

26 November 2014

**2014 ANNUAL GENERAL MEETING  
CHAIRMAN'S ADDRESS – MAC DRYSDALE**

Good morning Ladies and Gentlemen

**Delivering on Growth Strategy**

The 2014 fiscal year has been a successful year for the Seymour Whyte Group, despite declines in the broader engineering and construction sector.

Over the past 18 months, Seymour Whyte has experienced a fundamental shift in the business following the Board's commitment to lay the foundation for, and activate, the Company's strategy for growth and diversification.

We have delivered on our growth plans by expanding our operations beyond the core civil construction business, increased our sector offering, created greater financial strength and increased the sustainability of the business by adding to our strategic assets and intellectual capital. This was achieved through the acquisition of Rob Carr Pty Ltd, a civil construction and micro-tunnelling specialist in early 2014.

We achieved a total shareholder return of 94% at 30 June 2014 which puts Seymour Whyte as one of the top performers when compared to the ASX 200.

**Challenges**

The first half of the 2015 financial year has been challenging, largely driven by the highly competitive market, slower than usual progress on finalisation of tenders and the decline in the resources construction pipeline. In addition, work generated by the Queensland floods is wrapping up. When you add to this, that a number of Queensland government transport projects are yet to come to market, it is easy to see how difficult the first half of 2015 is shaping up.

**Strengths**

Despite the challenges, Seymour Whyte is positioned to capitalise on what we anticipate will be a better second half of the 2015 financial year. The Group has strengthened its management team and has invested in its business systems which have been significantly enhanced and are in our view now approaching a level of excellence.

Since the acquisition of the Rob Carr business, the management team, led by David McAdam, have undertaken a focused and disciplined process to integrate it into the Seymour Whyte Group. The Board is very pleased with the progress management has made to integrate the Rob Carr business and to deliver on the Group's growth strategy.

The Board has every confidence in the management team to meet the challenges posed by the current competitive market. We are well positioned on a number of project opportunities that we are currently tendering and we are in a strong position to capitalise on those opportunities when the market improves.

### **New Directors**

We have also increased the strength of our Board. In the 2014 financial year we welcomed two new directors to the Board. In January this year, Professor Chris Greig joined the Board as an independent non-executive director. Chris has held several non-executive director and senior executive roles in construction, mining and the clean energy industries in Australia and overseas in a career spanning 25 years. Chris has been an invaluable member of the Seymour Whyte Board and has taken on the role of Chairman of the Company's Nomination and Remuneration Committee.

Then in April this year, following the acquisition of Rob Carr Pty Ltd, Rob Carr himself joined the Board as an executive director. Rob is the founder and CEO of Rob Carr Pty Ltd, acquired by Seymour Whyte in February this year. Rob has successfully managed the business since its inception in 1989 to the thriving and innovative company it is today.

Both Chris and Rob have been valuable additions to the Board. They are standing for election by shareholders today and I commend their appointments to you.

### **Retiring Director**

John Ready, who has been a non-executive director of Seymour Whyte since November 2010 is required as a result of the Company's constitution to retire at this AGM. John has advised the Board that he does not intend to stand for re-election. John's 40 years' experience in civil engineering has been a great skill for the Seymour Whyte Board and we will be actively seeking a replacement director to fill the void left by John. I am pleased to advise however that Mr John Seymour has requested Mr Ready to act as his alternate director and the Board has consented to that request. John Ready will shortly be formally appointed as John Seymour's alternate director.

### **Garry Whyte**

Ladies and Gentlemen, I want to pay tribute to Garry Whyte, the widely respected and highly regarded co-founder of Seymour Whyte. Garry sadly passed away earlier this year after an ongoing and valiant battle against a major illness. Not only was he the co-founder of Seymour Whyte, Garry was one of the driving forces behind the company for more than 24 years. Gary Whyte together with John Seymour began Seymour Whyte as a family business in 1987. They went on to achieve great success in developing the business and Garry served as a director until his illness led to retirement in 2011. All of us at Seymour Whyte acknowledge the outstanding and lasting contribution Garry made to the business. We will remember Garry as a man of integrity, optimism and character and as the foundation of Seymour Whyte's success.

**The Future**

The Board remains committed to growing our existing businesses and to exploring businesses that will deliver sector and geographical diversification to the Company. Over the year we have focussed on building a strong balance sheet so that we are in a position to actively pursue our growth plans and those plans will continue in 2015.

2015, however is shaping up as a tough year, possibly a year of two halves. This first half has seen challenging market conditions which are reflected in our forward order book. We do however anticipate that the second half of 2015 will provide greater opportunities to secure quality work.

I look forward to reporting to you on a successful 2015 at next year's AGM.

I will now hand over to David.

**-ENDS-**