



Engineers & Constructors

Kentz Corporation Limited

2011 Interim Results Presentation



Overview

- First half revenue up 48% to US\$643.5m. Profit before tax increased by 50% to US\$37.7m
- Record backlog of US\$2.39bn. Order intake to end July US\$1.33bn excluding US\$229m organic growth
- Successful graduation to the Main Market of the London Stock Exchange
- Senior Executive Appointments; Christian Brown as Group Chief Operating Officer and Eddie Lewis as Group Development Officer
- Maintained industry leading health and safety record. 31 million man hours completed in the first half of 2010 with a total recordable incident ratio of 0.38
- Strong prospect pipeline of US\$8.89bn gives confidence for positive outlook

Gorgon LNG: MEI Contract

- US\$2.3bn reimbursable contract with Chevron in joint venture with CB&I
- Above ground installation of structural, mechanical, piping, electrical and instrumentation activities including pre-inspection of modules before shipment to the project site
- Scope and man-hours in line with previous Construction contracts; higher Australian cost factor
- Backlog visibility to 2015



Financial Overview

Financial Highlights



Engineers & Constructors

US\$ million	FY2010	H1 2010	H1 2011	
Revenue	1,057.4	434.3	643.5	+48.2%
EBITDA	81.7	32.4	45.4	+40.3%
PBT	67.5	25.2	37.7	+49.8%
PBT margins	6.4%	5.8%	5.9%	+10bps
Gross Cash	231.3	197.8	211.1	+6.7%
Backlog	1,602.6	1,602.1	1,569.9	-2.0%
Diluted EPS (US cents per share)	39.91	14.72	26.05	+77.0%
Interim dividend (US cents per share)		3.0	5.0*	+66.7%

* Interim Dividend Payable October 2011

Income Statement



Engineers & Constructors

US\$ million	FY 2010	H1 2010	H1 2011	
Revenue	1,057.4	434.3	643.5	+48.2%
Revenue growth	50.1%	32.1%	48.2%	
Gross Profit	133.5	53.8	78.7	+46.2%
Gross Margin	12.6%	12.4%	12.2%	
SG&A/Other	(77.1)	(33.8)	(47.6)	
% of Sales	7.3%	7.8%	7.4%	
Operating Profit	56.4	20.1	31.1	+54.8%
Operating Margin	5.3%	4.6%	4.8%	
Interest	0.2	0.2	0.2	
JV	10.9	4.9	6.4	
EBITDA	81.7	32.4	45.4	+40.3%
EBITDA %	7.7%	7.5%	7.1%	
PBT	67.5	25.2	37.7	+49.8%
PBT Margin	6.4%	5.8%	5.9%	
Tax	(18.5)	(6.7)	(9.1)	
Profit for the period	49.0	18.5	28.6	
Non-controlling interest	(1.7)	(1.1)	2.7	
Retained Profit	47.3	17.4	31.3	
Diluted EPS	39.91	14.72	26.05	+77.0%

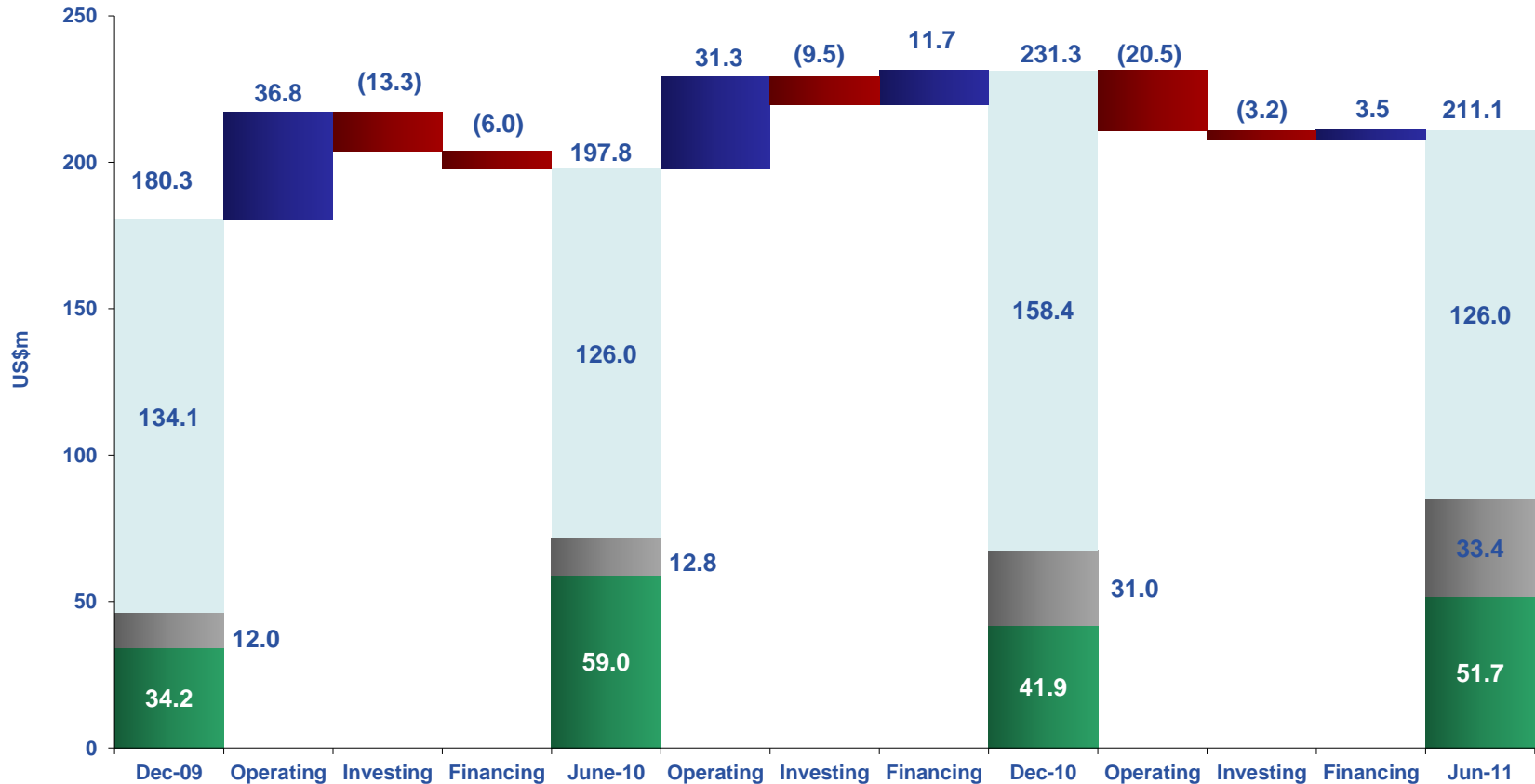
Financial Position



Engineers & Constructors

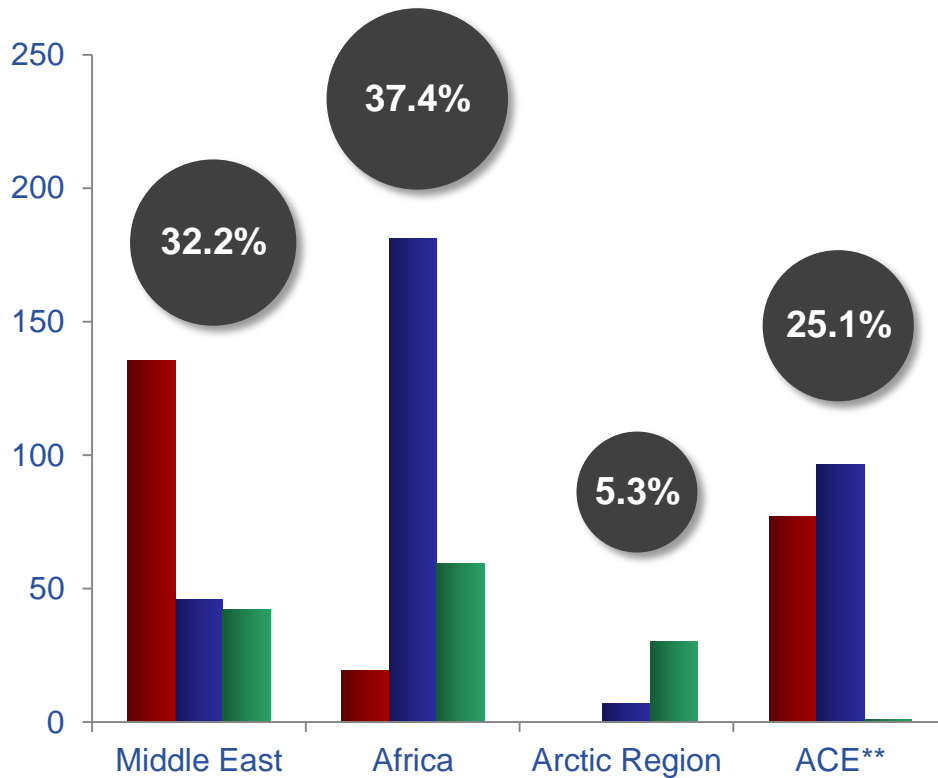
US\$ million	FY 10	H1 10	H1 11	
ASSETS				
Non-current assets	80.4	78.1	87.3	<ul style="list-style-type: none"> • Increase in non-current assets due to Goodwill on acquisition of RNE in Africa
Current Assets				
Inventories	80.7	57.6	90.7	<ul style="list-style-type: none"> • Working capital up 45.2% to US\$157.6m (2010: US\$108.5m) due to growth in the level of business and progress and payment delays on Medupi
Trade and other receivables	227.4	214.7	310.8	
Cash and bank balances	<u>231.3</u>	<u>197.8</u>	<u>211.1</u>	
	539.4	470.1	612.6	
Total assets	619.8	548.2	699.9	
LIABILITIES				
Non-current liabilities	14.7	25.2	18.0	<ul style="list-style-type: none"> • Cash at June 2011 includes US\$51.7m advance payments from clients (June 2010: US\$59.0m)
Obligations under finance leases	13.9	7.7	11.0	
Interest bearing loans and borrowings	-	-	-	<ul style="list-style-type: none"> • Shareholders Funds up 42.7% to US\$209.1m (2010: US\$146.5m) and net assets up 40.4% to US\$215.9m (2010 US\$153.8m)
Current liabilities				
Trade and other payables	388.4	356.3	432.0	
Obligations under finance leases	5.3	2.1	5.3	
Interest bearing loans and borrowings	6.6	3.1	17.7	
Total liabilities	428.9	394.4	484.0	
Net assets	190.9	153.8	215.9	

Cash Flow Analysis



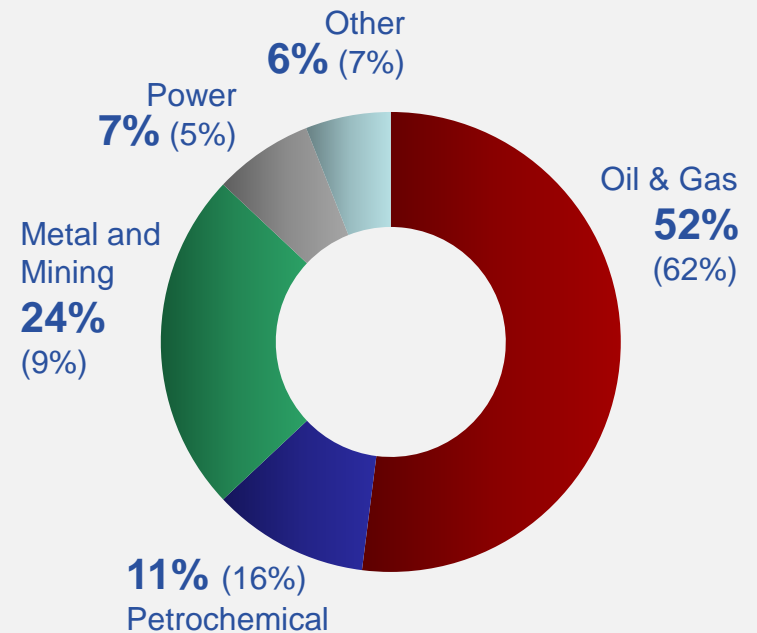
Regional Overview

H1 2011 Revenues* (\$m)



Sector Overview

H1 2011 Revenues* (\$m)



* Includes revenue attributable to Gorgon JV

** Australasia, Caribbean and Europe

Operational Overview

Global Business Units

Specialist EPC*

Onshore Modular Production Facilities
 Non-process Infrastructure
 Turnkey Utilities and Offsite Facilities
 Turnkey Port Facilities
 Small Capital Project Solutions
 Controls and Automation (TSI**)
 Telecommunications Systems
 Power Projects and Services

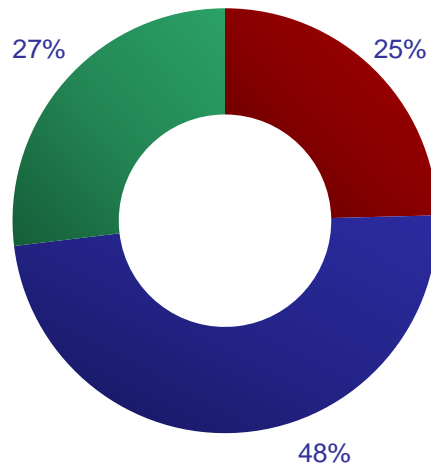
Construction

Site wide Construction Solutions:
 Structural, Mechanical and Piping
 Electrical and Instrumentation

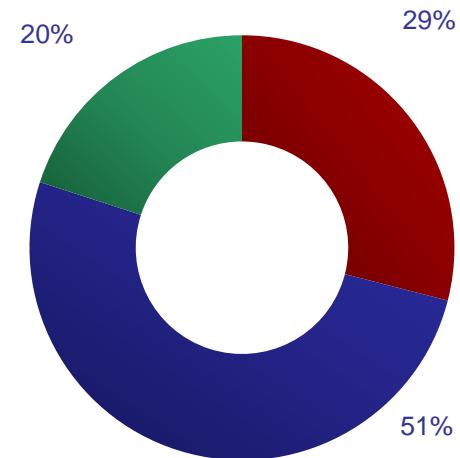
Technical Support Services

Capex Phase:
 Pre-EPC award (FEED***)
 Integrated Project Management
 Arctic Construction Services
 Completions and Commissioning
 Opex Phase:
 Brownfield Engineering Services
 Maintenance and Turnaround
 Operations Support

Revenue by Business Unit based on
 HY 2010 US\$434.4m



Revenue by Business Unit based on
 HY 2011 US\$643.5m



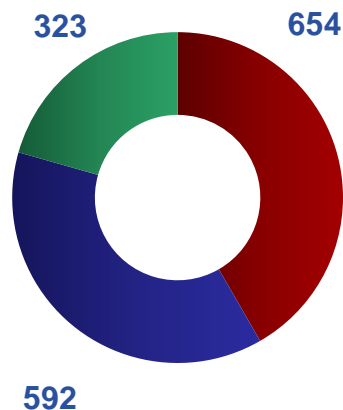
Pipeline of Prospects: US\$8.89bn



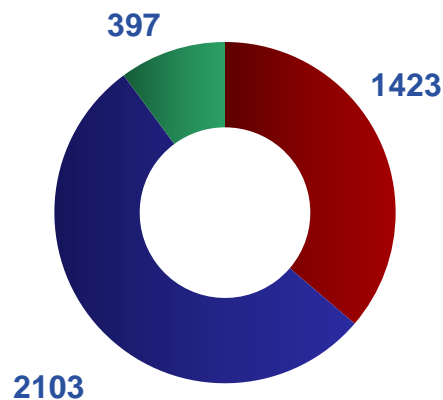
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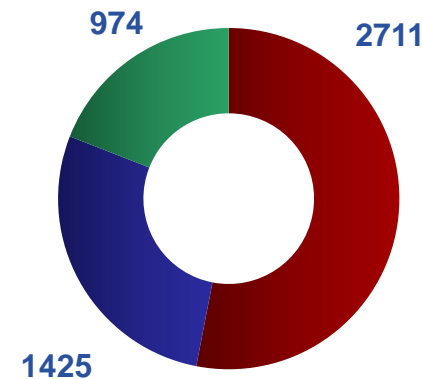
Backlog (US\$m)



Current Prospects (US\$m)

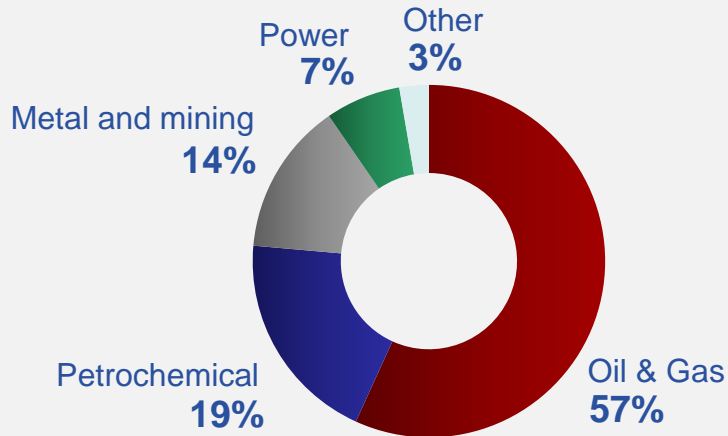


Strategic Prospects (US\$m)

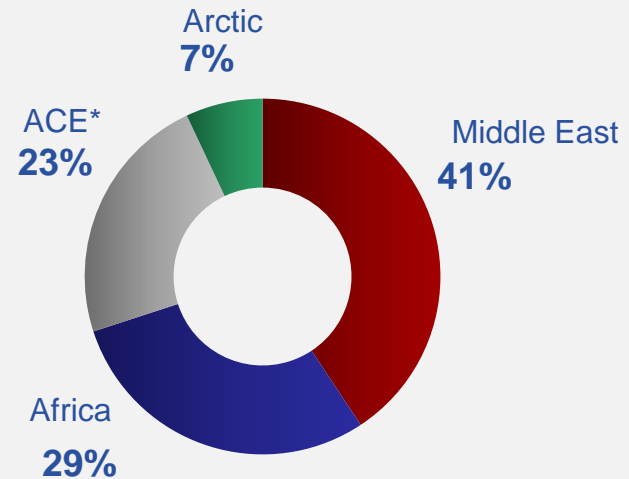


Current Trading and Future Prospects

Backlog by Sector

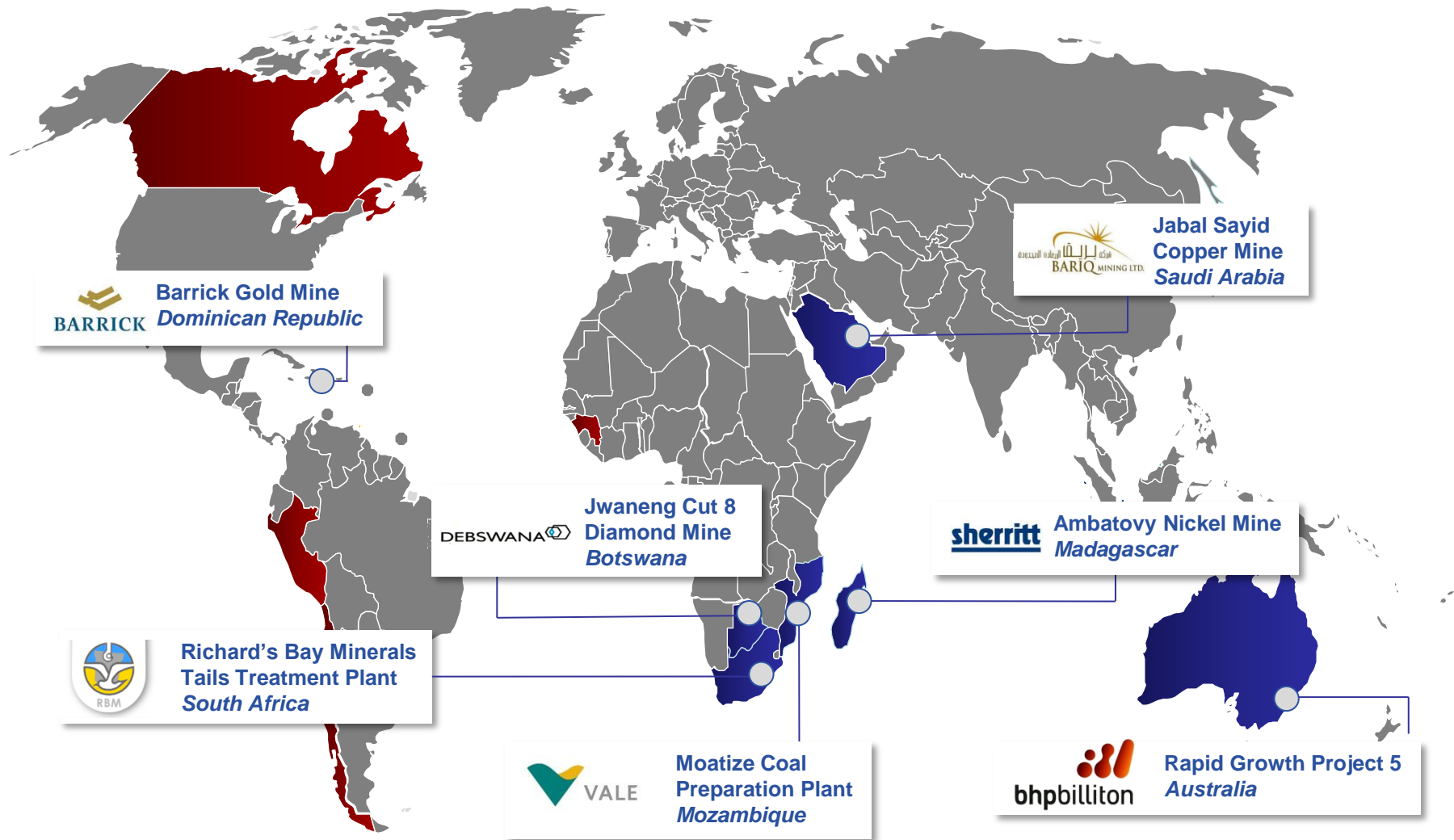


Backlog by Region



- Anticipate H2 2011 revenue and margins comparable to H1
- Revenue c.US\$1.07bn on hand for 2012 (including equity accounted JV sales of US\$262m)

Global Footprint: Mining and Metals



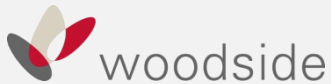
Top Ten Clients: H1 2011



Ambatovy Nickel Mine
c.US\$100m
Madagascar



Gorgon LNG
c.US\$1.25bn
Australia



Pluto LNG Project
c.US\$170m
Australia



10 year working relationship
Contract for engineering
support services in place



Medupi Power Station Project
c.US\$310m
South Africa



32 year working relationship
Ongoing projects
Saudi Arabia and Sakhalin island



Moatize Coal Preparation Plant
c.US\$69m
Mozambique



Onshore Production Facilities
c.US\$260m
Yemen



Five year Global Framework
Continuing Engineering Service
Agreement in place



30 year working relationship
Framework Agreement in place

Outlook

Conclusion and Outlook

- Continued excellent organic growth
 - Record backlog US\$2.39bn at the end July 2011
 - Gross Cash US\$211.1m
 - Pipeline grown 10% to US\$8.89bn
- Entry into upstream oil and gas sector achieved
- Further penetration by Global Business Units into new areas such as Jordan and Korea
- Continued growth mainly driven by expansion in Australasia and Africa
- Global reach and sector diversification provides a positive outlook for Kentz

Our Team



Hugh O'Donnell
Chief Executive Officer



Ed Power
Chief Financial Officer



Christian Brown
Chief Operating Officer



Elizabeth Rous
Head of Communications



Ronan Tyrrell
Chief Financial Accountant



Catriona Nugent
Communications Manager

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