



Morgans Queensland Conference

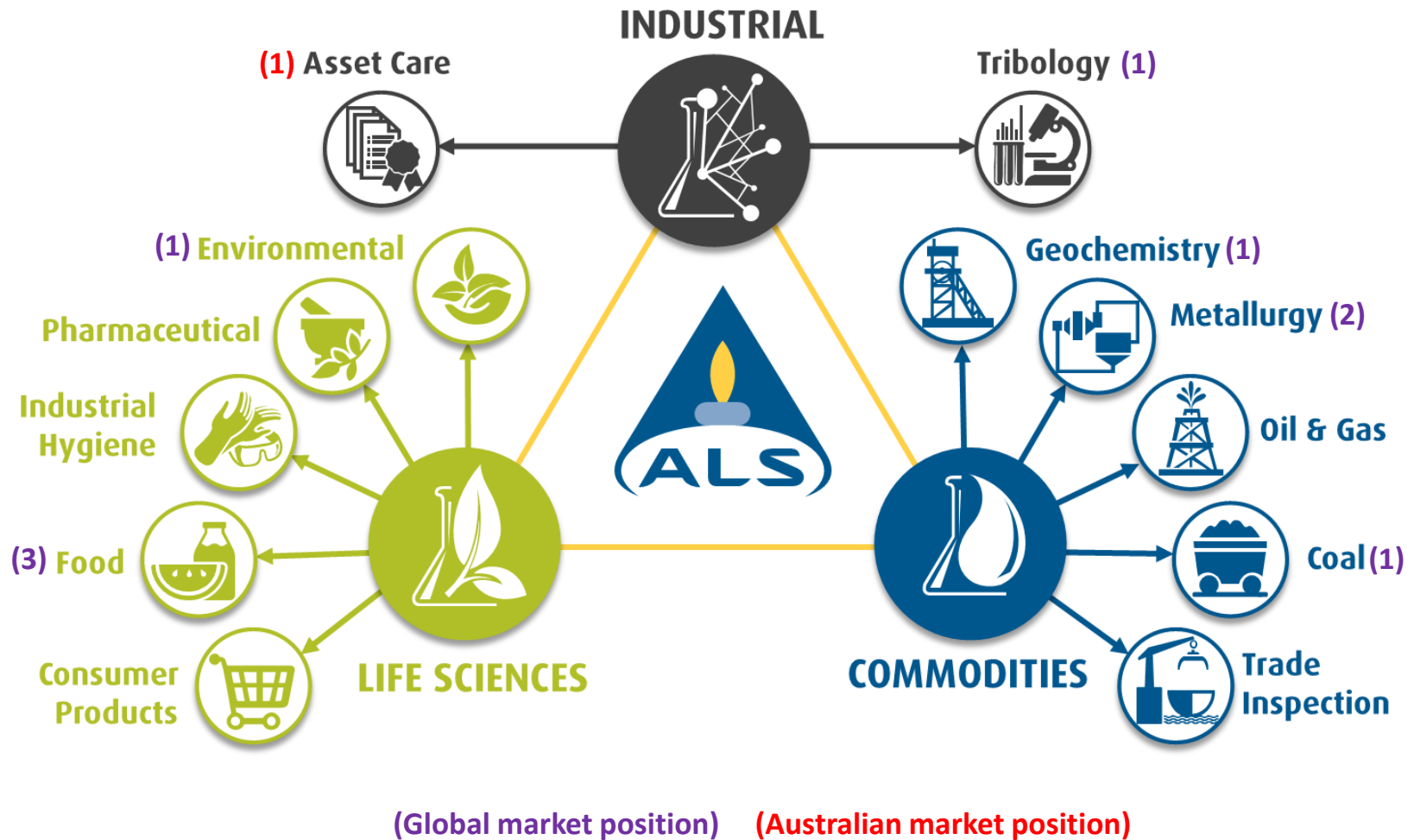
Brisbane

12th October 2016

All figures stated in AUD unless otherwise stated



New Business – structure and end market focus





Network

Brand

Systems

Technology

Culture

ALS Strategic Assets

- 408 sites
- 73 countries
- 6 continents
- global IT network

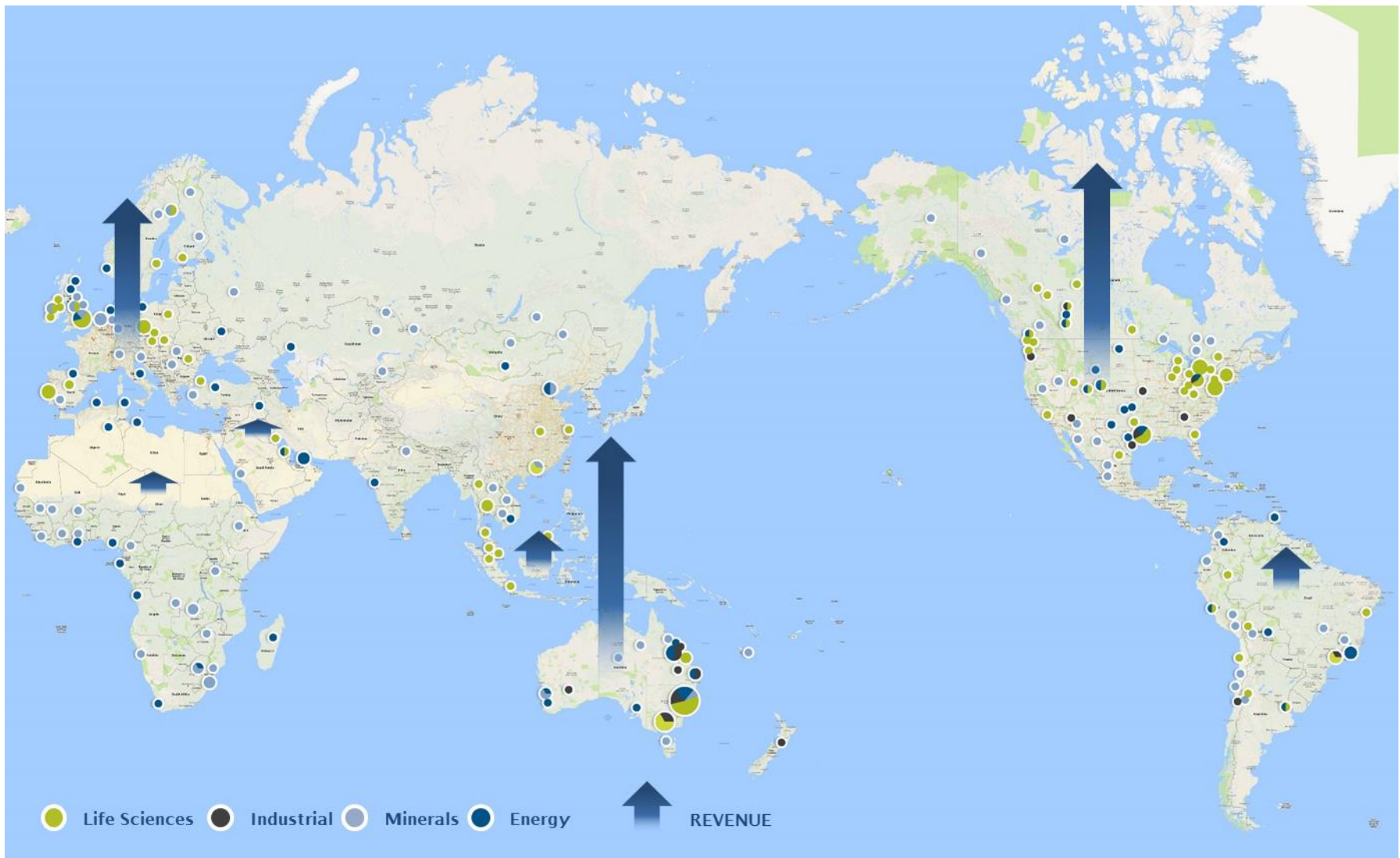
- quality
- timeliness
- service
- innovation
- technology
- value

- LIMS
- MIS
- standardisation
- systemisation
- multi-language
- global

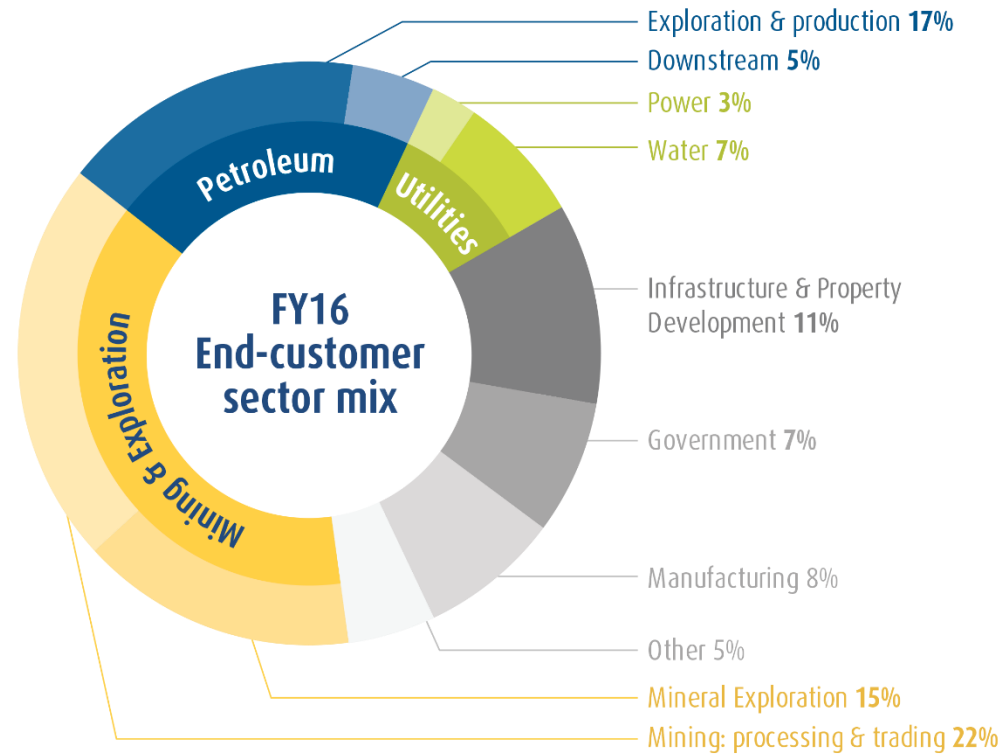
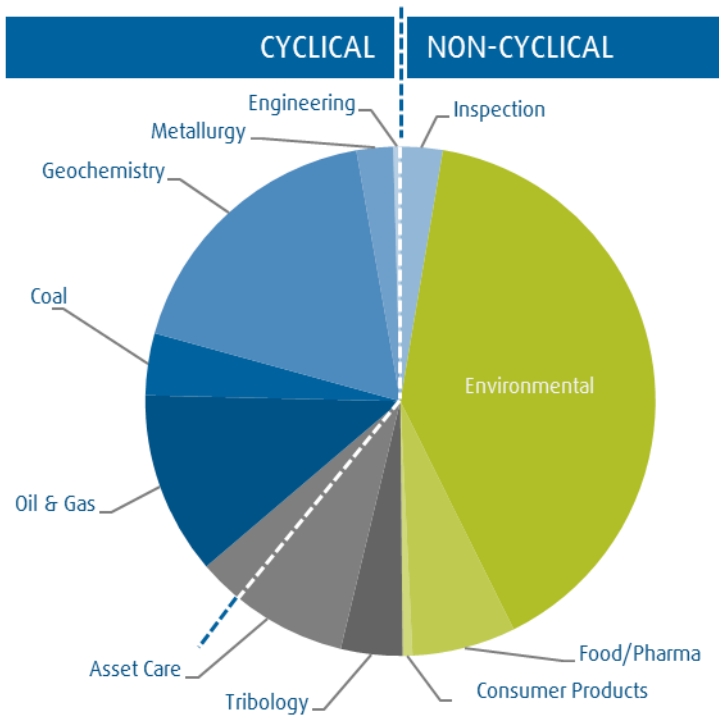
- state-of-the-art
- innovators
- standardisation
- unique
- centres of excellence

- people
- training
- focus
- client service
- communication
- passion

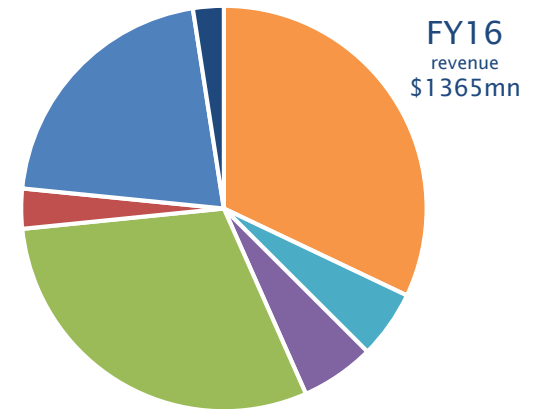
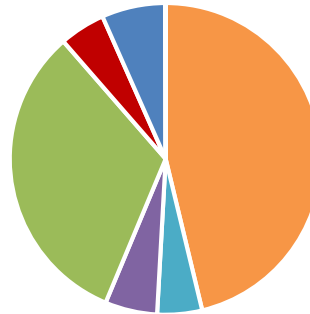
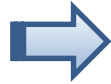
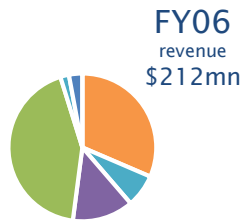
ALS global locations – a strategic asset



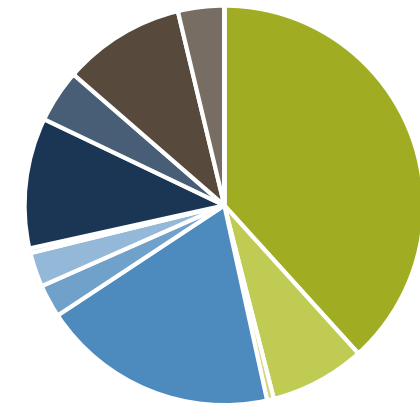
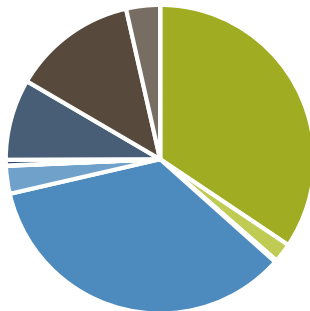
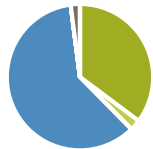
Revenue FY16



Group Strategy – geographies & markets

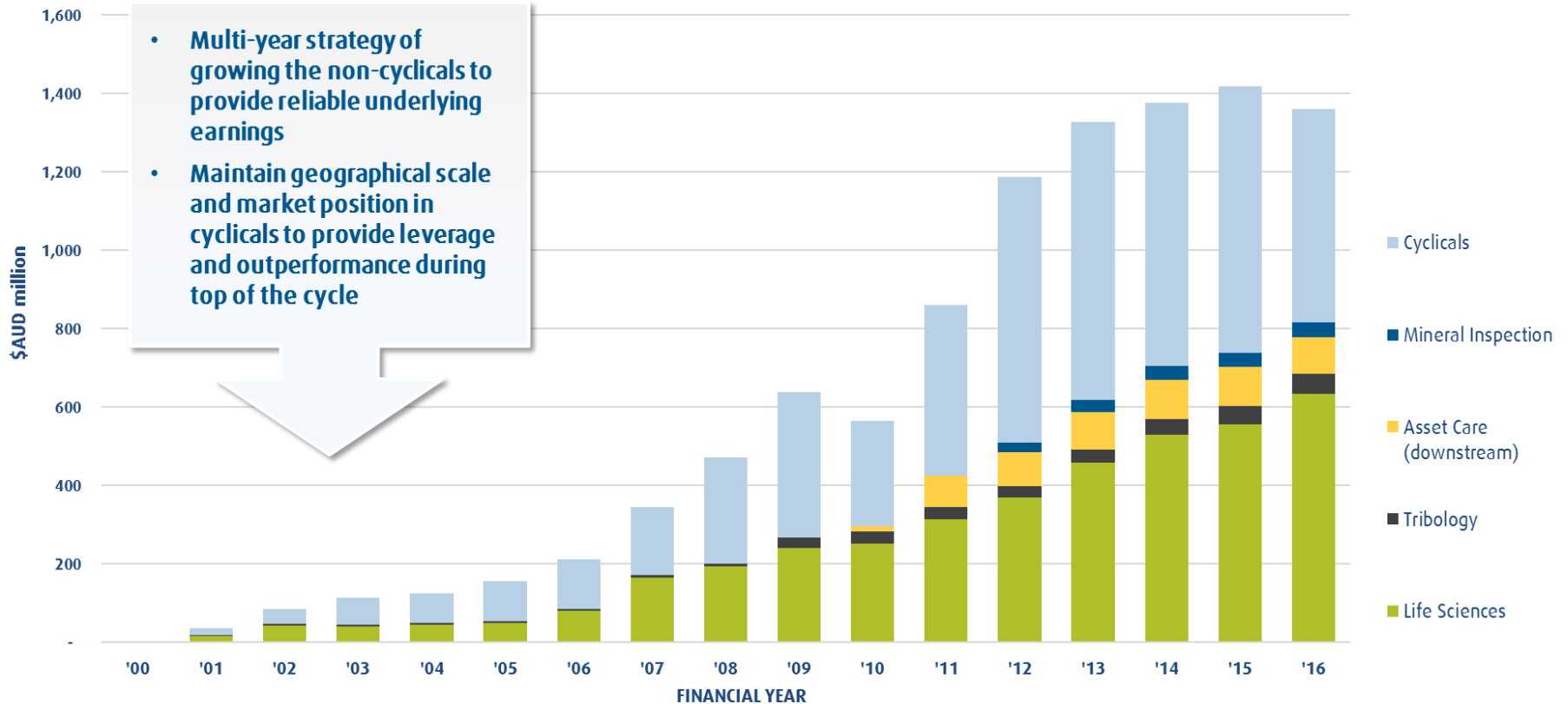


- Australia
- Asia
- South America
- North America
- Africa
- Europe
- Middle East



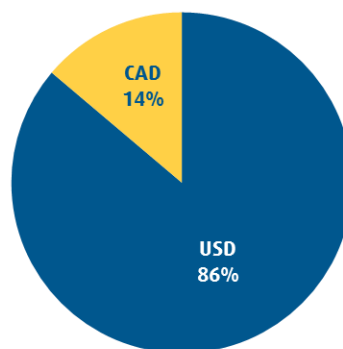
- Environmental
- Food/Pharma
- Consumer Products
- Geochemistry
- Metallurgy
- Oil & Gas
- Coal
- Asset Care
- Tribology

Strategic mix of revenue

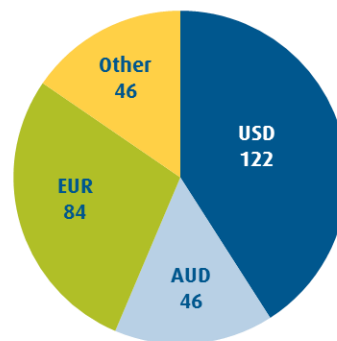


		Mar-12	Mar-13	Mar-14	Mar-15	Mar-16
STATISTICS	Gearing Ratio (comfort 45%)	29%	29%	34%	38%	27%
	Leverage (net debt/ EBITDA; max 3.00)	0.99	0.97	2.22	2.54	1.66
	EBITDA interest cover (min 3.75)	23.9	21.0	12.2	9.1	7.7
BALANCE SHEET MEASURES	Total Equity (\$AUD mn)	930	997	1,419	1,228	1,186
	Net Debt (\$AUD mn)	370	400	722	762	438

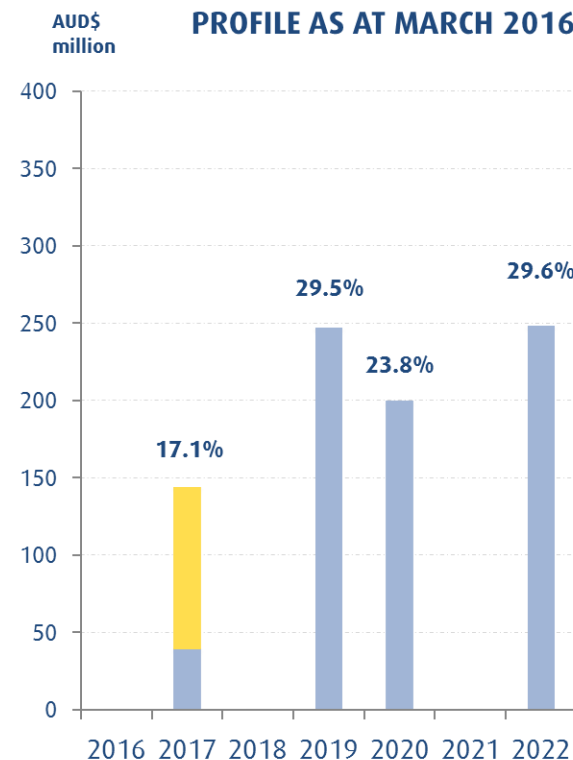
Debt Denomination



Cash Holdings AUD\$m



DEBT MATURITY & CAPACITY PROFILE AS AT MARCH 2016



**AUD\$200m available for acquisitions
from cash held**

Life Sciences poised for continued growth



• **Environmental and Water**

Specialized and Complex Testing

• **Food Safety**

Increased and Enforced Regulations



• **Consumer Products**

Public Awareness and Consumer Concern

Infrastructure and Population Growth

• **Pharmaceutical**



Significant opportunities available to ALS



Life Sciences Industry	<h2>Large Addressable Market</h2>	<h2>Strong Growth</h2>	<h2>Fragmented Market</h2>
	<p>Total: US\$11bn Environmental: US\$4bn Food Safety: US\$2bn Pharma: US\$5bn</p>	<p>Overall: 6% p.a. Environmental: 6% p.a. Food Safety: 7% p.a. Pharma: 6% p.a.</p>	<p>ALS Market Share Environmental: 10% Food Safety: 4% Pharma: <1%</p>
	ALS	<h2>Track Record of Growth</h2>	<h2>Strong Returns</h2>
<p>Life Sciences FY07-16 Revenue CAGR: 16%</p> <p>Environmental market share increased from 3% to 10% since 2006</p>		<p>Life Sciences ROIC 19%</p> <p>Life Sciences EBITDA margin 23%</p>	<p>400 sites 70 countries Global Network</p>

Note: Company estimates

Track record of growth – Life Sciences

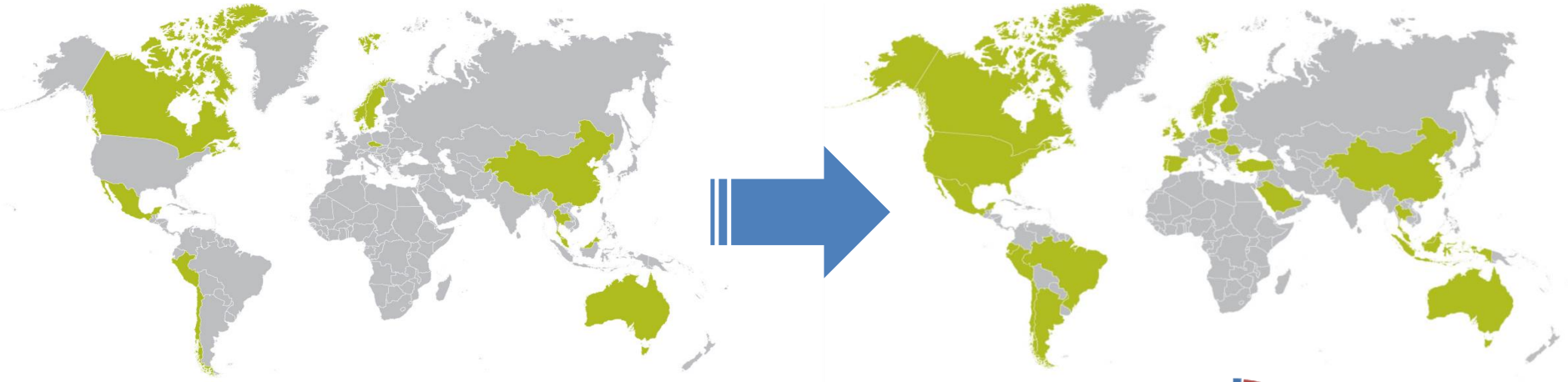


FY07

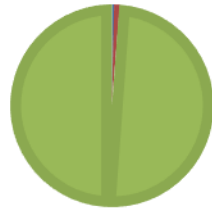
LOCATIONS	REVENUE	EBITDA	EBITDA%	ROIC
34	\$165mn	\$37mn	22%	13%

FY16

LOCATIONS	REVENUE	EBITDA	EBITDA %	ROIC
155	\$634mn	\$145mn	23%	19%

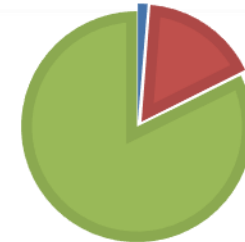


End Markets



Environmental

Revenue
16% CAGR
over 9 years

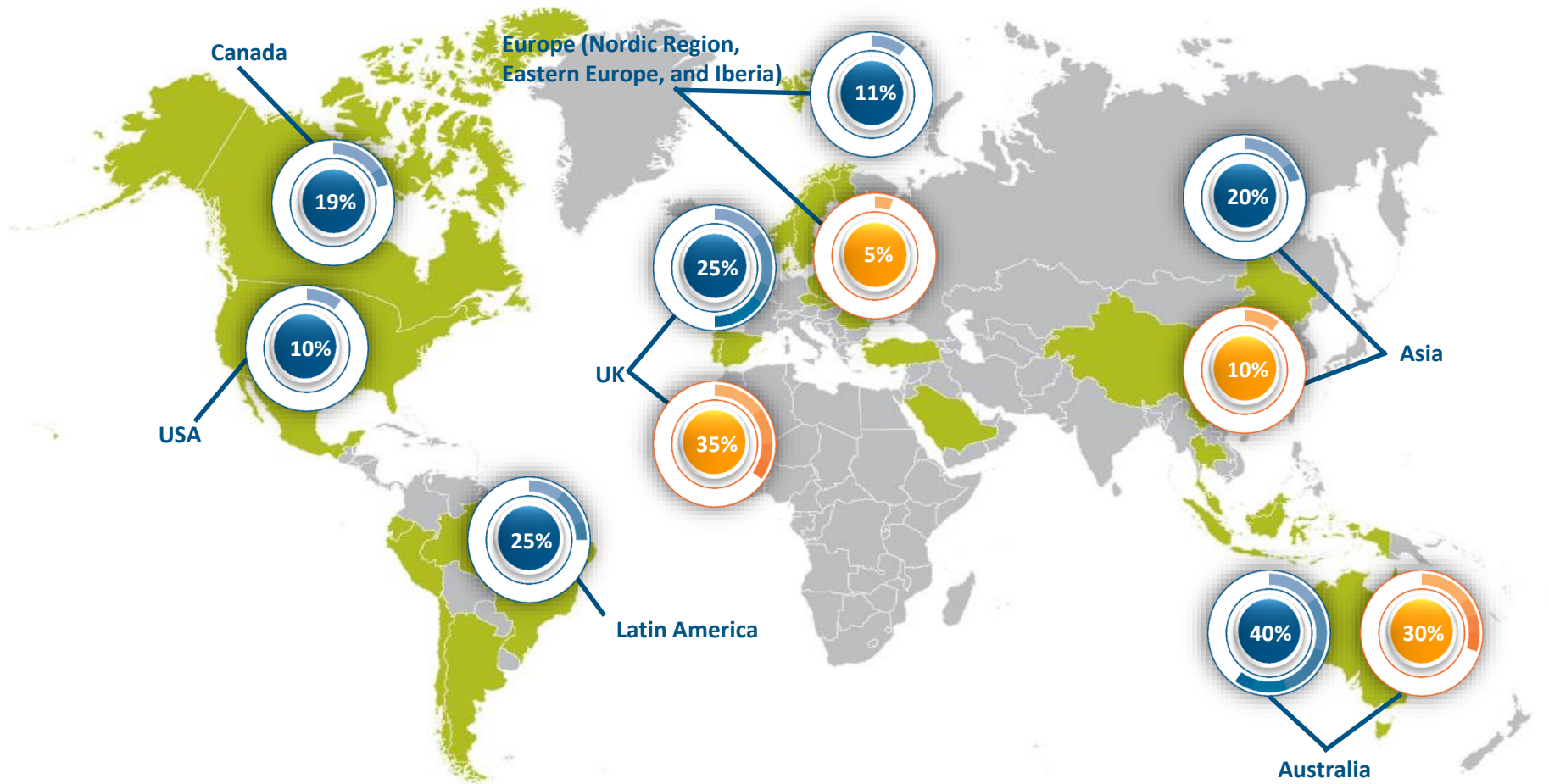


Consumer Testing

Food/Pharma

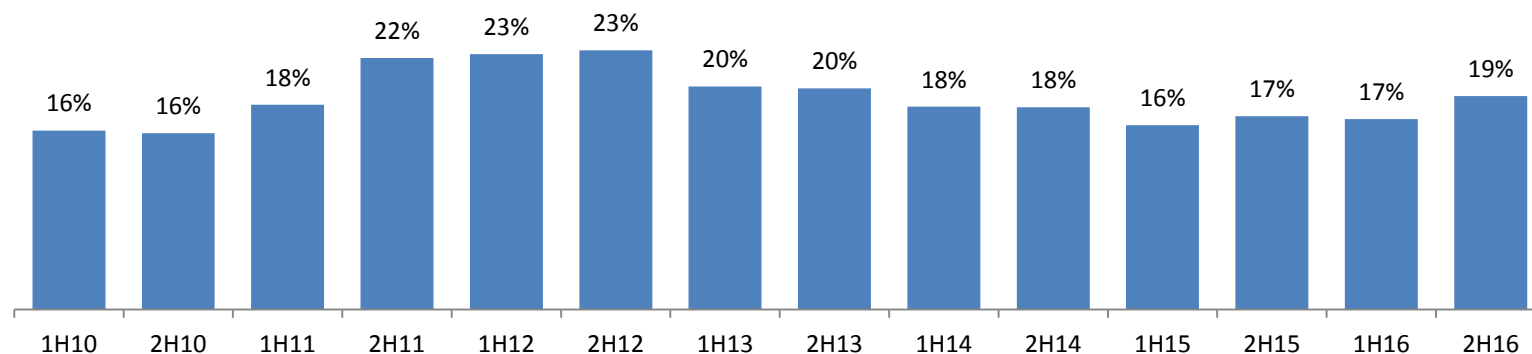
ROIC calculated as LTM EBIT / Total Invested Capital. Total invested capital calculated as reported segment assets minus segment liabilities.

ALS Current Food and Environmental Market Share

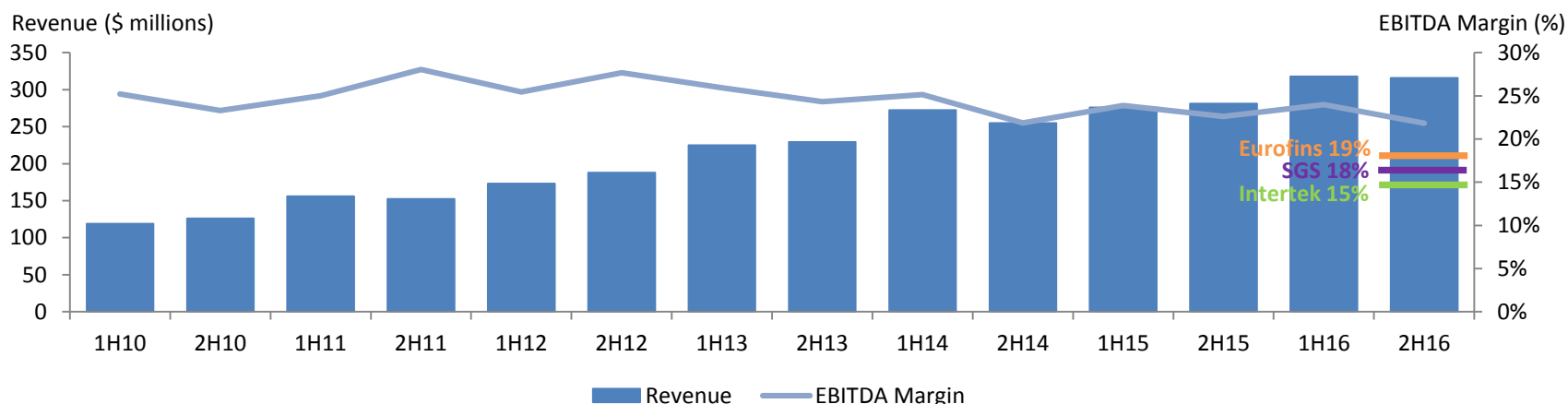


Note: Company estimates of ALS market share of commercially available work for the services ALS currently offers

Historical Life Sciences ROIC⁽¹⁾



Historical Life Sciences Revenue and EBITDA Margin⁽²⁾



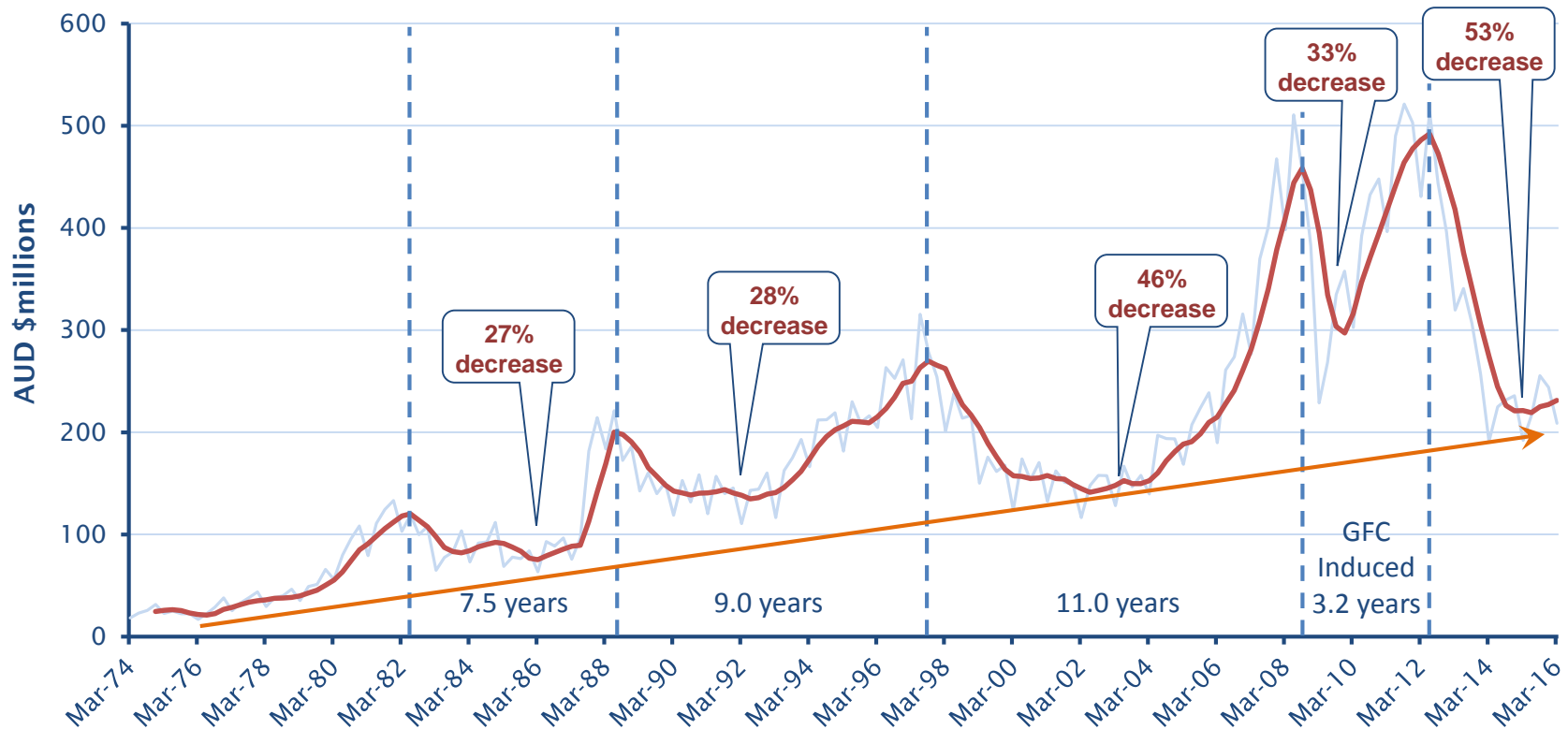
¹ ROIC calculated as LTM EBIT / Total Invested Capital. Total invested capital calculated as segment assets minus segment liabilities.

² Intertek margin represents the Chemicals & Pharmaceuticals division, SGS margin represents the Life Sciences Services and Environmental Services divisions. Eurofins margin includes Corporate costs

Mineral cycle at a trough



Australian Mineral Exploration Spend (excluding iron ore & coal)

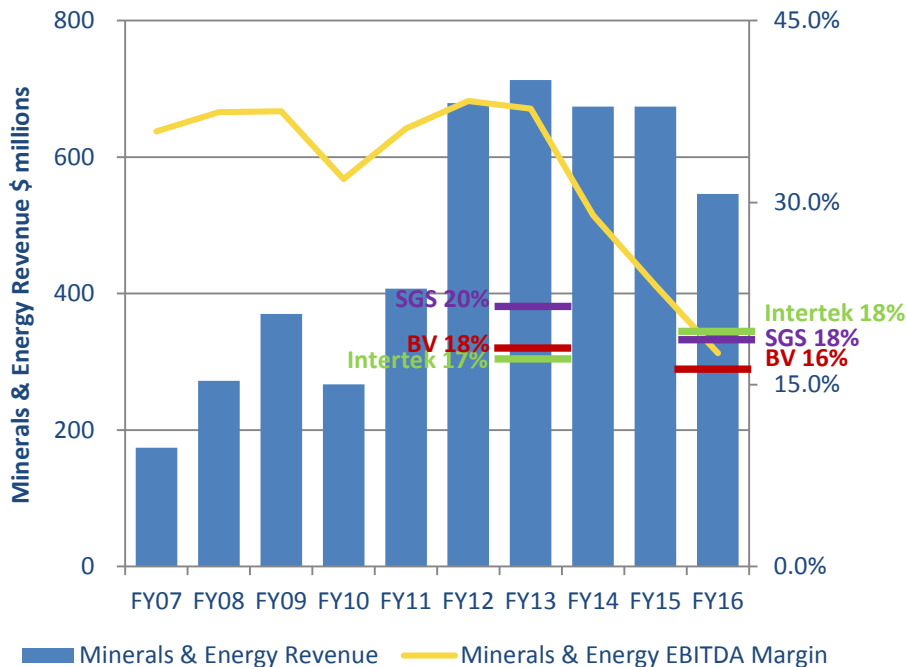


Source: Australian Bureau of Statistics

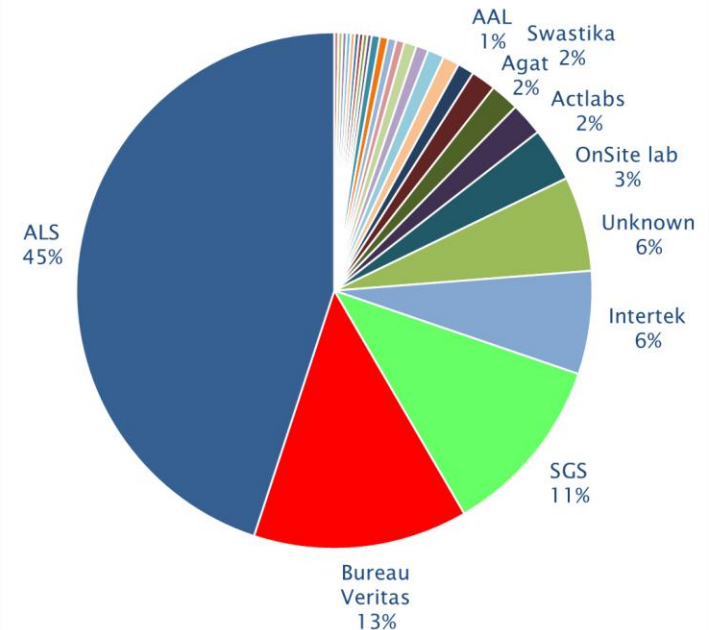
Platform well positioned to benefit from recovery



Historical revenue and EBITDA margin for the Minerals and Energy segments (FY ending March)¹



Laboratory Service Provider used for SNL Top Ranked Assay Drill Intersection Announcements 2014-2015²



- Leading global platform leveraged to inevitable market recovery
- Enhanced by ongoing cost base management and service optimisation

¹ Estimated EBITDA Margins for SGS, Intertek, Bureau Veritas are for Calendar Year 2015 and 2012 and refer to the Commodities segment for Intertek, the Commodities segment for Bureau Veritas and the Minerals and O&G & Chemicals Services segments for SGS. EBITDA is underlying EBITDA for all companies

² SNL Top 10 Ranked Assay Targets for Copper, Gold, Lead, Silver and Zinc published in Quarterly SOTM reports

Mineral cycle – are we past the bottom of the cycle?

\$USD



\$AUD

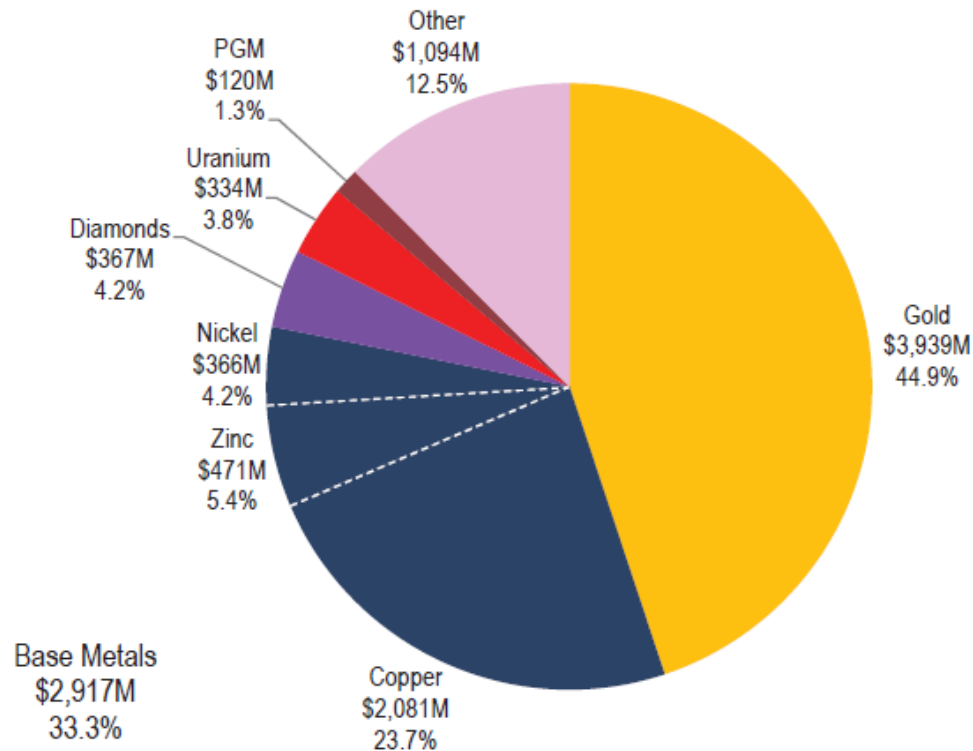


\$CAD



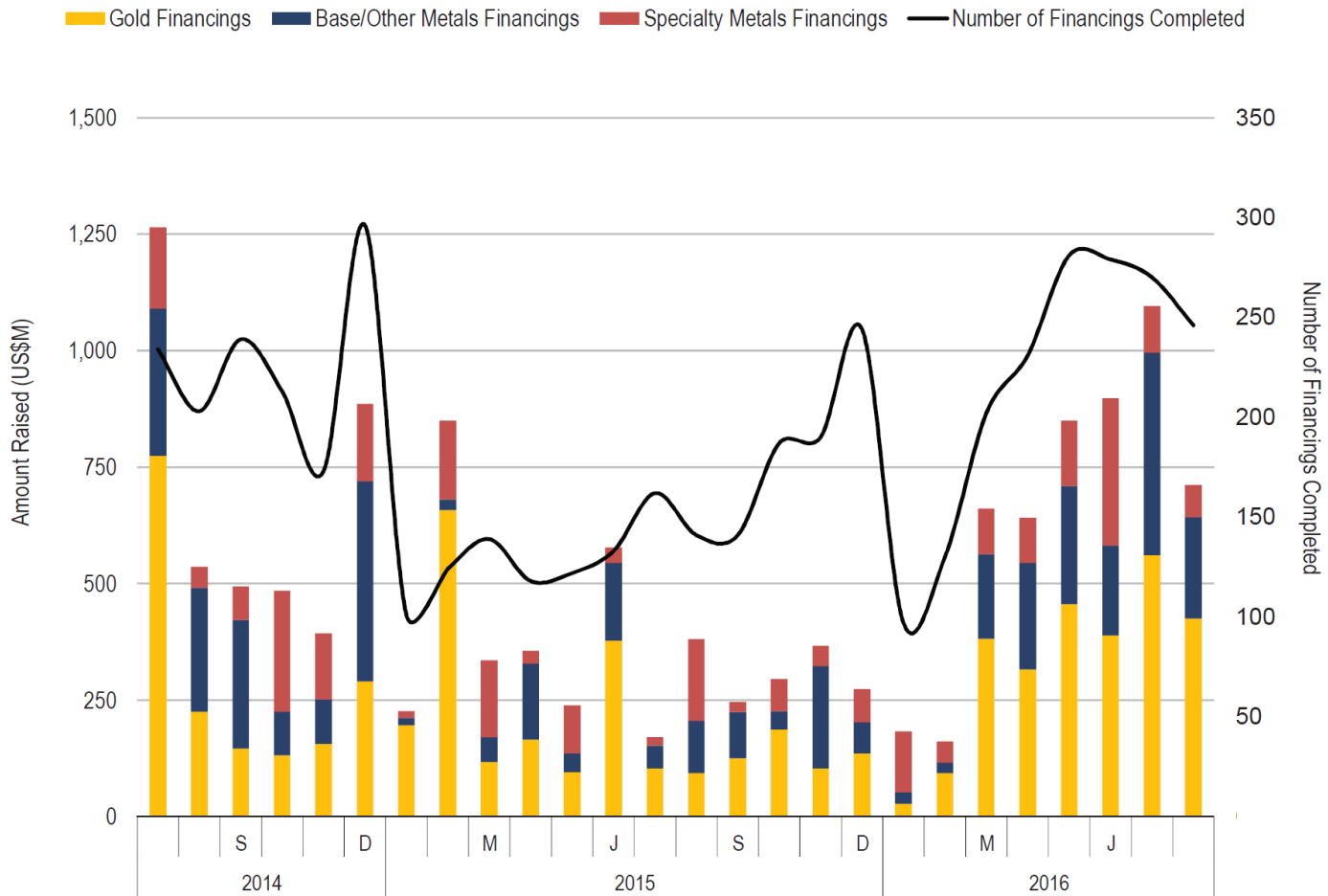
Mineral cycle – are we past the bottom of the cycle?

Figure 1: Worldwide Exploration Budgets by Target, 2015
(1,798 Companies Budgeting \$8.77 Billion)



Mineral cycle – are we past the bottom of the cycle?

Junior and Intermediate Financings Completed



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Mineral cycle – are we past the bottom of the cycle?

