Citi conference Sydney

30 October 2013

TRANSFIELD SERVICES

Disclaimer and Important Information

This presentation is for information purposes only and is a summary only. It should be read in conjunction with the most recent financial report and Management Discussion and Analysis document. The content of this presentation is provided as at the date of this presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this presentation and, subject only to any legal obligation to do so Transfield Services Limited ('Transfield Services') does not have any obligation to correct or update content.

This presentation does not and does not purport to contain all information necessary to an investment decision, is not intended as investment or financial advice and must not be relied upon as such. Any decision to buy or sell securities or other products should be made only after seeking appropriate financial advice.

This presentation is of a general nature and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor.

Any investment decision should be made solely on the basis of your own enquiries. Before making an investment in Transfield Services, you should consider whether such an investment is appropriate to your particular investment objectives, financial situation or needs.

To the maximum extent permitted by law, Transfield Services disclaims all liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any loss arising from this presentation or reliance on anything contained in or omitted from it or otherwise arising in connection with this.

All amounts are in Australian Dollars, unless otherwise stated. Certain statements in this presentation relate to the future, including forward looking statements relating to Transfield Services' financial position and strategy. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Transfield Services to be materially different from the future results, performance or achievements expressed or implied by such statements.

Throughout this document non-IFRS financial indicators are included to assist with understanding Transfield Services' performance. The primary non-IFRS information is proportionately consolidated financial information; net profit after tax pre-amortisation and impairment charges ('NPAT pre-amortisation and impairment charges'); earnings before interest, tax, depreciation and amortisation (EBITDA); earnings before interest and tax (EBIT); and cash conversion (operating cash flow excluding interest and tax divided by EBITDA). Management believe proportionately consolidated information is a more accurate reflection of operational results due to the magnitude of joint venture arrangements in place. Proportionately consolidated results reflect Transfield Services' entitlement to the joint venture revenues and earnings. Management deems NPAT pre-amortisation to be an appropriate measure of underlying NPAT after adjusting for amortisation of acquired intangibles. EBITDA, EBIT and cash conversion measures are useful in understanding Transfield Services' core operational performance. This document has not been subject to review or audit by Transfield Services' external auditors. All comparisons are to the previous corresponding period of FY12, the 12 months ended 30 June 2012, unless otherwise indicated.

Agenda

- Group Overview
- Recap: Major Initiatives, First 12 Months
- Ongoing Initiatives
- Technology – Case study of benefits from new system
- Outlook & Guidance
- Appendix

Group overview

Good business fundamentals – focus on enhanced execution

Government sector exposure

Long dated production related revenue

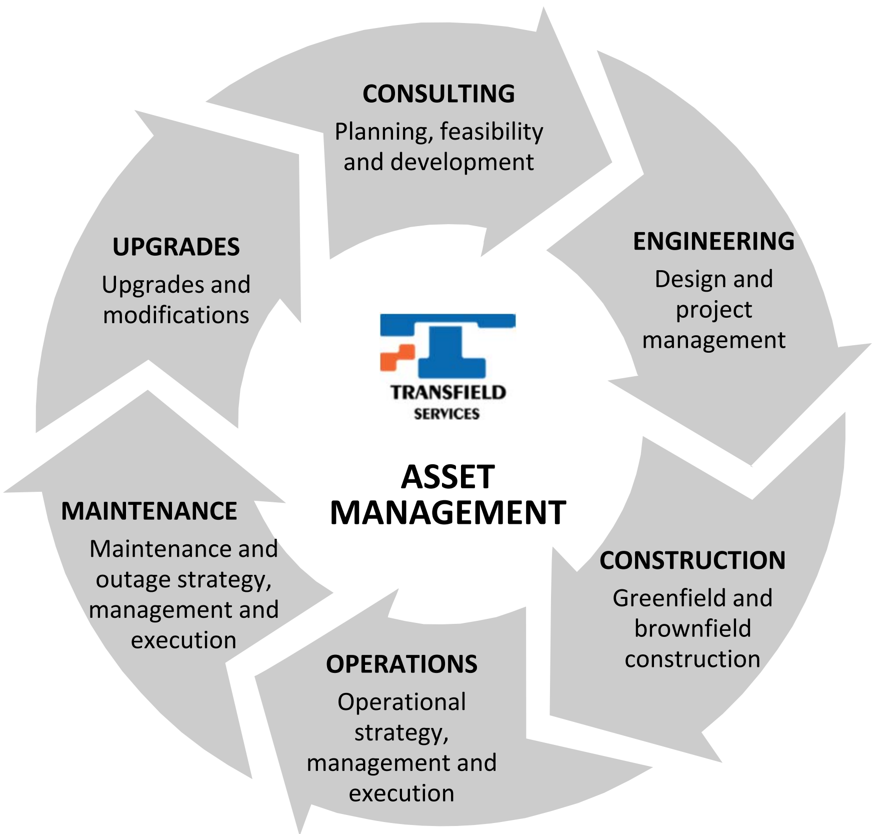
Benefit from opex wave that follows capex wave

Strong oil and gas O&M exposure

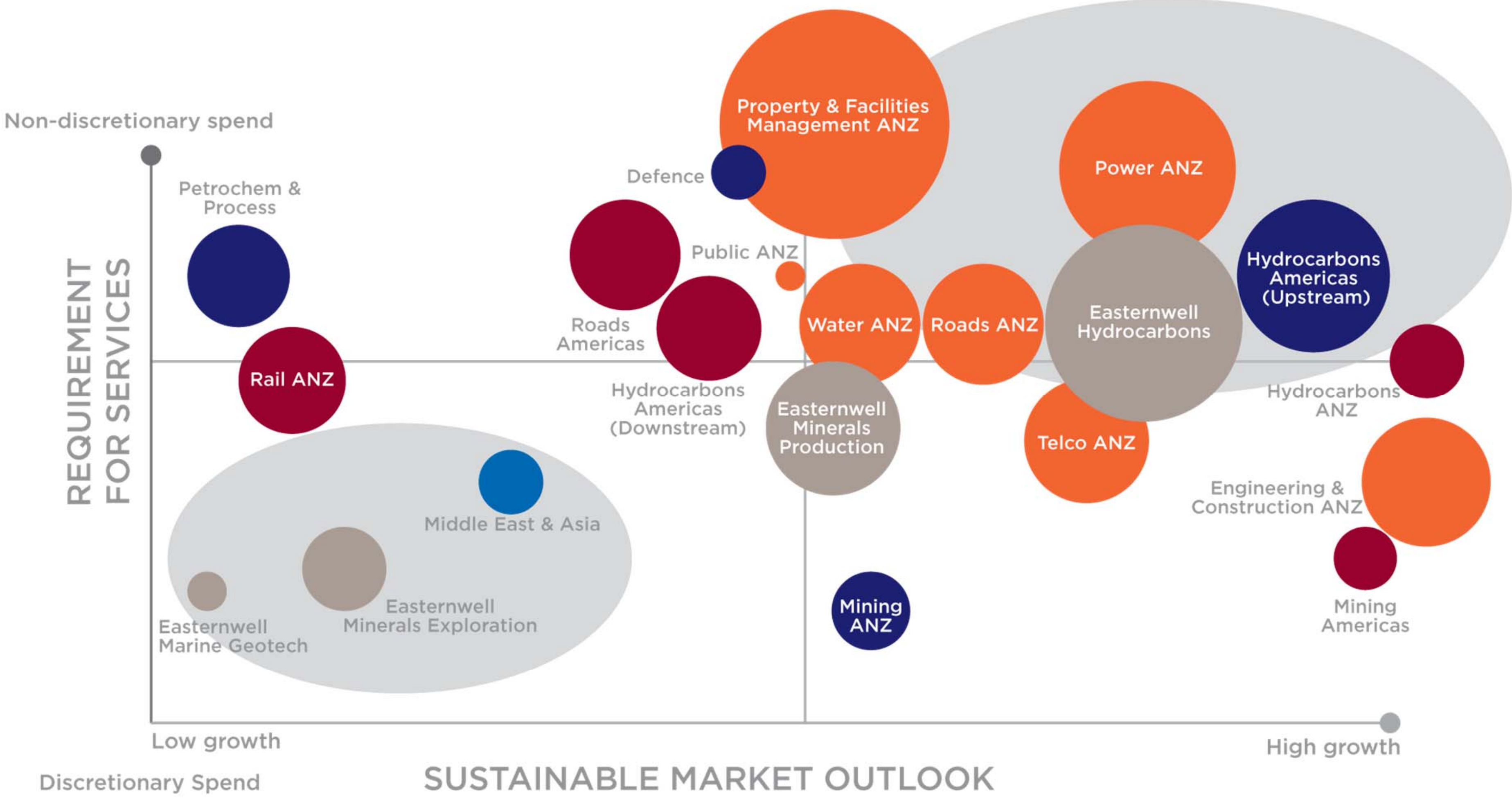
Revenue 60-40 Infrastructure and R&E

Better aligning business with client needs

- Keep pace with change and clients
- Create value by lowering client cost of ownership and improving productivity: not labour hire
- Sharpen focus and discipline to secure life-cycle and value-add contracts to drive better returns

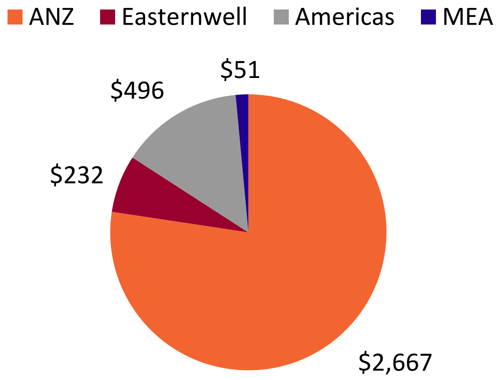


Strategy – "If we stop, they stop"

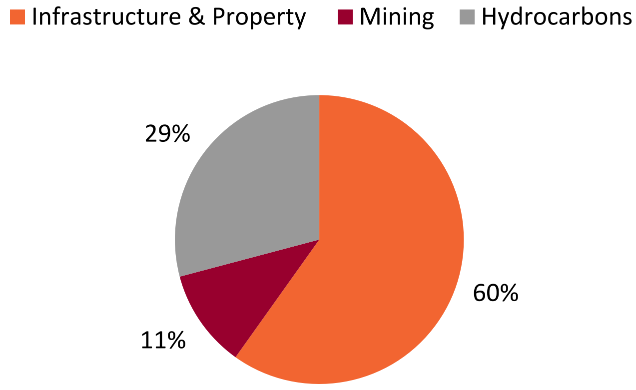


Group Revenue and earnings overview

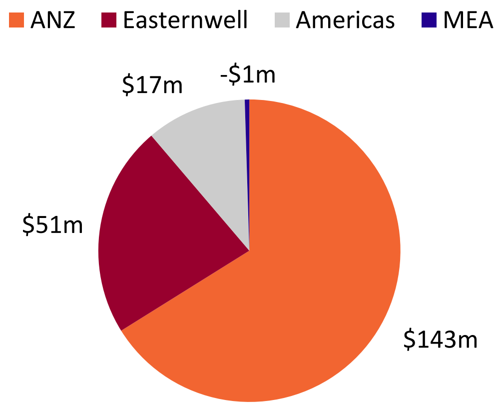
Revenue $m



FY13 Revenue by end market

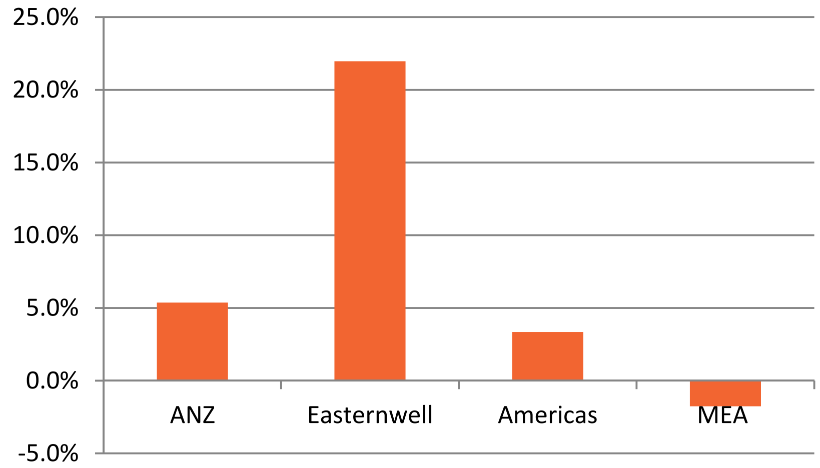


EBITDA by segment



** Operating segments only, as disclosed in Note 4 to FY13 financial statements*

EBITDA Margin %*



Recap: Major initiatives, First 12 months

TRANSFIELD SERVICES

Major initiatives to August 2013

TRANSFIELD SERVICES

Nov 2012

Refined strategy

- RoCE now prime focus
- Organic growth focus, not acquisitions
- "If we stop, they stop"

Global portfolio review

242 positions removed

Entire management layer removed

Capex reduced 25 %

Dec (First half FY13)

Net $29m cost reduction for FY13

Easternwell integration into ANZ R&E completed 2H

Procurement & asset management centralised

117 further positions removed, offices closed

Enhanced bid and risk process

Non-core business divestment underway

Ongoing contract overhead reduction

Repetitive back office functions outsourced

ERP rollout 2/3 complete

June (Full year FY13)

New energy rig JV in progress

Safety focus significantly improved

More cost reductions

Refinance of Dec 2013 debt completed

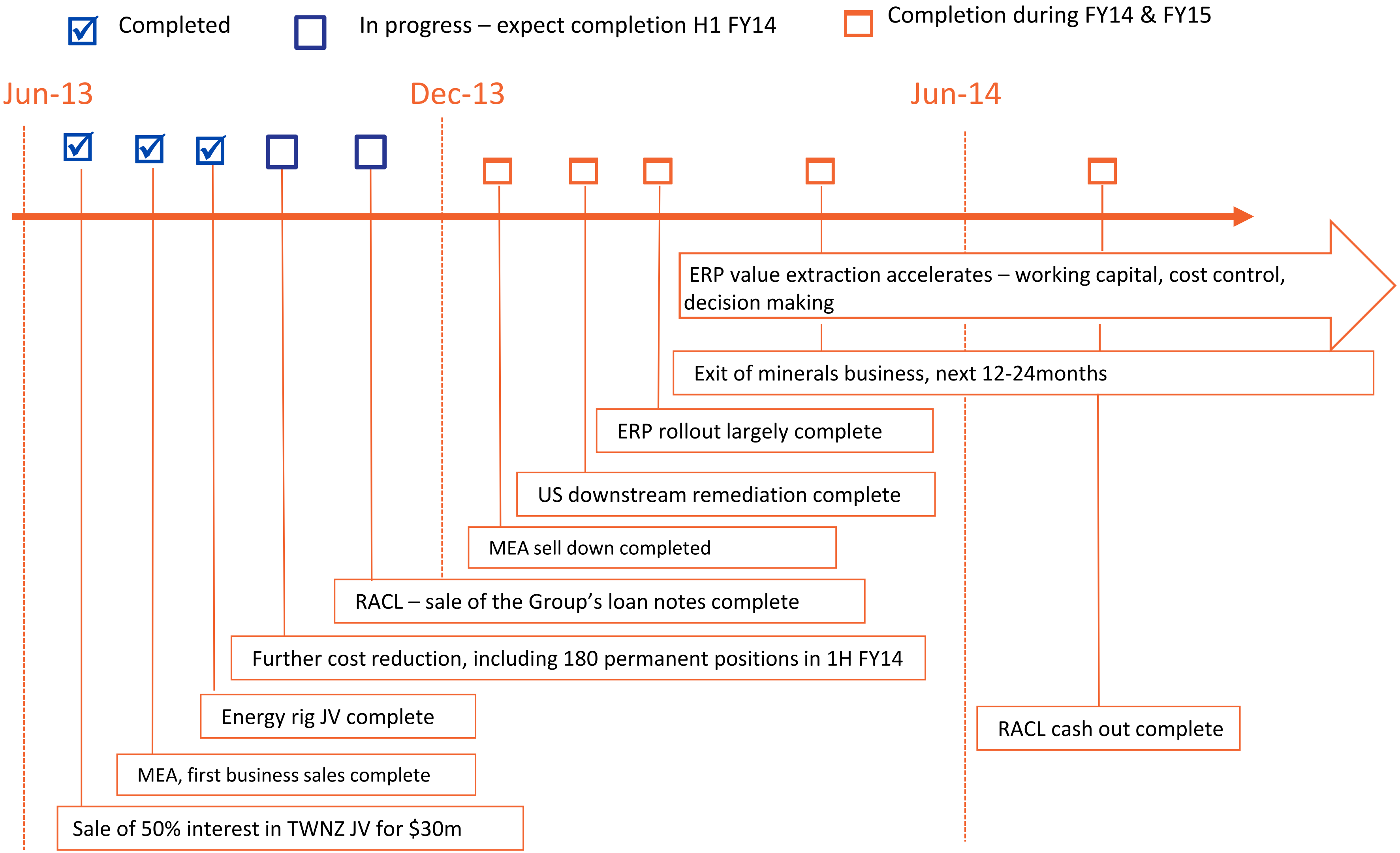
Good progress and momentum

Completed FY13 | Phase one complete | Completion during FY14 & FY15 | Ongoing focus

Ongoing Initiatives

TRANSFIELD SERVICES

Ongoing initiatives



Momentum maintained, we will continue to update the market

Shifting culture through an innovative program directly aligned to business imperatives

TRANSFIELD SERVICES

Business Imperative	**What we do and how**	Customer and Shareholder delivery: Measures: Financial, Safety, Customer, Development
Change Journey	**Mindset and behaviour shifts**	**Commercial mindset:** **Profitability** – efficient use of human and physical assets **Risk management** – changed customer demands **Discipline and accountability:** Clear roles and responsibilities Consequence management

	Phase 1: Build the foundation Jul 2011 – Oct 2012	Phase 2: Accelerate the change Oct 2012 - ongoing
Adaptive	**Top 200 change program +** **Follow-up coaching and interventions**	**Key interventions to tackle 'must win' business challenges**
Technical	**Systems and Processes e.g.** • Revised incentive scheme • Quantum • Shared Services • Performance expectations	**Embed new capabilities, systems and processes e.g.** • Quantum • Governance and Assurance • Targeted capability reviews and change outs
Outcomes	• Expectations of leaders articulated • Common language and tools • Shifts in behaviours and mindsets • Aligned people management systems and processes	• Tackling real business challenges • Leaders accelerate shifting the limiting patterns, mindsets and behaviours in the organisation

Bid process - New Quality Assurance Function

- With changing commercial models, a change in approach to the assessment of tenders is required.
- The Assurance function will assist Management's decision making during the tender process by:
  - Providing an appropriately robust and independent review and analysis of new opportunities and ensuring material issues are referred to the Business Manager;
  - Ensuring that the information presented to the Business Manager is clear and concise, is supported by facts and provides a reasonable reflection of key material risk/reward issues and value driver sensitivities;
  - Provide independent and unfiltered advice/opinion to Business Manager to assist with his/her decision making;
  - Maintain traceability record of commercial & legal issues raised during RFP/contract review, the assessment of the materiality of risks, and recommended response/rationale.

Key Principles:

- ***Focus*** :Focus our resources and energy to ensure we pursue the right opportunities and get the really important stuff right.
- ***Performance Accountability Culture***: Visible and predictable performance management consequences for patterns of out/underperformance.
- ***Risk Based Financial modelling& pricing***: Consider both the *expected* financial outcomes and their *certainty* by analysing the credible envelope of alternative financial outcomes.
- ***Value Drivers:*** Deepened analysis and understanding of the Commercial Model of the opportunity and quantification of Transfield Services' exposure to key value drivers.
- ***Capability:*** Objective assessment of our proposed team experience and Transfield Services Group performance record with similar scope, commercial model and delivery solution.
- ***Quality/Consistency***: Estimate builds based upon standardised inputs, methodologies and valid benchmarking.
- ***Assurance Review:*** Robust and ongoing independent review & challenge during proposal development/negotiation, and verification during transition into operations.
- ***Value Leakage:*** Track & report any leakage of value or deterioration of commercial risk controls from bid approval>signing>transition>operations.

Our performance improvement approach

TRANSFIELD SERVICES

- Business operating model review over the next 6 – 12 months
- Focus on our sectors, service offerings and internal supporting structures

Balance sheet

TRANSFIELD SERVICES

- Bank refinance – completed
  - Debt due for renewal on 31 December 2013 refinanced. $143m extended for two years, US$100m voluntarily cancelled
  - Next major refinance due December 2014
- Easternwell JV funding vehicle – established
  - Debt held in the new JV will not be recorded in Transfield Services accounts
  - No impact on current banking arrangements
  - To fund new energy servicing and drilling rigs
- Debt reductions – planned through FY14 and FY15
  - Business and asset sales
  - Group capex declines by 48%
    - Maintenance capex reduced
    - ERP capex declines
  - Working capital discipline – targeting circa $100m over 12-18 months

Capital demands decline sharply in FY14

	FY13A A$m	FY14E A$m
Group capex (excl Easternwell)	114.0	57.0
Easternwell maintenance capex	14.2	14.0
Easternwell growth	31.2	12.0
	$159.4m	**$83.0m**
Dividends paid and share buy back 1H	$66.1m	$0.0m
Dividends paid 2H	$15.4m	
Capital used	**$240.9m**	**$83.0m**

Safety focus significantly increased

- Safety culture and focus enhanced with emphasis on line accountability
- Lost Time Injury Frequency Rate, down 31%, lowest ever recorded
  - 31 % improvement
  - 0.95 lost time injuries per million hours worked
- Total Recordable Injury Frequency Rate, down 21%, lowest ever recorded
  - 21 % improvement
  - 5.99 injuries per million hours worked
- Overshadowed by death in Chilean business
  - Fatal fall at Antofagasta mining site in June 2013
  - Company and local authority investigations complete
  - Learning embedded in procedures and culture change

Technology – Project Quantum

- Quantum is replacing multiple fragmented processes and systems with simplified/standardised processes and a single global technology platform
  - Completed scope of rollout in US, 3 businesses 'migrated' , focus now on ANZ with deployments already underway
  - Progressing to overall schedule, calendar 2014
  - Tracking materially to planned spend, benefits baked in forward forecasts/budget

- Benefits relate to
  - Speed of implementing new contracts/change to existing : Steier implementation less than 50% of time taken previously
  - Significant improvement of underlying business dynamics : invoicing quicker than payment to employees/sub-contractors (Steier)
  - Prevention of revenue leakage : R&E (US) – equipment billing
  - Reduction of rework : Payroll 'off cycle' payments in US reduced from up to 10% to less than 1%
  - Earlier visibility of information for commercial management
  - Foundation for value-add 'smarts' for clients : in-field mobility for Gippsland Water (Infrastructure)
  - Direct reduction of roles previously 'compensating' for fragmented information flows/platforms

Technology –
Case study of benefits from new system

TRANSFIELD SERVICES

Business need across our majority of our business

TRANSFIELD SERVICES

- Across ANZ approximately 60% or $2bn p.a. of our work is on assets that are geographically dispersed from the depot or managing office
- Typically paper based operational processes, manual systems e.g. Excel based

Future state ➔ *Mobility Devices*

Business solution and opportunity

On our Gippsland Water contract we have implemented automated scheduling and dispatch solutions integrating to SAP

- Scheduling & dispatch
  - Optimising of field staff, routing, bundling work by location or like task
  - Handling of “jeopardies” situations
  - Dispatching work to field staff automatically or manually
  - Work order status tracking

- Mobility in the field
  - Work order management in the field, status visibility
  - Data collection in the field flowing back to SAP
  - Greater communication between field and office, photos, textboxes, emails
  - Improved response times

Systems introduction process

TRANSFIELD SERVICES

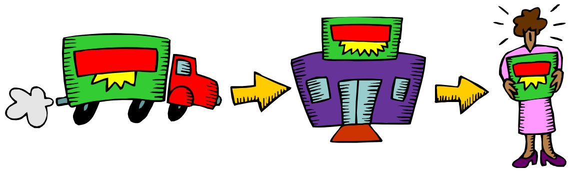
- This journey involved changes to business processes, people and systems
- No dependencies exist between scheduling and mobility software, as the systems are complementary

Systems

Scheduling	Systems	Scheduling
Client owned Asset management systems	SAP software for back-end platform, including work order management planning	Scheduling software
	Mobility Software	

People

Business Processes



Client and business benefits

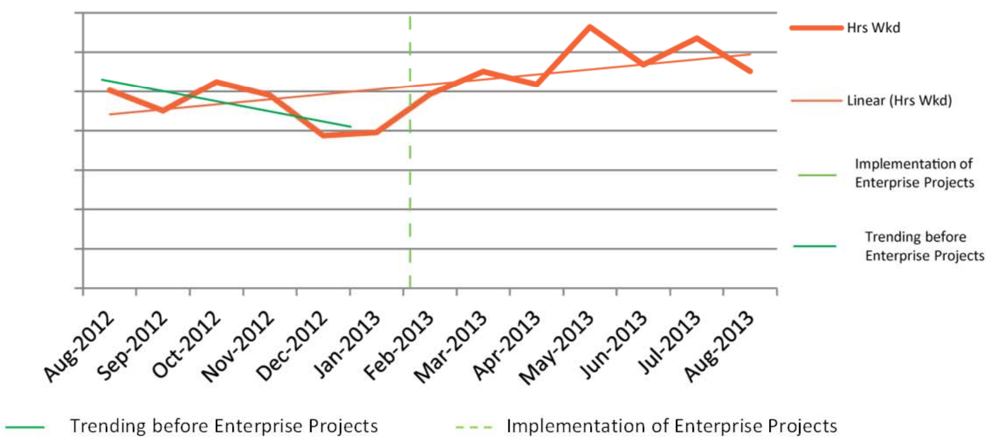
- The follow qualitative and quantitate benefits have been realised

Qualitative benefits	Quantitative benefits
Greater communication between field staff and back office, e.g. email, work notes in SAP mobility product	Improved cost control with reduced lag in gathering of real time field expenditure
Better visibility of status of field work	Increased productive man hours yielding workforce efficiency and client savings
iPad enables technicians to take picture of assets in field, and to send to back office	Superior management of performance against KRAs / KPIs, particularly those with a cost, time or overhead incentive
iPad enables technicians to have access to internet to lookup O&M manuals and part lists	Improved work order transfer
Increased competitive advantage	Payback period less than half the contract life

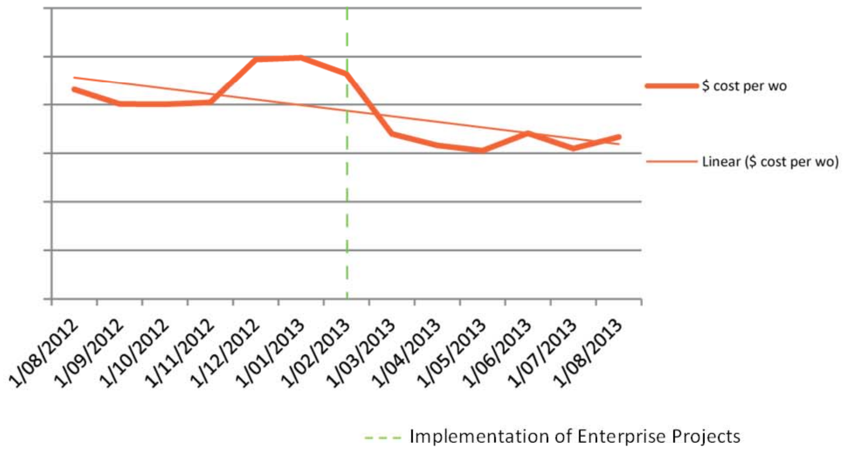
Business benefits quantified

TRANSFIELD SERVICES

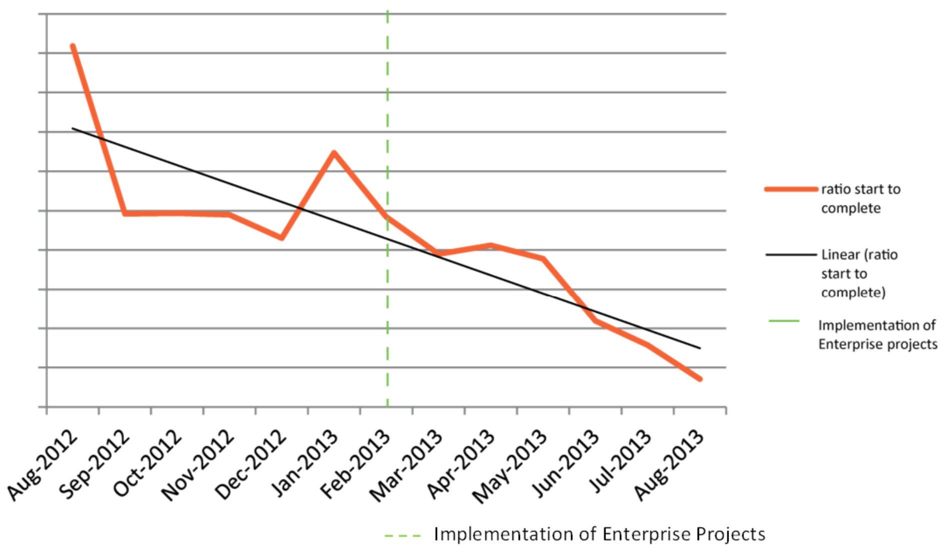
Productivity increase - 30% improvement



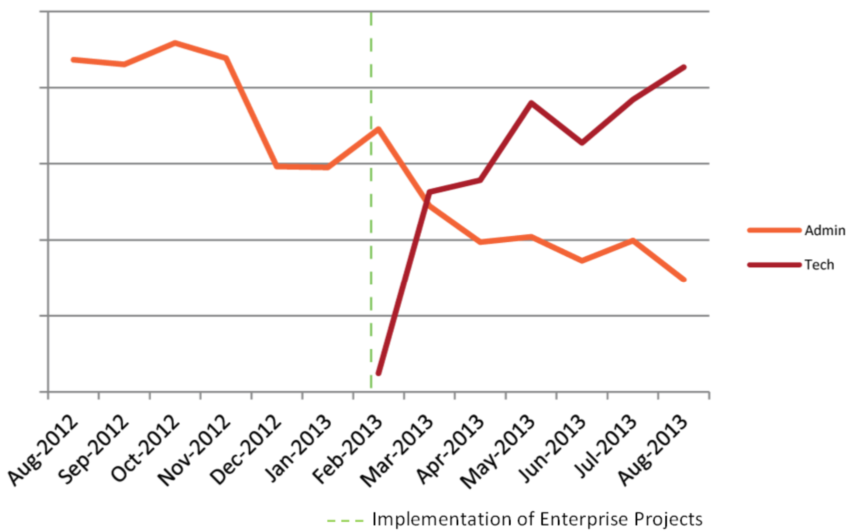
Fuel cost per wo ($) - down 20%



Average WO Completion time - 80% improvement



Number of work orders – increased infield origination



Outlook & Guidance

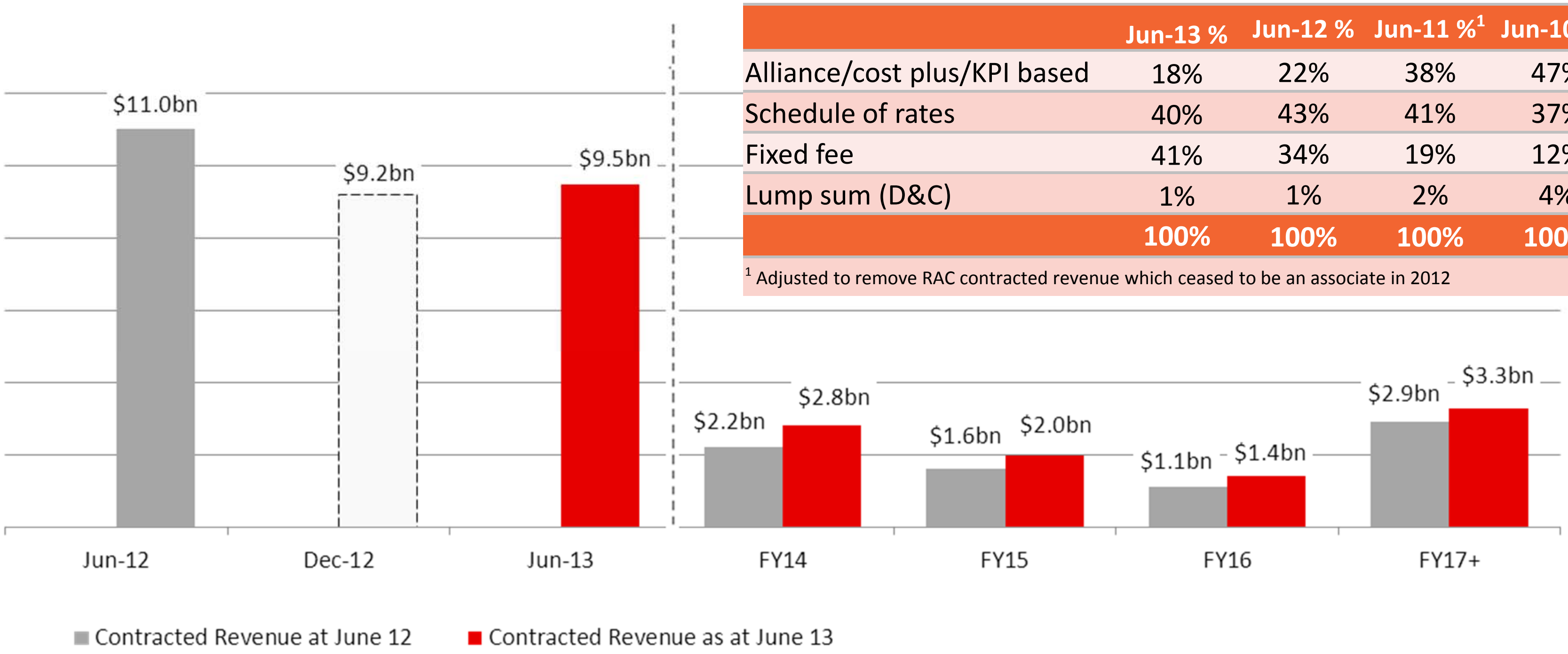
TRANSFIELD
SERVICES

Market environment

- Growth and strong activity in sectors including: Coal seam gas, upstream oil & gas, defence
- Infrastructure operations and maintenance seeing some weakness but only at the margins as these are essential services – power, road and rail
- Mining and process industries slowdown continues
- Customers showing increasing cost and capital discipline across all sectors and geographies

Contracted Revenue

TRANSFIELD SERVICES



	Jun-13 %	Jun-12 %	Jun-11 %[1]	Jun-10 %[1]
Alliance/cost plus/KPI based	18%	22%	38%	47%
Schedule of rates	40%	43%	41%	37%
Fixed fee	41%	34%	19%	12%
Lump sum (D&C)	1%	1%	2%	4%
	100%	100%	100%	100%

[1] Adjusted to remove RAC contracted revenue which ceased to be an associate in 2012

- Order-book $9.5 billion at June-13, down 13.6% Jun-12, but up from Dec-12
  - Order-book is exclusive of $1.4 billion in contract extensions and $0.4 billion of work currently preferred or under negotiation
  - $2.8 billion of revenue contracted for FY14
- Pipeline $25.2 billion, down 16.8%
- Reflects tighter strategic focus on growth sectors and slow six months for contract awards across the economy outside of CSG

Guidance and Outlook

- Growth and strong activity in coal seam gas, upstream oil & gas and defence to out pace other sectors

- Increased opportunities expected in infrastructure and resources from 2H FY14 as customers seek the efficiencies available through outsourcing and new plant comes on line

- Notwithstanding the macro business environment which will limit revenue growth in FY14, the group expects to report NPAT pre amortisation in the range of $65 million to $70 million, due to the benefit of cost reductions implemented during FY13 and the Group’s strengthened focus on execution discipline

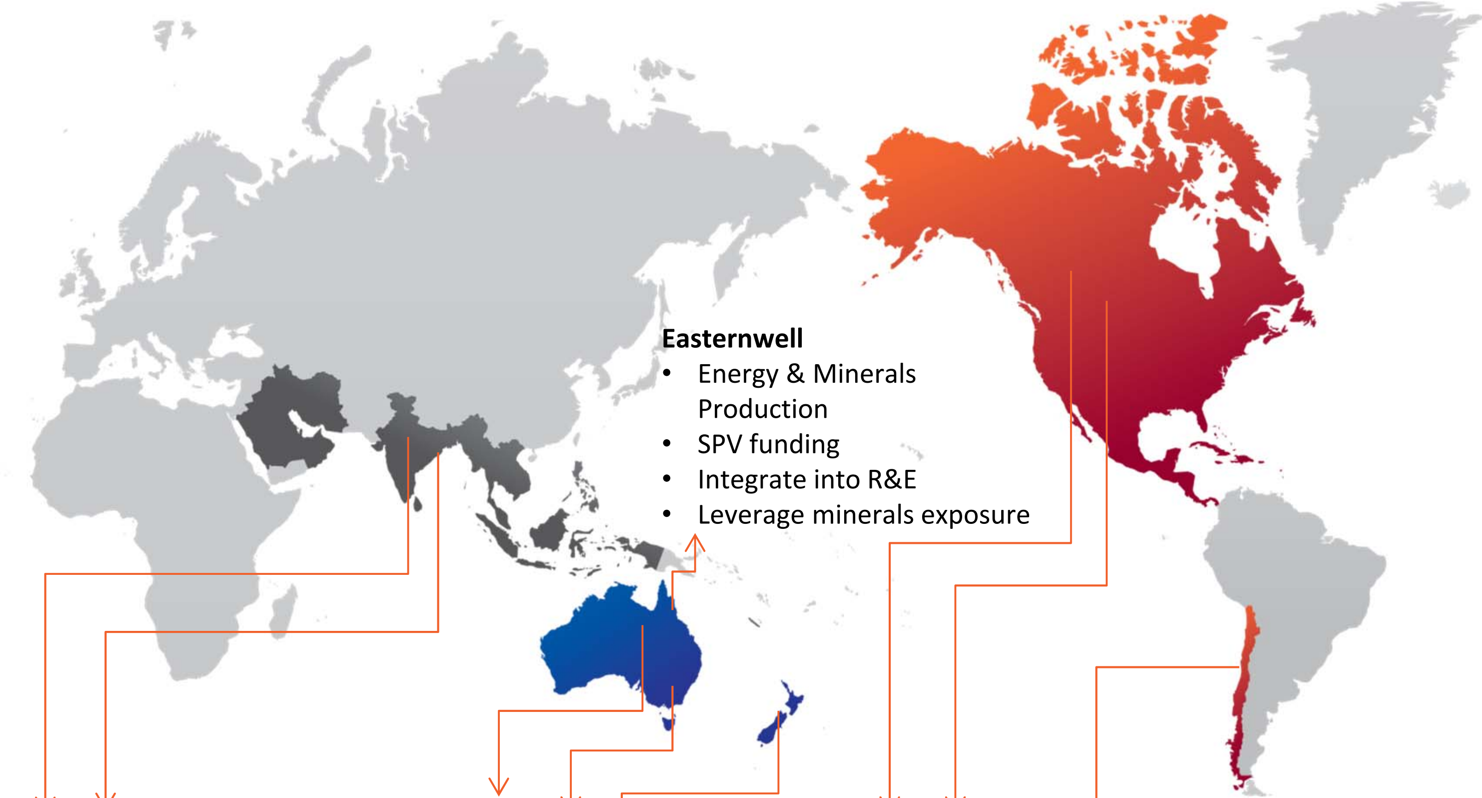
- Restructuring costs of $6.3 million pre-tax have been absorbed in this guidance which also assumes no further deterioration or significant improvement in the macro environment

Appendix

TRANSFIELD SERVICES

Core businesses

TRANSFIELD SERVICES



Easternwell
- Energy & Minerals Production
- SPV funding
- Integrate into R&E
- Leverage minerals exposure

India back office and Asia

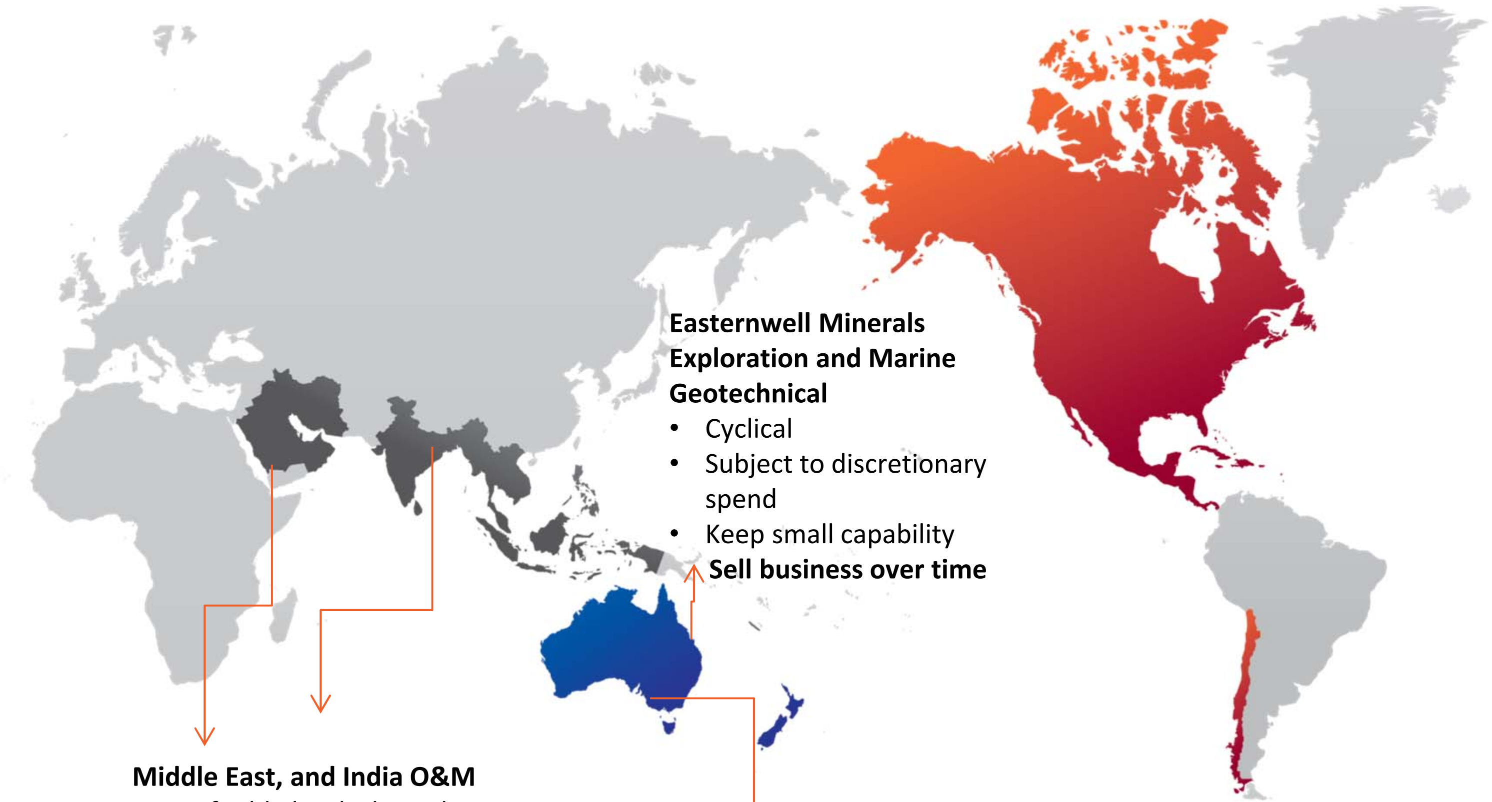
•Retain Hofincons back office
•Continue TW JV
•Selectively grow in value-add niches

ANZ region
- Oil & Gas
- Minerals production
- First generation outsourcing
- Consulting, E&C
- Integrated Services
- Asset based solutions

Americas

•Continue cost out
•Focus on upstream unconventional hydrocarbons, using Steier & Easternwell
•Accelerate repositioning of TIMEC to focus on Gulf Coast high value services
•Grow FTS
•Enhance integration of INSER-TS JV – exposure to Chilean mining

Non-core businesses



Easternwell Minerals Exploration and Marine Geotechnical

- Cyclical
- Subject to discretionary spend
- Keep small capability

Sell business over time

Middle East, and India O&M

- Profitable but lacks scale

Sell businesses over time

RACL

- Rates of return below TSE ROCE
- Proposed Investments will dilute holding

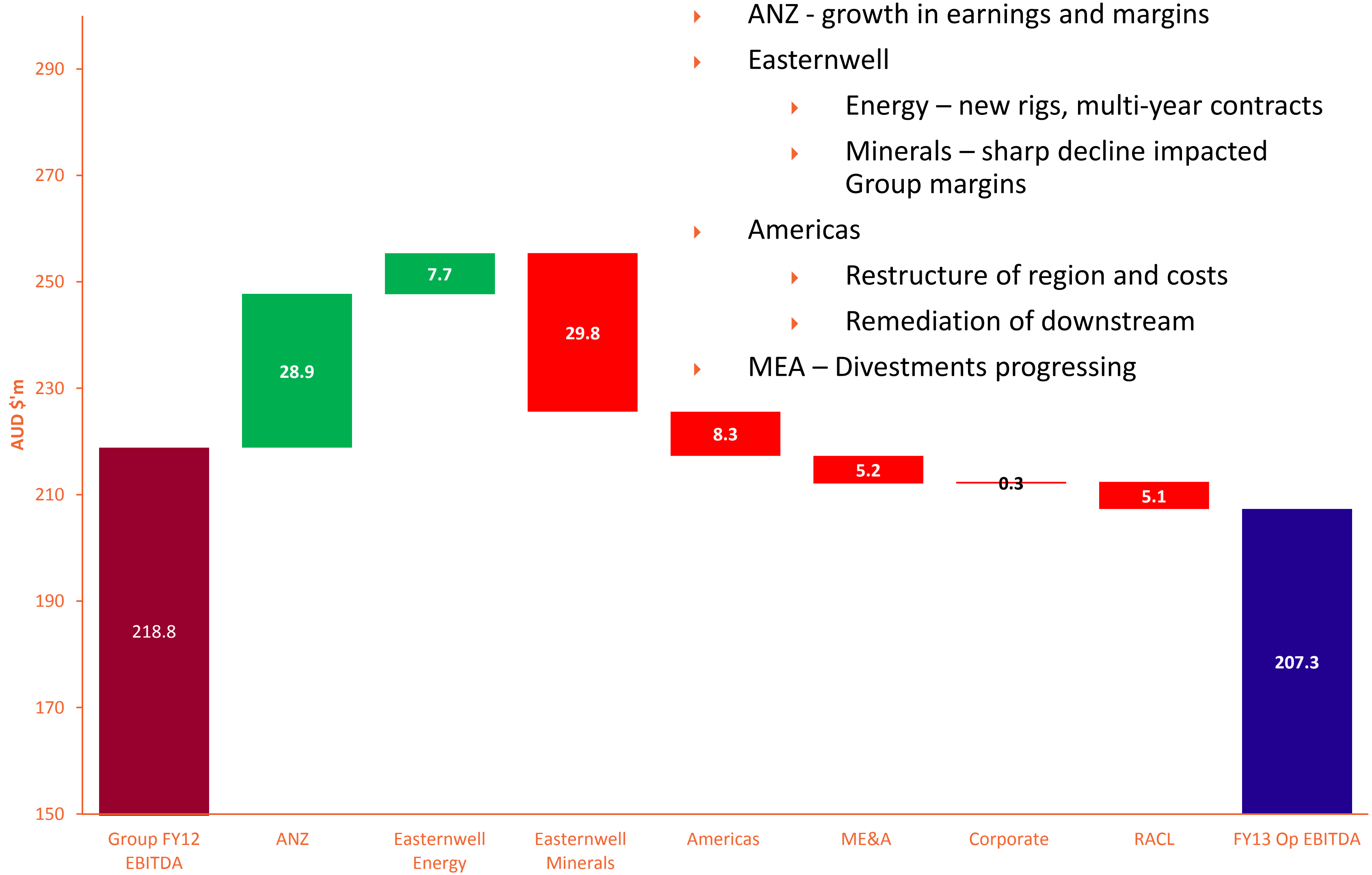
Sell holding over time

Financial Summary

(A$m)	FY13	FY12	Change
Total revenue	3,451.5	3,143.4	9.8%
EBITDA (wholly owned)	152.7	174.6	-12.5%
Joint Venture (post tax)	54.6	44.2	23.5%
EBITDA (stat)	207.3	218.8	-5.2%
EBITDA margin (statutory)	6.0%	7.0%	-100bps
NPAT pre amortisation & impairments	62.5	106.0	-41.0%
Amortisation	-$17.0	-$21.3	
Impairment charges (post tax)	-295.5	0	
Reported NPAT post amortisation and impairments	-250.0	84.8	-395%
Cash Conversion of EBITDA	121%	76%	

- Revenue up 9.8%. Significant contract wins, including public transport and coal seam gas
- EBITDA pre impairment of $207.3m, down 5.2%;
- EBITDA margin 6.0% (6.7% pre-restructuring costs)
- $23.1m (pre-tax) of restructuring costs absorbed in this result
- NPAT pre amortisation and impairments of $62.5m, down 41%, after $16.2m of restructuring costs
- Statutory NPAT loss of $250.0m, includes impairment charges $295.5m post tax and non-controlling interests
- No final dividend due to focus on strengthening balance sheet

Segment performance



- ANZ - growth in earnings and margins
- Easternwell
  - Energy – new rigs, multi-year contracts
  - Minerals – sharp decline impacted Group margins
- Americas
  - Restructure of region and costs
  - Remediation of downstream
- MEA – Divestments progressing

Thank you

TRANSFIELD SERVICES