized use or infringement of Jacobs ECR's intellectual property.
- Jacobs ECR has significant exposure to the US market. A significant percentage of Jacobs ECR's revenue is sourced from or referable to operations in the US and any downturn in the US market may therefore adversely affect the financial performance of WorleyParsons post acquisition.

# International offer restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of WorleyParsons in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

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- This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). The New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.
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# International offer restrictions

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## New Zealand

- This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").
- The New Shares are not being offered to the public within New Zealand other than to existing shareholders of WorleyParsons with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.
- Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:
  - is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
  - meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
  - is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
  - is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
  - is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

## Norway

- This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.
- The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

# International offer restrictions

## Singapore

- This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.
- This document has been given to you on the basis that you are (i) an existing holder of WorleyParsons' shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.
- Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

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# International offer restrictions

## United Arab Emirates

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# International offer restrictions

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**WorleyParsons**

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