

Reducing costs, improving efficiency, broadening our offering

- 2015 performance in line with expectations despite challenging markets
- Controlling what we can control
 - Delivering overhead cost savings of \$148m
 - Focusing on utilisation
 - Investing organically and through acquisition
- Winning work in a subdued market
- Generating value for shareholders, dividend up 10%



Financial summary

Total Revenue

Total EBITA

EBITA Margin

- Performance benefitting from flexibility and diversity of our asset light model
- EBITA margin reflects focus on controlling what we can control
- Dividend up 10% in line with previous intention

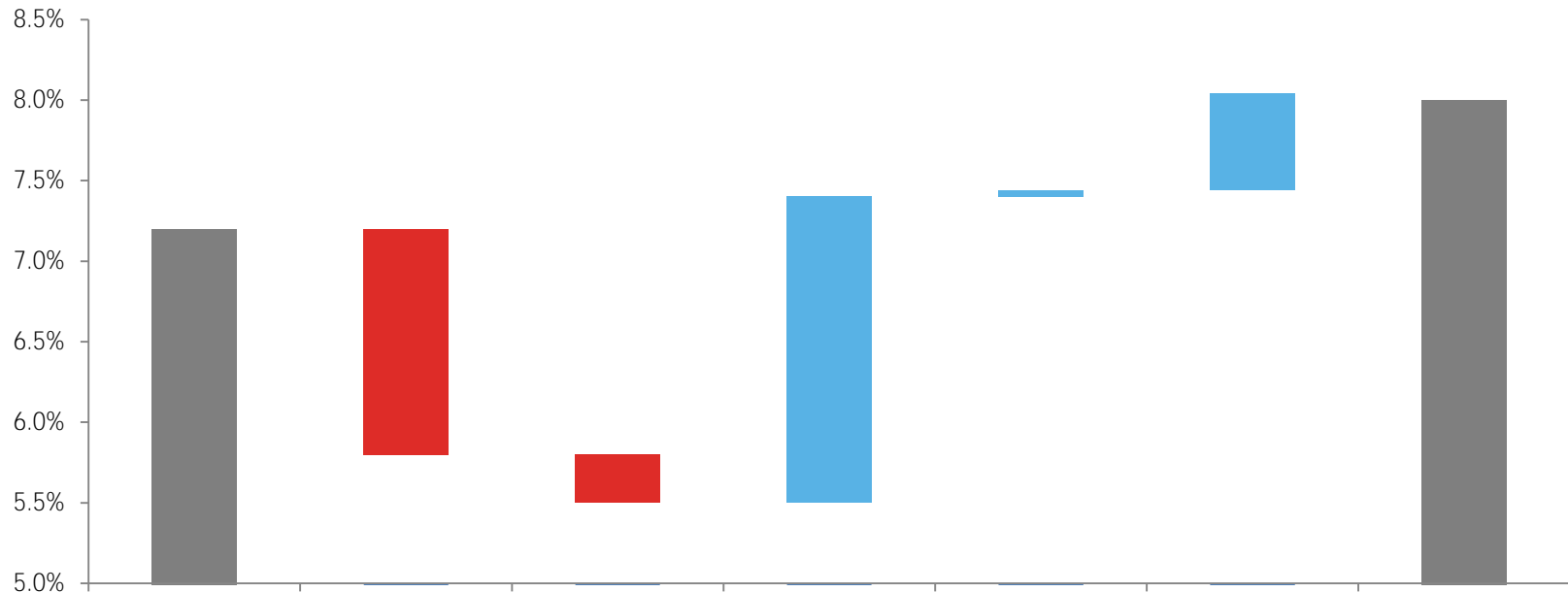


Trading performance reflects breadth, resilience & flexibility

	2015 \$m	2014 \$m	Change %
Total revenue	5,852	7,616	(23.2)%
Total EBITA	470	550	(14.5)%
<i>EBITA margin</i>	<i>8.0%</i>	<i>7.2%</i>	<i>0.8pts</i>
Amortisation	(109)	(102)	
Total operating profit pre exceptional items	361	448	(19.4)%
Net finance expense	(23)	(24)	
Profit before tax and exceptional items	338	424	(20.3)%
Taxation (before exceptional items)	(89)	(115)	
Profit before exceptional items	249	309	(19.4)%
Exceptional Items (net of tax) – EthosEnergy impairment	(159)	-	
Exceptional Items (net of tax) – Other	-	27	
Profit for the period	90	336	(73.2)%
Adjusted diluted EPS (AEPS)	84.0c	99.6c	(15.7)%
Dividend	30.3c	27.5c	10.2%



EBITA margin reflects sustainable cost savings



- Underlying margins in line with 2014; volume and pricing pressure offset by overhead savings



Wood Group Engineering

	2015 \$m	2014 \$m	Change %
Revenue	1,729	2,131	(18.9)%
EBITA	215	232	(7.5)%
Margin	12.4%	10.9%	1.5pts
Headcount	8,900	11,200	(20.5)%

Upstream

(c.35% of revenue)

- Ivar Aasen and Hess Stampede activity reducing
- Statoil 6 year contract award in Norway
- Confident of FEED awards progressing to detailed design

Subsea & Pipelines

(c.40% of revenue)

-



Wood Group PSN - Production Services

	2015 \$m	2014 \$m	Change %
Revenue	3,448	4,636	(25.6)%
EBITA	258	342	(24.5)%
Margin	7.5%	7.4%	0.1pts
Headcount	23,900	26,600	(10.2)%

Americas

(c.40% of revenue)

- Significant volume and pricing pressure on US onshore following strong growth in 2014
- Moving into Marcellus & Utica shale region
- Infinity accesses US



Wood Group PSN – Turbine Activities

	2015 \$m	2014 \$m	Change %
Revenue			
RWG, TCT	200	203	1.5%
EthosEnergy	468	605	(22.6)%
Other	8	42	(83.3)%
Total Revenue	676	850	(20.4)%
EBITA			
RWG, TCT	36	31	(16.1)%
EthosEnergy			





Continuing to invest and generate returns

Balance sheet and cash generation support value creation:

Organic investment (\$83m)

- Plant & infrastructure, design software, ERP

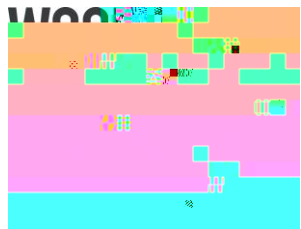
Strategic M&A (\$234m)

- ATG, Beta, Infinity, Kelchner

Dividends (\$112m)

- 10% growth in 2015. Intention to grow by a double digit % in 2016





2015 Final results – Operations

Robin Watson – Chief Executive



Our operational focus in 2015

Objective

- To emerge from the cycle as a stronger, better business

Tactics

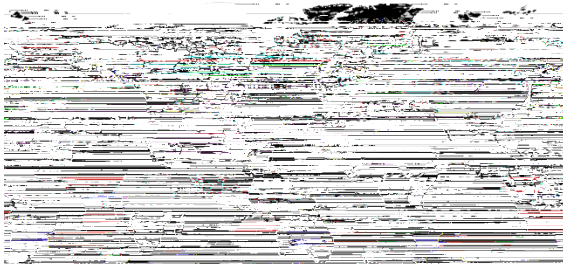
- Controlling what we can control to maintain margin
- Managing utilisation and maintaining capability
- Remaining competitive and responding quickly
- Taking actions which align with customer objectives
- Delivering sustainable strategic and structural overhead cost savings



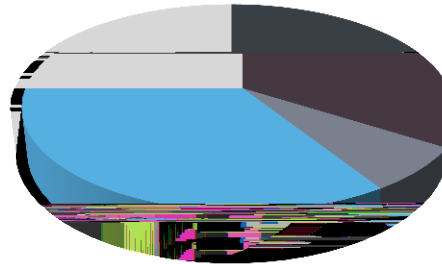
Developing our broad, customer-aligned business

Capex (c40%-45%)

Opex (c55%-60%)



Geographies



■ IOC ■ NOC ■ Independent ■ Other

Customers

Upstream
Offshore, Onshore,
Unconventional

Subsea & Pipelines

**Downstream, Process &
Industrial**

Markets and Sectors

Reimbursable (90%)

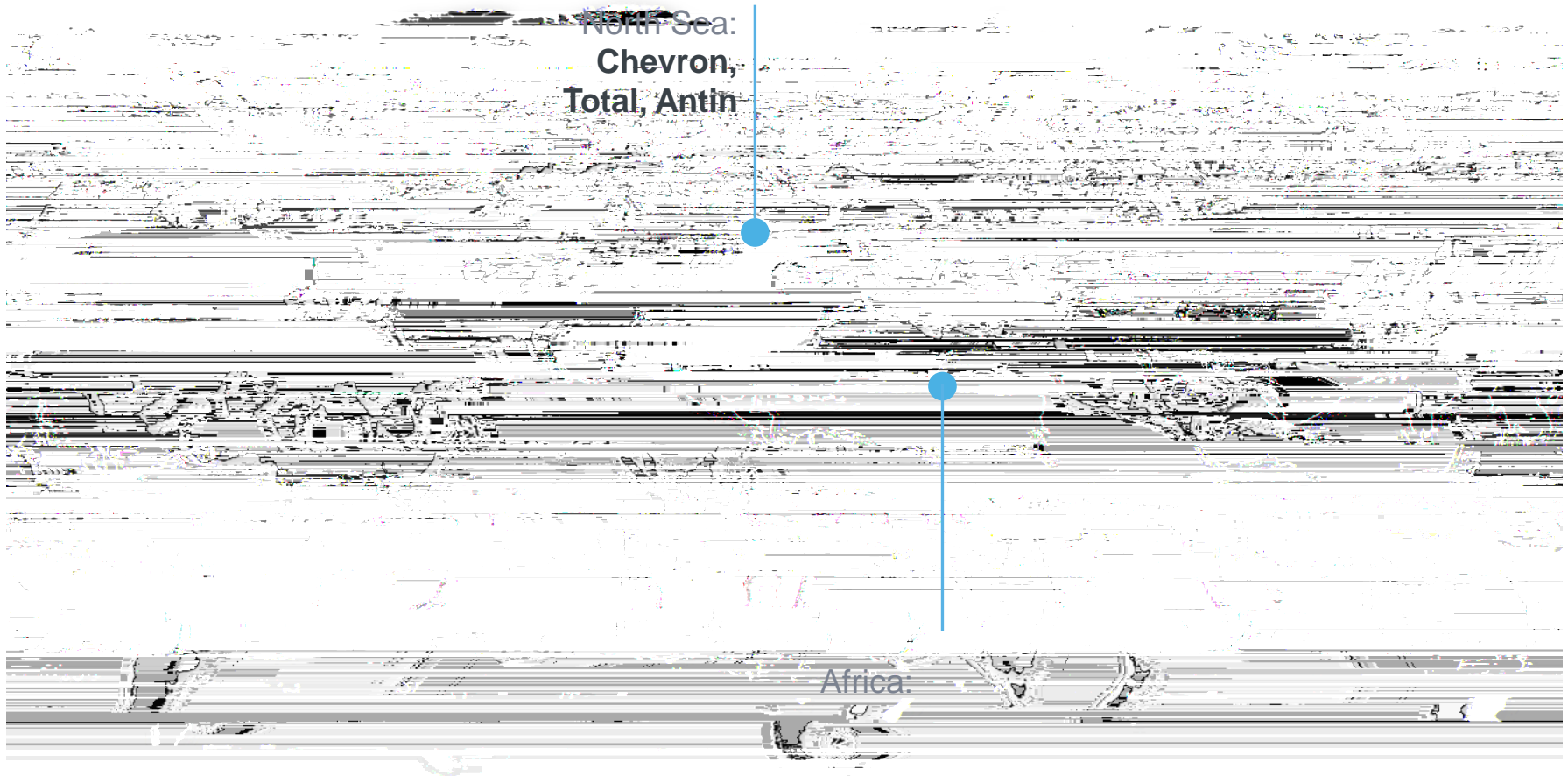
Fixed price (10%)



Infinityblishes



Customer demand for our differentiated services



Summary and outlook

2015

- Performance in 2015 demonstrates resilience and flexibility in challenging markets

2016

- Activity levels in our core markets will continue to be constrained
- Well positioned as a leading asset-light provider of technical solutions
- Strong balance sheet supports further strategic M&A and organic investment
- Intention to increase the 2016 dividend by a double digit percentage
- Continued focus on reducing costs, improving efficiency and broadening our offering





Reconciliation of operating profit (pre



Exceptional loss/(gain)

	2015 \$m	2014 \$m
EthosEnergy impairment	159	-
Integration, restructuring and business exit charges	24	7
Onerous leases	12	-
Onerous contract	(14)	(10)
Provision release for divested business	(10)	-
Venezuela settlement	-	(58)
Transaction related costs	-	24
Total exceptional loss/(gain)	171	(37)
Tax	(12)	10
Total exceptional loss/(gain) after tax	159	(27)



Amortisation

	2015 \$m	2014 \$m
Amortisation on software, development costs and licenses	55	40
Amortisation of intangible assets arising on acquisition	54	61
	109	101



Tax

	2015 \$m	2014 \$m
Profit from continuing operations before tax	338	424
Tax charge	88	115
Effective tax rate on continuing operations	26.2%	27.2%



Finance expense

	2015 \$m	2014 \$m
Interest on debt	18	14
Other fees and charges	9	12
Total finance expense	27	26
Finance income	(4)	(2)
Net finance expense	23	24



Net debt and interest cover

	2015 \$m	2014 \$m
Average gross debt	572	643
Average net debt	257	416
Closing gross debt	566	559
Closing net debt (incl JVs)	290	296
Net Debt:EBITDA	0.5x	0.5x
Interest cover	20.3x	22.7x



ROCE

	2015 \$m	2014 \$m
Net operating assets	2,736	2,820.5



Footnotes

1. Total EBITA represents operating profit including JVs on a proportional basis of \$189.5m (2014: \$486.0m) before the deduction of amortisation of \$109.0m (2014: \$101.2m) and net exceptional expense of \$171.2m (2014: income \$37.6m) and is provided as it is a key unit of measurement used by the Group in the management of its business.
2. Adjusted diluted earnings per share (“AEPS”) is calculated by dividing earnings before exceptional items and amortisation, net of tax, by the weighted average number of ordinary shares in issue during the period, excluding shares held by the Group's employee share ownership trusts and adjusted to assume conversion of all potentially dilutive ordinary shares.
3. Number of people includes both employees and contractors at 31 December 2015 and includes
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