

5 May 2016

Company Announcement Office
ASX Limited
Level 6
20 Bridge Street
SYDNEY NSW 2000

By electronic lodgement

Total Pages (including cover letter): 22

Dear Sir / Madam

INVESTOR PRESENTATION

Please find attached an Investor Presentation given today by Mr Richard Richards, CFO of Seven Group Holdings Limited, at the Macquarie Australia Conference held at The Sheraton on the Park, Sydney.

Yours Sincerely



Warren Coatsworth
Company Secretary

SGH | Industrial Services, Media, Energy and Investments

SGH Investor Presentation

Richard Richards, CFO

Macquarie Australia Conference
5 May 2016

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.
- ▶ Period-on-period changes that are greater than 100%, less than (100)% or change between positive and negative are omitted for presentation purposes.

Non-IFRS Financial Information

- ▶ SGH results as set out in our Annual Report and Half Year Report comply with International Financial Reporting Standards (“IFRS”). 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 the business, make decisions on the allocation of resources and assess operational management. Non-IFRS measures have not been subject to audit or review.

Who we are

- ▶ SGH is a diversified operating and investment group
- ▶ Enterprise value of approximately \$3.5 billion
- ▶ We invest in businesses and assets with market-leading positions and comparative advantages in their sector

What we do








- ▶ **Industrial Services** – supply, maintenance and hire of equipment to the mining, construction and infrastructure sectors
- ▶ **Media** – investment in Australia’s leading cross-platform media and content business spanning TV, newspapers, magazines and digital
- ▶ **Energy** – investment in exploration and development assets leveraged to rising east coast Australia gas prices
- ▶ **Investments** – listed portfolio acting as a store of value to fund future growth opportunities and delivering additional return to shareholders

How we create value

- ▶ We are disciplined in maximising cash flow through the cycle
- ▶ We have a demonstrated ability to transform our businesses to suit changing market conditions
- ▶ Our strong balance sheet coupled with our ability to access capital markets allows us to efficiently deploy capital across our businesses
- ▶ We are committed to enhancing shareholder return via our dividend policy and capital management initiatives

Group Overview | Our Businesses



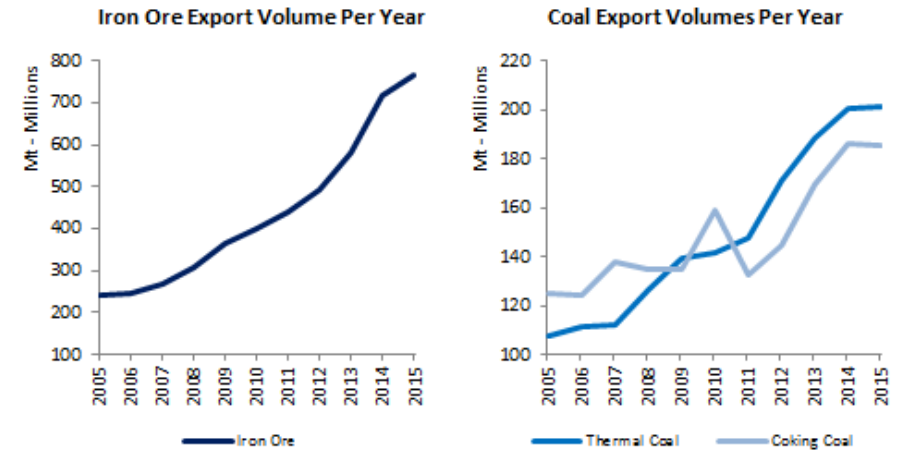
Industrial Services	SGH Ownership	Business Description	Strategic Position
WesTrac Australia	 100%	Cat dealer in WA and NSW/ACT	#1 equipment solution company in WA and NSW/ACT
WesTrac China	 100%	Cat dealer in five provinces in China	One of the leading equipment solutions companies in NE China
Coates Hire	 46%	Industrial and general equipment hire	Largest equipment hire company in Australia
AllightSykes	 100%	Industrial lighting, pumps, generators	Leading OEM and distributor of lighting towers and pump solutions for mining and construction
Media			
Seven West Media	 41%	Diversified media	Australia's largest diversified media content and audience company
- Seven Network		- Broadcast	#1 television network in ratings and revenue in Australia
- The West		- Publishing	#1 media publishing company in WA
- Pacific Magazines		- Digital	#1 Australian owned magazine publisher
- Yahoo!7 / Other			One of the largest digital platforms for desktop and mobile
Energy			
SGH Energy	 100%	Diversified oil and gas	Leveraged to growing East Coast gas demand
	 23%	Beach Energy	Australia's largest onshore oil producer and leading mid-cap E&P
Investments			
Listed Portfolio	100%	Listed investments	Store of value and additional return for the Group
Property Portfolio	100%	Direct and indirect property	Proven ability to create value through realisation of property assets

#1 equipment solution company in WA and NSW/ACT

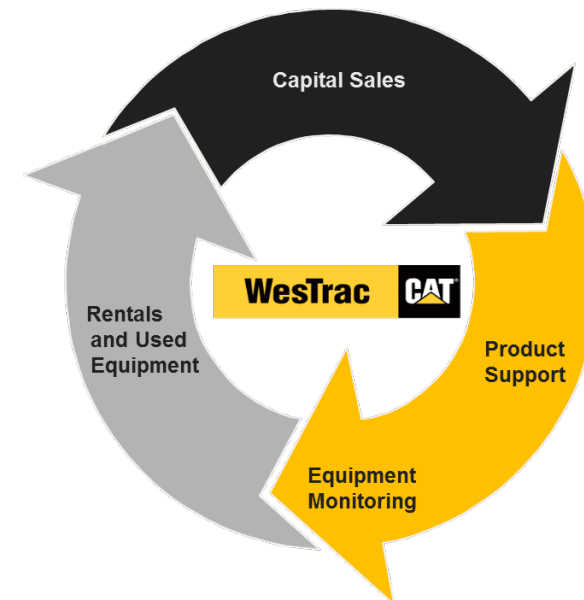
- ▶ WesTrac Australia is the sole authorised Caterpillar dealer that supplies new and used mining and construction equipment and delivers valuable after-sales parts and service
- ▶ Employs 2,815 full-time equivalent staff across 60 branches, mine sites and field service locations
- ▶ Well placed to participate in the mining sector's drive to maximise production

Our strategy

- ▶ WesTrac aims to be the customer's first choice for equipment solutions:
 - We have extended our product range in recent years
 - We are deploying new technology to enhance fleet management and extend the life of our equipment
 - We are investing in systems to better integrate with customers
 - Our customers rely on us to keep exporting record volumes of iron ore and coal
- ▶ We enjoy a strong and long-term partnership with Cat as one of their largest dealers globally by revenue and we have an unparalleled physical branch network
- ▶ Our business model spans the equipment life cycle and importantly our equipment and after sales support provides a superior whole-of-life cost than our competitors
- ▶ As a result, our business model provides an ongoing maintenance opportunity that can be worth up to three times the upfront cost for certain equipment



Source: Australian Bureau of Statistics, Bloomberg



Market position

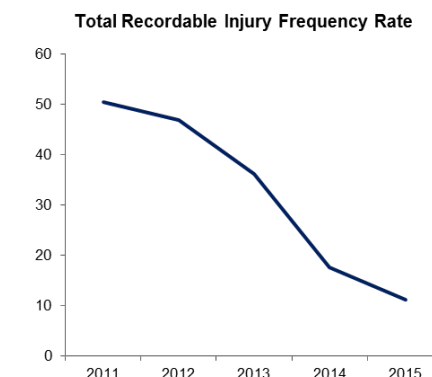
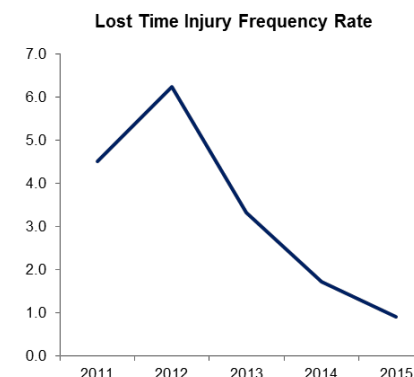
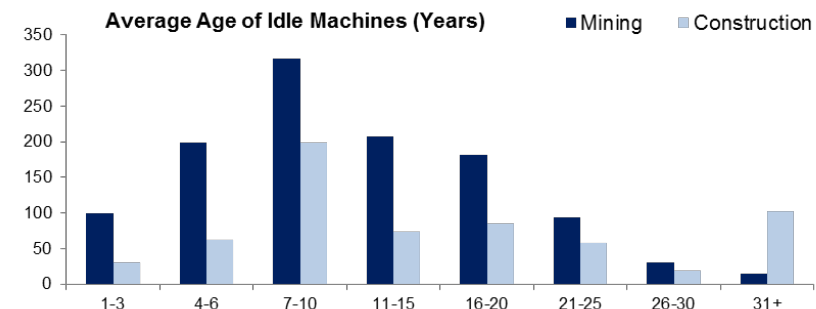
- ▶ An unprecedented mining investment boom in 2012/13 has shifted into the mining production phase delivering record export volumes:
 - The large equipment base installed during the boom is coming up for major lifecycle maintenance
 - We are moving over three million parts through our upgraded distribution centres in South Guildford (WA) and Tomago (NSW)
 - We are increasing inventory turn and optimising logistics to provide our customers with cost benefits to help drive down their unit production cost
- ▶ Competition has increased due to excess equipment and there is some price pressure, however we are confident in WesTrac's value proposition driven by our streamlined cost base, improved efficiency and use of technology

Current focus

- ▶ We continue to focus on controllable costs to ensure the customer value proposition remains compelling:
 - Drive to improve technician productivity
 - Review of operating locations is ongoing
- ▶ S3 program (simplification, standardisation and scalability) is enhancing our processes and improving our data and analytical capability
- ▶ Targeting further improvements in safety performance allowing closer partnering with the world's leading miners
- ▶ Autonomous technology solutions allowing customers to generate unprecedented machine productivity

Cat Equipment Utilisation	WA	NSW	Total
Machine population	14,121	13,830	27,951
Mining population	4,082	1,402	5,484
Utilised mining population	3,111	1,231	4,342
% mining utilisation	76.2%	87.8%	79.2%

Average Age (Years)	WA	NSW	Total
Machine population	12.1	14.3	13.2
Mining population	7.8	8.6	8.0
Utilised mining population	6.7	7.8	7.0
Idle mining population	11.2	14.1	11.6



Australia's largest equipment hire company

- ▶ 130 years of experience in supplying construction, mining, infrastructure and many other sectors
- ▶ 238 branches nationwide and more than one million items of equipment available for hire
- ▶ Ranks as one of the five largest equipment hire companies globally
- ▶ Operating in Indonesia since 1993
- ▶ SGH owns 46% of Coates Hire through JV with Carlyle Group

Market position

- ▶ East coast construction and infrastructure growth is supporting the transition of equipment from the west coast
- ▶ Reduction in new mining projects and LNG construction projects nearing completion has resulted in surplus equipment in the market
- ▶ Competitors are facing financial strain as evidenced by the number entering administration and liquidation

Current focus

- ▶ Competing aggressively to win back market share
- ▶ Providing a higher quality, safer and younger fleet to customers
- ▶ Continued refinement of cost structure including head office relocation from Mascot to Moorebank to lower overheads and more closely align operations and management



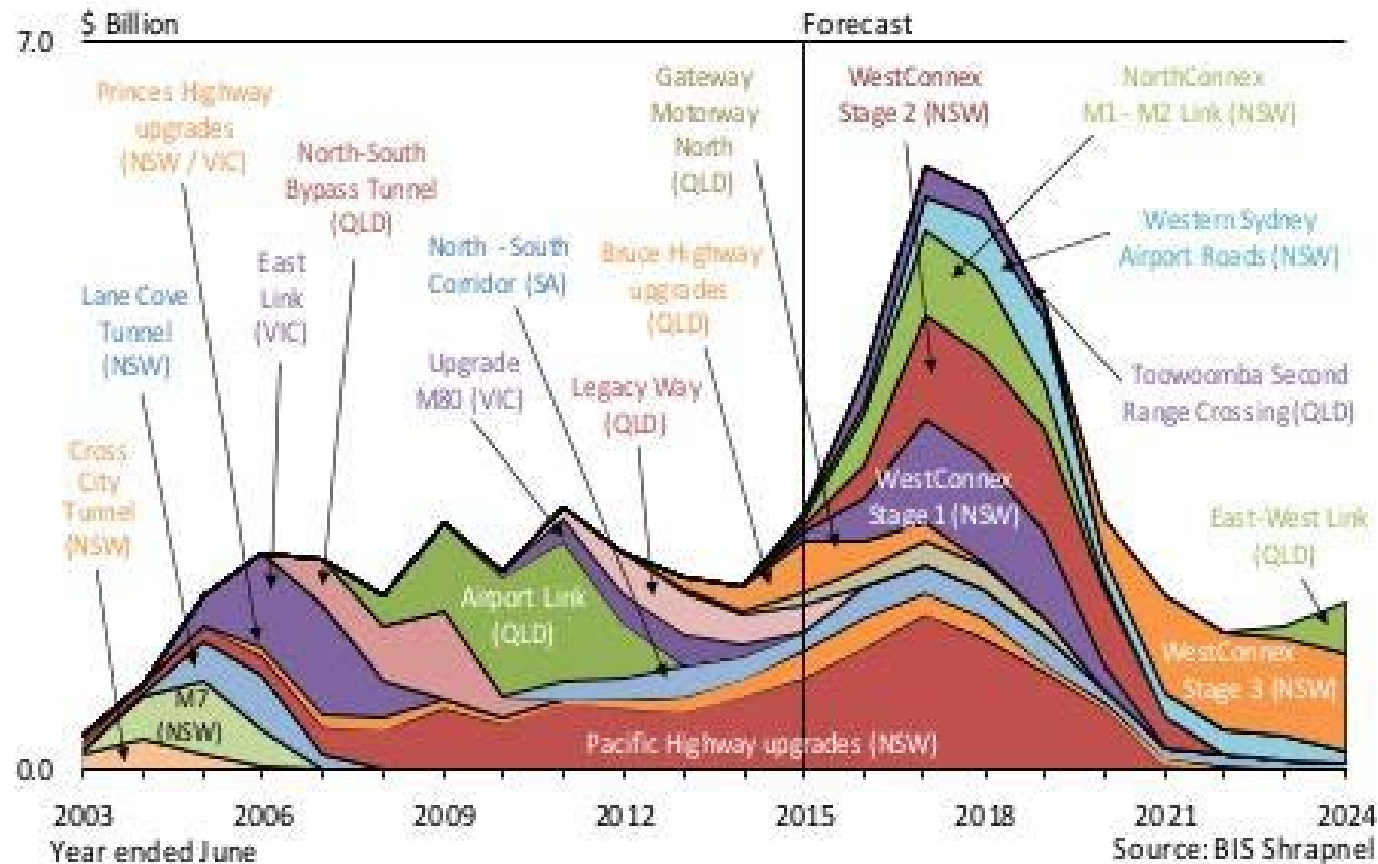
coateshire

COATES HIRE'S AVAILABLE PRODUCT RANGE:

Access	Ladders & Scaffold	Shoring
Air & Air Accessories	Landscaping	Tools & Equipment
Compaction	Lift & Shift	Traffic Management
Concrete & Masonry	Lighting	Training (RTO)
Earthmoving	Materials Handling	Trucks, Vehicles & Trailers
Floor and Cleaning Equipment	Portable Buildings & Toilets	Welding
Generators & Power Distribution	Propping	
Industrial tools & Equipment	Pumps & Fluid Management	

Major infrastructure projects

- ▶ Growth in the Australian economy is rebalancing and investment activity has shifted to the eastern states
- ▶ WesTrac and Coates Hire are benefiting from this through new infrastructure projects and residential construction growth, particularly in NSW
- ▶ Federal and State governments have committed to a multi-billion dollar Western Sydney infrastructure plan with additional funding committed for roads and infrastructure projects



One of the leading equipment solutions companies in China

- ▶ Invited by Caterpillar in 2001 to take up sole authorised dealership in north-east China
- ▶ 797 full-time equivalent staff across 51 locations in eight provinces

Market position

- ▶ China's economic growth is transitioning:
 - Slowdown in government infrastructure spending and declining property values impacting the construction sector, along with commodity price pressure on miners
 - However, there are signs of stability in recent economic data and we are no longer observing significant YoY declines in the hydraulic excavator market
 - Rate of urbanisation is growing and creating opportunities
- ▶ WesTrac China has seen improved profitability and cash flow via:
 - Growth in new revenue streams created by demand for back-up power solutions and engines for the offshore oil and gas sector
 - Improved Cat brand recognition with market share (PINS) improving to 11.9%
 - Continued focus on the cost base including streamlined management leading to a 27% workforce reduction in the 12 months to December 2015





Current focus

- ▶ New sales departments created to capture business from large SOEs
- ▶ Growing parts, service and used equipment revenue streams and ancillary businesses such as OEM undercarriages to diversify exposure to hydraulic excavator market
- ▶ Continued development of component rebuild capacity and partnering with WesTrac Australia to leverage the lower labour costs in China
- ▶ New opportunities from the Government's "One Belt, One Road" development strategy



WTC Territory		% of China
Area	2,365,000km ²	25%
Population	277 million	20%
GDP YTD Sep-15	RMB 11 trillion	25%
Output of major minerals:		
- Coal	2,080 million tons	57%
- Iron ore	958 million tons	66%
- Cement	382 million tons	17%

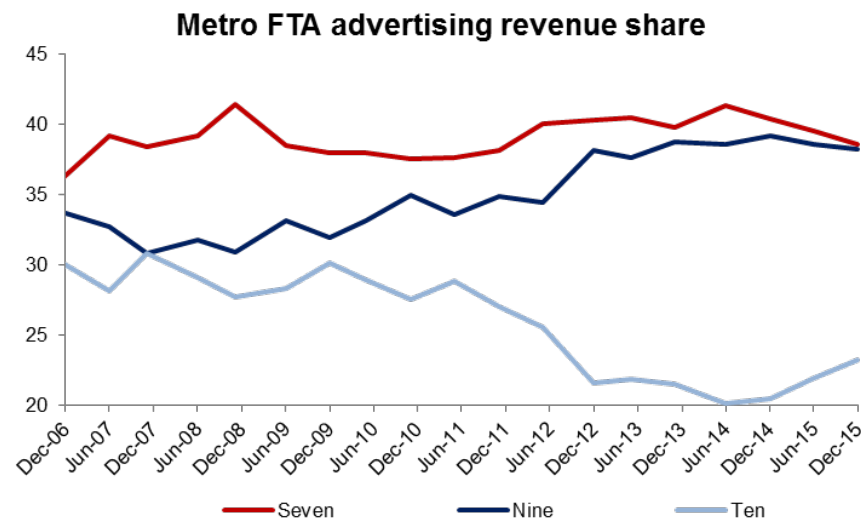
SWM is Australia's leading audience company with ability to reach more people with better content

Australia Population		~24,000,000	
Seven West Media Reach		>16,000,000	
Seven Network Prime7		12,500,000	<ul style="list-style-type: none"> ▶ Five capital cities, regional Queensland and live digital multi-channel streaming ▶ Affiliate arrangements for regional NSW, Victoria, ACT and SE Queensland
Pacific Magazines		8,000,000 ¹	▶ Nationwide magazine circulation
Yahoo!7		6,172,000	▶ Online content distribution
The West Australian		1,721,000 ²	▶ WA state-wide newspaper circulation plus regional community newspapers

¹ monthly readership ² weekly readership

SWM is #1 Network in TV revenue and ratings share

- ▶ 40.0% revenue share in FY15 and 38.2% in March 2016 quarter
- ▶ 38.5% ratings share in FY15 and 41.7% in March 2016 quarter
- ▶ Entering the tenth consecutive year of television ratings dominance
- ▶ 10 of the top 20 regular programs on Seven
- ▶ Commitment to Australian programming
- ▶ Leadership in live sports television
- ▶ Monetising Australian content in offshore markets



SWM is a content and audience business

- ▶ Creation and ownership of content are core principles – SWM is the largest domestic producer of content
- ▶ Multi-platform reach gives the ability to deliver content to a wider audience than competitors
- ▶ Best positioned in Australian market to meet the insatiable demand for content from clients and customers
- ▶ Focus on monetisation of all content across all platforms
- ▶ Developing a global mindset

SWM is taking advantage of the changing media landscape

- ▶ Expanding presence in further delivery of video and publishing content beyond the three digital broadcast channels and across an array of platforms, including Hybrid Broadband Broadcast Television and the Presto SVOD joint venture with Foxtel
- ▶ Creation of more content and expansion of presence in international content production with the formation of two new international production companies: 7Wonder and 7Beyond
 - Producing UK content for BBC, ITV, Channel 4 and SkyOne and US content for HGTV and Travel Channel
 - International sales of Home and Away, Border Security, Million Dollar Minute and House Rules
 - Local versions of My Kitchen Rules being produced in Norway, Belgium, UK, USA and New Zealand
- ▶ Investing in technology and data to measure audiences and provide improved analytics and insights to advertising customers
- ▶ Launch of eCommerce partnerships and leveraging off audience reach



SEVEN WEST MEDIA

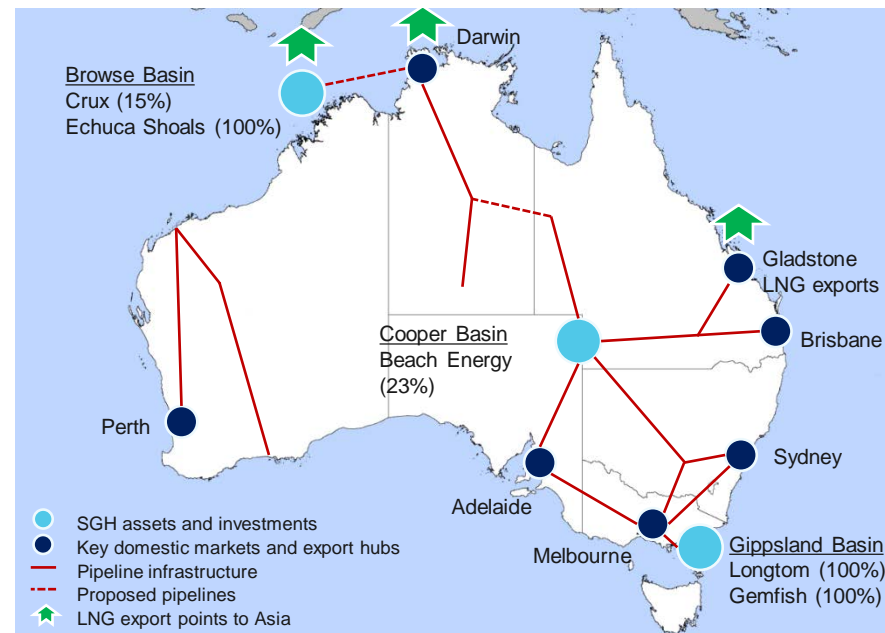
**Delivering
the future
of content.
Anywhere.
Any screen.
Anytime.**

Market position

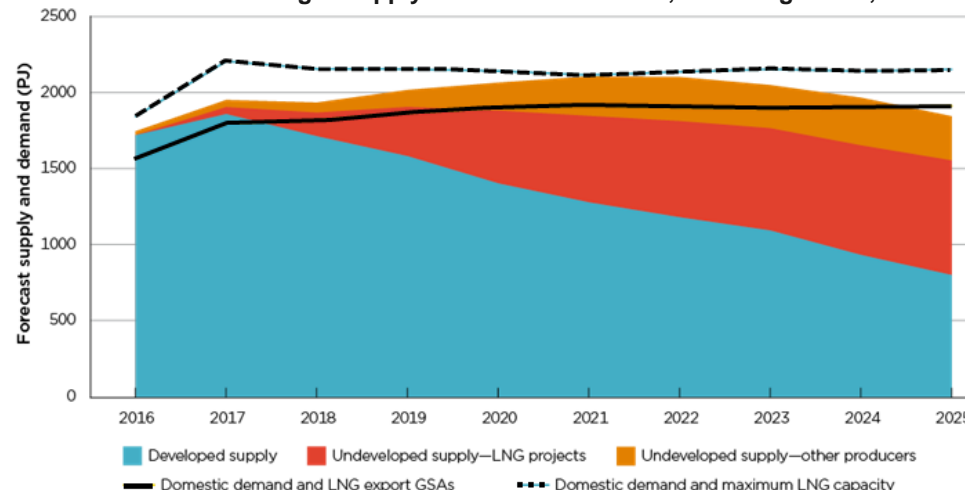
- ▶ Australia has a comparative advantage in resources and is set to become the world's largest LNG exporter
- ▶ Energy demand in Asia will continue to grow and Australia is well positioned to supply this market
- ▶ At the same time, Australia's east coast is facing a shortage of gas due to growing LNG exports to Asia and domestic gas buyers who are securing long-term supply

Our strategy

- ▶ We are focused on the east coast gas market through:
 - 100% owned Longtom offshore gas project in the Gippsland Basin which is capable of delivering gas in 2018
 - 100% owned Gemfish offshore exploration target
 - 23% investment in ASX-listed Beach Energy which owns key production and exploration assets in the Cooper Basin
- ▶ SGH has longer-dated assets located in the Browse Basin:
 - 15% interest in the Crux JV, a liquids-rich offshore gas project operated by Shell
 - 100% interest in Echuca Shoals offshore exploration permit
- ▶ In addition, SGH owns an 11% interest in Bivins Ranch located in Texas, operated by Apache and producing oil and gas from onshore conventional and unconventional wells



Forecast east coast gas supply and demand balance, excluding Arrow, 2016–25



Source: ACCC analysis based on data obtained during the Inquiry, AEMO's 2015 National Gas Forecasting Report and EnergyQuest, EnergyQuarterly, March 2016.

Realising value from our existing property assets

- ▶ Direct property holdings:
 - Kings Square site (formerly Perth Entertainment Centre)
 - Seven Hills (formerly Seven Network's Perth studio)
- ▶ Indirect property holdings:
 - 25% stake in REVY Investments
 - 47% stake in Flagship Property Group

Current and recent initiatives

- ▶ Delivered \$37m in pre-tax profit from realisation of property assets in the six months to 31 December 2015
- ▶ REVY announced plans to sell two buildings in Pyrmont for \$176m in May 2015:
 - Sale of first building concluded for \$58m with development successfully marketed and substantially sold
 - Option to purchase remaining building for \$118m to be exercised by June
- ▶ Practical completion of Kings Square KS3 in July 2015 and settlement of KS4 in September 2015
- ▶ Development approval received for Kings Square KS6 and KS7 as residential developments with 563 apartments
- ▶ Stage 1 marketing of Seven Hills underway with early committed sales of display lots to project builders awaiting contract execution



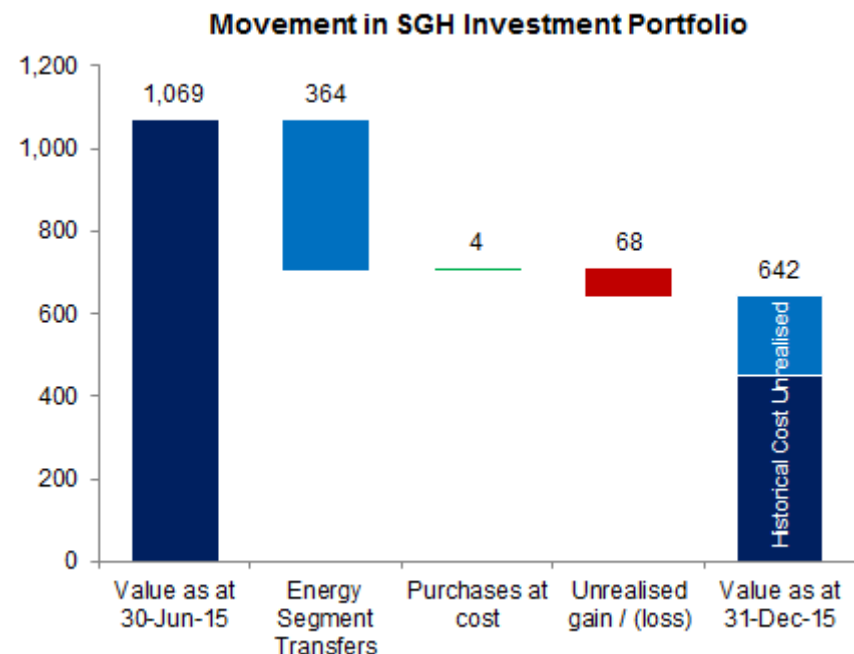
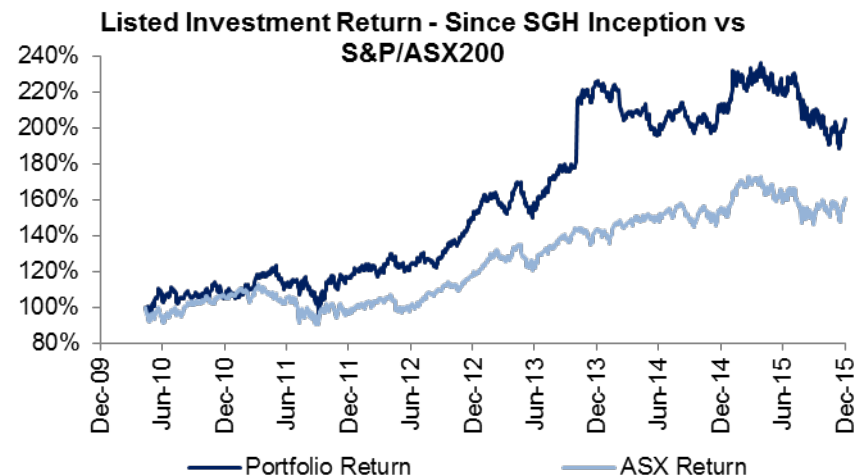
Kings Square 6 and 7

Listed portfolio provides a store of value

- ▶ Portfolio characterised by high liquidity and high yielding holdings
- ▶ Provides a tax-effective earnings stream
- ▶ Provides funding for future growth and investment initiatives
- ▶ As at 31 December 2015:
 - Cumulative unrealised gain of \$193m deferred to reserves
 - \$68m unrealised economic loss during the period
 - (6.3)% pre-tax YTD total return versus 0.3% total return for S&P / ASX 200
 - Dividend yield on portfolio of 7.4% (gross annualised basis)

Major movements in portfolio

- ▶ Investment in Beach Energy recognised within Energy segment from 1 July 2015 onwards



Financials | Profit and Loss

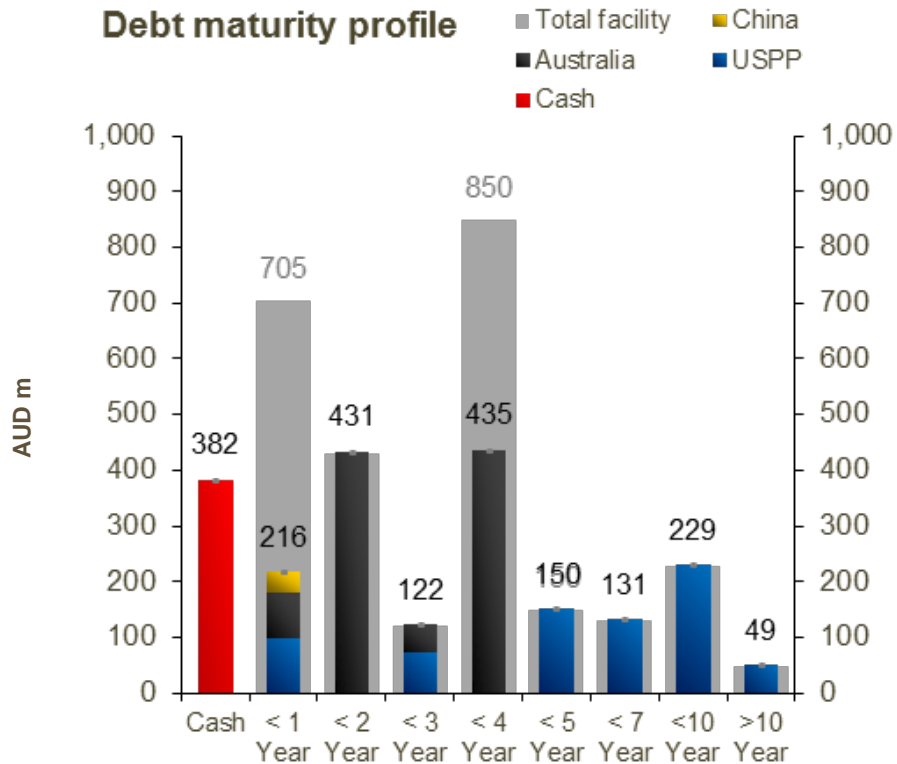
\$m	FY15	FY14	FY13	FY12	FY11
Revenue	2,779.6	3,088.2	4,751.6	4,467.4	3,162.8
Other income	126.6	104.6	78.8	75.6	64.8
Share of associate profits	80.1	104.5	125.1	154.8	143.6
Total revenue and other income	2,986.3	3,297.3	4,955.5	4,697.8	3,371.2
Expenses (excl. D&A)	(2,609.7)	(2,874.8)	(4,269.5)	(4,068.0)	(2,950.4)
Underlying EBITDA	376.6	422.5	686.0	629.8	420.8
Depreciation and amortisation	(62.1)	(48.1)	(63.2)	(76.7)	(67.8)
Underlying EBIT	314.5	374.4	622.8	553.1	353.0
Net finance costs	(83.6)	(72.2)	(108.8)	(113.0)	(55.0)
Underlying net profit before tax	230.9	302.2	514.0	440.1	298.0
Underlying tax expense	(26.6)	(49.0)	(115.1)	(96.9)	(49.8)
Underlying NPAT	204.3	253.2	398.9	343.2	248.2
Significant Items (incl. tax impact)	(563.4)	9.3	89.7	(166.5)	(168.3)
Statutory NPAT	(359.1)	262.5	488.6	176.7	79.9
Profit attributable to SGH shareholders	(360.3)	261.1	486.4	165.9	70.4

Financials | Operating Cash Flow

\$m	FY15	FY14	FY13	FY12	FY11
Underlying EBIT	314.5	374.4	622.8	553.1	353.0
Add: depreciation and amortisation	62.1	48.1	63.2	76.7	67.8
Underlying EBITDA	376.6	422.5	686.0	629.8	420.8
Operating cash flow	287.1	244.9	821.9	(115.1)	(28.9)
Add: interest and other costs of finance paid	87.9	66.6	101.9	105.3	50.9
Income taxes (refunded) / paid	(26.1)	135.1	102.3	(19.0)	38.3
Add back: restructuring costs	20.1	10.2	30.3	-	-
Add / (less): other cash Significant Items	5.5	(39.5)	-	-	-
Underlying operating cash flow	374.5	417.3	1,056.4	(28.8)	60.3
EBITDA cash conversion	99%	99%	154%	-5%	14%

Financials | Balance Sheet

\$m	As at 30 Jun 15	As at 30 Jun 14	As at 30 Jun 13	As at 30 Jun 12	As at 30 Jun 11
Trade and other receivables	452.1	599.0	721.6	920.5	554.3
Inventories	929.2	856.6	1,050.5	1,384.6	989.6
Investments	2,124.8	2,533.6	2,209.1	2,203.7	2,366.4
Property, plant and equipment	216.3	237.3	267.0	293.3	264.9
Oil and natural gas assets	447.0	70.7	-	-	-
Intangible assets	691.4	849.2	765.2	749.1	526.2
Other assets	41.7	40.4	16.7	35.2	24.5
Trade and other payables	(404.6)	(399.7)	(516.8)	(615.7)	(504.5)
Provisions	(180.2)	(111.2)	(139.7)	(107.2)	(96.3)
Net tax liabilities	(81.7)	(336.6)	(427.7)	(362.3)	(355.0)
Deferred revenue	(185.4)	(97.6)	(145.5)	(125.7)	(131.6)
Derivative financial instruments	103.4	(29.6)	(51.8)	(77.0)	(119.5)
Net debt	(1,344.6)	(1,069.4)	(713.4)	(1,718.7)	(837.1)
Total shareholders equity	2,809.4	3,142.7	3,035.2	2,579.8	2,681.9



- ▶ At 31 March 2016, the Group had \$951m of available undrawn borrowing facilities
- ▶ Current “<1 year” debt includes a \$109m USPP tranche that matures in August 2016 as well as a number of offshore facilities and short term OEM facilities that are regularly rolled over for further terms and are categorised as current due to their short dated nature
- ▶ Facilities have a weighted average tenor of 3.6 years
- ▶ \$850m of the Corporate Syndicated Facility extended for a further year at current pricing in February 2016
- ▶ Additional \$40m OEM facility signed in February 2016
- ▶ Demonstrates continued credit support for the Group with key financiers looking through the cycle

Our aim is to

- ▶ Ensure an efficient capital structure by maintaining prudent levels of gearing and retaining access to multiple capital markets
- ▶ Retain sufficient balance sheet flexibility to fund the working capital needs of operating businesses

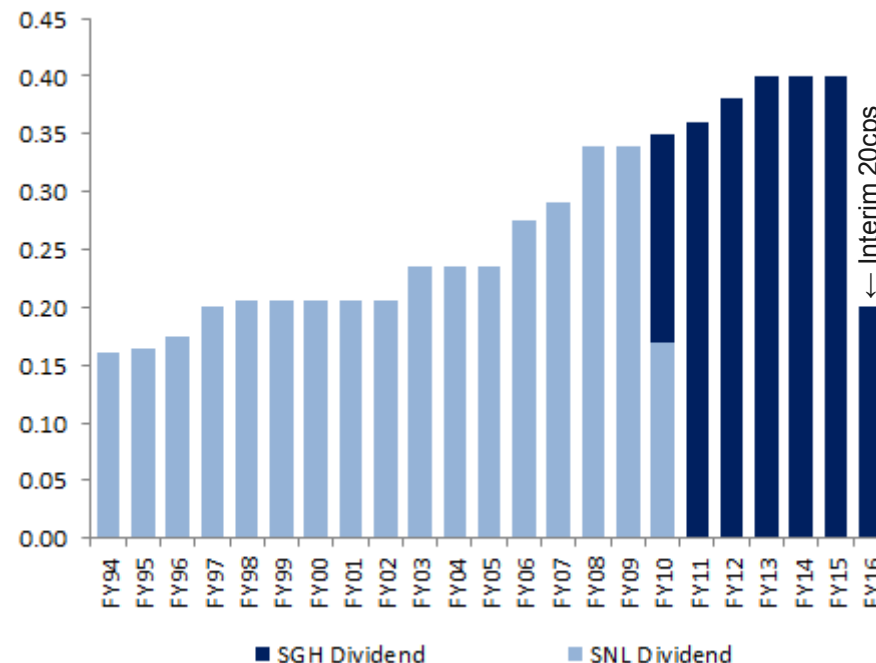
Enhancing shareholder value

- ▶ Maintaining the dividend over time:
 - Gross yield of 9.7% on SGH ordinary shares
 - Gross yield of 11.7% on TELYS4 securities
- ▶ Optimising non-core assets such as property and listed portfolios to enhance cash flow generation and EPS accretion
- ▶ Focus on using growth and investment opportunities to create long-term value for shareholders

Share buy-back

- ▶ Buy-back capacity refreshed to 16.6m shares in February 2016
- ▶ Demonstrates the belief in SGH's intrinsic value and confidence in strong recurrent free cash flow

Ordinary Dividend Per Share History (Annual)



Notes:

1. Dividend history includes ordinary dividends per share paid by Seven Network Limited ("SNL") prior to the May 2010 merger between SNL and WesTrac which created SGH
2. Dividend yield based on closing prices as at 5 May 2016

Key Takeaways

Market leading businesses

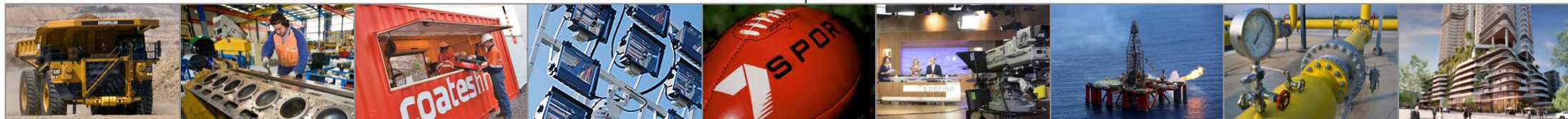
- ▶ We provide exposure to businesses that are clear leaders in their sectors through WesTrac Australia, Coates Hire and Seven West Media
- ▶ The transformation of these businesses to meet current market conditions through cost initiatives, streamlining of processes and use of new technology is underway
- ▶ We are connected to a high-volume resources production cycle and growing east coast construction and investment cycles
- ▶ Our businesses are resilient and are well-positioned for any future upturn in market conditions

Capital management

- ▶ Our businesses are capable of generating strong cash flow throughout the cycle
- ▶ We have a strong commitment to capital management and maximising shareholder return
- ▶ We provide two avenues for shareholder investment via ordinary shares or TELYS perpetual securities, both of which are delivering above-market yields
- ▶ We have solid support from key shareholders and credit providers

Appendix | Group Structure

SGH | Industrial Services, Media, Energy and Investments

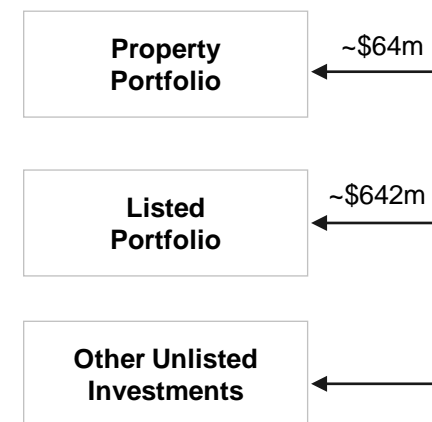
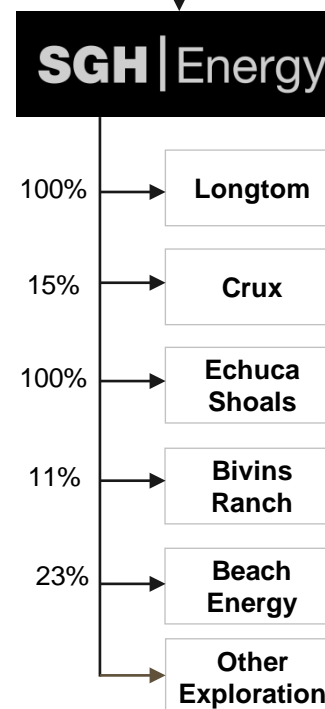
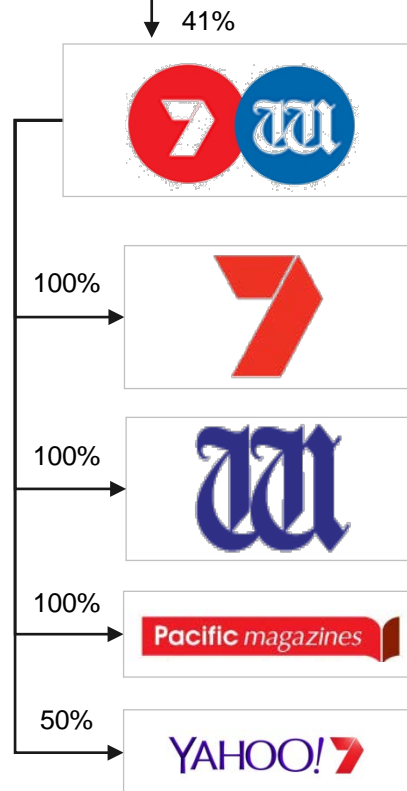
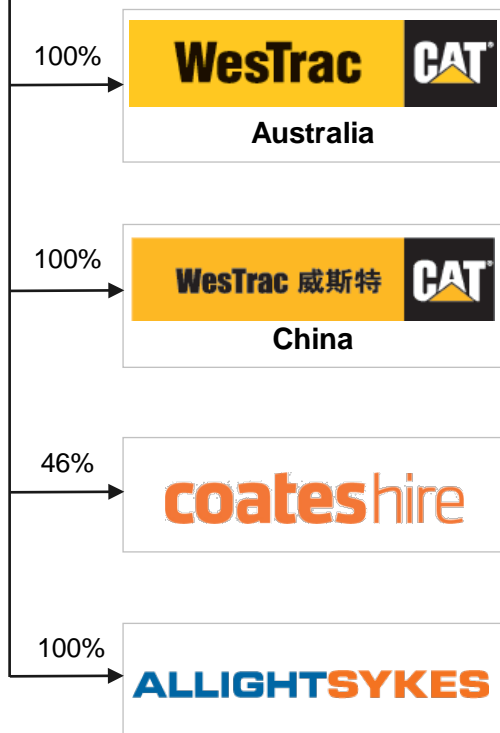


SGH | Industrial Services

SGH | Media

SGH | Energy

SGH | Investments



Notes:

1. Group structure current as at 5 May 2016 and investment values shown as at 31 December 2015
2. Interest in Coates Hire based on diluted interest after considering vesting conditions for options issued under the Coates Management Equity Plan