



Creating a global leader in project, engineering and technical services delivery

Presentation to Analysts and Investors

13 March 2017



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Transaction Rationale - accelerating delivery of our strategy

Creating a global leader in project, engineering and technical services delivery

- **An asset light, largely reimbursable business of greater scale and enhanced capability**
- **Diversified across oil & gas, chemicals, power, environment & infrastructure and mining**
- **Combined asset life cycle services across projects, engineering modifications, construction, operations and maintenance activities**
- **Improved capability to capitalise on growth opportunities**
- **Significant pre-tax cost synergies of at least GBP 110m (\$134m) results in a leaner and more competitive business**
- **Compelling strategic and financial rationale**

An asset light, largely reimbursable business of greater scale

(Year ended December 2016)

\$mm	 WOOD GROUP		Combined
Revenue	4,984	7,370	12,304
EBITA	363	431	794
Margin	7.4%	5.8%	6.5%
Headcount	c29,000	c35,000	c64,000



Financial impact, consideration, valuation & financing

- **Are recommended all share transaction to acquire Amec Foster Wheeler**
- **Wood Group shareholders will own c56% of the combined entity**
- **Earnings enhancing to Wood Group and Amec Foster Wheeler shareholders in year 1**
- **Significantly earnings enhancing as synergies are delivered**
- **Deleveraging to targeted 0.5-1.5x Net debt: EBITDA range within 18 months post close**
- **Combined business will maintain Wood Group progressive dividend policy**

Combined Market Cap:

c\$4.8bn

Profuma net debt:

c\$1.6bn

(c1.9x Profuma 2016 pre-synergy EBITDA)

All share consideration:

0.75

WG shares per Amec Foster Wheeler share

Amec Foster Wheeler equity value:

c\$2.2bn

(c15% premium)



**Project
definition &
engineering**

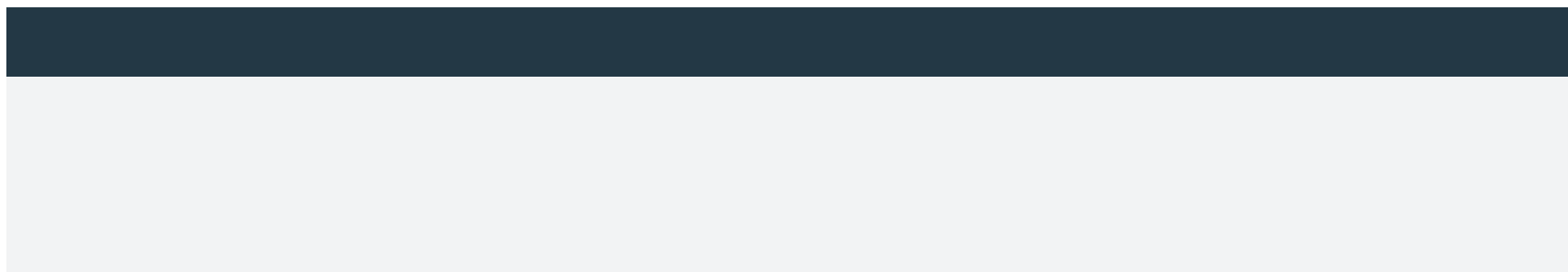
**Project
management**

**Fabrication
and**



Indicative structure: service defined with functional support





Proven track record of delivering significant cost reduction

- **Early and decisive action on cost generated \$241m cumulative overhead savings in two years to December 2016**
- **Reduction achieved sustainable in 2017**
- **Investment in ERP facilitated cost reduction**
- **Structural changes achieved through focus on efficiency and back office rationalisation including shared services and outsourcing**
- **Savings made across executive leadership, operations and functional support**



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Appendix 1- Transactions summary

- **Consideration: 0.75 Wood Group shares per Anec Foster Wheeler share**
- **Implied consideration of GBP 5.64 per share**
- **Acquisition value c£2.2bn**
- **c15% premium**
- **All share taken ~~on~~ cash'd 1 Ú " and M**

Conditions and expected closing date

- **H1 – Class 1 circular and scheme document published, Wood Group and Anec Foster Wheeler general meetings**
- **H2 – Completion subject to approvals (Shareholder, Antitrust and other regulatory)**

