SGH
Industrial Services, Media and Investments

27 August 2014

Company Announcements Office
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgment

Total pages: 35 (including cover letter)

Dear Sir / Madam

PRESENTATION OF RESULTS

Following is a copy of the Presentation of Results for the financial year ended 30 June 2014 to be made today commencing at 1.00pm at the Company's premises, 38-42 Pirrama Road, Pyrmont, NSW.

Yours faithfully

For and on behalf of Seven Group Holdings

Warren Coatsworth
Company Secretary

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SGH

Industrial Services, Media and Investments

RESULTS FOR THE YEAR ENDED
30 JUNE 2014

Presentation on 27 August 2014

Disclaimer

Basis of preparation of slides

- Included in this presentation is data prepared by the management of Seven Group Holdings Limited (SGH) and other associated entities and investments. This data is included for information purposes only and has not been subject to the same level of review by the company as the financial statements, so is merely provided for indicative purposes. The company and its employees do not warrant the data and disclaim any liability flowing from the use of this data by any party.
- SGH does not accept any liability to any person, organisation or entity for any loss or damage suffered as a result of reliance on this document. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, and are subject to variation. All forward-looking statements in this document reflect the current expectations concerning future results and events. Any forward-looking statements contained or implied, either within this document or verbally, involve known and unknown risks, uncertainties and other factors (including economic and market conditions, changes in operating conditions, currency fluctuations, political events, labour relations, availability and cost of labour, materials and equipment) that may cause actual results, performance or achievements to differ materially from the anticipated results, performance or achievements, expressed, projected or implied by any forward-looking statements.
- Unless otherwise indicated, all references to estimates, targets and forecasts and derivations of the same in this material are references to estimates, targets and forecasts by SGH. Management estimates, targets and forecasts are based on views held only at the date of this material, and actual events and results may be materially different from them. SGH does not undertake to revise the material to reflect any future events or circumstances.

Non-IFRS Financial Information

- SGH results are reported under International Financial Reporting Standards (IFRS). The underlying segment performance is presented in Note 3 to the financial statements and excludes Significant Items (comprising impairment of investments, fair value movement of derivatives, net gains on sale of investments, equity accounted investees and subsidiaries, restructuring and redundancy costs, share of results from equity accounted investees attributable to significant items, fair value unwind of deferred consideration in finance income and unusual tax expense impacts, as detailed in slide 10).
- This presentation also includes certain non-IFRS measures including Underlying Net Profit After Tax (excluding Significant Items), total revenue and other income, Segment EBIT margin and Segment EBITDA margin. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review.

Today's Agenda

▶ Overview & Outlook	Don Voelte
▶ Financials	Richard Richards
▶ Operations	Ryan Stokes
▶ Media	
▶ Investment Portfolio	
▶ Property	
▶ Industrial Services	
– WesTrac Group	
– AllightSykes	
– Coates Hire Group	
▶ Energy	
▶ Key Takeaways and Questions	Don Voelte

Group Highlights

Mining sector downturn continues to impact results	▶ Miners continuing to focus on cost efficiency with lower demand for new equipment ▶ Cost reductions delivered in FY13 and FY14 have positioned the business for growth in product support
Media sector continued leadership in challenging environment	▶ SWM delivered growth in TV EBIT of 7.5% but SWM EBIT down 3.3% ▶ Strengthened leadership position in TV advertising with 40.5% market share
Strength in investment portfolio results	▶ Growth of investment portfolio to $916m via net investment and gains during the year ▶ Outperformed S&P/ASX 200 Index
Investing for the future	▶ Investment in energy assets (Nexus and US oil and gas) provides exposure to new markets ▶ Seeking opportunities in existing and new sectors
Maintained balance sheet flexibility	▶ Significant funding capacity remains through surplus cash, undrawn facilities and listed portfolio ▶ Investment grade credit supported by diversity & duration
Capital management	▶ Final fully franked dividend of 20 cps (total 40 cps in FY14) representing a grossed up yield of 8.3% ▶ Further $55m of share buy-back capacity available

Key Financial Numbers

Total Group – Full Year Result

Financial results for year ended	FY 14	FY 13	% Change
Trading revenue	$ 3,088 m	$ 4,752 m	-35%
Underlying EBIT [1, 2]	$ 374 m	$ 623 m	-40%
Underlying net profit after tax (excluding significant items) [2]	$ 253 m	$ 399 m	-37%
Significant Items (including tax impact) [2]	$ 9 m	$ 90 m	-90%
Reported net profit after tax for the year	$ 263 m	$ 489 m	-46%
Underlying earnings per share (excluding significant items) [3]	$0.74	$1.20	-39%
Statutory earnings per share (ordinary shares) [3]	$0.77	$1.49	-49%
Final 2014 fully franked ordinary dividend (payable October 2014)	$0.20	$0.20	0%
Total 2014 fully franked ordinary dividend (interim and final)	$0.40	$0.40	0%

Notes:

1. EBIT equals profit before net finance costs, tax and significant items.
2. Significant items include net gains/losses on the sale of investments, subsidiaries and associates, impairment, fair value movement of derivatives, restructuring and redundancy, acquisition related costs, share of results from equity accounted investees attributable to significant items and unusual tax expense impacts. (Please refer to slide 10 for listing of Significant Items).
3. Earnings per share numbers above, are rounded to two decimal places. The percentage change is based on the actual unrounded EPS.

Capital Management

Objectives

- Ensure an efficient capital structure and maintain prudent levels of gearing
- Retain balance sheet flexibility to fund working capital needs of operating businesses through the cycle and pursue growth & investment opportunities

Dividend

- Our aim is to maintain and grow the dividend over time – consistent with our track record to date
- 20 cps final ordinary dividend declared, fully franked. Total dividend of 40 cps for the year represents a 54% payout
- 5.8% cash yield / 8.3% gross yield (S&P/ASX 200 Industrials: 5.1% gross)

Share buy-back

- On-market buy-back of up to 11.9m ordinary shares or 3.86% of shares outstanding with 5.5m shares bought back to date for $44.1m
- Buy-back expected to be completed by December 2014

Balance sheet flexibility

- Minimal revolving debt in Australia and China – significant cash and undrawn facilities available along with value of investment portfolio
- TELYS4 continues to be an attractive form of equity funding

Diversifying earnings streams

- Actively working to establish a new earnings platform in the energy sector to add to existing media and industrial service earnings streams

Transformation in Progress

- Good progress being made across a range of focus areas
  - New management team in place at WesTrac Australia and new CEOs transitioning into WesTrac China and Coates Hire
  - Emphasis now shifting to systems and processes required to improve customer service and value proposition
  - Emphasising operational efficiency
  - Ensuring capital effectiveness via velocity

- Businesses repositioned for current market conditions
  - Implementing performance measurement and alignment of 3-5 year plans and strategies
  - Enhancing processes, systems and controls
  - Increasing focus on employee and customer safety

Outlook – refer disclaimer

- Seven West Media sees the advertising market having low single digit growth in television, with magazines rate of decline to lessen and newspapers to continue current trend
- Trading conditions in the mining and industrial services sector remain challenging with coal and iron ore prices under pressure and ongoing cost reduction initiatives being undertaken by all customers
- We have progressed our entry into the energy sector in a deliberate yet conservative manner with a medium to long term investment horizon
- The creation of a portfolio of oil and gas interests with a mix of both production and development assets is envisaged to form a third operating pillar for the Group, that would complement existing businesses and provide a platform to increase future shareholder returns
- Overall, we remain cautious about the current business environment and we anticipate that underlying EBIT in FY15 will be flat, subject to there being no further deterioration in market conditions

Consolidated Profit and Loss
Underlying Performance

$m	FY 14	FY 13	Change %
Revenue	3,088.2	4,751.6	-35%
Other income	104.6	78.8	33%
Share of results from equity accounted investees	104.5	125.1	-16%
Total revenue and other income	3,297.3	4,955.5	**-33%**
Expenses (excl. depreciation, amortisation and interest)	(2,874.8)	(4,269.5)	-33%
Underlying EBITDA	422.5	686.0	**-38%**
Depreciation and amortisation	(48.1)	(63.2)	-24%
Underlying EBIT	374.4	622.8	**-40%**
Net finance costs	(72.2)	(108.8)	-34%
Underlying net profit before tax	302.2	514.0	**-41%**
Underlying tax expense	(49.0)	(115.1)	-57%
Underlying NPAT	253.2	398.9	**-37%**
Significant items (incl. tax impact)	9.3	89.7	**-**
Statutory NPAT	262.5	488.6	**-46%**
Profit attributable to shareholders of SGH	261.1	486.4	**-46%**

- Please refer to the Annual Report for the detailed statutory results
- Significant items are further summarised on slide 10 and Note 4 of the Annual Report

Summary of Significant Items

$m	FY 14	FY 13
Gain on sale - Consolidated Media	-	50.1
Gain on sale - Property (KS1, KS2, KS3)	1.3	29.4
Gain on sale of other investments & fair value of derivatives	38.2	13.8
(Impairment) / impairment reversal - SWM equity	(42.2)	77.9
(Impairment) - other	-	(9.6)
Transaction costs and stamp duties [1]	5.6	(0.3)
Restructuring and redundancy costs [2]	(9.5)	(54.3)
Onerous lease provisions	(3.8)	-
Unusual share of result from equity accounted investees	(0.9)	(9.6)
Total significant items before net finance costs	**(11.3)**	**97.4**
Net finance costs	19.8	11.5
Total significant items before tax	8.5	108.9
Tax on significant items	0.8	(19.2)
Total significant items after tax	**9.3**	**89.7**

Notes:

1. Transaction costs and stamp duties primarily relate to the EMP (Bucyrus) acquisition.
2. Restructuring and redundancy costs include consulting costs, staff redundancy and stock provisions on discontinued lines and products.

Earnings Summary

$m	Total Group	WesTrac Aus	WesTrac China	Allight Sykes	Coates Hire	Media Investm.	Portfolio Investm.	Corp.
Trading revenue	**3,088.2**	2,377.3	616.4	94.5	-	-	-	-
Statutory EBIT	**363.1**	198.2	19.6	(4.6)	22.5	60.9	84.2	(17.7)
Add back unfavourable individually significant items								
Restructuring, redundancy and other costs	**32.8**	14.0	1.1	1.8	15.7	-	-	0.2
Loss on sale of investments	**0.1**	-	0.1	-	-	-	-	-
SWM impairment	**42.2**	-	-	-	-	42.2	-	-
Mark-to-market on derivatives	**1.7**	-	-	-	-	-	1.9	(0.2)
Less favourable individually significant items								
Gain on sale of assets	**(14.8)**	-	-	-	(11.9)	-	(2.9)	-
Gain on sale of other investments	**(41.3)**	-	-	-	-	-	(40.3)	(1.0)
Other items	**(9.4)**	(9.4)	-	-	-	-	-	-
Underlying EBIT - FY14	**374.4**	**202.8**	**20.8**	**(2.8)**	**26.3**	**103.1**	**42.9**	**(18.7)**
Underlying EBIT - FY13	**622.8**	**446.7**	**(2.5)**	**(0.6)**	**47.8**	**105.8**	**37.3**	**(11.7)**

Consolidated Balance Sheet
Total Group

$m	As at 30 Jun 14	As at 30 Jun 13	Change %
Trade and other receivables	599.0	721.6	-17%
Inventories	856.6	1,050.5	-18%
Intangible assets	874.8	765.2	14%
Investments	2,533.6	2,209.1	15%
Fixed assets	282.4	267.0	6%
Other assets	40.4	16.7	141%
Trade and other payables	(399.6)	(516.8)	-23%
Provisions	(111.2)	(139.7)	-20%
Net tax assets / (liabilities)	(336.5)	(427.7)	-21%
Deferred income	(97.6)	(145.5)	-33%
Derivative financial instruments	(29.7)	(51.8)	-43%
Net (debt)	(1,069.3)	(713.4)	50%
Total shareholders equity	**3,142.8**	**3,035.3**	**4%**

- Significant reduction in working capital levels
- Investment portfolio has generated value
- Net debt increase to finance investment activities

Consolidated Investment Listing

Total Group

$m	As at 30 Jun 14	As at 30 Jun 13
Seven West Media (Ordinary shares + RCPS) [3]	964.0	947.1
Listed Portfolio [1,2]	915.6	758.8
Coates Hire [3]	452.3	430.2
Nexus Energy [4]	129.2	-
Other	72.5	73.0
Total investments	**2,533.6**	**2,209.1**

Notes:

1. Available for sale security - fair value movements are carried in reserves until the asset is disposed of or impaired.
2. Available for sale security (shares held by overseas subsidiaries) - fair value movements are carried in reserves (share price movement is recorded in fair value reserves, foreign currency movement in foreign currency translation reserve).
3. Equity accounted investees - carried at historical cost, plus share of associate / JV income, less dividends received, less impairment.
4. Investment in Nexus Energy reflects value of senior and subordinated debt acquired by SGH.

Balance Sheet Metrics
Total Group

$m	As at 30 Jun 14	As at 30 Jun 13
Total assets	5,399.4	5,654.3
Total shareholder's equity	3,142.8	3,035.3
Net debt[1]	1,096.6	746.9
Debt ratios		
Gearing: net debt[1] / net debt plus equity	25.9%	19.7%
Net debt[1] / underlying EBITDA[2]	2.6x	1.1x
Interest cover[2]	5.9x	6.3x

1. Net debt is adjusted for the mark-to-market value of derivatives (debt-related only) and deferring borrowing costs.
2. Debt ratios are based on last 12 month (LTM) underlying EBITDA.

Operating Cash Flow

$m	FY 14	FY 13
Underlying EBIT	374.4	622.8
Add: depreciation and amortisation	48.1	63.2
Underlying EBITDA	**422.5**	**686.0**
Operating cash flow	**244.9**	**840.5**
Add: interest and other costs of finance paid	66.6	101.9
Add: income taxes paid	135.1	83.8
Add: restructuring costs	12.0	22.6
Less: other cash significant items	(8.1)	12.2
Underlying operating cash flow	**450.5**	**1,061.0**

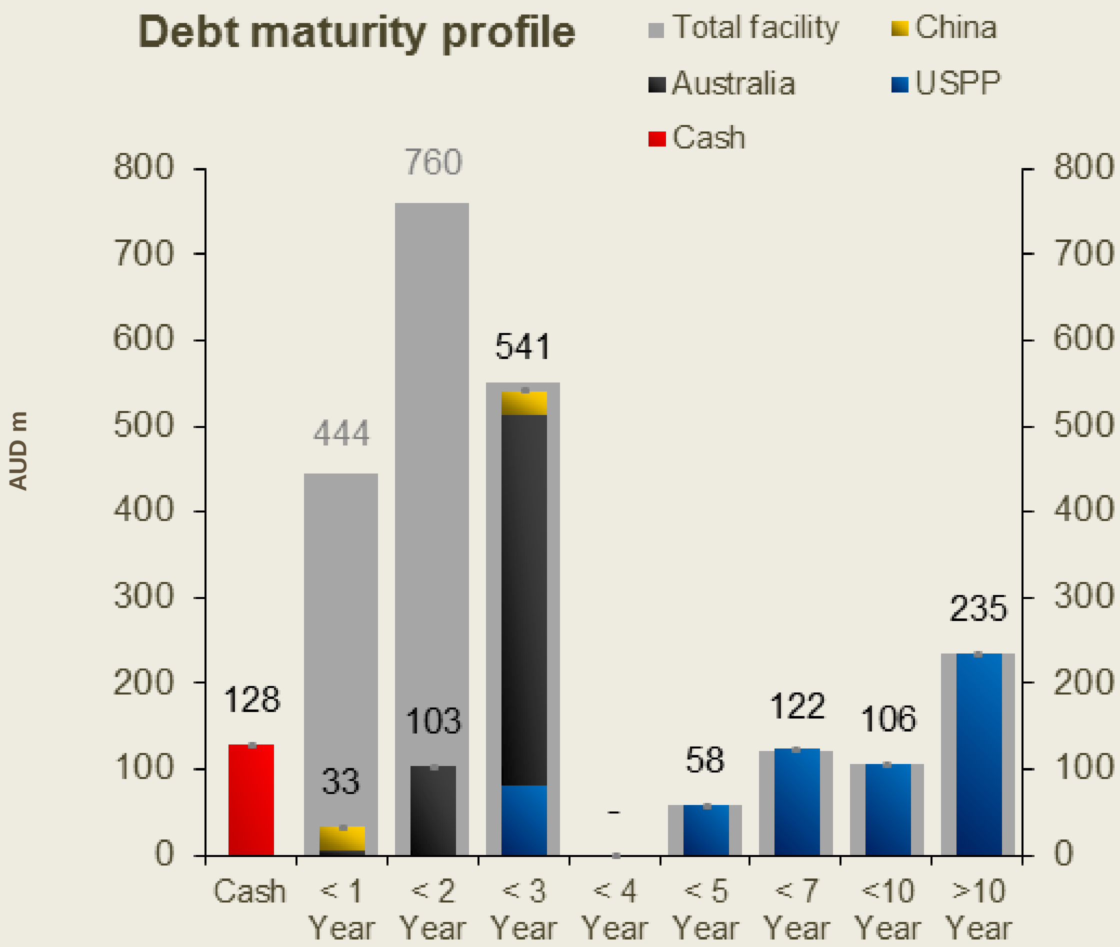
Total Cash Flow

$m	FY 14	FY 13
Operating cash flow	244.9	840.5
Investing cash flow	(387.7)	361.1
Financing cash flow	(270.2)	(790.2)
Net (decrease)/ increase in cash and cash	**(413.0)**	**411.4**
Cash and cash equivalents at end of period	**128.3**	**542.1**
Opening net debt	713.4	1,718.7
Movement in net debt	356.0	(1,005.3)
Closing net debt	**1,069.3**	**713.4**

- Investing cash flow includes:
  - Nexus Energy $(116)m
  - EMP China $(103)m
  - US oil and gas $(71)m
  - Listed portfolio $(66)m
  - Other $(32)m
- Financing cash flow includes US$70m in USPP notes repayment and pay down of revolving facilities

Consolidated Debt Maturity Profile

Total Group as at 30 June 2014 (refer disclaimer)



- At 30 June 2014, the Group had $1,075m of available undrawn borrowing facilities
- Current "<1 year" debt includes a number of offshore and OEM facilities that are regularly rolled over for further terms
- These are categorised as current due to their short dated nature

Debt Facilities

Total Group as at 30 June 2014 (refer disclaimer)

Debt Facilities	$m
Total facilities	2,275.7
Drawn	(1,197.7)
Deferred borrowing costs	(2.6)
Available facilities	**1,075.4**
Cash	128.3
Listed portfolio	915.6
Total liquidity	**2,119.3**

By Type	$m
Syndicated facilities	750.0
Capital markets - USPP	600.8
OEM financing	642.0
Working capital	205.5
Bilateral facilities	75.0
Finance leases	2.4
Total facilities	**2,275.7**

By Geography	$m
Australia	1,451.7
USA	600.8
China	127.7
Hong Kong	95.5
Total facilities	**2,275.7**

Note: proportion of fixed debt across the Group is approximately 80%.

Seven West Media

Full Year Result Highlights

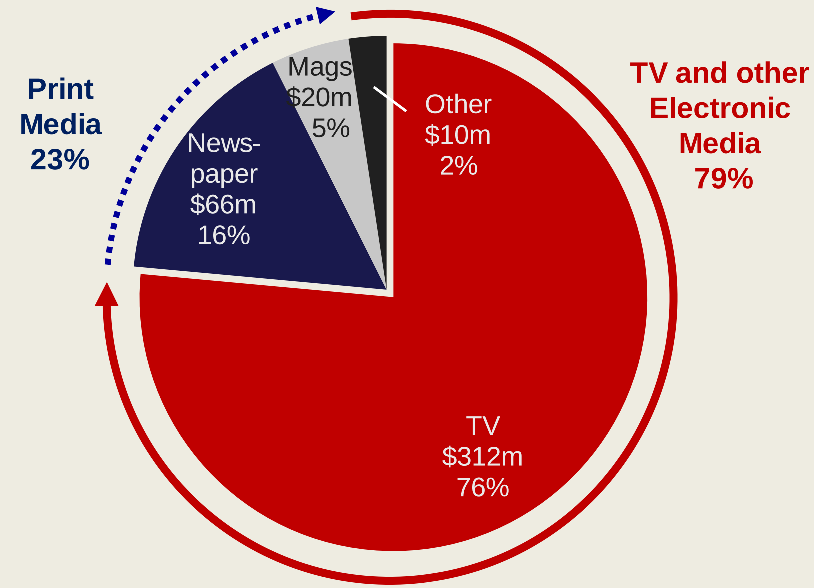
SEVEN WEST MEDIA

- Record June 2014 half year revenue share of 41.3% in non-Olympic year and record overall market share of 40.5% across FY14
- Advertising market share in Newspaper and Magazines continued to grow
- Growth in TV EBITDA of 5.2% in FY14 (+12.4% in 2H)
- Leverage reduced, favourable refinance completed
- FY14 EBIT of $408m, 3.3% down on prior year
  - TV metro market growth of 3.5% in FY14
  - Newspapers and Magazines impacted by soft advertising market
- Underlying NPAT of $236m, 4.9% ahead of prior year
- Advertising market outlook: TV low single digit growth, magazines rate of decline to lessen and newspapers on trend
- Focused on content creation and driving cost efficiency

SWM Revenue $m	FY 14	FY 13	Change %
Television	1,305.7	1,267.8	3.0%
Newspapers	265.4	303.1	-12.4%
Magazines	237.5	256.2	-7.3%
Other	53.2	54.9	-2.9%
Total	**1,861.8**	**1,882.0**	**-1.1%**

Note: Total revenue includes other income and share of net profit from equity accounted investees.

EBIT Breakdown By Division



Media Investments Profit and Loss

Excluding Significant Items

$m	FY14	FY13	Change %
Share of associates NPAT			
- Seven West Media	74.3	72.6	**2%**
- Consolidated Media Holdings [1]	-	6.6	**-**
Other income			
- Other investment income [2]	28.8	26.6	**8%**
Segment EBIT Contribution	**103.1**	**105.8**	**-3%**
By investment			
- Seven West Media	100.1	96.2	**4%**
- Consolidated Media Holdings	-	6.6	**-**
- Other	3.0	3.0	**-**
Segment EBIT Contribution	**103.1**	**105.8**	**-3%**

Notes:

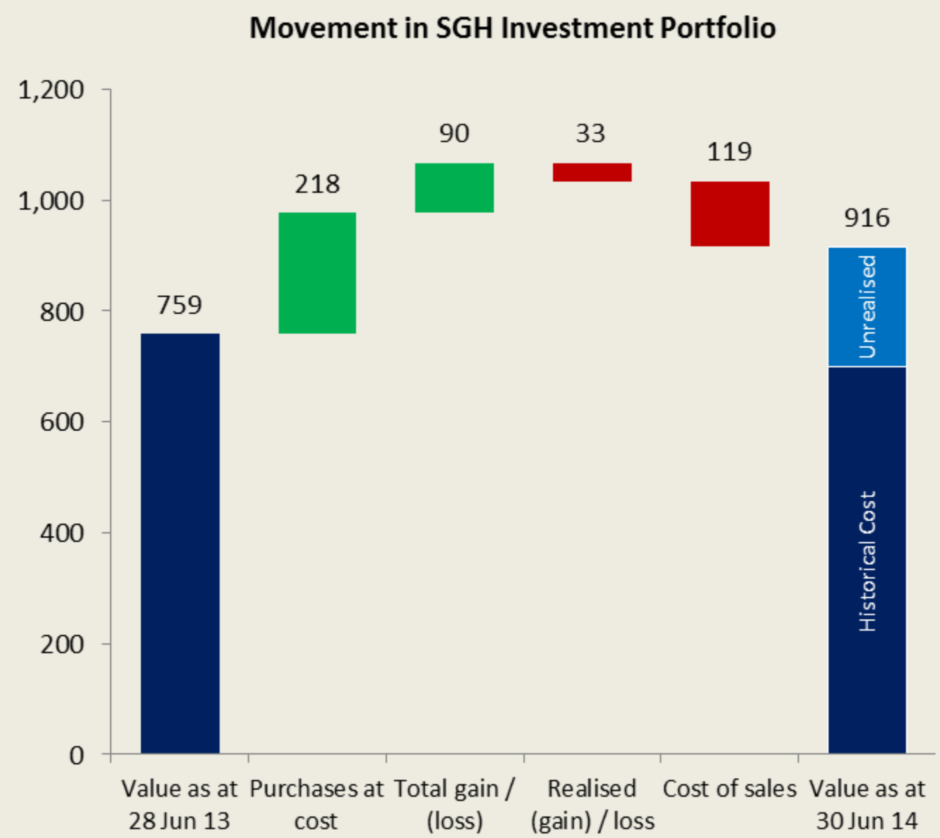
1. Consolidated Media investment sold in Nov 2012 for proceeds of $491m.

2. Other income includes accretion on the Seven West Media RCPS and dividend income from other media investments.

- SGH holds a 35.3% interest in the ordinary shares of SWM and also holds RCPS with a 30 Jun 14 carrying value of $302m
- The RCPS accrues a yield of 7.143% per annum

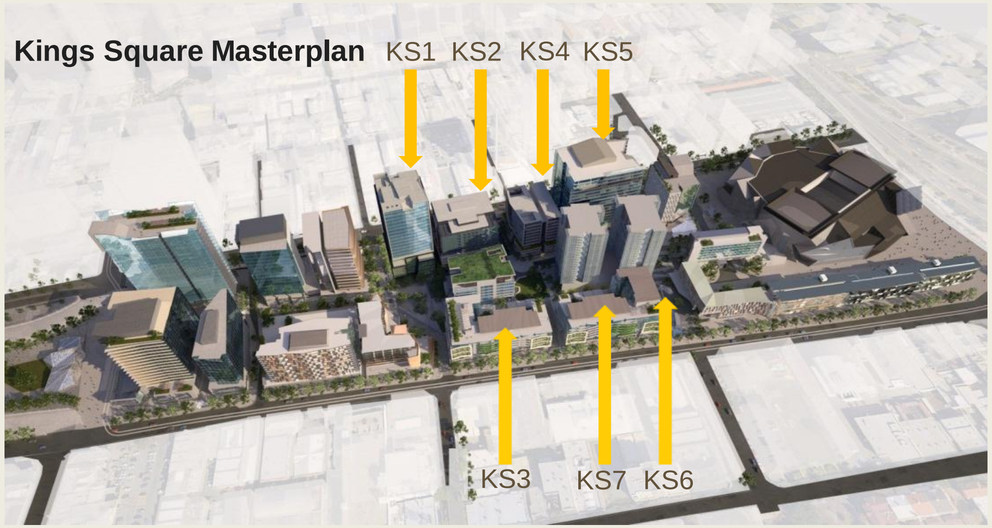
SGH Investment Portfolio

- Our aim is to realise value creation through selective investment opportunities where strategic rationale exists to enhance shareholder return
- The investment value is considered a store of value with a portfolio beta of 0.9
- Focus on investments that are complementary to the Group's core focus and which leverage SGH's industry experience and expertise
- $33m realised gain and $57m unrealised gain achieved during FY14
- Cumulative unrealised gain deferred to reserves of $217m



SGH Property Holdings

- Our aim is to maximise the value and return from our existing property assets
  - Perth Entertainment Centre / Kings Square
  - Seven's Dianella studio in Perth which is likely to be redeveloped in CY15
  - Indirect property investments through the Flagship unlisted property trust and other property holdings
- Investment in Flagship Property Holdings
  - $21m return of capital received
  - $6.2m realised gain on sale of interest in Australian Technology Park, Redfern
  - SGH's share of the gain ($2.9m) is treated as a significant item and excluded from underlying results
- Property portfolio book value of $35m at June 2014



Investments and Property Profit and Loss

Excluding Significant Items

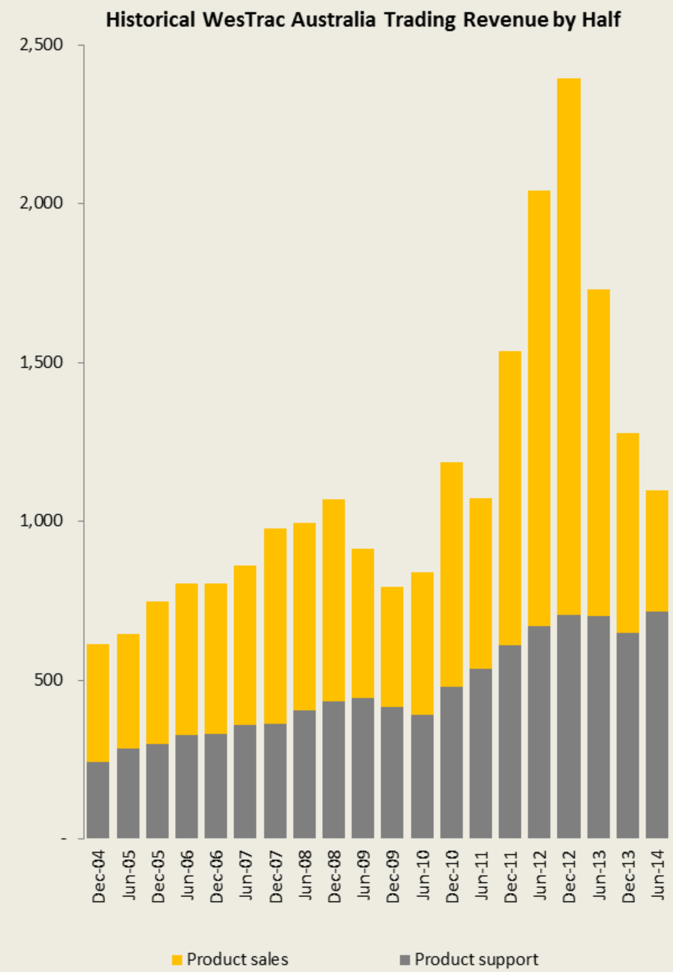
$m	FY 14	FY 13	Change %
Revenue	**0.0**	**5.8**	-
Other income	42.0	38.9	8%
Share of results from equity accounted investees	4.1	0.0	-
Total revenue and other income	**46.1**	**44.7**	**3%**
Expenses (excluding interest and corporate)	(2.7)	(6.9)	-61%
Segment EBITDA	**43.4**	**37.8**	**15%**
Depreciation and amortisation	(0.5)	(0.5)	-
Segment EBIT	**42.9**	**37.3**	**15%**

Note: the results above exclude net gains on the sale of investments, subsidiaries and property.

- Other income comprises largely of dividends from the listed portfolio

WesTrac Australia
Overview

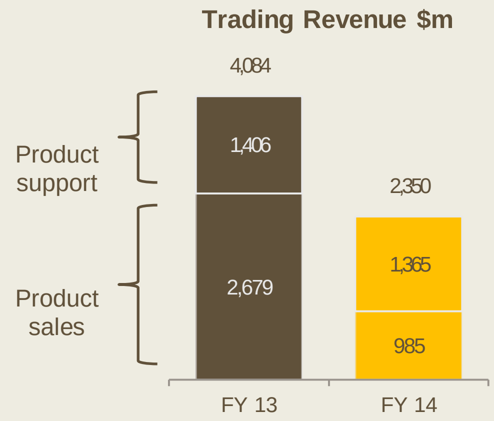
- The volume of new resources projects has declined resulting in a normalisation of capital equipment demand
  - 2013 saw the previously unprecedented levels of new equipment sales start to normalise as new projects have been delayed
  - 2H revenue was impacted by the softening in the coal sector in NSW and the deferral of a number of large mining projects in WA
- Focus on improving our cost base and competitiveness of our service model and support model
  - High level of deliveries from FY11-13 now entering the maintenance phase
- New parts facilities and technology improve our ability to efficiently serve our customers
- New profit centre based on Automated Haulage Systems (AHS) and MineStar total mine management system

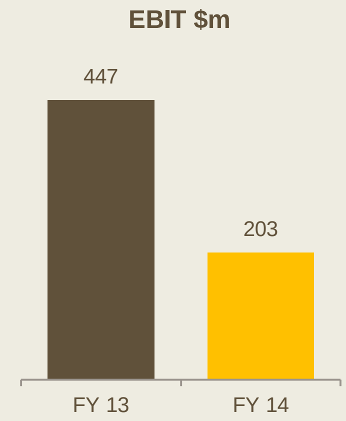


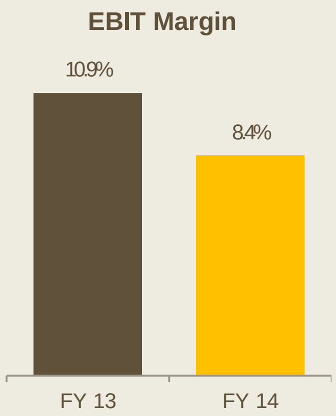
Note: EMP sales included from June 12 onwards.

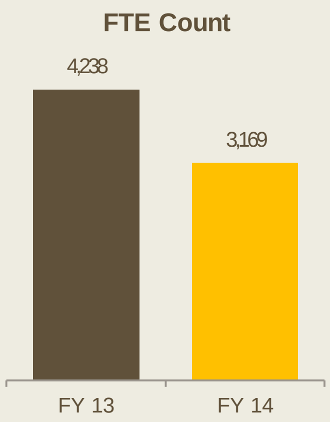
WesTrac Australia
Full Year Result

- 63% decline in product sales compared to pcp
  - Driven by the reduction in the mining industry's investment into new projects
- 3% decline in product support sales compared to prior year
  - Reflects impact of reduction in mining product utilisation rates and customer focus on cost control and productivity
- Operations commenced in the new parts distribution centre (WA) with fully automated systems
- The change in sales mix together with cost saving initiatives resulted in EBIT margins only falling slightly from 10.9% to 8.4%
- Head count reduction of ~25% over the last 12 months to position business for current market









S^3 Program – Progress to Date

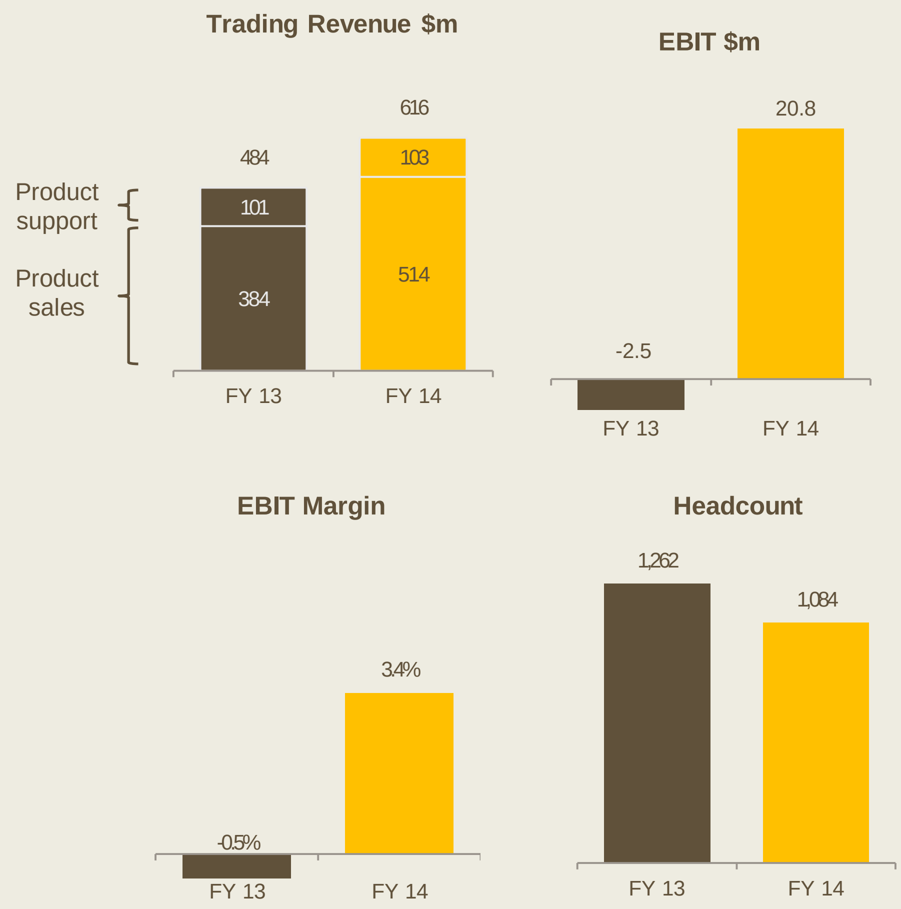
Pilot (Jan 2014 to Mar 2014)	Release 1 (Aug 2014 to June 2015)	Release 2 (May 2015 to Apr 2016)
• **Procure to Pay**: test feasibility of adopting leading Dealer processes and systems for WesTrac and develop implementation plan	• Business Planning & Forecasting, Travel and Expense Management and Procure to Pay (PTP) Sourcing & Contracts • Core Finance, PTP Indirect & Direct non-Cat Purchasing, and core HR • Payroll processes • Learning Management and Collaboration Processes • Business Intelligence – Reporting	• Service Parts & Rental • Sales, Marketing and Customer Service • DBS – phased out as operating platform

Key Activities Completed to date	Plannned Next Steps
• Selection of new platform and integration partners • Procure to Pay Pilot completed • Program Governance structure established (including Steering Committees, Program Team, Process Sponsors / Owners, SMEs) • Key priority process improvement actions being identified • Stakeholder interviews to understand 'pain points' • Defined data cleansing approach	• Continue to engage with key stakeholders • Commence Design Workshops (Finance, Procurement, HR / Payroll) • Commence data cleansing • Ongoing business improvement activities driven through the S^3 Enablement Committees

WesTrac China

Full Year Result

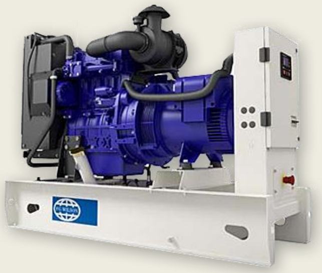
- $23.3m EBIT turnaround achieved through a mix of higher product sales and lower fixed cost base
- Product sales driven by the profitable growth of the Power Systems business, aided by expansion in offshore oil and gas sector
- Mining and construction sector facing continued cost pressure
- Staff numbers reduced significantly over the previous two years as a result of business restructuring to ensure efficient cost base
- Expanded Mining Products (EMP) purchase completed in May 2014, significant expansion opportunities in underground coal market

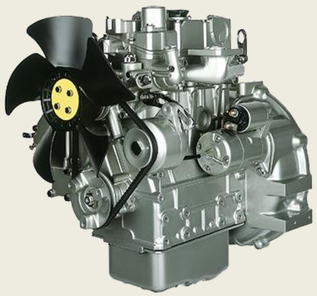


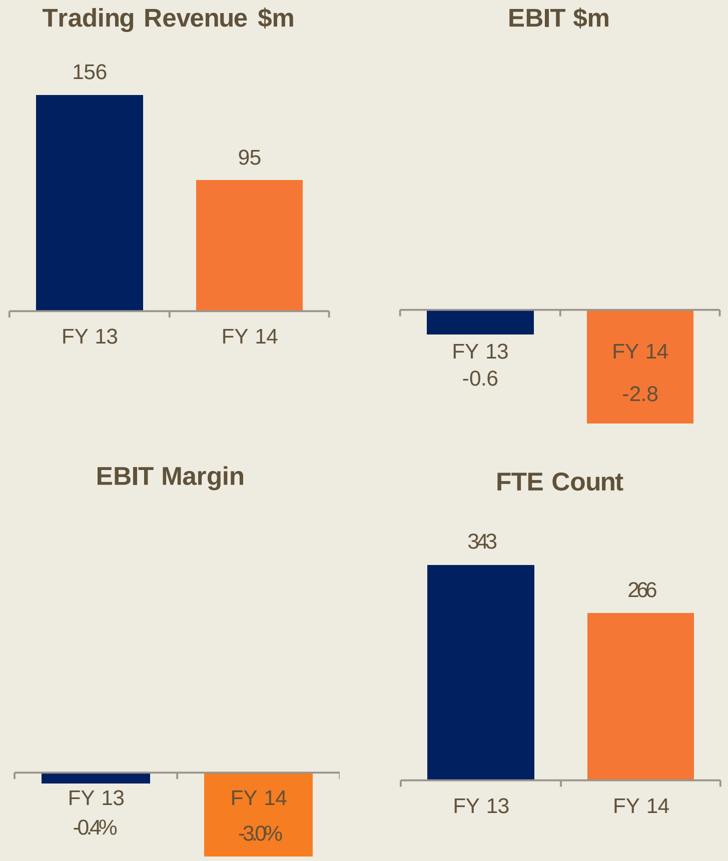
AllightSykes

Full Year Result

- Revenue down 39% on pcp on the back of softer demand from mining and infrastructure sectors coupled with rental customers currently de-fleeting
- Reduction in head count to align cost base with current operating environment
- Undertaking cost reduction project to reduce cost of LED lighting towers and retain a market leadership position







Notes:

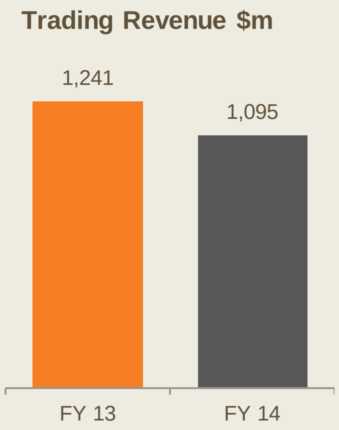
1. The above result excludes one off restructuring, redundancy costs and stock provisions on discontinued product lines.
2. Sales to Coates Hire have been eliminated from the above numbers to the extent of SGH's ownership of Coates Hire.

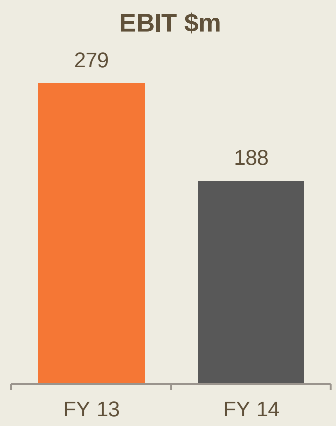
Coates Hire Group

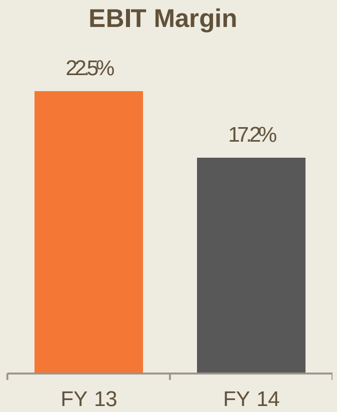
Half Year Result

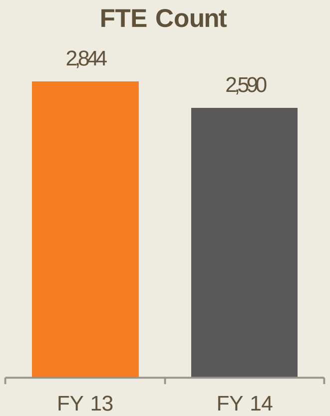
coates hire

- Revenue of $1,095m down (12%) on pcp, driven by soft trading conditions and sale of its UK operations during the year
- EBIT decreased (33%) on prior corresponding period and reflects the impact of the reduction in the number of large infrastructure and mining projects, particularly in Western Australia
- Sold its UK operations, realising $119m with a NPAT benefit in excess of $26m
- Focus on operating and capital efficiency and significant debt reduction through strong free cash flows. Net debt decreased by $291m over the year to $1,328m
- Coates have engaged Bain & Co to conduct a strategic review of its operating model









Notes:

1. Coates Hire is an equity accounted investment and therefore not consolidated into SGH's results.
2. SGH economic interest in Coates Hire of 45% based on diluted interest after considering vesting conditions for options issued under the Coates Hire Management Equity Plan.

Energy Investments

- At 30 June 2014, the investment in Nexus comprised secured debt with a face value of $45.7m and subordinated notes totaling $80.6m
- At the second creditors meeting on 11 August 2014, SGH's bid of $180m for the company was approved and represents an effective acquisition price of ~$191m excluding future capital commitments and transaction costs
- Nexus has a portfolio of offshore production, development and exploration assets in Australia comprising:
  - 100% interest in the Longtom Gas Project located in the offshore Gippsland Basin in Victoria, currently delivering gas to Santos Ltd under a Gas Sales Agreement to 2018
  - 15% interest in the Crux gas development project located in the Browse Basin, Western Australia (Shell 82% and operator, Osaka Gas 3%)
  - 100% interest in the Echuca Shoals exploration permit, also in the Browse Basin

Macro Trends Support SGH Energy Strategy

- Current long-term domestic gas supply contracts are concluding in the face of unprecedented demand growth from Gladstone CSG-to-LNG projects
  - Reserves are required to increase rapidly in the near-term in support of LNG export developments
  - The development of an LNG export industry in Eastern Australia expected to result in substantial increase in domestic gas prices
- Conventional gas reserves continue to decline with limited new discoveries in recent years

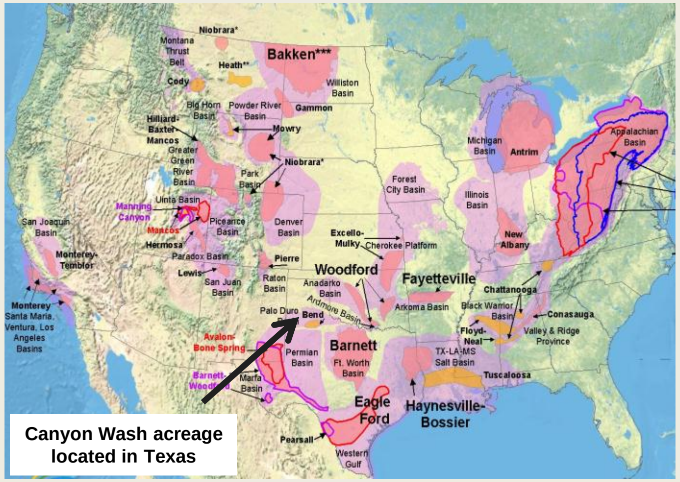
East Coast Australian gas market is tightening

- Increasing cost pressures challenging Australia's LNG competitiveness
- LNG on shore projects facing increasing scrutiny
- Floating LNG development concepts increasingly considered amongst the Majors (e.g. Shell, ExxonMobil and Woodside)
- Both environmental and labour cost benefits
- Proximity and logistical competitive advantage to key markets

Australian gas reserves well suited for floating LNG technology

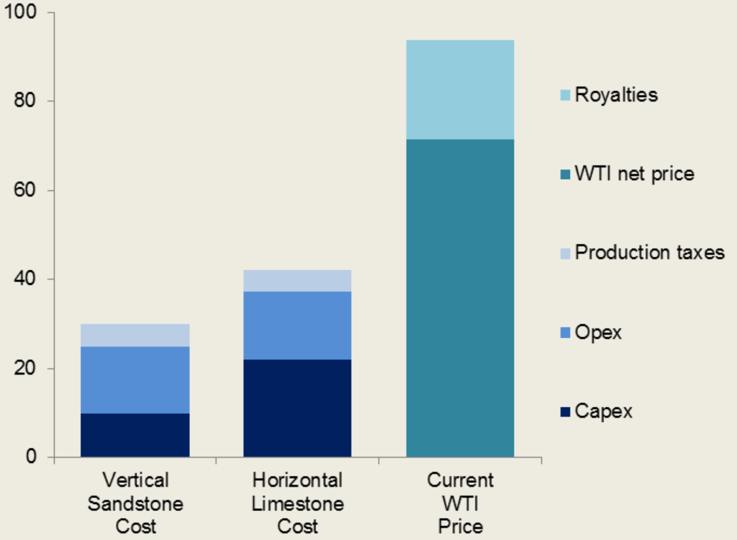
Energy – Bivins Ranch

- In June 2014, SGH acquired an 11.2% working interest in 200 square miles of oil and gas acreage in Texas for US$63.7m
- Stacked oil play consisting of sandstone deposits of Canyon Wash and Canyon Limestone
- Mix of production and development exposure with 11+ Mmboe net resource potential[1]
- 29 producing wells with at least two drilling rigs dedicated throughout 2014
- Revenue from current production capable of funding capex
- Producing ~80% liquids which provides end market exposure to crude oil pricing
- Currently targeting Canyon Lime horizontal wells
- Operated by Apache Corporation - strong operating presence in the region



Source: US Energy Information Administration

Production and Capital Cost Per Barrel (USD)[2]



Note 1: Resource potential is based on estimates that do not take into account the probability of commercial recovery and should therefore not be relied upon. Expected future resource recovery depends on various factors including reservoir geology, drilling success, production rates, development costs, operating costs and future prices.

Note 2: Production and capital costs per barrel are estimates based on current expectations and exclude acquisition costs.

Key Takeaways and Questions

- Significant restructuring across our industrial services businesses – focus returning to revenue generation and customer solutions
- Strong balance sheet in addition to strategic investments and property portfolio where we have demonstrated an ability to realise value
- We anticipate that underlying EBIT in FY15 will be flat, subject to there being no further deterioration in market conditions
- We are well positioned to deal with the challenges in our markets and have the capability to take advantage of opportunities going forward

SGH
Industrial Services, Media and Investments

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