

Full Year Results 2019

Andrew Wood, CEO



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FY2019 summary

Our strategy is delivering

\$6,439.1m

Aggregated revenue

+36% growth from FY18

\$236.3m

Operating cash flow

vs \$259.7m in FY18

\$18b

36 Month Backlog

10% growth in 12 months*

\$259.8m

Underlying NPATA

+43% growth from FY18

1.9x

Leverage

December 2018: 2.1x

ECR

transition

on track



Improved financial performance

- Underlying revenue growth of 17% plus ECR contribution
- Improved NPATA margins



Balance sheet strengthened

- Leverage 1.9x, gearing 20.9%
- Cash flat (net of impact of acquisition)
- Refinanced syndicated debt facility



Backlog increased

- Proforma backlog increased 10%
- Diversification of earnings through increased opex revenue and chemicals revenue



ECR acquisition and integration on track

- Transition progressed to plan
- Cost, margin and revenue synergies being delivered
- Safety performance remains industry leading

Final dividend 15.0 cents per share

*on 30 June 2018 proforma backlog using Worley definition

Refer to pages 19 & 20 for the Statutory Statement of Financial Performance and Reconciliation of statutory to underlying NPATA result

Full year results 2019

Overview

FY2019 achievements



Financial results

- Underlying revenue growth, in addition to contribution from ECR acquisition
- EBITA and NPATA growth, with higher NPATA margin
- Strengthened balance sheet and refinanced core debt facilities
- Transition cost synergies and revenue synergies flowing



Operating parameters

- Earnings diversification from increased opex and chemicals revenues
- Staff utilization remains on target
- Focus on operating leverage continues
- Increased backlog across all sectors
- Industry leading safety performance



Operational highlights

- ECR acquisition completed
- Integration activities on track with cost, margin and revenue synergies being realised
- Moving from transition to transformation

Health Safety and Environment

Our safety performance

- Employee Total Recordable Case Frequency Rate (TRCFR*) for FY19 was **0.11** (FY18: 0.12)
- Employee, Contractor & Subcontractor and Partner TRCFR for FY19 was **0.14** (FY18: 0.15)

The Group's HSE Committee focus areas H1 FY20

- Implement Life Saving Rules
- Launch and embed a new Assurance system
- Continue our focus on field HSE
- Continue our progress with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

*TRCFR – Total recordable case frequency rate based on the number of cases per 200,000 hours worked

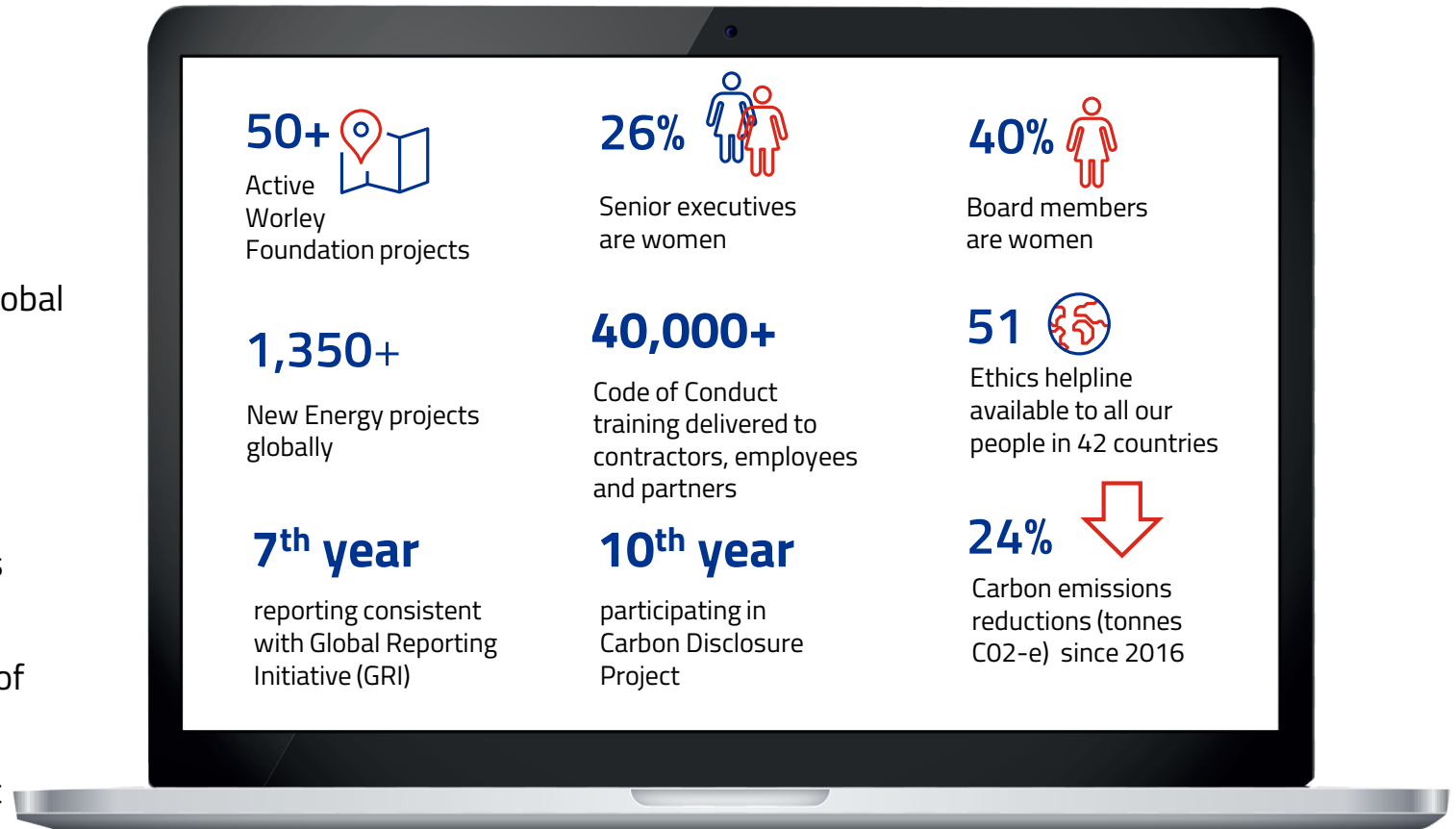


Responsible business at Worley

We have always taken a responsible and sustainable approach to our business

This year we have:

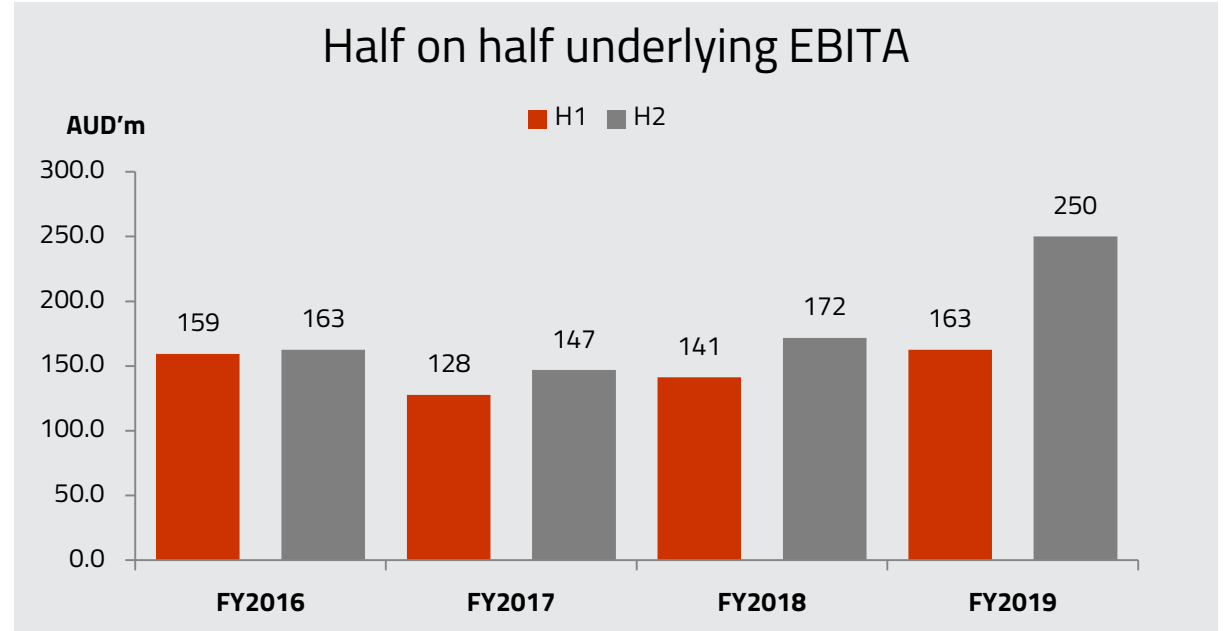
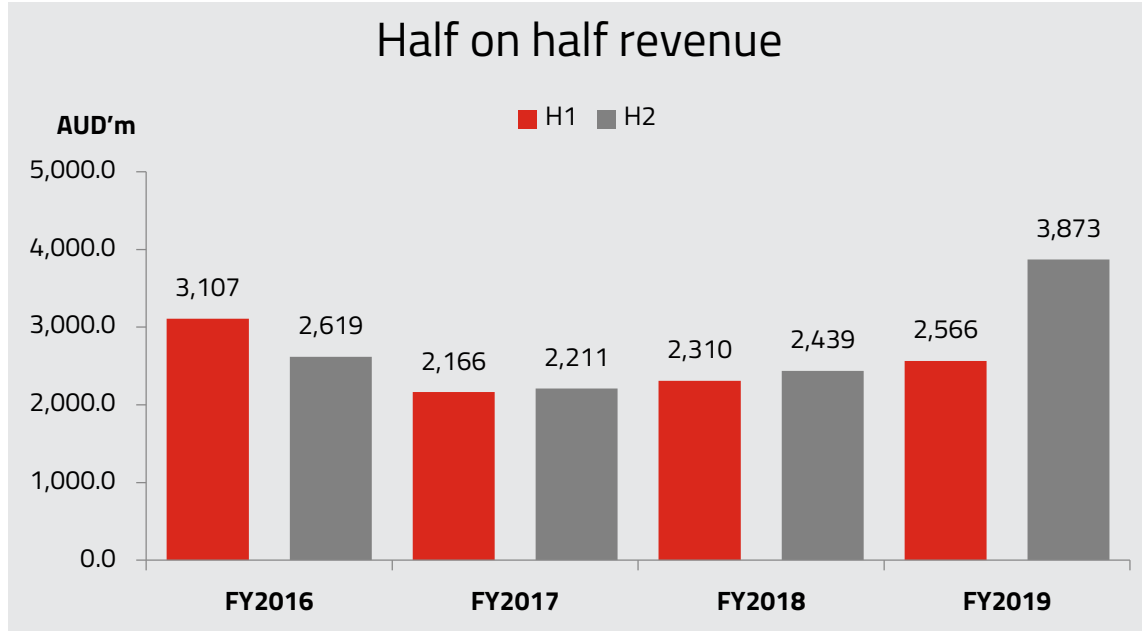
- responsible business assessment requirements embedded into standard work processes
- continued to support our customers navigate the global energy transition (1,350+ new energy projects and counting)
- supported STEM education around the world via initiatives in our local offices
- further developed our engagement with indigenous communities around the world
- delivered community social impact with a network of champions and the Worley Foundation
- continued our ethics program with Code of Conduct training and development



For more information on Worley's ESG activities, refer to our Corporate Responsibility report at <https://www.worley.com/investors/reports-and-presentations#2019>

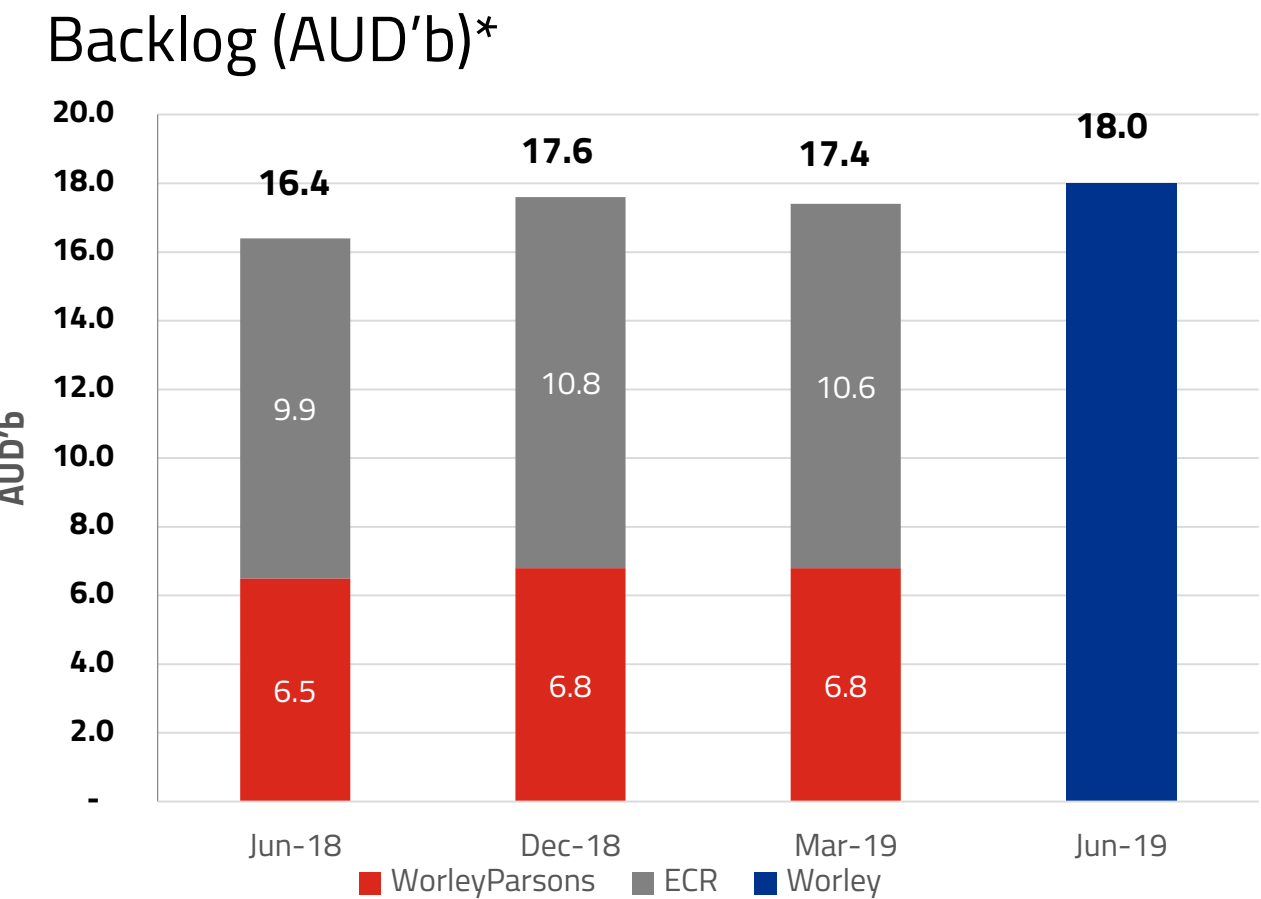
Aggregated revenue and underlying EBITA

Revenue and EBITA growth



- Revenue and EBITA growth from underlying business in addition to ECR acquisition

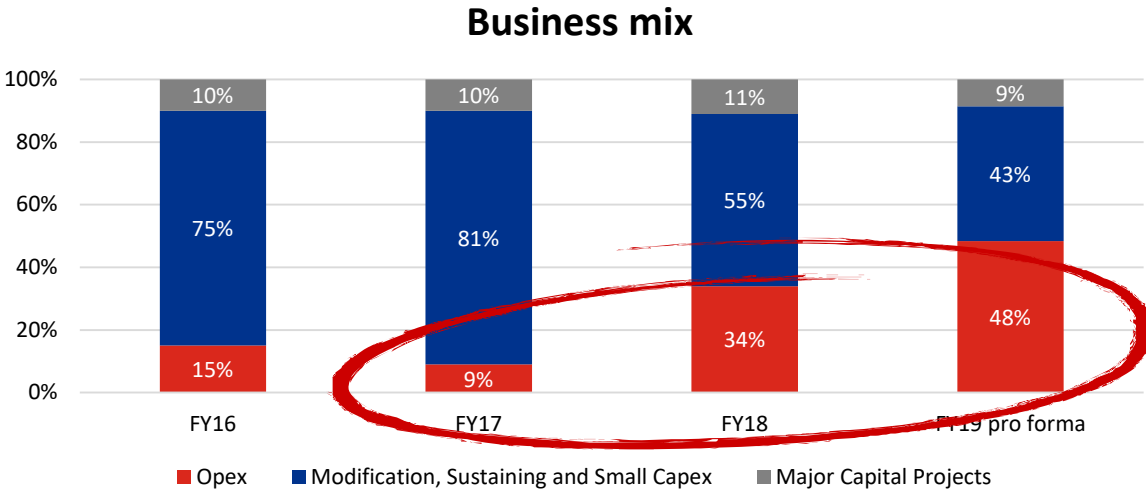
Backlog growth



- Backlog continues to grow with increasing contributions from both ECR and WorleyParsons.
- MPIS and MMM Services driving growth
- Backlog growth across all sectors
- Refer to slides 48 & 49 for sector and regional breakdown

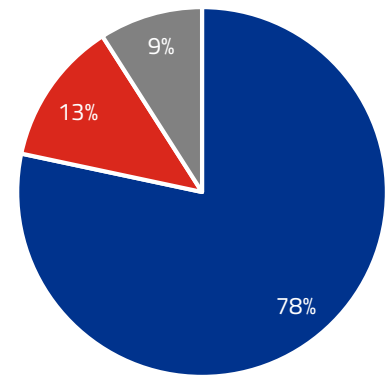
*proforma backlog using Worley definition for June 2018 to March 2019

Earnings diversification – growth in opex and chemicals



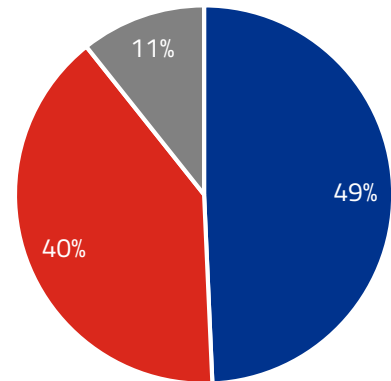
- Deliberate strategy over last three years to increase earnings diversity and resilience with growth in opex based contracts
- Sector mix diversifying with growth of historically more stable chemicals exposure
- Our focus is not lump sum turnkey (LSTK) contracts

FY18 revenue split by sector



■ Energy ■ Chemicals ■ Resources

FY19 revenue split by sector – proforma



■ Energy ■ Chemicals ■ Resources

Long term asset contract wins in FY19

Americas

Shell, San Joaquin Valley Engineering Services
Dow, Electrical and Instrumentation Services
BP, Mad Dog 2 GoM Integration Services
BP, Wells and Fluids
BP, GOO Cat C EPC
BP, BP VMS
BP Chemicals, Texas City Chemicals Alliance
Chevron, San Joaquin Valley Engineering Services
ConocoPhillips, Winter Drilling 2018-2019
Corpus Christi Polymers, Triumph Project
LyondellBasell, Multi-site Small Cap Alliance
Phillips 66, MSA - EPC
UCSF, Power O&M Services Renewal
W.R. Grace, Big Cat Project

MMG Peru SAC, Las Bambas Master Services Agreement
Antofagasta Minerals SA, AMSA MSA - Contrato Marco Centinela
Compania Minera del Pacifico S.A., CAPM MSA
ENAP REFINERIAS S.A., MSA Downstream ENAP
Anglo American Sur SA, MSA EP 3 years for Los Bronces FY20
Minera Escondida Limitada, SIB FY20 Framework Agreements
DOW, MSA – Engineering Services
Livent, EPCM Services for Lithium Carbonate Program
Shell, MSA – Engineering Services
Raizen, MSA – Engineering Services
YPF, MSA – Engineering Services
YPF, Engineering Services
CBA – Cia Brasileira de Aluminio, MSA – Engineering Services
Equinor Brasil S.A., MSA – Engineering Services
SBM Offshore N.V., MSA – Engineering Services

EMEA

CNOOC International, Buzzard Phase 2 - EPC
EnQuest, E&C Term Contract
Shell, SNS E&C Framework Agreement
Perenco, SNS - General Engineering Services
GSP Offshore, Gloria Jack-up Removal
GSP Offshore, Integrated Services Contract
ConocoPhillips, E&C
Repsol, AES Services Framework

Opex based contract wins
supporting backlog growth and
earnings resilience

APAC

Alcoa Inc, Engineering and Project delivery Services
BP, Kwinana Refinery Alliance
Woodside, Engineering and Procurement Services
BP New Zealand Oil Services Limited (NZOSL), Delivery Services
BHP, Minerals Australia Engineering Services Provision
Newcrest Lihir, EPCM Services
Tomago, Aluminium Alliance
Brunei LNG, Engineering Contract
Shell, Bukom Engineering and Project Services
Singapore LNG, Engineering, Consultancy & Site Supervision Services
Evonik, Engineering Services Agreement
Synergy Collie Power Station O&M
BHP Yarnima Power Station O&M
Synergy Albany Gracemere Windfarm O&M

BPTT, Beachfield Valve Upgrade Project
Deltatek Offshore, EDOP Tranche Phase 2
Sasol Group Technology, EC Partnership
BAPCO, Water O&M
Qatar Petrochemical Company, Provision of Engineering Services
Total E&P Qatar, Al Khalij Block
North Oil Company, EPSCM Frame Agreement

Opex contracts refer to long term asset based contracts including sustaining capital contracts

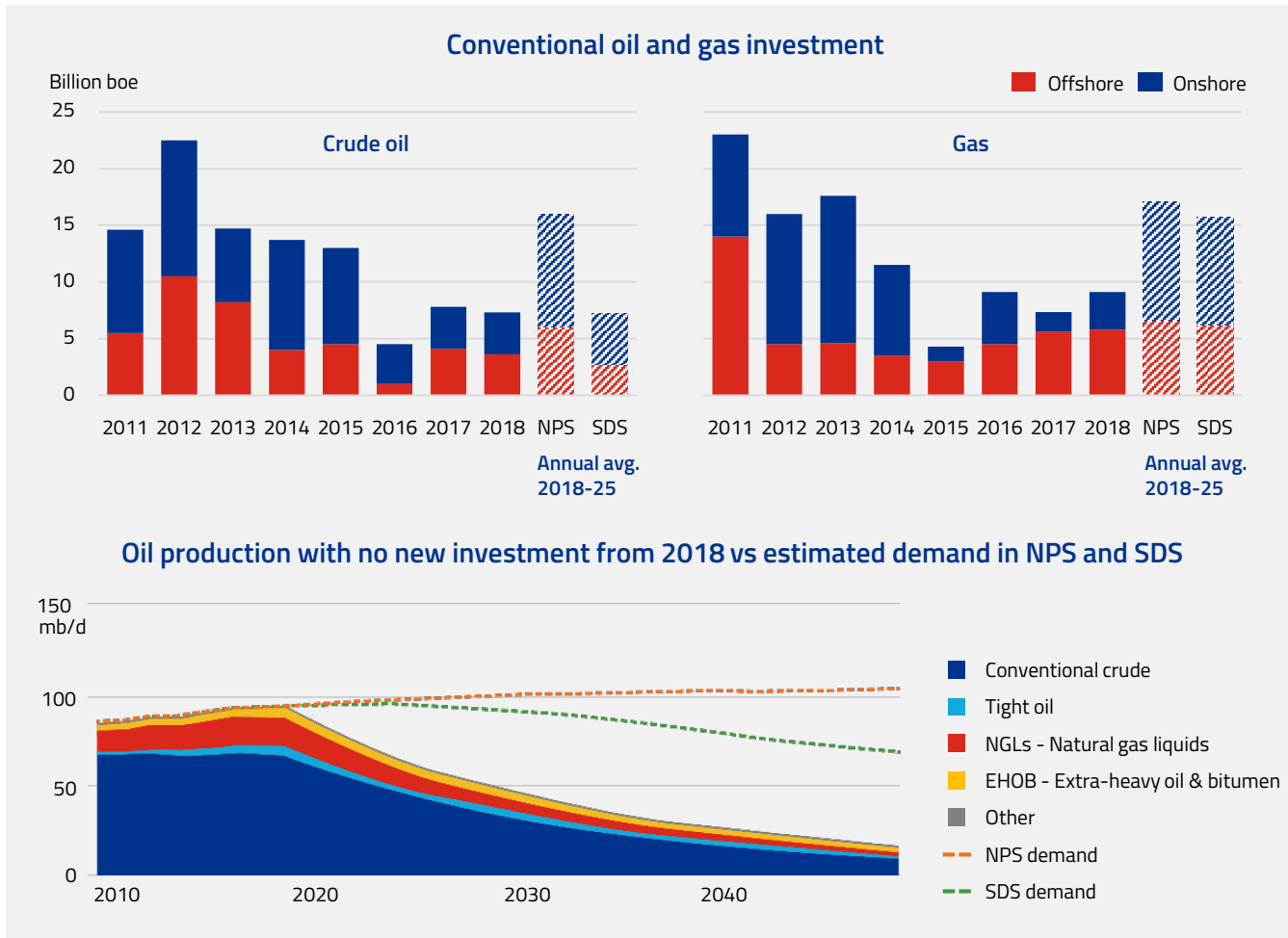
Full year results 2019



Sector update

Energy: upstream & midstream

Upstream investment



Source: International Energy Agency (IEA), World Energy Investment 2019

*3-year CAGR estimate to 2022 extracted from Rystad Energy, UCUBE (May, 2019)

NPS = New Policies Scenario

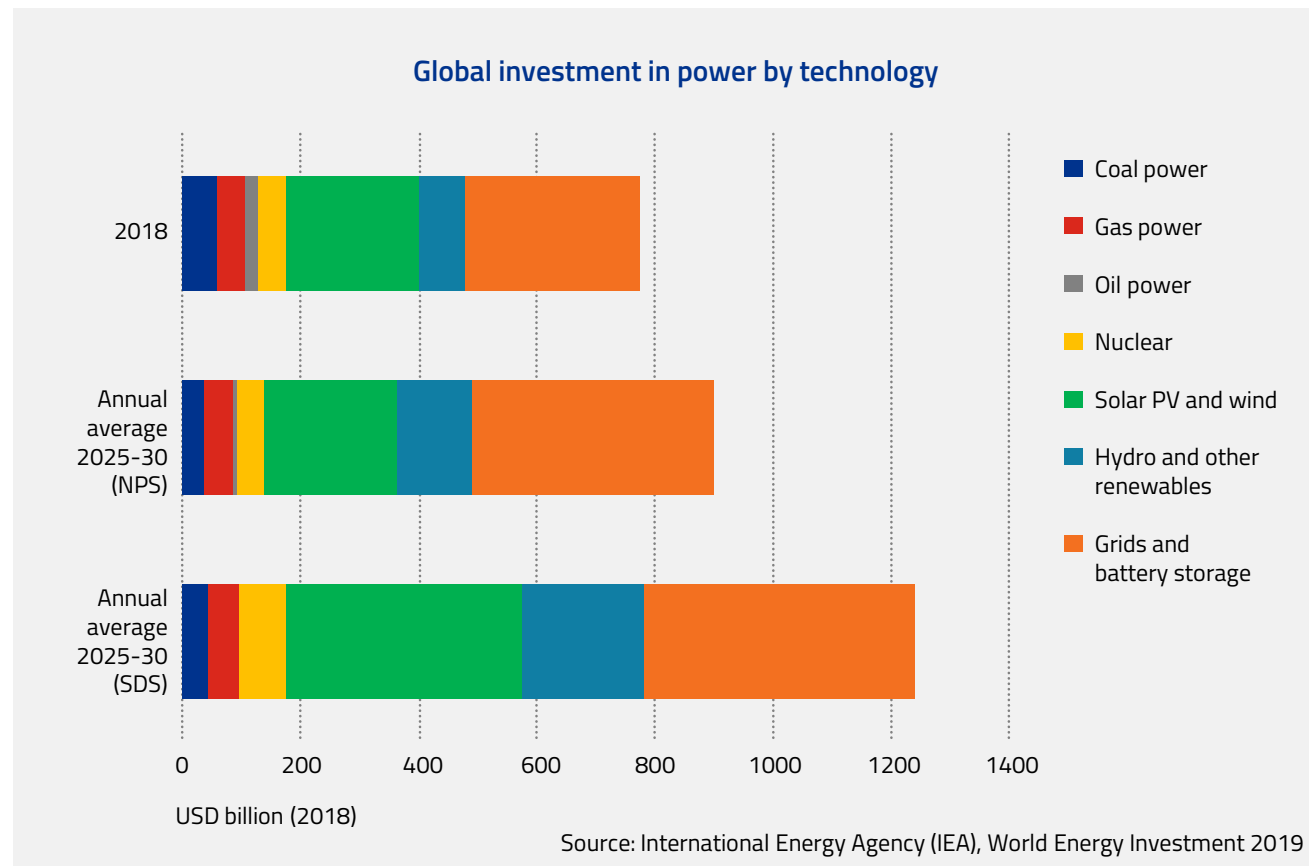
SDS = Sustainable Development Scenario

- Pick-up in approvals of new upstream projects required to match demand
- Upstream investment to 2022 is estimated at 11% CAGR for gas and 4% CAGR for oil*
- Midstream market is experiencing a sharp increase in project sanctions aligned to our global footprint
- Growth opportunities across the value chain:
 - oil & gas production, processing, storage & transport
 - greenfield LNG
 - floating storage & regasification
 - gas-fired power generation, transmission & distribution

Energy: power and new energy

Renewables & electrification

- Investment trend towards low carbon power generation and delivery:
 - solar and wind
 - nuclear
 - hydro
 - power networks and storage
- Focus areas for growth
 - offshore wind (capex and opex)
 - distributed energy systems (including microgrids & storage)
 - emerging technologies – including hydrogen
 - power operations & maintenance

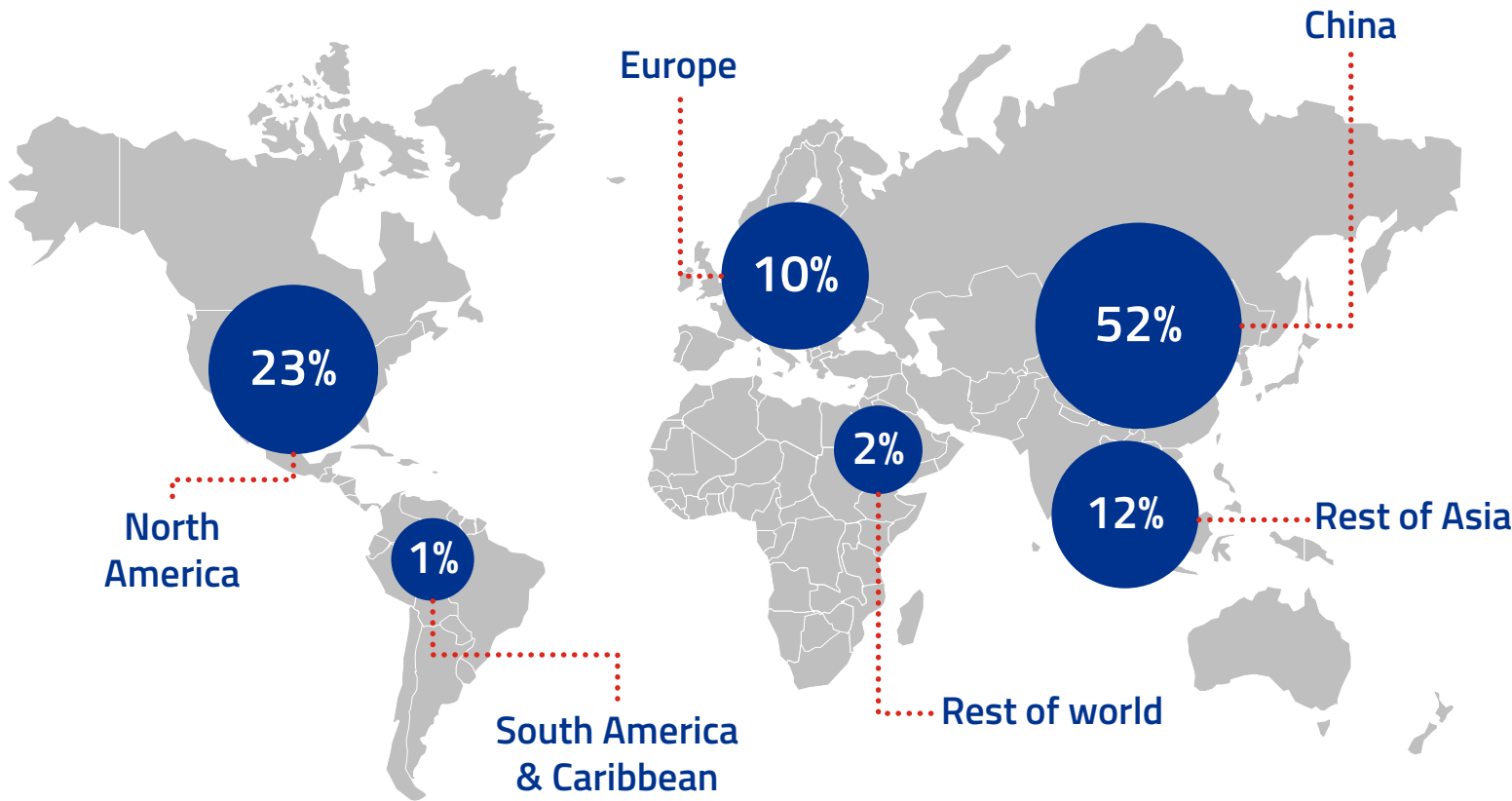


NPS = New Policies Scenario
SDS = Sustainable Development Scenario

Chemicals

Market opportunity & focus

Global chemicals industry capex mix (2019 to 2023)



Source: IHS Markit (2019)

Accessing key growth markets

- FDI market in China: Regulatory changes on foreign ownership stimulating investment into China

Leveraging core capability

- Extensive delivery capability in India and China enabling execution in local market and large-scale global projects

Immediate revenue synergy opportunities

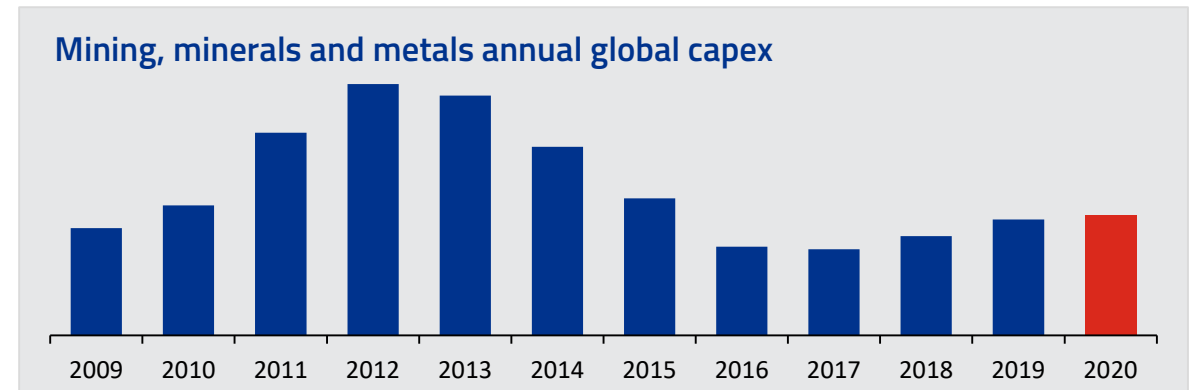
- China + India execution powerhouse
- Full project delivery offering in Asia and the Middle East
- Leverage extensive front-end capability

Full year results 2019

Market focus

Capex continues with strong market fundamentals across key commodities

- Focus is on life of mine extension and increased investment in underground mining
- Copper: structural supply deficit emerging in 2023
- Fertilizers: ongoing investment driven by global population growth and food shortage
- Iron ore: large sustaining capital investment, market tightens with recent supply disruptions and demand for higher grade ore



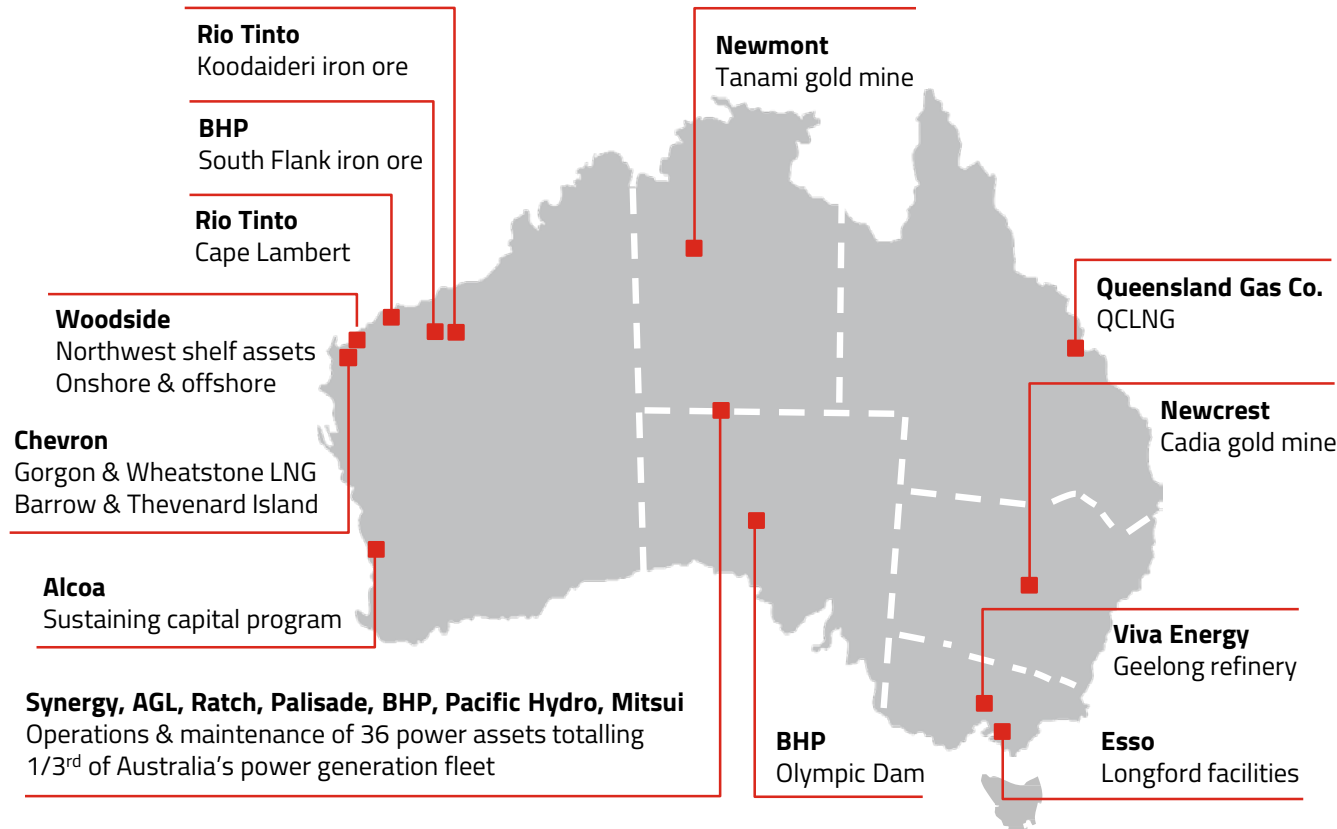
Source: Factset CAPEX Data (May, 2019)*



Source: CRU presentation, World Copper Conference (April, 2019)

Australia's largest energy & resource service provider

Currently involved in over \$100 billion of energy & resource investment in Australia



- Australian company of global significance
- Largest exporter of high value services
- Key growth enabler for businesses & technologies
- Engineer of record and lead service provider for major energy and resource assets
- Operates a third of Australia's power generation fleet in addition to three major gas pipelines

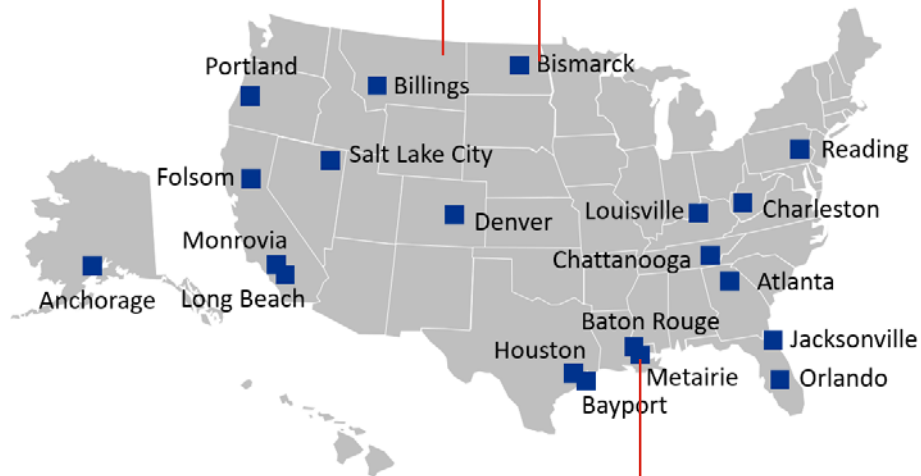
Leader in the United States of America

Worley employs over 14,500 people in over 20 offices nationwide

Engineer of Record for more than
15% of USA's nuclear fleet
totalling **17,000 MW**

80 construction &
fabrication sites nationwide

■ Worley Operations



Lead contractor

for the largest alpha olefins facility in the world

#1 in the United States, we are...

- Largest Australian employer in professional and asset services
- An industry leading contractor for skilled craft trades, with over 80 construction sites
- One of the largest energy and chemical project and asset services providers

...supported by trusted partnerships in industry, technology and innovation across the nation.



Full Year Results 2019

Tom Honan, CFO

Statutory statement of financial performance

	30 June 2019 (\$m)	30 June 2018 (\$m)
REVENUE AND OTHER INCOME		
Professional services revenue	4,531.1	3,837.3
Procurement revenue	1,020.4	432.3
Construction and fabrication revenue	1,328.6	552.5
Interest income	36.5	5.5
Other income	7.7	8.2
Total revenue and other income	6,924.3	4,835.8
EXPENSES		
Professional services costs	(4,156.5)	(3,530.7)
Procurement costs	(992.0)	(417.3)
Construction and fabrication costs	(1,215.6)	(497.4)
Global support costs	(154.2)	(110.7)
Acquisition costs	(50.6)	(5.9)
Transition and other costs	(48.8)	(14.2)
Borrowing costs	(71.7)	(63.9)
Total expenses	(6,689.4)	(4,640.1)
Share of net profit of associates accounted for using the equity method	10.5	9.7
Income tax expense	(81.4)	(129.7)
Profit after income tax expense	164.0	75.7
PROFIT AFTER INCOME TAX ATTRIBUTABLE TO MEMBERS OF WORLEYPARSONS LTD	151.9	62.2

Reconciliation of statutory to underlying NPATA results

Adjusted for non-trading items

	FY2019(\$m)	FY2018(\$m)
Statutory result (NPAT)	151.9	62.2
Acquisition & related transition costs (See Note 1)	82.2	5.9
Impact of the arbitration award ¹	8.7	-
Other Restructuring costs	0.7	14.2
Onerous lease (non acquisition related)	-	12.2
Impairment of associate intangible assets	-	2.7
Sub-total additions and subtractions	91.6	35.0
Tax effect of Additions and Subtractions	(7.5)	(7.5)
Additions (post-tax)		
Tax from changes in tax legislation ²	3.4	81.7
Underlying Net Profit After Tax³	239.4	171.4
Amortisation of intangibles	27.5	14.2
Tax on intangibles	(7.1)	(3.6)
Underlying NPATA⁴	259.8	182.0

Note 1: Acquisition & Related Transition Costs	FY2019(\$m)	FY2018(\$m)
Acquisition costs	50.6	5.9
Transition costs	35.0	-
Onerous lease contracts	8.9	-
Bridging facility fee	4.2	-
Interest on term deposits, net of capitalized costs write off	(27.4)	-
Foreign exchange gain on term deposits	(3.4)	-
US foreign tax credits write off due to ECR acquisition	14.3	-

1. Reduction in revenue following lower than expected arbitration award in relation to a dispute with a state owned enterprise.

2. Relates to a revaluation of the value of Worley's deferred tax assets and liabilities arising from the reduction in the corporate tax rates in provincial Canada and the US.

3. The underlying NPAT result excludes the impact of acquisitions (acquisition and transition costs, bridging facility fee, interest income net of capitalized cost write off, foreign exchange gain on term deposits and US foreign tax credits write off due to the ECR acquisition), impact of the arbitration award, other restructuring costs, onerous lease contracts (non acquisition related), and the related tax effect, as well as the impact of changes in tax legislation on tax expense.

4. NPATA is defined as profit after tax excluding the post tax impact of amortization on intangible assets acquired through business combinations. Underlying NPATA is defined as underlying NPAT excluding post tax impact of amortization of intangible assets acquired through business combinations.

FY2019 key financials

Statutory result	FY2019	FY2018	vs. FY2018
Total revenue (\$m)	6,924.3	4,835.8	43.2%
EBITA (\$m)	308.1	278.0	10.8%
NPATA (\$m)	172.3	72.8	136.7%
Basic EPS (cps) ¹	36.4	22.6	61.1%
Final dividend (cps)	15.0	15.0	-
Total dividend (cps)	27.5	25.0	10.0%
Operating cash flow	236.3	259.7	(9.0%)
Underlying result	FY2019	FY2018	vs. FY2018
Aggregated revenue ² (\$m)	6,439.1	4,749.2	35.6%
Underlying EBITA ³ (\$m)	412.8	313.0	31.9%
<i>Underlying EBITA margin %</i>	6.4%	6.6%	(0.2pp)
Underlying Net Profit After Tax and Amortisation ³ (\$m)	259.8	182.0	42.7%
<i>Underlying NPATA margin %</i>	4.0%	3.8%	0.2pp
Underlying basic EPS (cps) ⁴	62.2	66.2	(6.0%)
Underlying operating cash flow	255.1	293.7	(13.1%)

- Statutory and aggregated revenue increased due to the acquisition of ECR during the year and underlying performance.
- Improved underlying EBITA and NPATA
- Improved NPATA margins
- Operating cashflow flat (excluding items related to acquisition and transition activities)

1. Basic earnings per share for all presented periods were adjusted for equity raised in accordance with the accounting standards.
2. Refer to slide 53 of the Supplementary slides for the definition of Aggregated revenue.
3. The underlying EBITA result excludes impact of acquisitions (acquisition and transition costs, bridging facility costs, foreign exchange gain on term deposits), impact of the arbitration award, other restructuring costs and onerous lease contracts (non acquisition related) and amortization of intangible assets acquired through business combination. Refer to slide 18 for definition of NPATA.
4. Underlying basic EPS have been calculated on underlying NPATA basis

Segment result

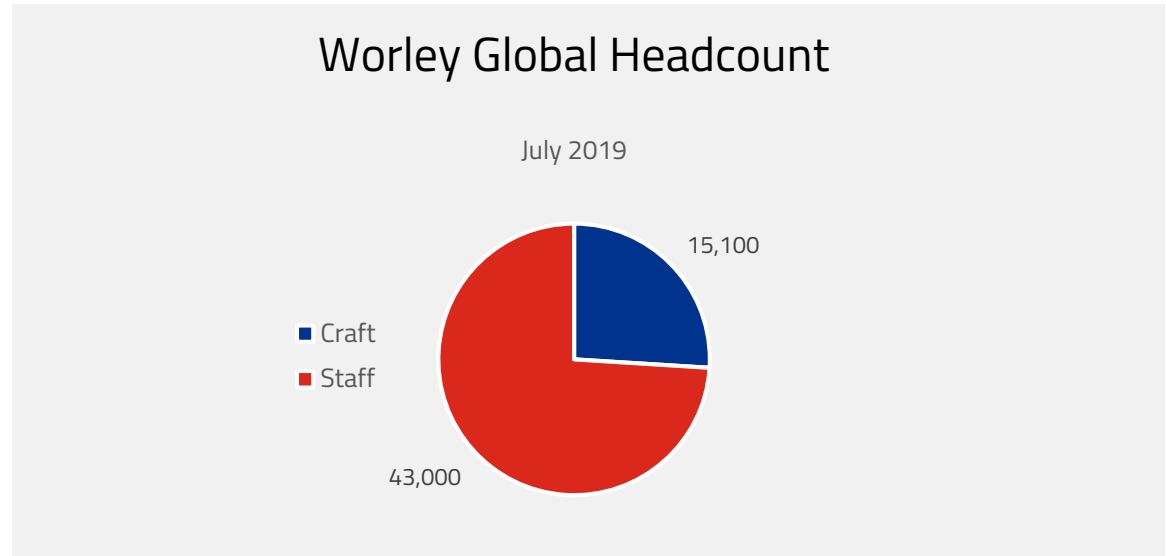
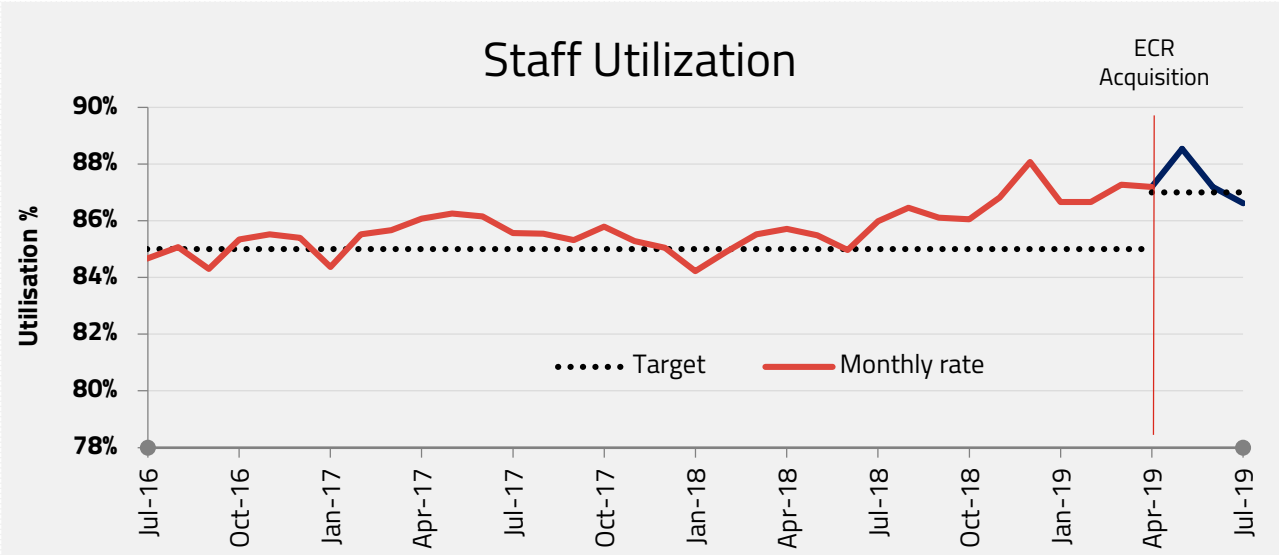
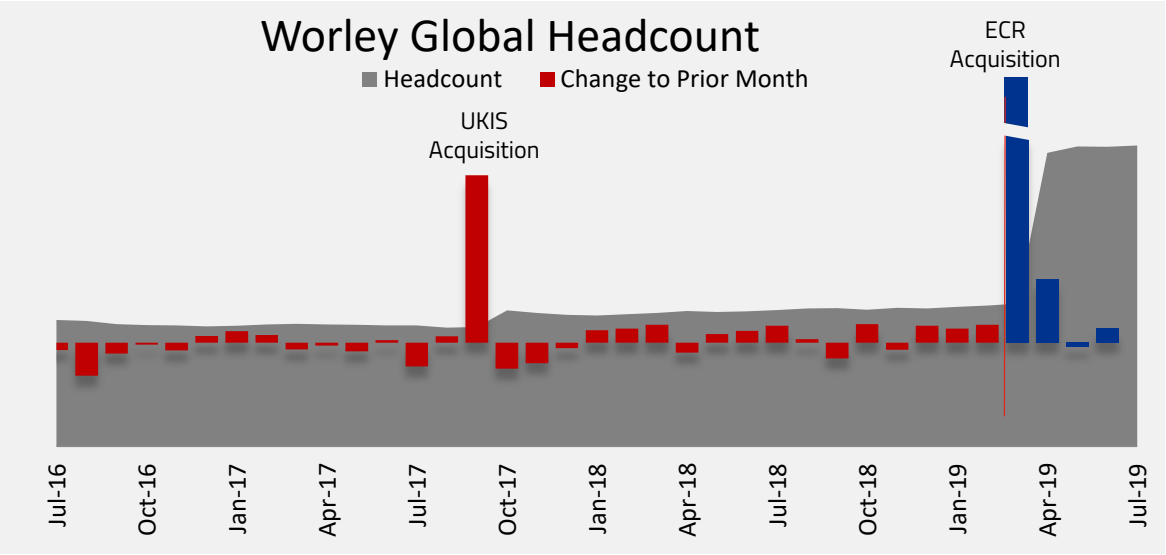
By line of business

	FY 2019	FY 2018	vs. FY 2018
Aggregated Revenue (\$m)	6,439.1	4,749.2	35.6%
Energy & Chemicals Services	2,854.2	2,218.7	28.6%
Mining, Minerals & Metals Services	286.2	151.7	88.7%
Major Projects and Integrated Solutions (MP&IS)	2,745.0	1,866.6	47.1%
Advisian	553.7	512.2	8.1%
Segment results (\$m)	576.5	426.1	35.3%
Energy & Chemicals Services	278.8	227.0	22.8%
Mining, Minerals & Metals Services	31.0	9.2	237.0%
Major Projects and Integrated Solutions (MP&IS)	231.7	172.4	34.4%
Advisian	35.0	17.5	100.0%
Segment results (%) ¹	9.0%	9.0%	0.0 pp
Energy & Chemicals Services	9.8%	10.2%	(0.4 pp)
Mining, Minerals & Metals Services	10.8%	6.1%	4.7 pp
Major Projects and Integrated Solutions (MP&IS)	8.4%	9.2%	(0.8 pp)
Advisian	6.3%	3.4%	2.9 pp

- ECR driving growth in MPIS and MMM Services
- Margin improvement in MMM Services due to increased volumes and stronger project performance
- MPIS margin impacted by increased volumes of lower margin construction revenue in North America and increased procurement
- Margin improving in Advisian from a low base

1. Segment result is underlying EBITA pre Group corporate costs

Headcount growing: staff utilization on target

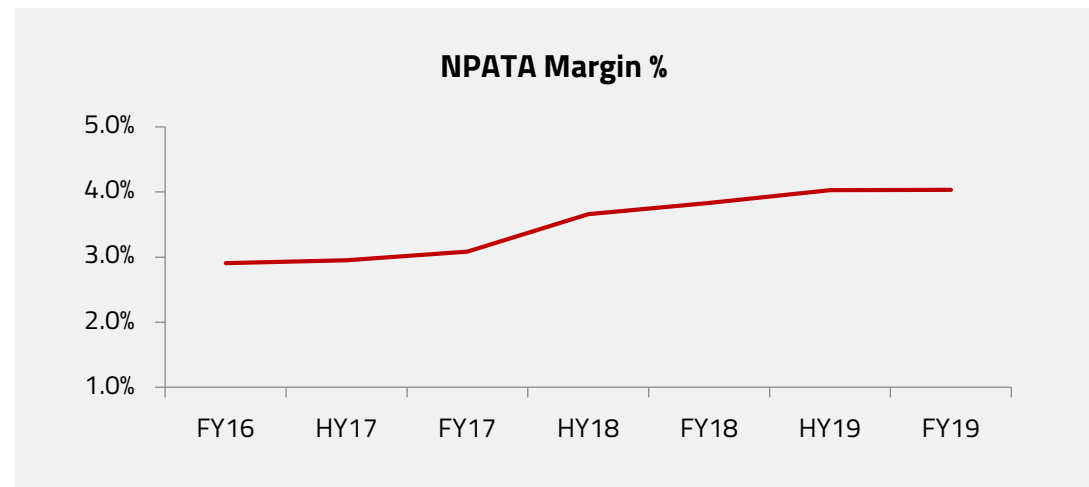
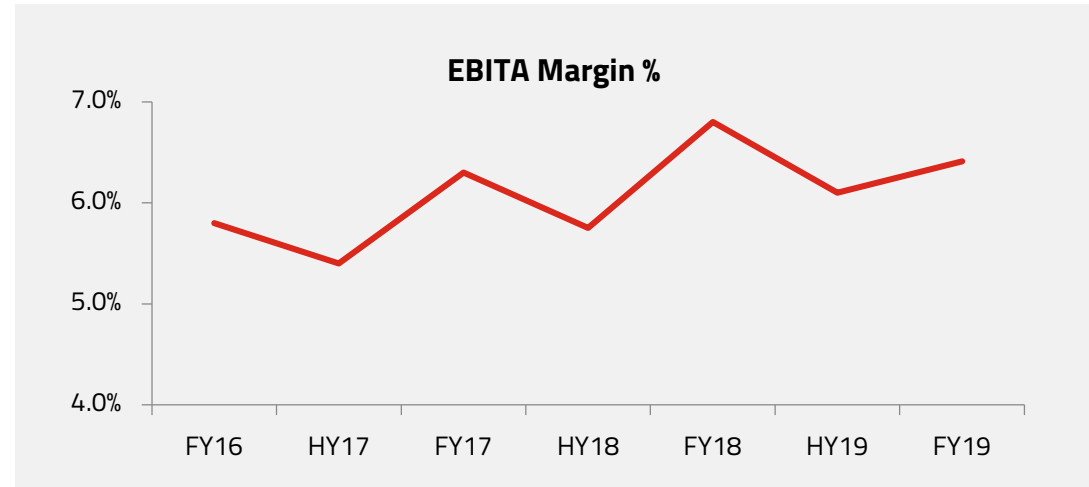


- Staff utilization remains on target
- Maintained presence in 51 countries
- Headcount 58,100 at 31 July 2019
- Growth in headcount in underlying business 2,100 in FY2019

Key operating indicators

Margin growth

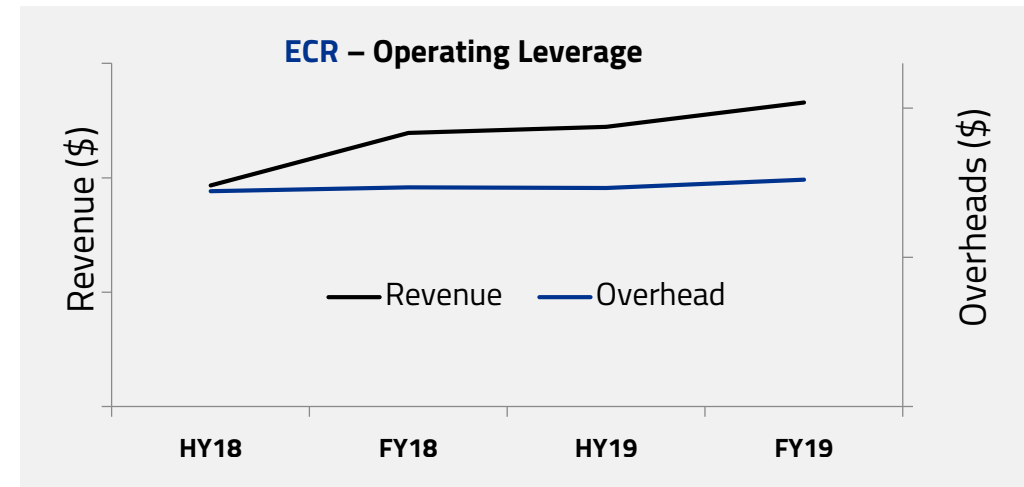
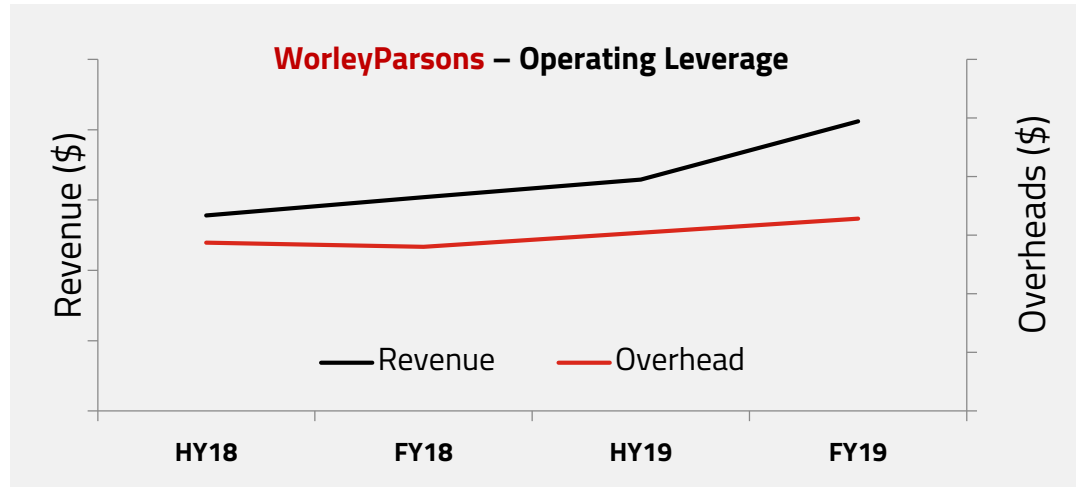
- Trend of margin growth continues with strong focus on cost control
- Increased volumes of lower margin construction work in North America, as per acquisition business model



Full year results 2019

Key operating indicators

Operating leverage



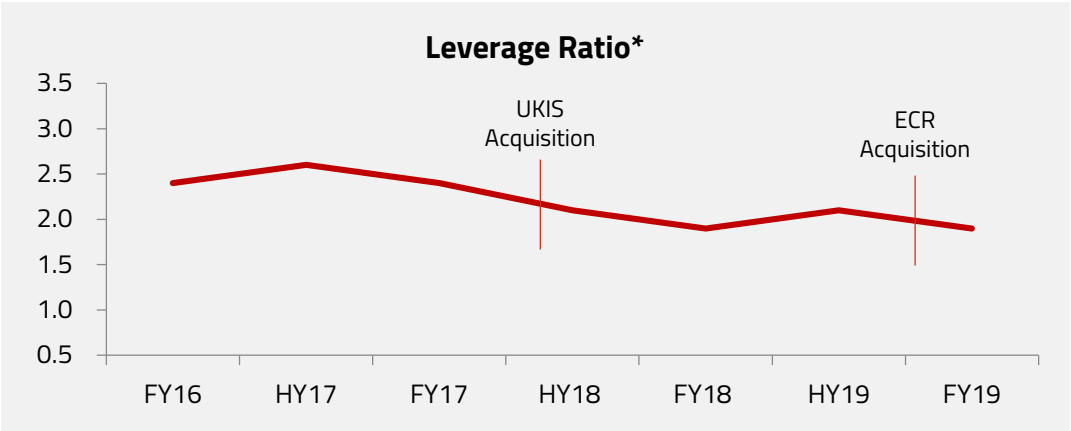
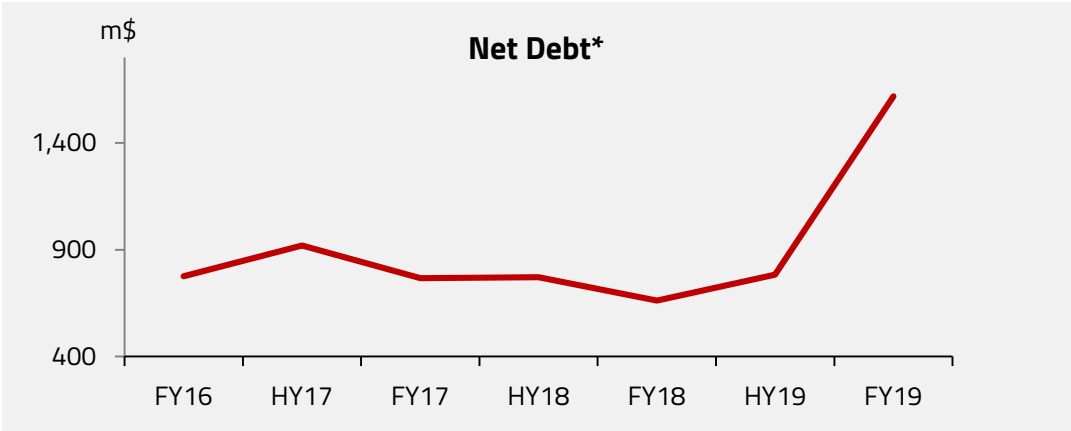
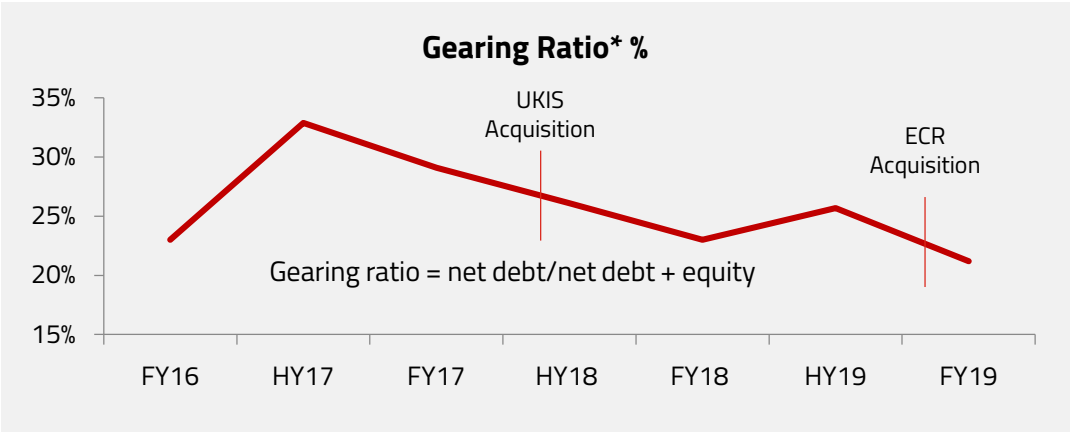
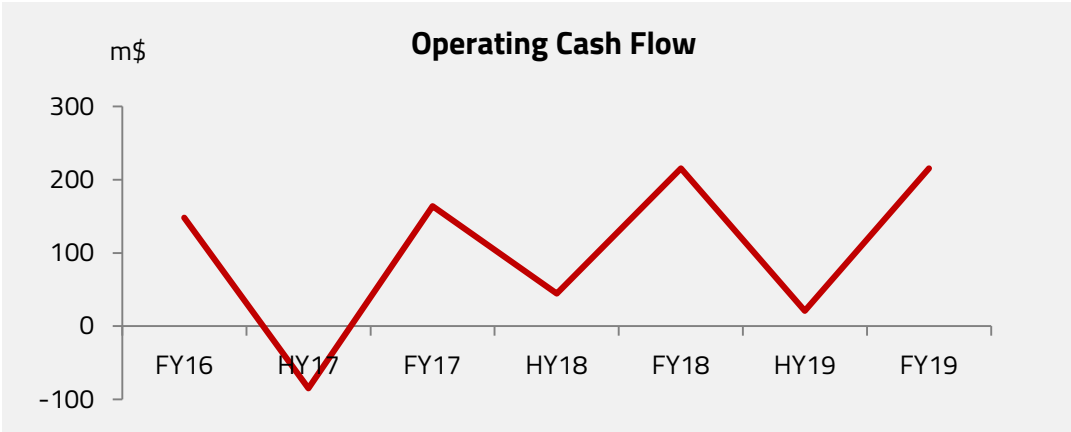
- Cost control is embedded in the cultures of both organizations that have created Worley
- Focus on achieving further margin growth with driver on gross margin / overhead ratio
- Business continues to be focused on achieving operating leverage with performance unit based programs from ECR and WorleyParsons being merged:
 - **Realize our future** program continuing, to address gross margin optimisation and cost control
 - **Sustaining Performance** management at the performance unit level

Full Year Results 2019

Capital management

Cash flow, net debt and balance sheet

Continuing focus



- \$4.9 billion of acquisitions in last two years - with leverage and gearing improvement

*Net debt, gearing ratio and leverage ratio are calculated on the debt covenant definition. HY19 excludes the impact of proceeds from capital raising.

Gearing metrics

Balance sheet metrics

	FY2019	HY2019
Gearing ratio ¹	20.9%	25.7%
Facility utilization ²	72.7%	27.6%
Average cost of debt	4.5%	4.5%
Total liquidity ³	1,303	2,060
Average maturity (years)	3.3	2.2
Interest cover (times) ⁴	11.9x	6.2x
Statutory net debt ⁵ , \$m	1,593	784
Net Debt/EBITDA (times) ⁴	1.9x	2.1x

1. Net debt to net debt + equity (statutory definition). HY2019: Net debt to net debt + equity (excluding the impact of equity raise)

2. Loans, finance lease and overdrafts

3. Available facilities plus cash. HY2019: Available facilities plus cash excluding the impact of proceeds from capital raising

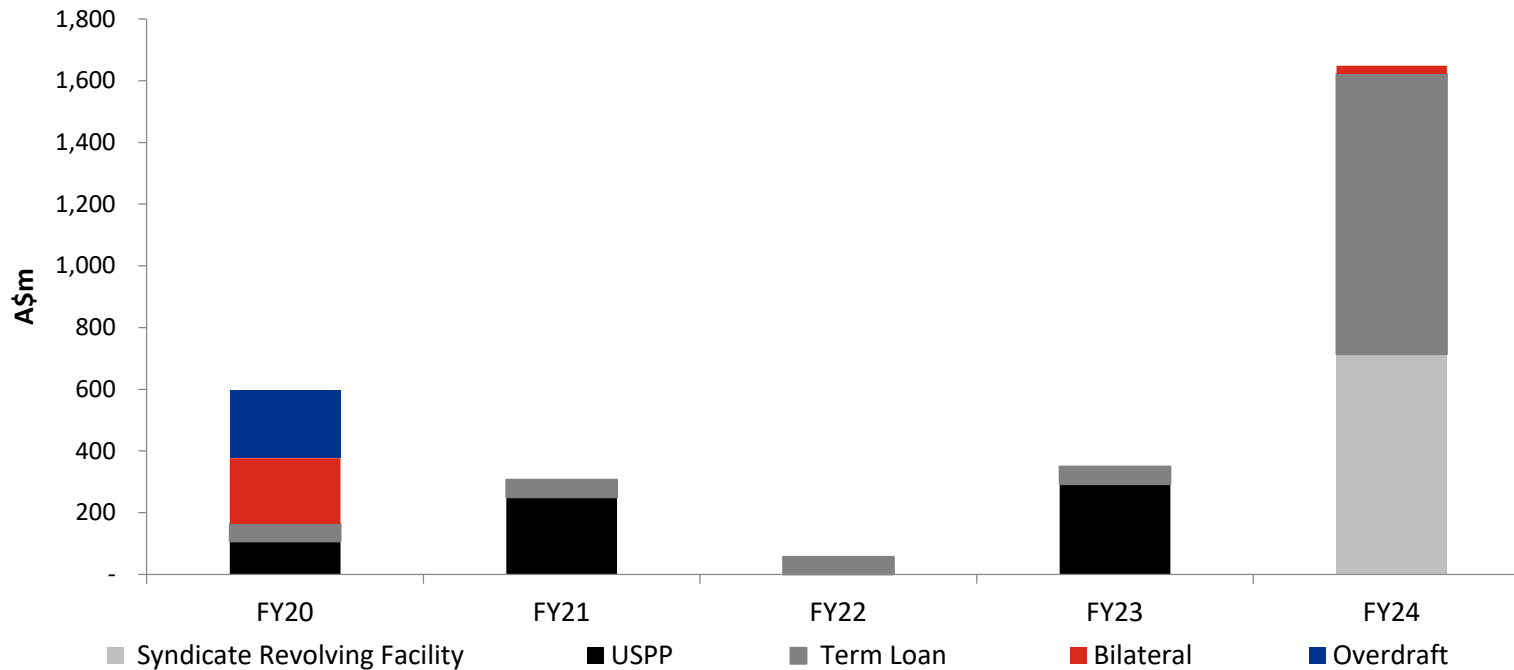
4. As defined for debt covenant calculations

5. HY2019: Net debt excluding the impact of proceeds from capital raising

- Gearing below target band of 25-35%
- Average maturity of debt increased to 3.3 years with new debt facility established in February 2019
- As at 30 June 2019 three SOE receivables are non-current following trigger of dispute resolution mechanisms
- Considerable efforts to collect SOE receivables across the period including one arbitration award and appeal (with costs) in favour of Worley

Liquidity

Core facility refinanced



- Balance sheet further strengthened
- Core debt facility refinanced during FY19. New facility consists of USD500 million multi-currency revolving facility and USD800 million term loans
- Maintains strong liquidity position and increases weighted average tenor with the core debt facility maturing in 2024



ECR – Acquisition update

Chris Ashton, COO

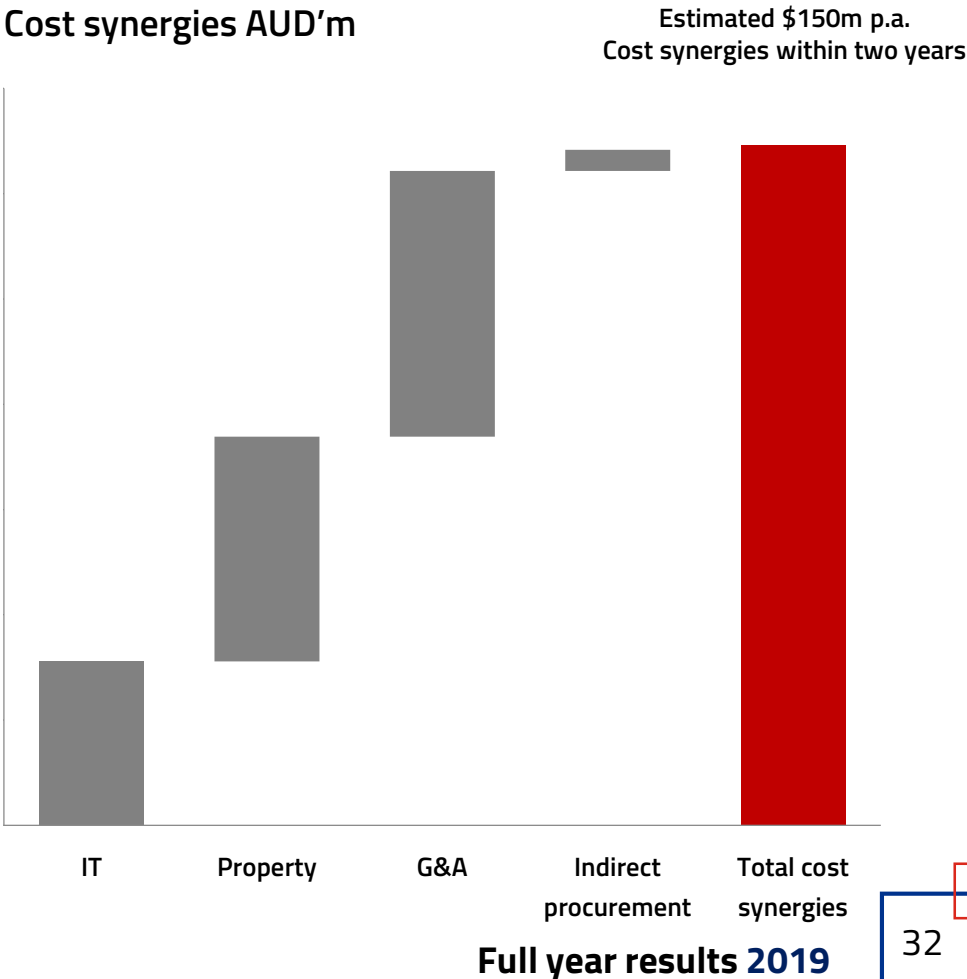
Transition progress summary – on track

Activities		Progress	Achievements
Completion Activities		✓	- Completion achieved on time - Day 1 successful and objectives met
Transition		✓	- Transition underway and meeting expectations - Action plans developed and being aggressively managed
Synergy Realization	Cost	✓	Implementation underway with ~75% of total expected recurring synergies enabled in FY20. Refer to slide 32
	Margin	✓	GID margin synergy development built into FY20 budget. Refer slide 33
	Revenue	✓	Revenue synergies being realized in line with business case
Culture & People		✓	- New operational and functional structure in place - Engagement and communication activities underway to build alignment across business
Customer Engagement		✓	- Good customer response to expanded capabilities - Key customers engaged in shaping future delivery models
Transformation		✓	- Transformation activities commenced - Engagement with the new organization is underway

Synergy realization – cost synergies

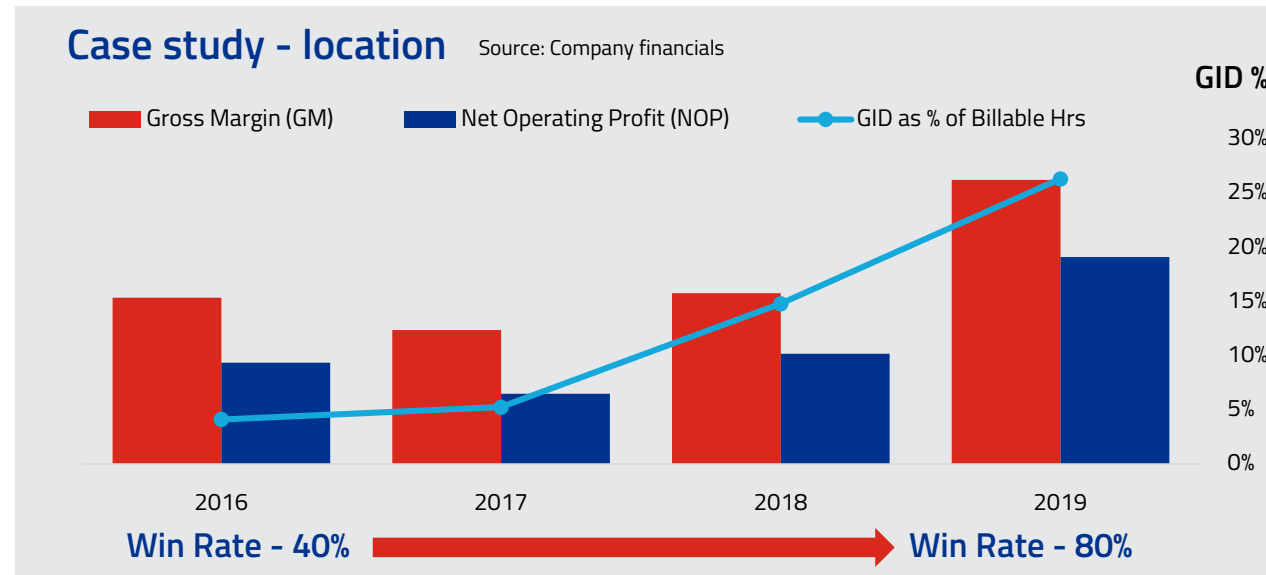
Cost synergy target increased from initial \$130m to \$150m, expected to progressively deliver benefits over the next two years

IT	▪ Migration of systems and data underway ▪ Consolidation of applications on track
Property	▪ Relocations underway; initial wave of office consolidations completed (e.g., Houston, Singapore plus over ten smaller locations) with several larger offices planned in next four months (e.g., Edmonton, Perth, Singapore, Stockton, Reading) ▪ Synergies being realized
Overheads	▪ New operating model in place, overhead reductions underway and resulting synergies being delivered ▪ Savings already realized from non-transferred corporate and other overheads
Indirect procurement	▪ Negotiated several key indirect procurement contracts ▪ Additional contracts under negotiation
Cost synergy Implementation costs	▪ Estimated one-off implementation costs of approximately AUD110m, plus AUD10m of CAPEX ▪ Approximately AUD55m of capex costs related to modernization including IT upgrades ▪ Costs primarily incurred within the first 12 months following completion



Increasing GID uptake is expected to generate incremental margin synergies within the next three years

How does increasing GID deliver margin improvement?



How we plan to ensure the business hits their targets

- **GID champions** established in each region
- Detailed GID usage assumptions as part of FY20 **budgeting process** reviewed with operations and sales teams
- Regularly **tracking GID hours** across businesses using dashboards
- Established **relationship mapping** between home office and GID locations to drive momentum

Full year results 2019

Synergy realization – margin synergies: shared services

Shared services blueprint

- Plan to extract additional value from shared services over three horizons (in the next three years):
 - Horizon 1 – retire TSAs
 - Horizon 2 – extend services & coverage
 - Horizon 3 – new services (“NextGen”)
- Expand the current shared services centers in Kuala Lumpur and Mumbai to a third in the Americas time-zone, better supporting the larger Worley organization
- Pursue process optimization, robotic automation and self-service opportunities
- Benefits not included in current cost synergy target



Horizon 1

Activities	Progress
Transition end-to-end Project Accounting from Jacobs Krakow shared services to our Worley Mumbai shared services centre	
Split ECR Procure-to-Pay (P2P) work from the ECR US global P2P hub into three shared services centers in Worley to maximize service delivery and cost	

Synergy realization – revenue synergies: MPIS

Alaska EPCm to EPC

Contract	Existing EPC contract from BP for their Cat B & C projects on the North Slope	
	WorleyParsons brings...	ECR brings...
Relationship	NANA WorleyParsons a joint venture with a native corporation in Anchorage and on the North Slope who undertake project delivery (engineering, procurement and project and construction management) commissioning and 3D scanning	40+ years of arctic experience in delivering large EPC projects in Alaska, including the Nanushuk development for Oil Search
Work Scope	Engineering, Procurement and Construction Management (EPCm)	Fabrication and construction capabilities in Alaska
Expertize / Differentiator	Now that we are Worley, we have the capability to deliver the fabrication and construction services beyond the engineering and procurement	



Synergy realization – revenue synergies: MPIS

Gulf of Mexico BP Mad Dog 2

Contract	Hook-up and commissioning integration services for BP’s Mad Dog 2 project and the Argos deep-water platform in the Gulf of Mexico. Under the contract, Worley will prepare for arrival of the FPU in the Gulf of Mexico and complete final systems commissioning in Texas, offshore hook-up at the Mad Dog field and handover of the platform to BP’s Global Operations Organization	
	WorleyParsons and ECR bring...	UKIS brings...
Relationship	Worley positioned as an indispensable partner to BP, through an ever-expanding suite of technical support services, which now include regional data hosting, re-design of engineering standards and practices, digital twin designs	North Sea delivery methods from the nearly-completed Clair Ridge commissioning program. Over the next 2-3 years, up to a dozen key Aberdeen managers will contribute vital knowledge to the successful delivery of this commissioning program
Work Scope	Hook-up and commissioning integration services	Technical input
Expertize / Differentiator	Combination of local relationship and long term support, with newly added specialist asset support expertise from IntecSea	



Synergy realization – revenue synergies: IntecSea

Netherlands asset advisory consultancy for refinery

Contract

The technical experts within the Advisian asset advisory team are supporting refinery client via the E&C Services in the Hague for a number of customers where materials and corrosion technical expertise is required for investigation of failures and material selection of modifications

WorleyParsons brings...

ECR brings...

Relationship

Asset advisory expertise

Existing long term relationship with refinery

Work Scope

Materials/ corrosion support for refinery failure investigation

Existing contract which would have subcontracted the asset advisory work in the past

Expertize / Differentiator

Combination of local relationship and long term support, with newly added specialist asset integrity / corrosion and materials expertise from Advisian asset advisory team



Synergy realization – revenue synergies: IntecSea

Europe confidential customer - master services agreement

Contract	Using existing Advisian relationship to facilitate a refinery audit by the legacy ECR consultancy team for an asset Advisian had assisted with the technical due diligence	
	WorleyParsons brings...	ECR brings...
Relationship	Previous relationship with client in due diligence and asset advisory service . We assisted with technical due diligence in the specific refinery acquisition where the refinery operations review was carried out by others	Refinery audit capability and deep domain knowledge and subject matter experts
Work Scope	Technical due diligence	Refinery audit
Expertize / Differentiator	Combination of existing relationship and technical expertise to extend our services to asset types that we would not have been able to previously deliver with confidence Expanded frame agreement with customer to cover all Worley group consulting and engineering activities	



Synergy realization – revenue synergies: Energy & Chemicals Services

Spain Dynasol, chemicals plant debottlenecking revamp

Contract	Pre-FEED + FEED for the debottlenecking revamp to increase capacity of an existing elastomers plant in Spain. Scope includes pre-award of equipment, CAPEX estimate +/- 10% and EPC execution plan	
	WorleyParsons brings...	ECR brings...
Relationship	Recently executed FEED + PMC for analogous greenfield plant in China for same customer	Executing revamp for the customer in analogous plant in South America
Work Scope	Avoidance of new hires having to undergo learning curve and fast ramp-up	Joint execution team from project kick-off synergistically combining resources and expertise from both organizations
Expertize / Differentiator	Existing relationship with Dynasol in China. Moreover, Worley now offers an exceptional combination of technical expertise and in-country knowledge from the Madrid office	Expertize in this project type, having successfully completed a similar revamp in Mexico



Synergy realization – revenue synergies: Energy & Chemicals Services

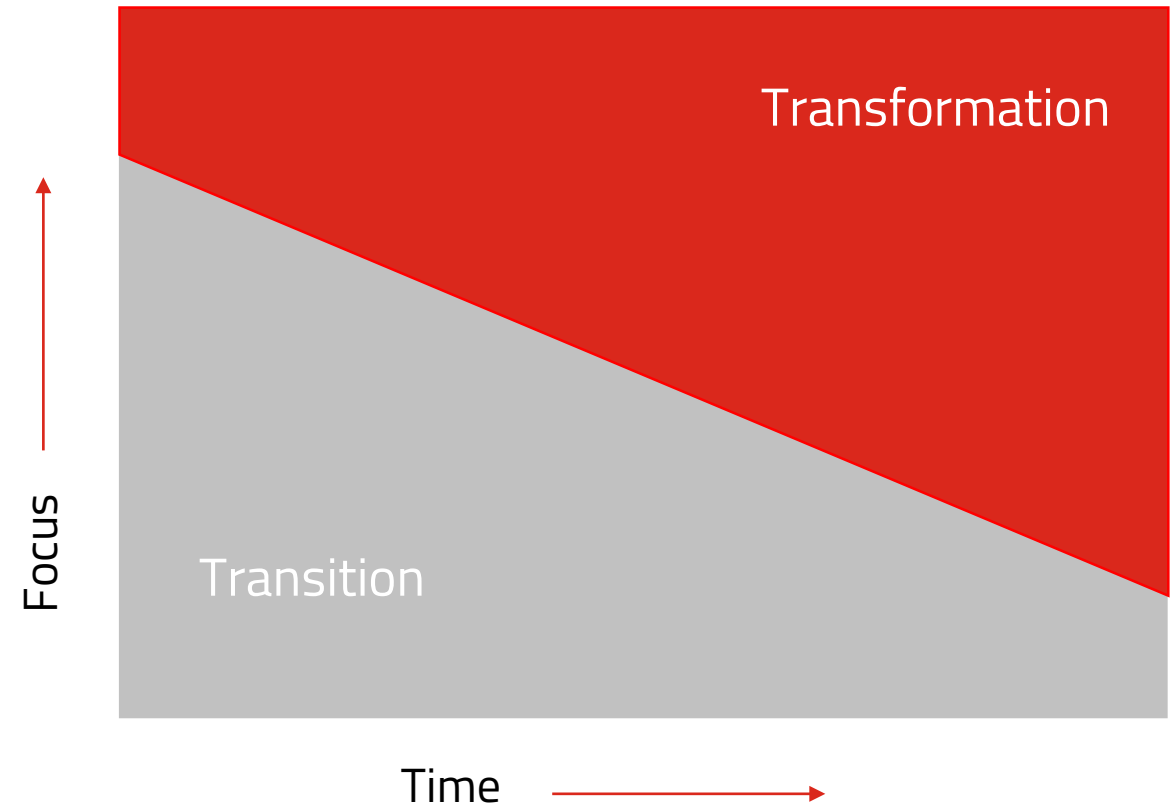
Canada East main duct redesign – confidential customer

Contract	Leveraging the Sarnia office chemicals expertise to complete FEL 1 /2 for the main duct redesign project	
	WorleyParsons brings...	ECR brings...
Relationship	Track record of successfully delivering small/mid cap projects to chemical customers in the Canada East marketplace	Long term relationship with customer locally and globally
Work Scope	Provide FEL1/2 for a Main Duct Redesign Project	Previously provided local presence through Cincinnati offices and leveraging the global ECR expertise and the small cap portfolio execution model to meet the customer needs
Expertize / Differentiator	Track record of successfully delivering projects in the US midwest region cost effectively by leveraging the US / Canada FX benefit	Proven ability to leverage remote resources successfully to execute project work (small / mid cap projects don't have to be executed by local small engineering firms). Remote offices and GID are many times better solutions



Transformation

- Drive benefits from our new scale and market leadership position
- Focus on mutually beneficial long term outcomes with our energy, chemicals and resources customers
- Capitalise on key macro trends – energy transition, automation and data analytics, workforce changes, industry social licence
- Become a respected thought leader, embracing innovation and new ways of working
- Deliver service levels that create a step change in the value we bring ... and the rewards we receive



Outlook

Andrew Wood, CEO

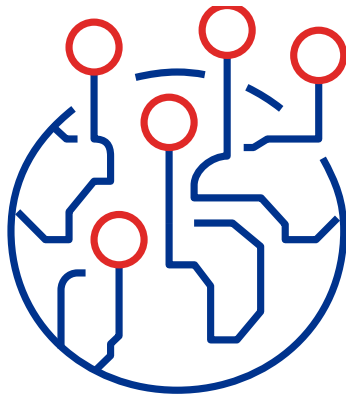
Progress in FY19

- Revenue* up 36%, EBITA* up 32%, NPATA* up 43%
- Acquisition complete
- Integration of ECR acquisition meeting expectations with more synergies developed in addition to those identified pre-acquisition
- Operating leverage continues
- Proforma backlog increased by 10%
- Balance sheet strengthened
- Business well positioned as an industry leader in the energy, chemicals and resources sectors

* Underlying results



Group outlook



The energy, chemicals and resources market indicators and growth in backlog provide evidence of continued improvement in market conditions. However, our markets are being tempered by macroeconomic global uncertainty.

As a result of the ECR acquisition, we have enhanced the diversity and resilience of our earnings. Worley has the global technical and financial strength to support its Energy, Chemicals and Resource customers as they navigate a changing world.

In FY2020 we expect to deliver the benefits of the acquisition of ECR including the realization of cost, margin and revenue synergies.



Full Year Results 2019

Q&A



Full Year Results 2019

Supplementary information

Segment result

By region

	FY 2019	FY 2018	vs. FY 2018
Aggregated Revenue (\$m)	6,439.1	4,749.2	35.6%
APAC	1,347.0	1,080.9	24.6%
EMEA	2,656.6	2,121.7	25.2%
AM	2,435.5	1,546.6	57.5%
Operational EBITA (\$m)	576.5	426.1	35.3%
APAC	127.0	105.0	21.0%
EMEA	251.9	192.9	30.6%
AM	197.6	128.2	54.1%
Operational EBITA (%)	9.0%	9.0%	0.0 pp
APAC	9.4%	9.7%	(0.3 pp)
EMEA	9.5%	9.1%	0.4 pp
AM	8.1%	8.3%	(0.2 pp)

- ECR drives growth in all regions, and North America in particular
- Strong performance in Norway and Middle East as well as increased procurement revenue in UKIS is leading the growth in EMEA
- Canada supporting strong growth in the Americas
- Increase in operational EBITA margin offset by increase in low margin construction revenue in ECR

Segment result

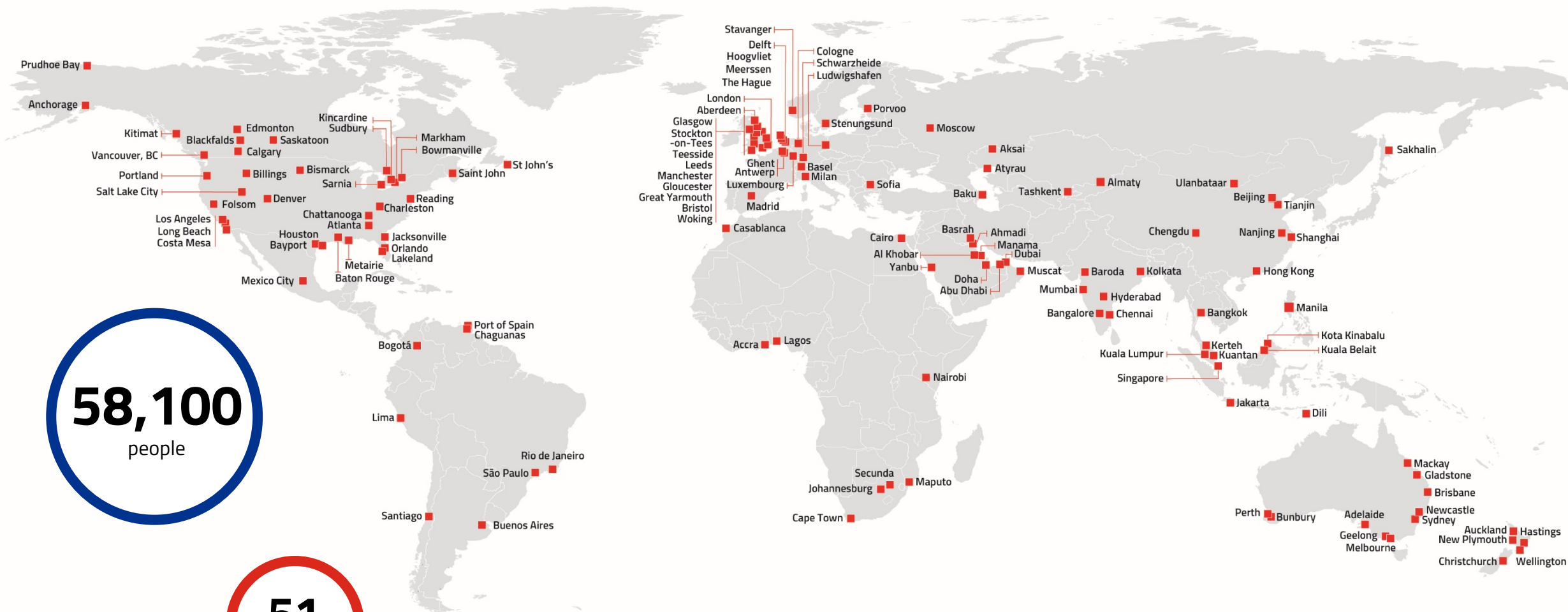
By sector

	FY 2019	FY 2018	vs. FY 2018
Aggregated Revenue (\$m)	6,439.1	4,749.2	35.6%
Energy	4,480.1	3,720.1	20.4%
Professional Services ¹	3,418.6	3,167.6	7.9%
Construction & Fabrication	1,061.5	552.5	92.1%
Chemicals	1,326.6	599.0	121.5%
Resources	632.4	430.1	47.0%
Operational EBITA (\$m)	576.5	426.1	35.3%
Energy	437.1	347.7	25.7%
Professional Services ¹	330.9	290.6	13.9%
Construction & Fabrication	106.2	57.1	86.0%
Chemicals	94.3	43.0	119.3%
Resources	45.1	35.4	27.4%
Operational EBITA (%)	9.0%	9.0%	0.0 pp
Energy	9.8%	9.3%	0.5 pp
Professional Services ¹	9.7%	9.2%	0.5 pp
Construction & Fabrication	10.0%	10.3%	(0.3 pp)
Chemicals	7.1%	7.2%	(0.1 pp)
Resources	7.1%	8.2%	(1.1 pp)

- ECR brings growth in all sectors, and construction & fabrication
- Strong growth in Canada, Oman and Qatar supported the aggregated revenue in the Energy sector for FY2019
- The acquisition of ECR drove the increase in aggregated revenue in the Chemicals sector, as did continued growth in North American and European markets

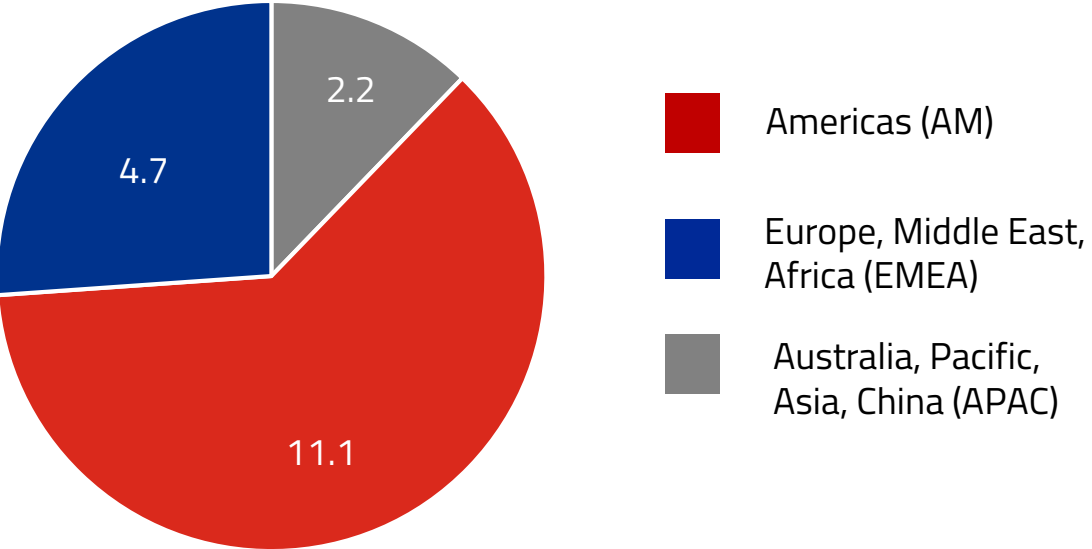
1. Professional Services includes procurement revenue at margin and other income.

Global operations and employee numbers

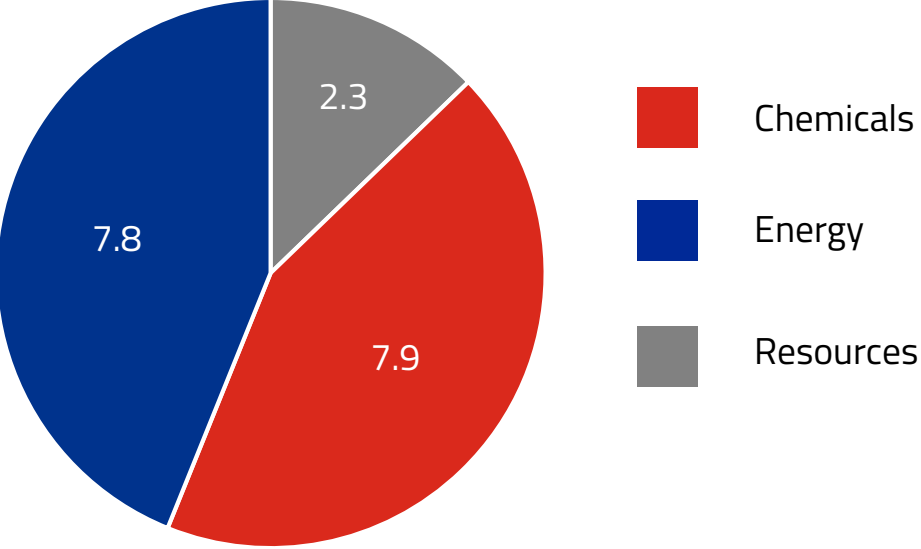


Backlog increased

Backlog by region AUD'b
as at 30 June 2019



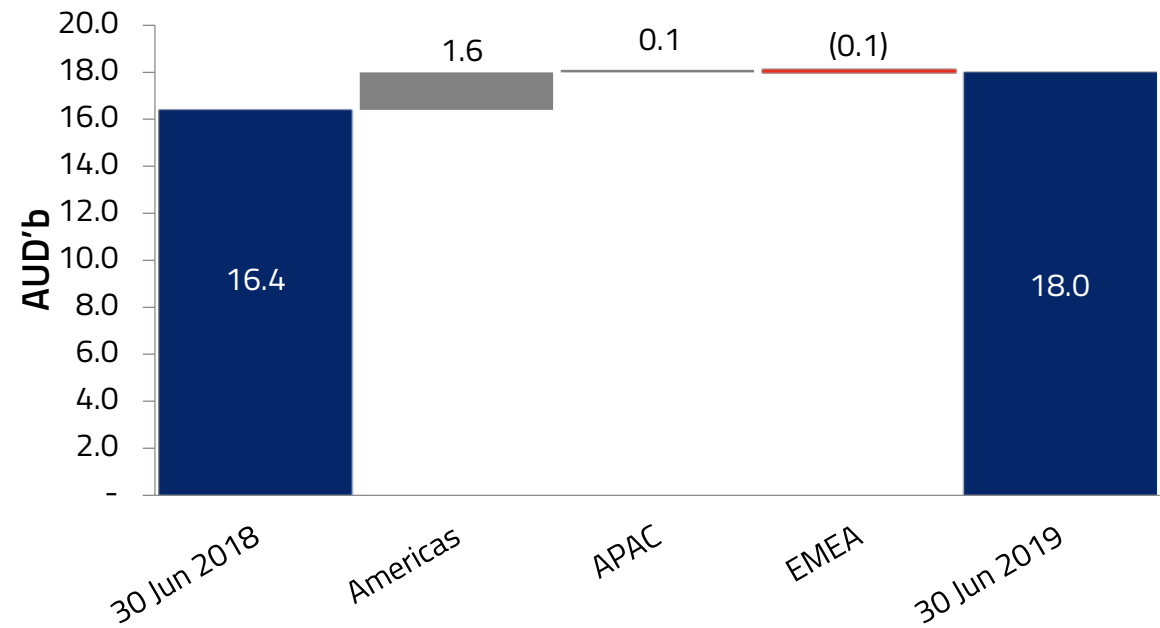
Backlog by sector AUD'b
as at 30 June 2019



Backlog increased

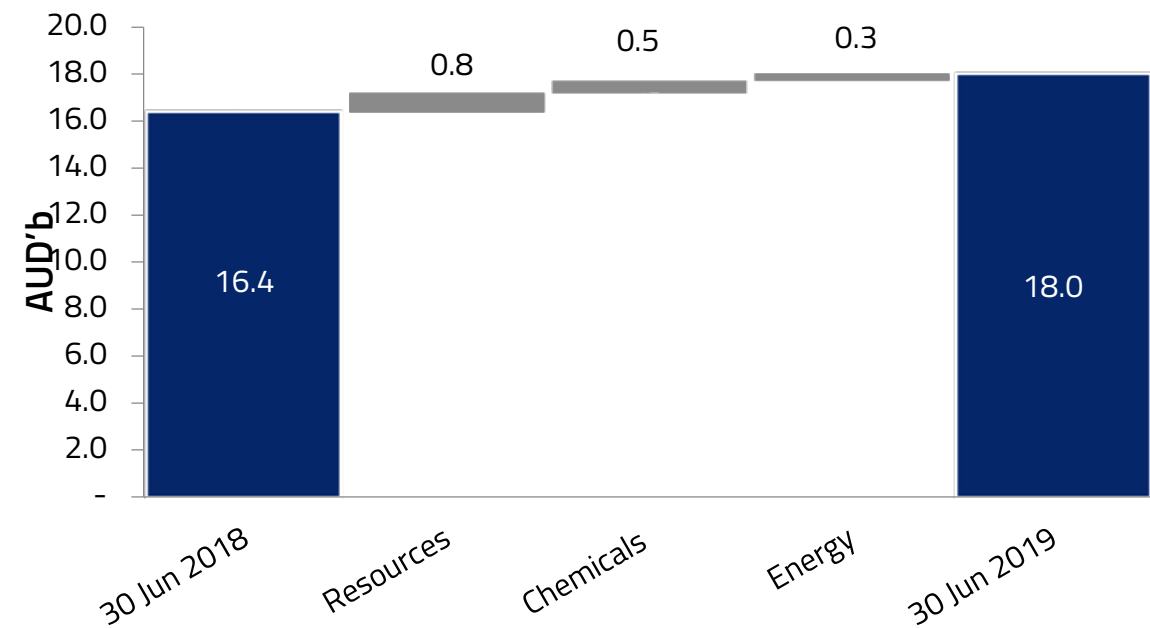
Backlog* by region

as at 30 June 2019



Backlog* by sector

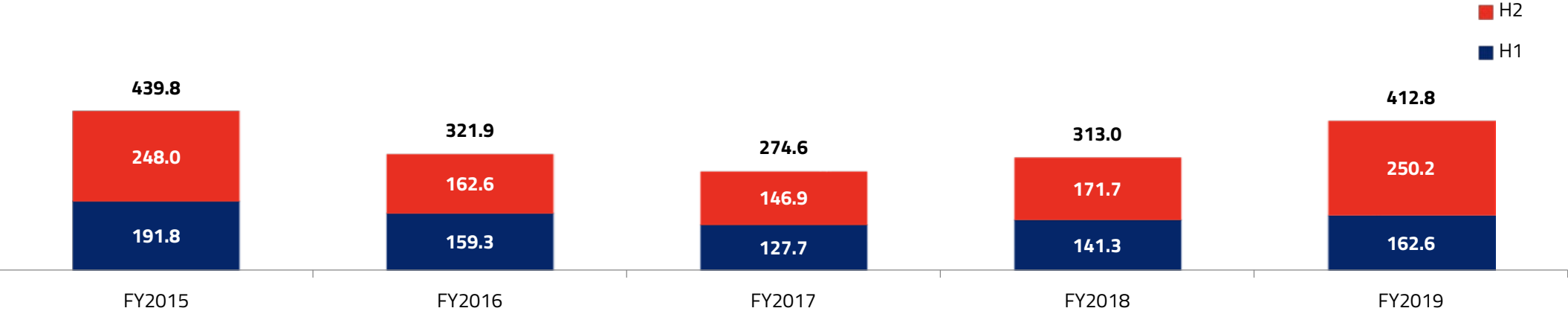
as at 30 June 2019



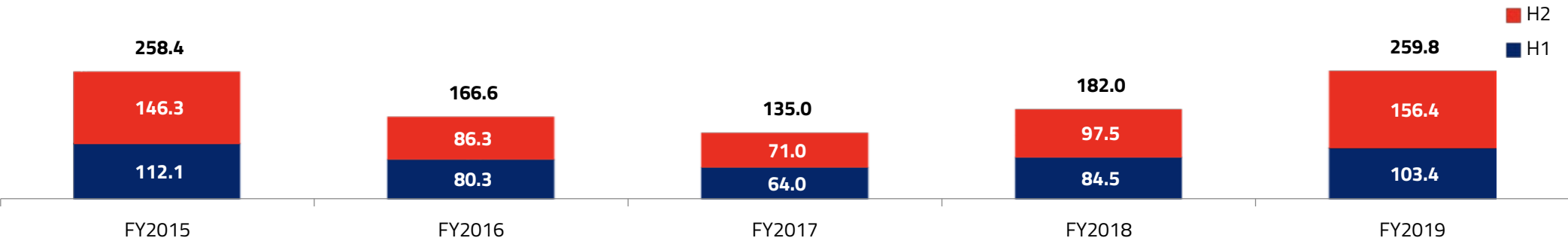
*Backlog for 30 June 2018 includes ECR

Underlying earnings profile

Group underlying EBITA AUD'm

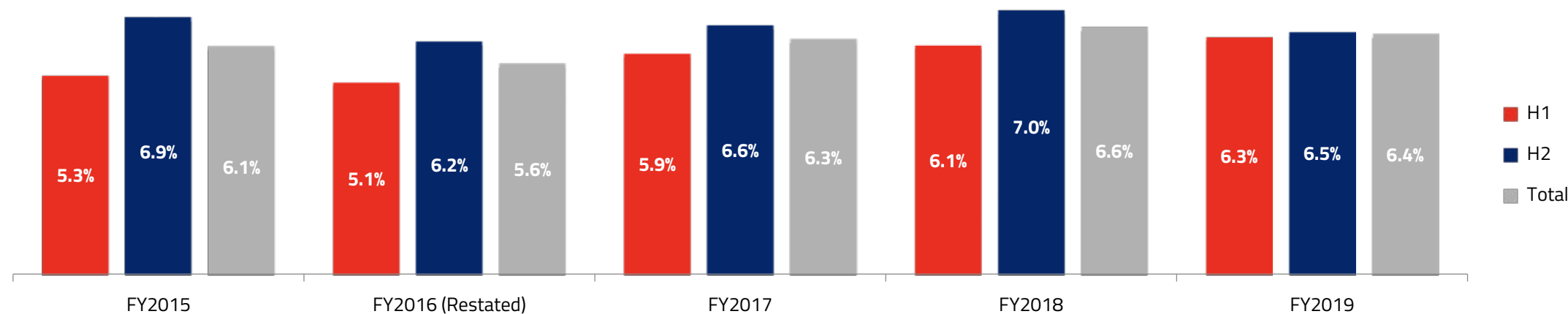


Group underlying NPATA AUD'm

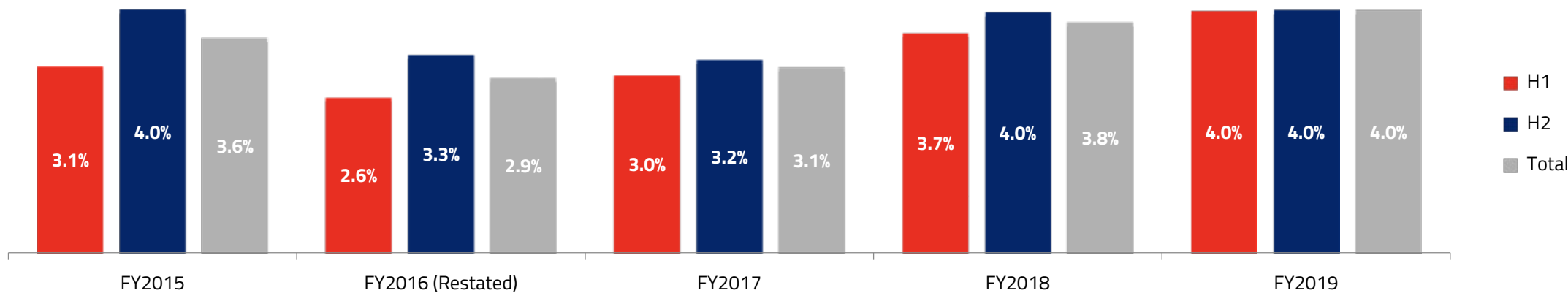


Margin profile

Underlying EBITA %

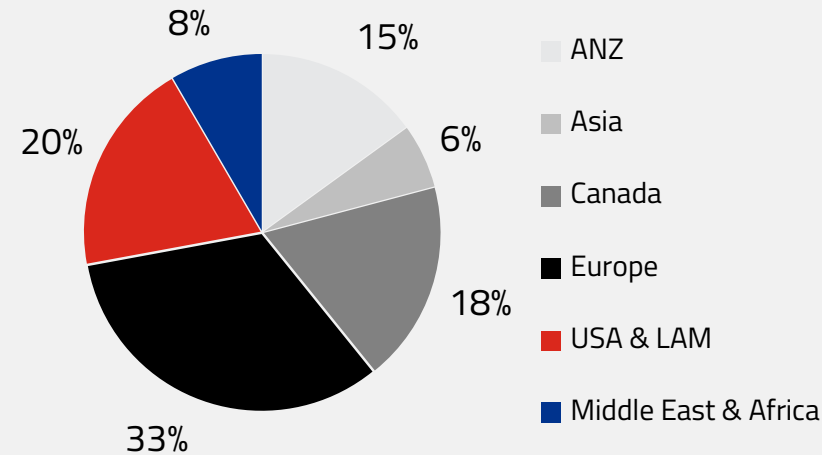


Underlying NPATA %

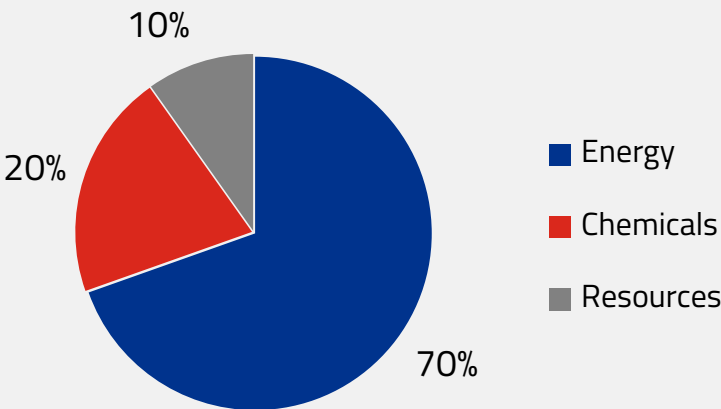


Revenue split

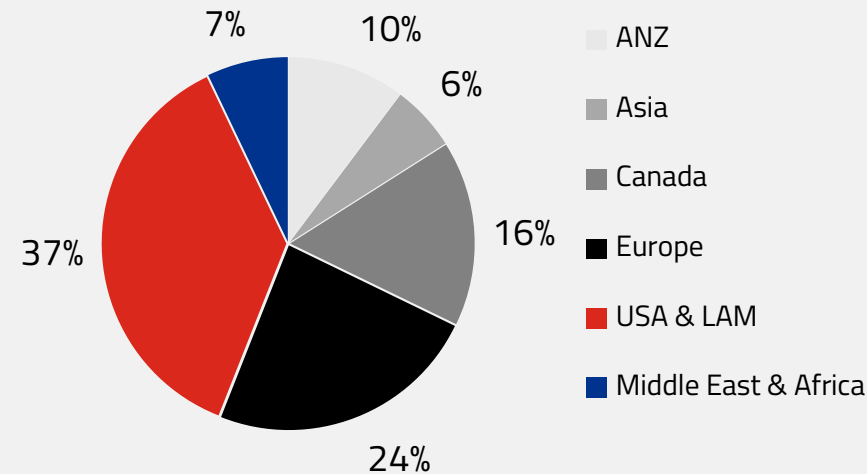
Region aggregated revenue (%)



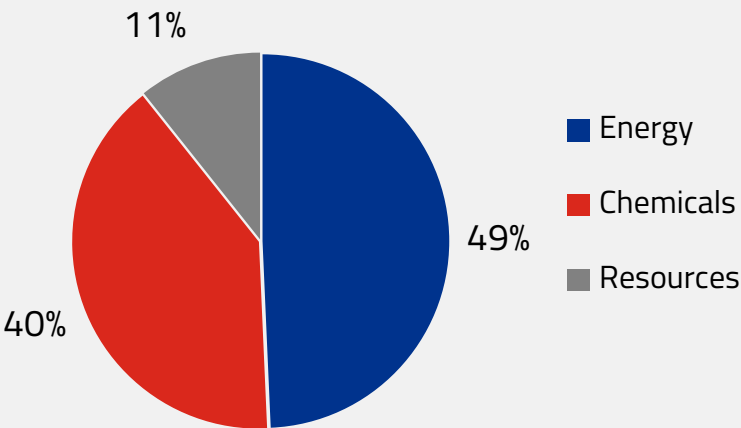
Sector aggregated revenue (%)



Region aggregated revenue (%) (proforma)



Sector aggregated revenue (%) (proforma)



Revenue reconciliation

	FY2019 (\$m)	FY2018(\$m)	vs FY2018
Revenue and other income	6,924.3	4,835.8	43.2%
Less: Procurement revenue at nil margin	(608.0)	(94.4)	544.1%
Less: Pass through revenue at nil margin	(32.4)	(157.3)	(79.4%)
Plus: Share of revenue from associates	183.0	170.6	7.3%
Plus: Impact of arbitrational award ¹	8.7	-	n/m
Less: Interest income	(36.5)	(5.5)	563.6%
Aggregated revenue ²	6,439.1	4,749.2	35.6%
Professional services	4,685.9	3,850.6	21.7%
Construction and fabrication	1,328.6	552.5	140.5%
Procurement revenue at margin	416.9	337.9	23.4%
Other income	7.7	8.2	(6.1%)

1. Reduction in revenue following lower than expected arbitration award in relation to a dispute with a state owned enterprise

2. 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 and the impact of the arbitration award. The Directors of WorleyParsons Limited believe the disclosure of the share of revenue from associates provides additional information in relation to the financial performance of WorleyParsons Limited Group

EBITA reconciliation

	FY2019 (\$m)	FY2018 (\$m)
EBITA	308.1	278.0
Add: impact of acquisitions, comprised of:		
<i>Acquisition costs</i>	50.6	5.9
<i>Transition costs</i>	35.0	-
<i>Onerous lease contracts</i>	8.9	-
<i>Bridging facility fee</i>	4.2	-
<i>Foreign exchange gain on term deposits</i>	(3.4)	-
Add: impact of the arbitration award ¹	8.7	-
Add: onerous lease (non-acquisition related)		12.2
Add: Restructuring costs	0.7	14.2
Add: Impairment of associate intangible assets	-	2.7
Underlying EBITA²	412.8	313.0

1. Reduction in revenue following lower than expected arbitration award in relation to a dispute with a state owned enterprise

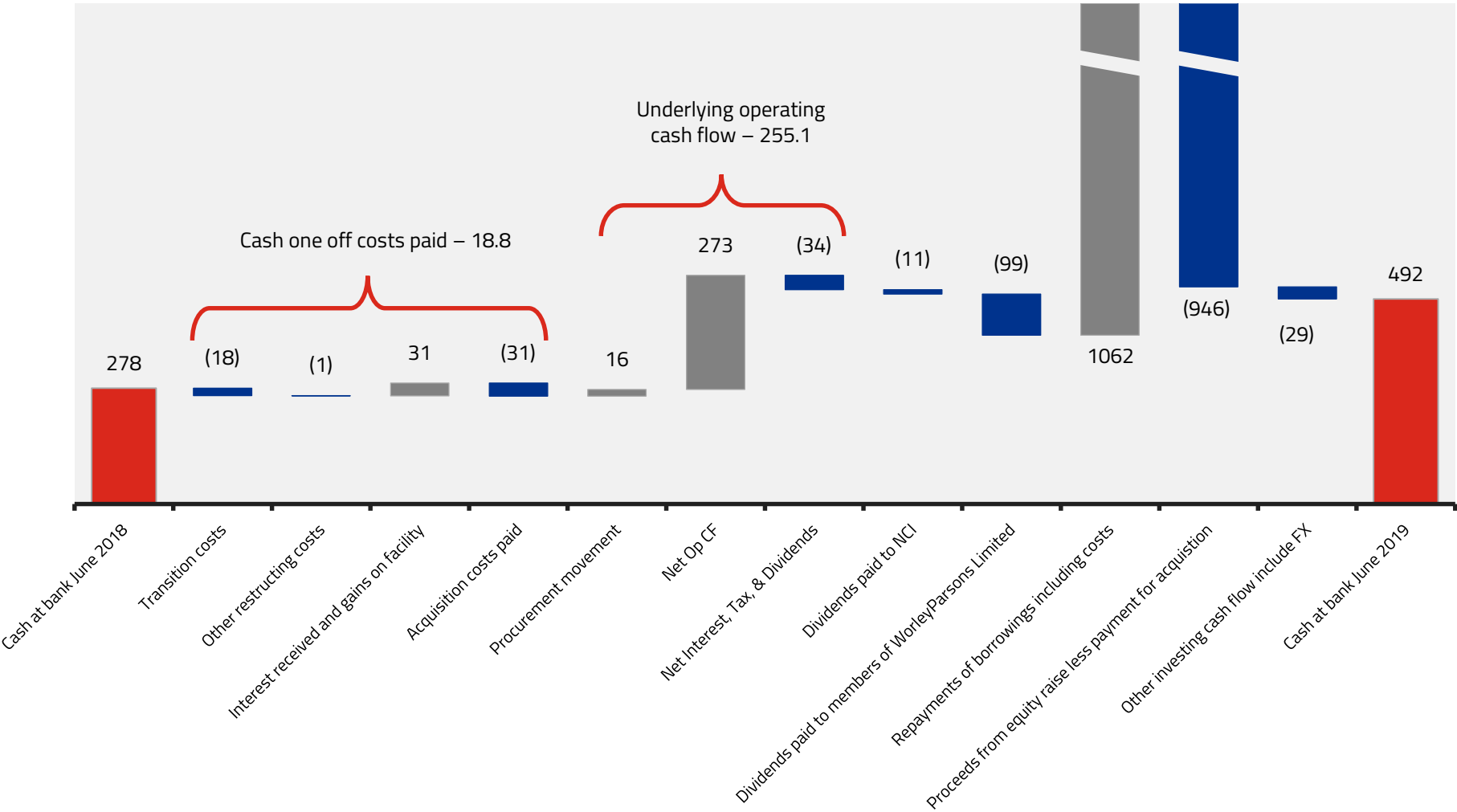
2. The underlying EBITA result excludes the impact of acquisitions (acquisition and transition costs, bridging facility costs and FX on term deposits), impact of the arbitration award, restructuring costs and onerous lease contracts and amortization of intangibles recognized on business combinations

Cash flow

	FY2019 (\$m)	FY2018 (\$m)
EBITA	308.1	278.0
Add: Depreciation, amortization	93.2	68.0
Less: Interest and tax paid	(42.0)	(81.5)
Less: Working capital/other	(123.0)	(4.8)
Net cash inflow from operating activities	236.3	259.7
<i>Cash restructuring costs paid</i>	18.8	34.0
<i>Underlying operating cash flow</i>	255.1	293.7
<i>Net procurement cash outflow</i>	(15.9)	4.8
<i>Underlying operating cash flow net of procurement cash flows</i>	239.2	298.5

Cash flow

Bridge to cash balance



- Underlying op. cash flow \$255.1m
- \$18.8m for one off non-trading items including \$31m of interest received

Liquidity and debt maturity

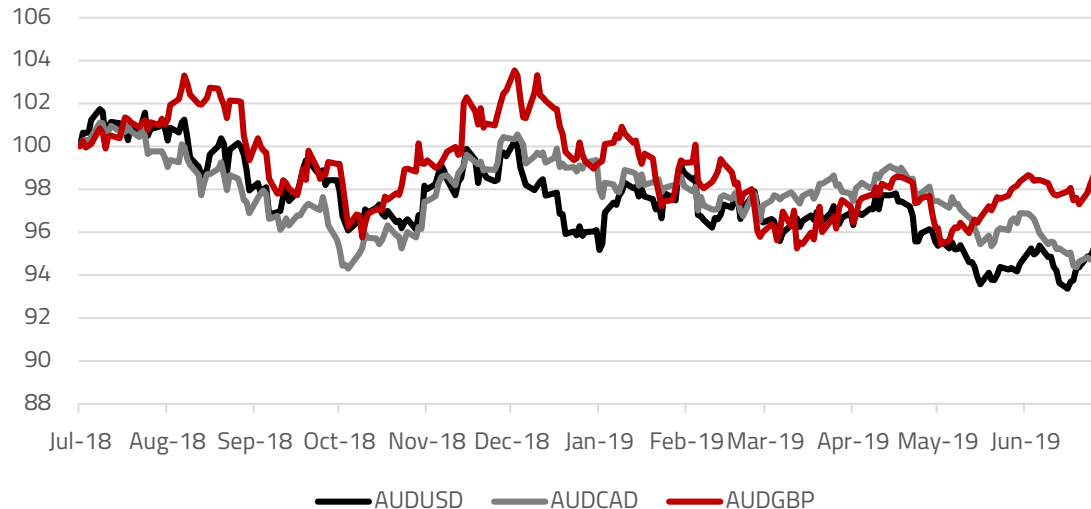
Liquidity Summary AUD'm	FY2019	HY2019	Change
Liquidity			
Loan, finance lease & overdraft facilities ¹	2,962	2,373	24.8%
Less: facilities utilized ²	(2,153)	(1,178)	82.8%
Available facilities	809	1,195	(32.3%)
Plus: cash	494	343	44.0%
Total liquidity	1,303	1,538	(15.3%)
Bonding			
Bonding facilities	1,540	1,202	28.1%
Bonding facility utilization, %	58%	42%	(16pp)

1. Loan, finance lease and overdraft facilities (inclusive of the bridge facility) as at 30 June 2019. HY2019: excludes impact of equity raise

2. HY2019: excludes impact of equity raise

Foreign exchange translation impact

Movement in major currencies against AUD (indexed)



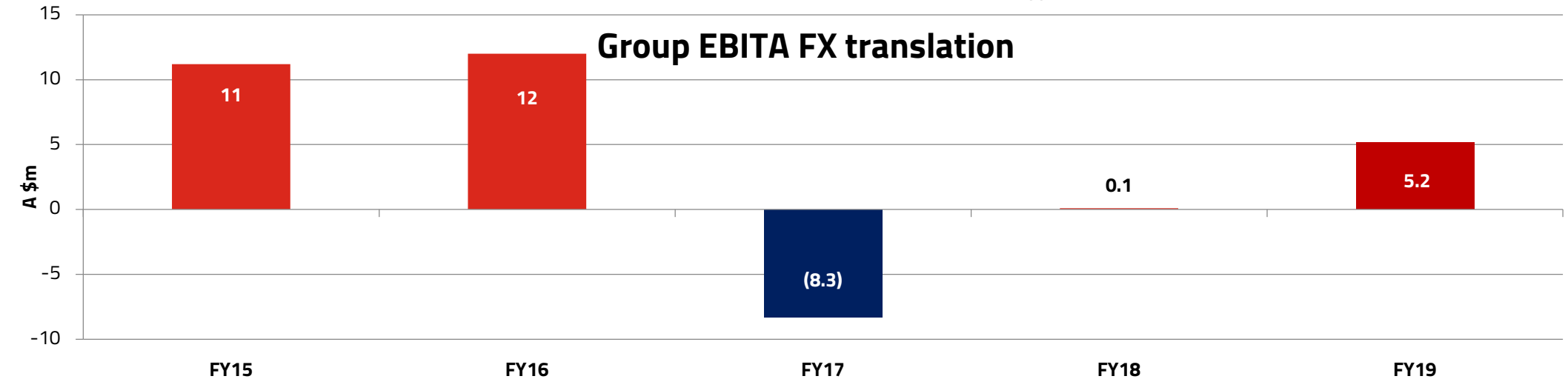
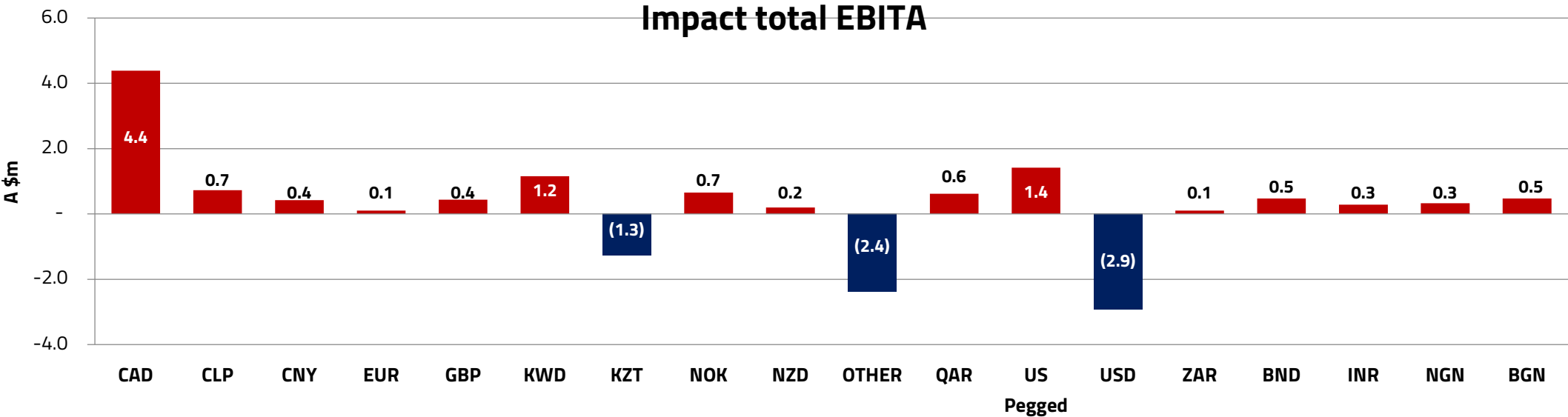
Currency	AUD \$m NPAT translation impact of 1c Δ
AUD:USD	(0.44)
AUD:GBP	0.09
AUD:CAD	5.95

Currency	Average exchange rate movement	Spot exchange rate movement
BRL	7.7%	(5.8%)
CAD	(3.8%)	(5.8%)
CNY	(3.3%)	(1.1%)
EUR	(3.6%)	(3.1%)
GBP	(4.0%)	(1.7%)
NOK	(2.3%)	(1.0%)
SGD	(6.2%)	(5.7%)
USD	(7.9%)	(4.7%)
KZT	3.7%	6.2%

Currency	FY2019	FY2018	change
AUD:USD	71.5	77.6	(7.9%)
AUD:GBP	55.3	57.6	(4.0%)
AUD:CAD	94.7	98.4	(3.8%)

Full year results 2019

Foreign exchange



Acronyms

APAC – Australia, Pacific, Asia, China

AM – Americas

ASX - Australian Securities Exchange

CAGR – Compound Annual Growth Rate

CPS – Cents Per Share

EBIT – Earnings Before Interest and Tax

EBITDA – Earnings Before Interest and Tax, Depreciation and Amortization

EMEA – Europe, Middle East and Africa

ECR – Energy, Chemicals and Resources division acquired from Jacobs Engineering Group Inc in the financial year of FY2019

EPC - Engineering, Procurement & Construction

EPS – Earnings Per Share

ESG – Environment Social Governance

FEED – Front end engineering and design

FX – Foreign Exchange

FY – Financial Year

GID – Global Integrated Delivery

HSE – Health Safety and Environment

LNG – Liquefied Natural Gas

MENA – Middle East & North Africa

MP&IS – Major Projects and Integrated Solutions

MMO – Maintenance, Modifications and Operations

NPAT – Net Profit After Tax

NPS – New Policy Scenarios

SDS – Sustainable Development Scenario

STEM – Science, technology, engineering and mathematics

