

Keller Group plc Capital Markets Day

16 October 2012



Keller Australia



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Overview - Keller Australia

- The market leader in Australia for piling and ground improvement
 - employs 700 people
- Five businesses make up Keller Australia:
 - Frankipile - since 1998
 - Vibropile - since 2002
 - Keller Ground Engineering - since 2004
 - Piling Contractors - since 2006
 - Waterway Constructions - since 2010
- Comprehensive network of offices and regional workshops Australia wide



Overview - Keller Australia

- Established track record for the delivery of technically complex and major works e.g. the Gateway Bridge Duplication AU\$114m
- Benefit from significant repeat business and client loyalty
- On target for all businesses to have Safety Quality and Environmental accreditation by mid 2013
- Central management of IT, HR, training, finance and legal
- Undertake around 500 contracts a year
- Approximately 50% design and construction with an average value of AU\$800k (excluding Wheatstone)

Overview - Keller Australia

- Extensive local product range with technical support from the wider Group
- Accurate market knowledge through shared information
- Established “Winning & Working Together” charter for packaged and major collaborative opportunities
- Leverage of the Keller brand facilitated the award of the Wheatstone Onshore Piling project

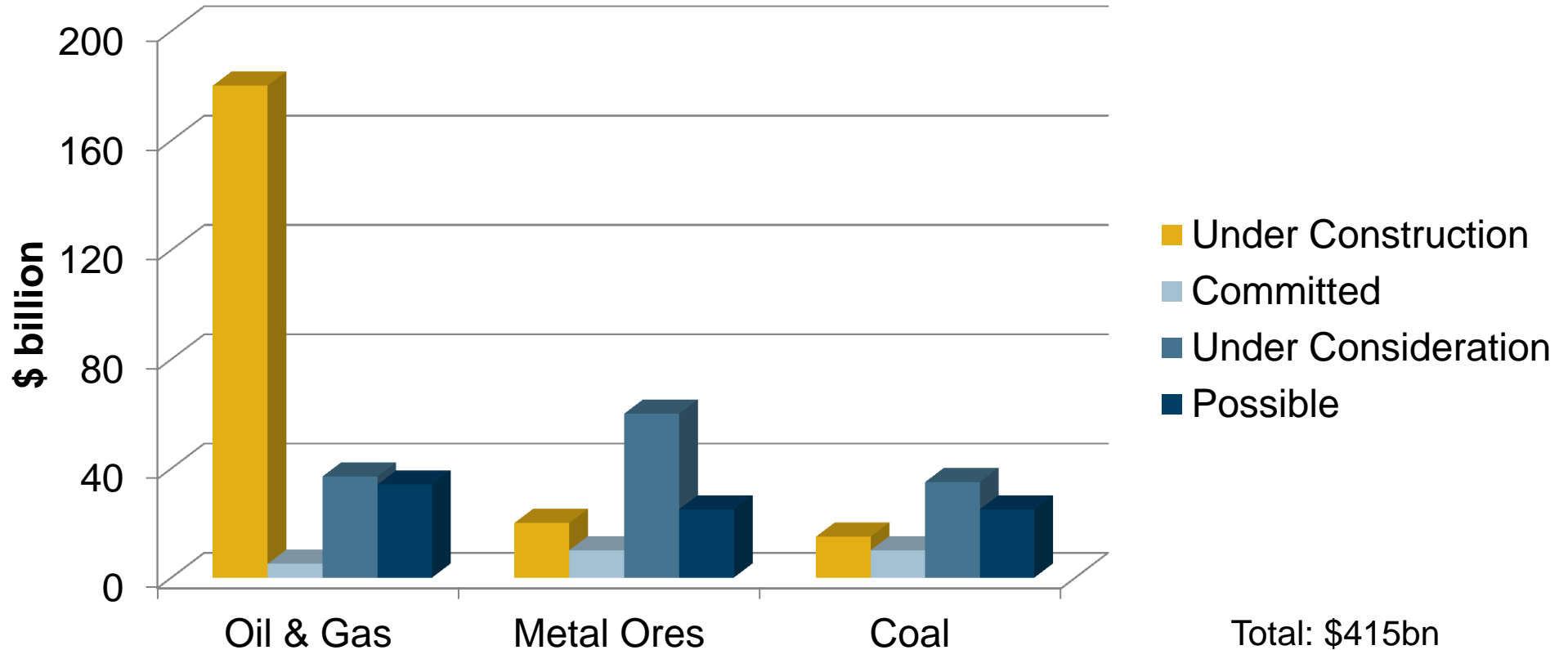
Market Conditions and Outlook

- Australia continues to experience low inflation in the range of 2%
- Low unemployment below 5%
- Continued strong Australian dollar (above US\$ parity)
- Labor Government – likely to change at general election November 2013
- Five interest rate reductions by the Reserve Bank of Australia (RBA) over the last 12 month period. Current cash rate of 3.25%
- One further cut is anticipated before the end of 2012 and projected to be at 2.75% by mid 2013

Market Conditions and Outlook

- The Australian market remains a “two-speed” economy
 - Mining and resource sectors
 - Infrastructure, commercial building and residential
- Resource sector focuses around three commodities:

Resource Sector: Gas Dominates by Value



Sources: Deloitte Access Economics,
Westpac Economics – July 2012

Excludes “other”
\$3bn in projects



Market Conditions and Outlook

- The Australian market remains a “two-speed” economy
 - Mining and resource sectors
 - Infrastructure, commercial building and residential
- Resource sector focuses around three commodities:
 - LNG investment remains strong
 - Recent adverse press only relates to falling iron ore price and Chinese coal demands
- Traditional construction market conditions remain weak
- The growing population, resource based income, need for improved infrastructure and increasing private investor sentiment are all positive factors for the medium to long term

Major Opportunities and Challenges

Opportunities

- Brisbane City Council Ferry Terminal rebuild following the January 2011 floods
- Expansion of Waterway Construction and synergy with Piling Contractors
- Major medium-term resource sector:
 - Further first generation LNG plants - from mid 2013 through to 2015 - NT/WA
 - New iron ore mines and associated infrastructure - from end 2013 - WA
 - Additional coal handling terminals - from 2013 - NSW
- Wheatstone positive impact on 2013 and 2014

Major Opportunities and Challenges

Challenges

- Conditions in infrastructure, building and residential construction remain challenging
- Potential heightened industrial action in the lead up to the next Federal election
- Controlled expansion of Waterway Constructions to provide national coverage
- Maintaining core activity in conjunction with the major draw on resources from the Wheatstone project

Recent Projects – Newcastle Coal Infrastructure



- Client: Newcastle Coal Infrastructure Group (NCIG)
- EPCM Contractor: Aurecon-Hatch
- First award to Keller: December 2008
- Initial scope (Phase I): AU\$19.7m
- Phase I completion: October 2009
- Phase II: AU\$45m
- Phase II completion: Mid 2012 (monitoring ongoing)

Recent Projects - Newcastle Coal Infrastructure



- Total project involvement to date: AU\$65m
- Phase III of NCIG: Mid 2013
- Government award for safety
- Hatch awarded EPCM status on the adjacent Terminal 4 project
- Terminal 4 will contain ground improvement, piling and diaphragm walls

Recent Projects – Australia Pacific LNG



- Project: Australia Pacific LNG (APLNG MOF)
- Construction of Marine Off-loading Facility (MOF)
- Client: Origin, Conoco Philips, Sinopec
- EPCM Contractor: Bechtel
- Awarded to Waterway BMD JV: November 2011
- BMD are established local civil engineering contractors

Recent Projects - Australia Pacific LNG



- JV Award Value: AU\$85m
- Received prestigious Client Safety and Environmental Award (250,000 man-hours incident free)
- Current scope value: AU\$115m
- Practical completion: Dec 2012 (3 months ahead of schedule)
- Waterways on target for best year in 2012
- Several internal collaborative opportunities exist for 2013

Recent Projects – Wheatstone On-shore Piling



- Project: Wheatstone LNG Plant
- Client: Chevron
- EPCM contractor: Bechtel
- On-shore piling supply and installation awarded to Keller - January 2012
- Current value including test piles AU\$180m
- Collaborative undertaking between three Keller Australia companies

Recent Projects - Wheatstone On-shore Piling



- The extreme remoteness is a challenge with the site 1400km north of Perth
- Challenging logistics of major steel tube supply from Korea
- Difficult climatic conditions including cyclone risk
- Production outputs offer an opportunity
- Low-risk repetitive piling process
- Rise and fall protection for labour costs and steel tube supply prices

Recent Projects – Wheatstone On-shore Piling



- Use of Junttan PM25s throughout optimises efficiency
- Innovation of side-lifters for product handling
- Management and key labour force sourced entirely from within the Group
- Test pile programme site – October 2012 (*commended by Chevron*)
- Mobilization of main works commencing 2nd Quarter 2013
- Two further LNG trains under consideration

Summary

- Federal and State funded market sectors will remain challenging for the foreseeable future
- Major LNG investment remains unaffected by global reduction in commodity prices
- Client commended mobilisation to Wheatstone to install test piles
- Waterway Constructions successfully integrated into the Keller Group with a strong 2012 result
- Performance for 2013 and 2014 will be under-pinned by the major Wheatstone project
- Effective leverage of the Keller brand delivers more than the sum of its parts

