

# INVESTOR UPDATE

## Matrix Composites & Engineering Ltd

Aaron Begley CEO

Michael Kenyon CFO

November 2010



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# Highlights

- ❖ Q1 FY11 unaudited management account numbers:
  - ❖ YTD Group Sales \$47.5million
  - ❖ YTD Group NPBT \$12.8 million (excluding \$2.8million MTM profit on currency options).
- ❖ Order book of approximately \$170 million at the end of October 2010 substantially underwrites another doubling of revenue for the FY11.
- ❖ Open quotation book of \$282.5million.
- ❖ Henderson Stage 1 commissioning commences in late Q2 FY11 and concludes January/February 2011.



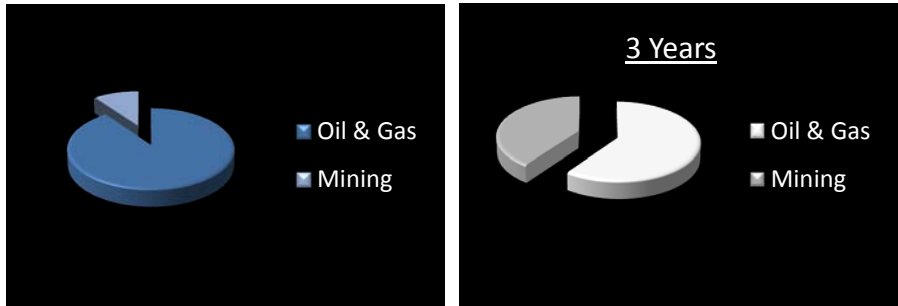
# Highlights

- ❖ Cryogenic Insulation is generating tendering enquiries.
- ❖ Down hole Products in the process of being relaunched; orders imminent.
- ❖ Production Buoyancy in the process of client approval.
- ❖ Corporate re-branding: the Begley International name will be discontinued from 1 Jan; Offshore Services and Heavy Engineering business units will be amalgamated into Matrix Composites & Engineering Ltd.

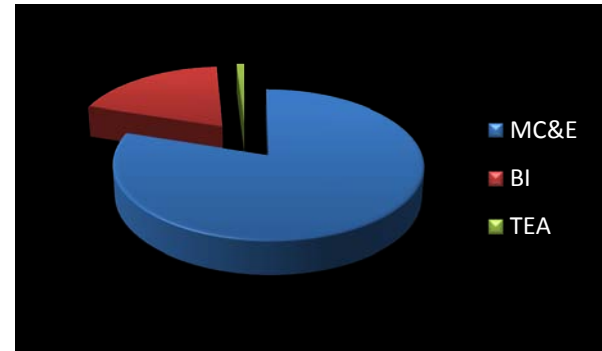


# Revenue Spread

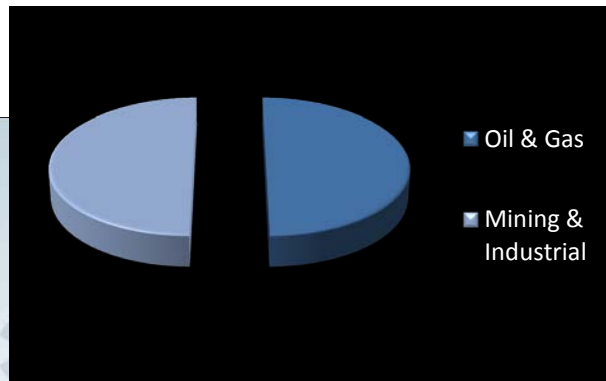
## Sales by Industry FY11



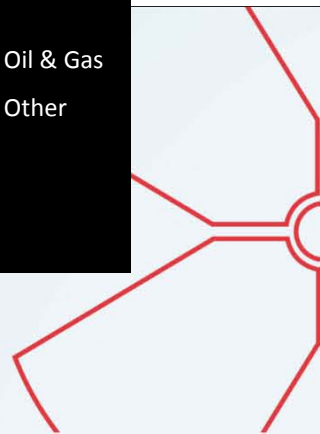
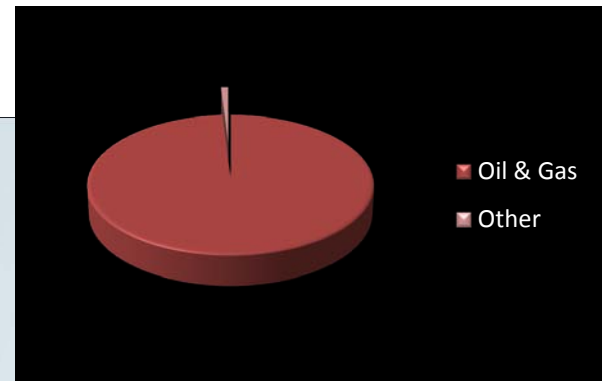
## Sales by Division FY11



## Heavy Engineering Sales by Industry FY11



## Composite Materials Sales by Industry FY11



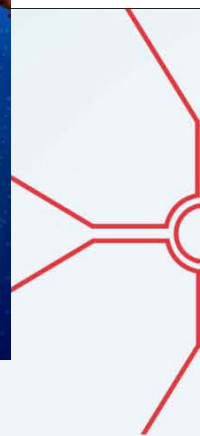
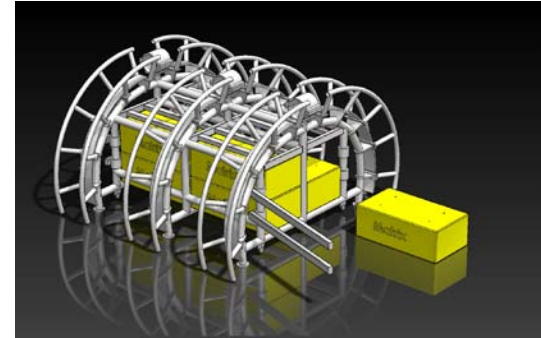
# Human Resources

- ❖ Staff numbers exceed 400.
- ❖ Manning up program for Henderson well under way.
- ❖ Several key appointments made during the period including Chief Financial Officer, operations management, business development and expansion of engineering sector.
- ❖ AS 4801 compliant HSE system underway, and MC&E now a member of IFAP.



# SURF Products

- ❖ AVL and qualification process under way with several big client and product lines.
- ❖ New personnel from the flexible riser industry recruited from offshore to key engineering positions.
- ❖ Engineering restructured to cater for sales and technical requirements for those product lines.
- ❖ Sales structure in the process of being expanded locally and internationally.
- ❖ New shallow water buoyancy system feasibility study completed indicating a significant new regional market.



# Henderson

- ✦ Stage 1 commissioning Dec 2010 – Feb 2011.
- ✦ Major equipment installation largely complete.
- ✦ Substantial orders already secured into FY12.

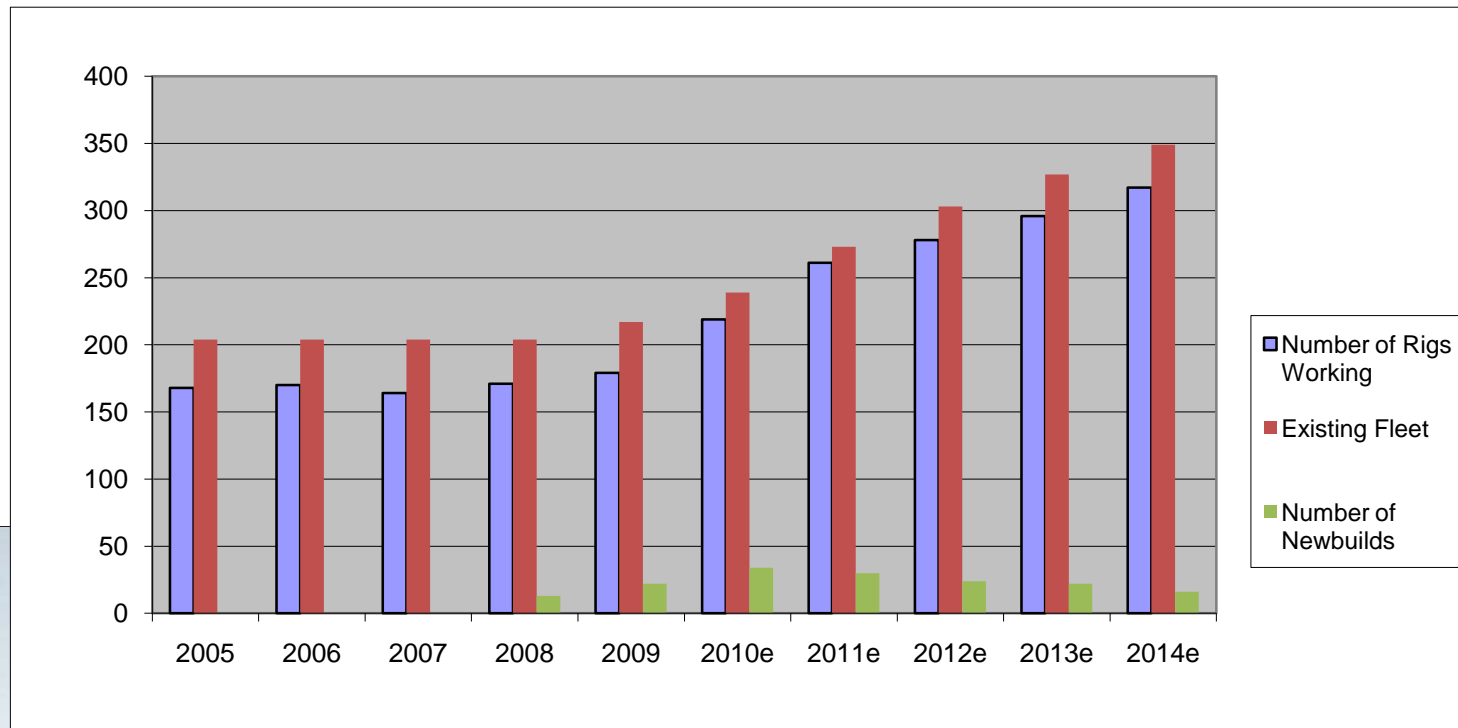


# Henderson



# Outlook

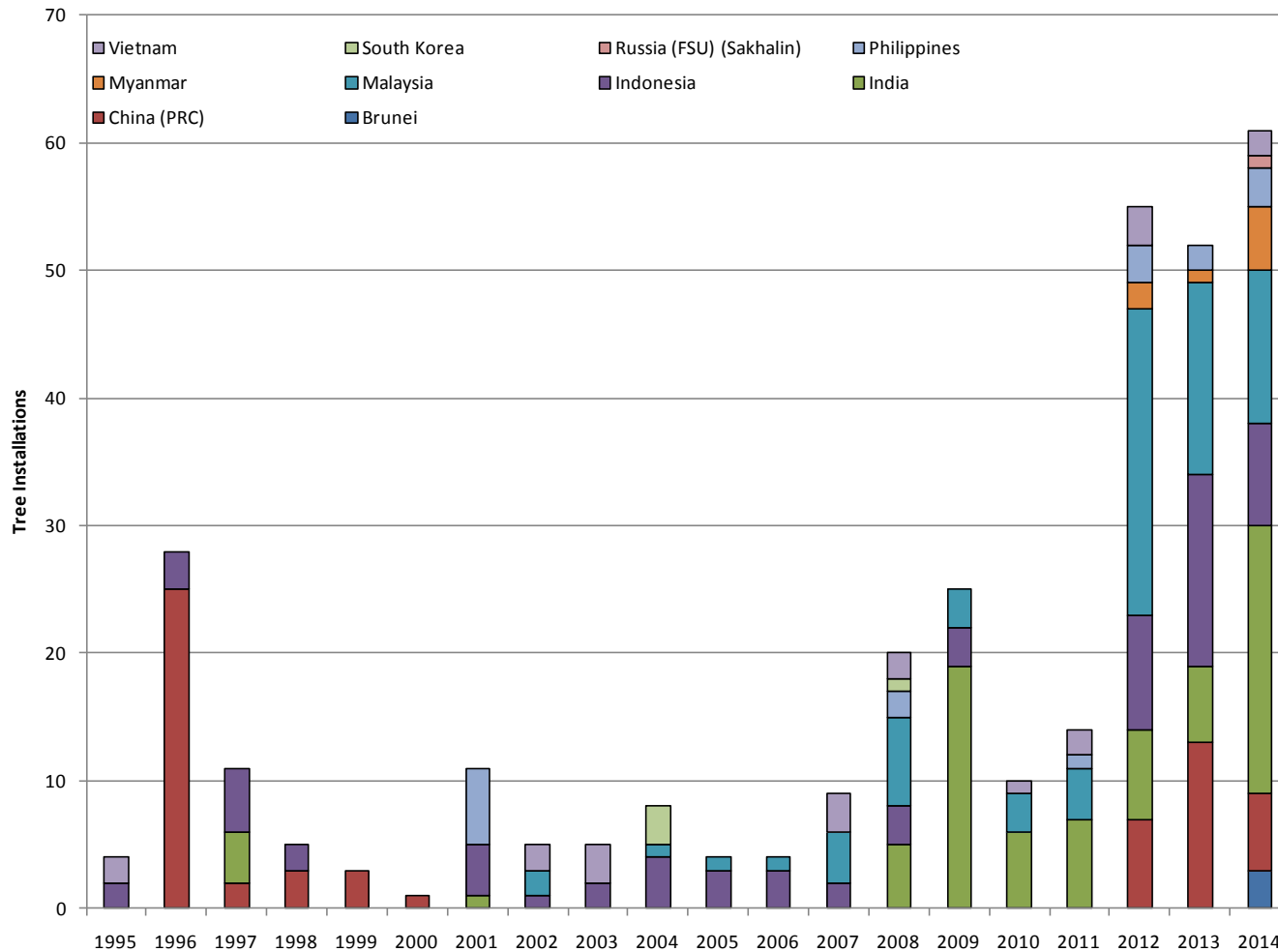
- ✦ Significant increase in quotation activity as new rig cycle starts to gather momentum indicating strong new build activity from 2011 onwards.
- ✦ Replacement / Retrofit market strong.



Source : MC&E Marketing Dept Rig Fleet Research Study June 2010 (updated Nov 2010)

# Outlook

- Regional subsea market set for significant growth (+400%) in 2012, leading to likely upswing in equipment orders in 2011.



Source : infield : Subsea Asia 2010

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