



James Fisher and Sons plc

Capital Markets Day – 22 November 2016



Welcome

Agenda



Nick Henry
Group CEO



Stuart Kilpatrick
Group CFO



Giovanni Corbetta
JFD CEO



Richard Burmeister
JFMS CEO

14.30 Introduction

14.45 JFD

15.25 JFD Q&A

15.45 Break

16.00 JF Marine Services

16.40 JF Marine Services Q&A

16.55 Summary and Outlook

17.00 Drinks

Nick Henry / Stuart Kilpatrick

Giovanni Corbetta

Richard Burmeister

Nick Henry



IMS – 22 November 2016

- Q3 revenue strongly ahead of comparative
 - Organic growth
 - 2 acquisitions
 - Sterling weakness
- Marine Support, Specialist Technical & Tankships ahead
 - Ship to ship services strong
 - Specialist Technical progress despite delays in nuclear decommissioning
- Offshore Oil 6% lower offset by lower overheads
- Outlook for the full year unchanged



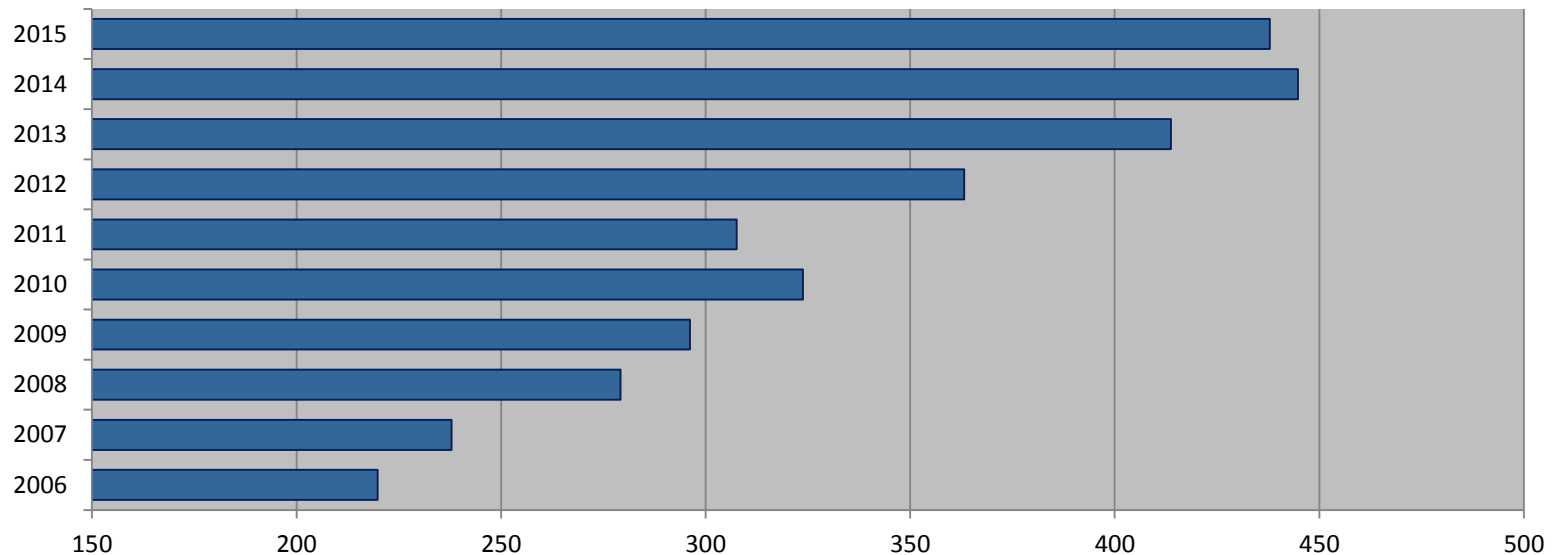
Who we are:

UK's leading Marine Service Company

Established 1847

UK listed 1952

Revenue



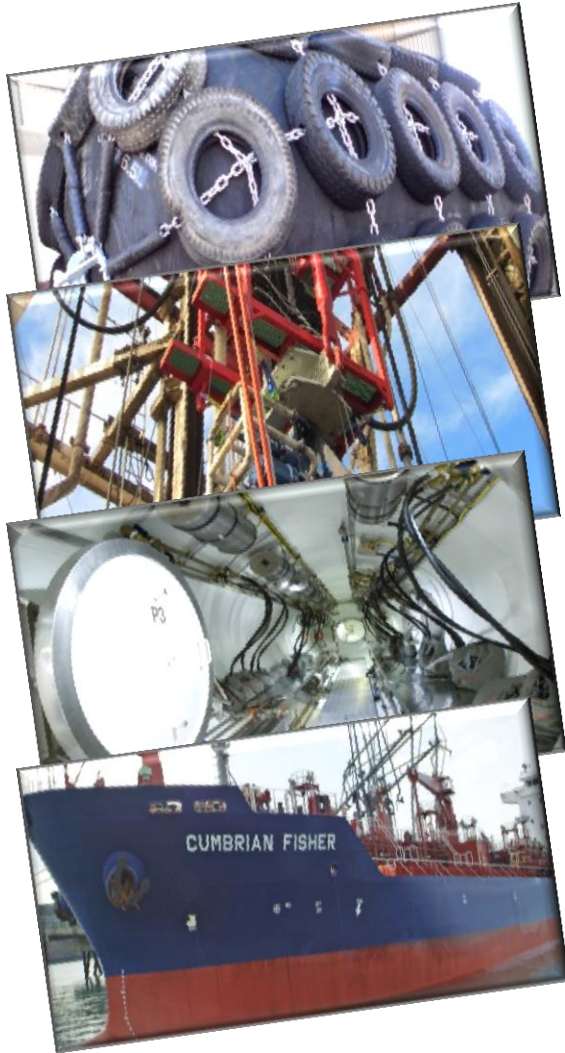
Market cap – c. £800m

Revenue - £438m

**Underlying PBT -
£41m**



Clear, consistent strategy



- Entrepreneurially led businesses with leading market positions in operational niches
- Leverage UK skills to the global Marine Services market
 - targeting immature markets
- Integration of niche services into wider service offering
- Focus on operational excellence
 - operating margins >10%
 - cash generative
 - ROCE >15%
- Bolt-on acquisitions to broaden service offering



Our businesses

James Fisher and Sons plc

Marine Support



Offshore Oil



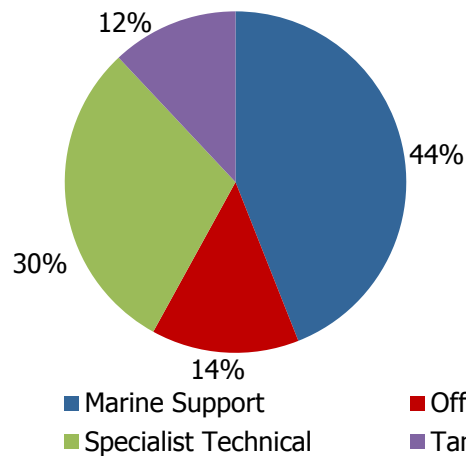
Specialist Technical



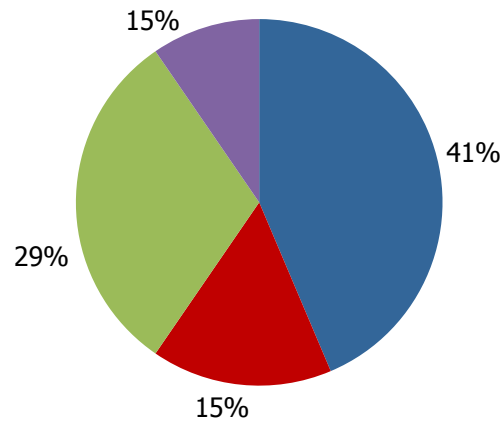
Tankships



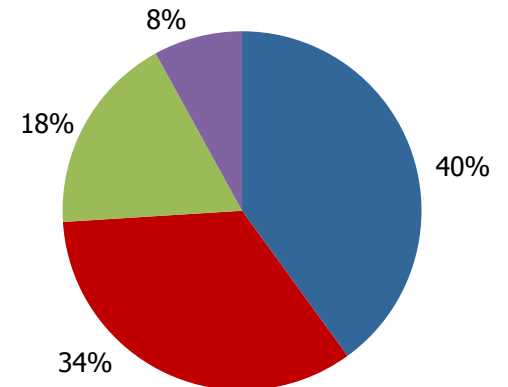
Revenue



Profit



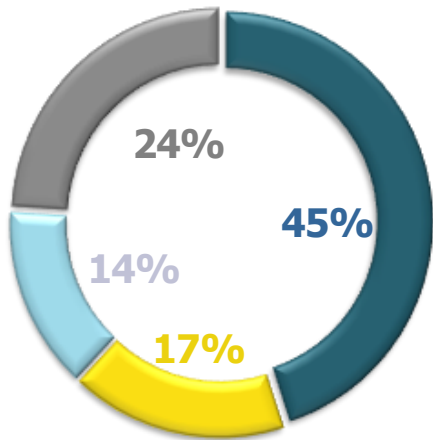
Assets





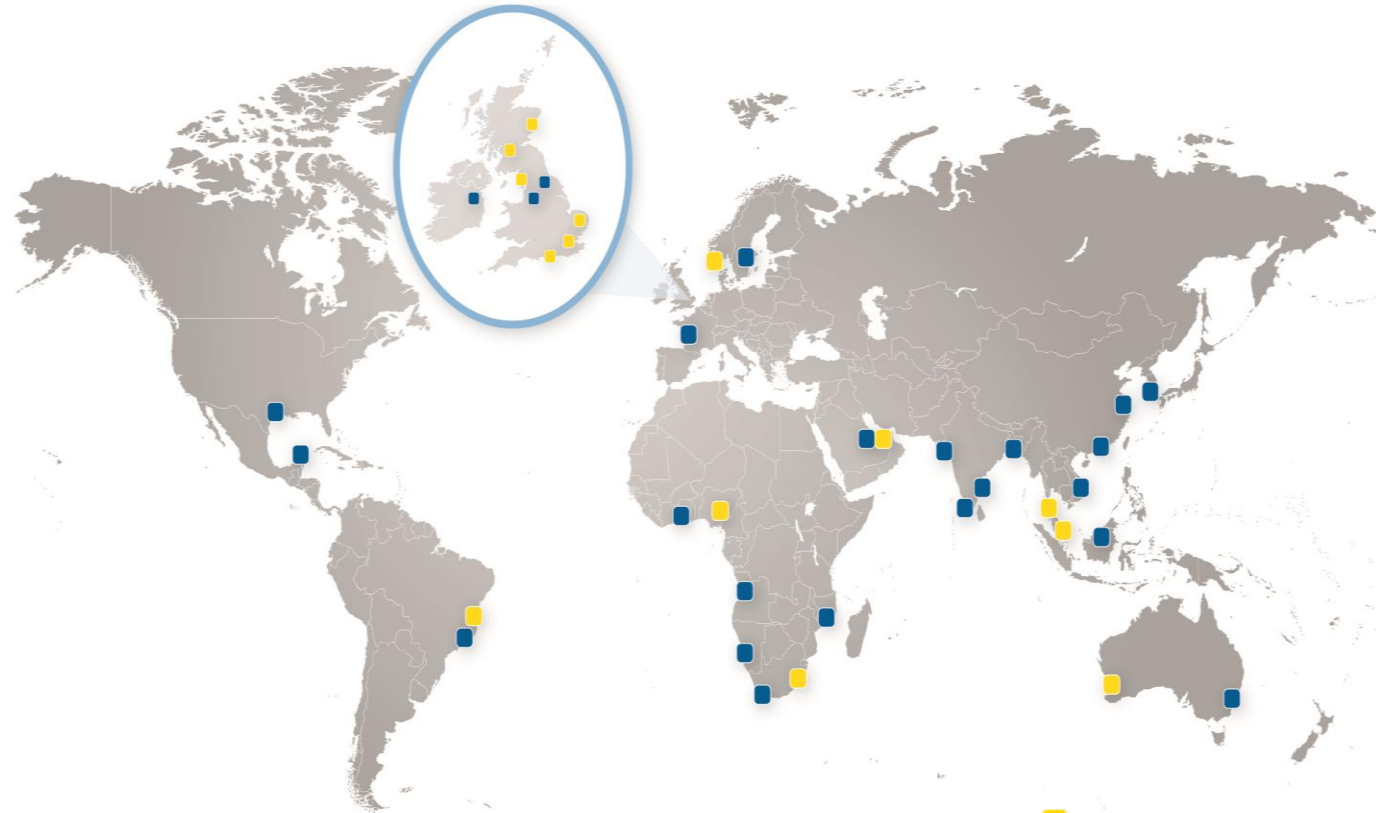
Where we are:

Revenue by destination 2015



- UK
- Asia Pacific
- Europe
- Middle East, Africa & The Americas

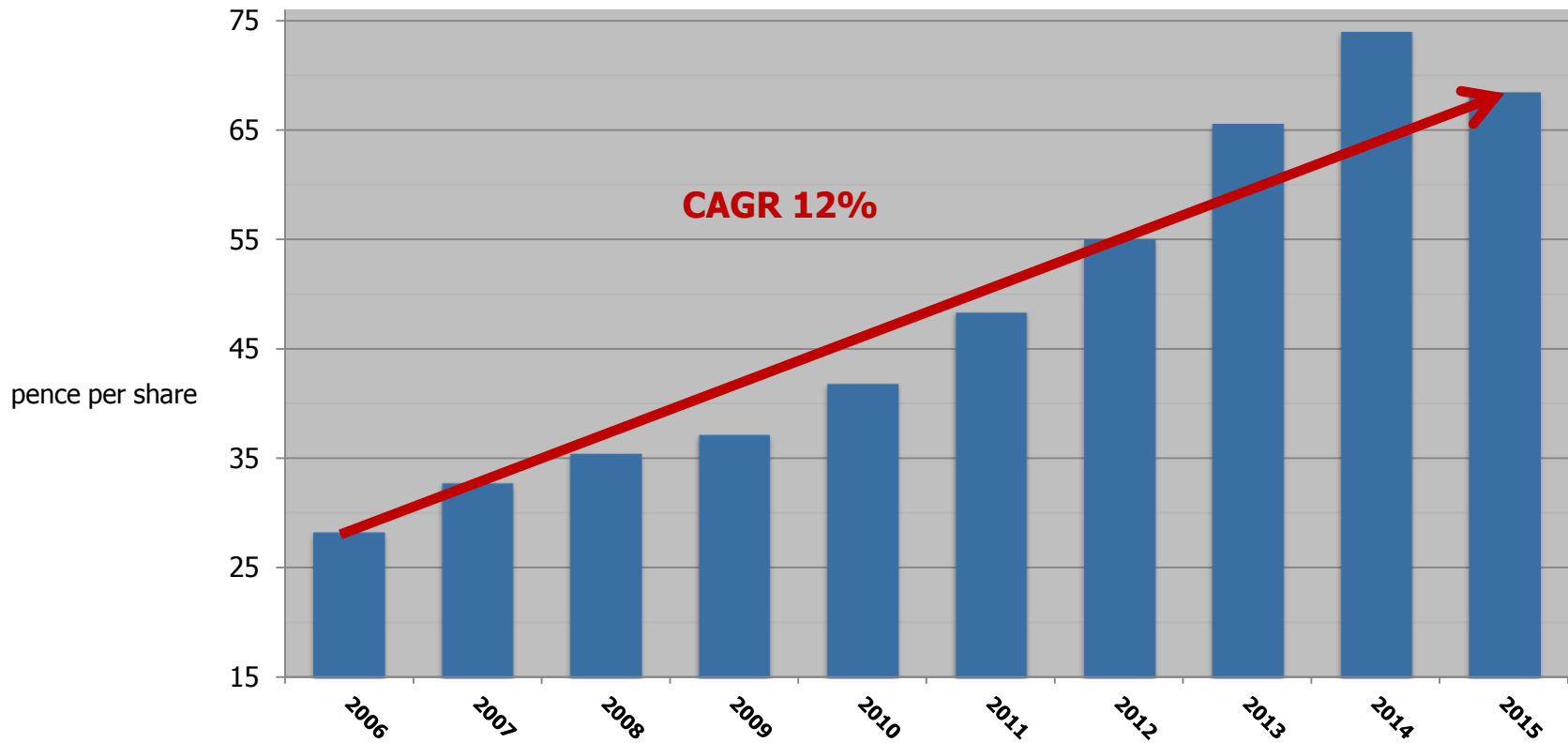
Locations



- Main Offices
- Other Offices

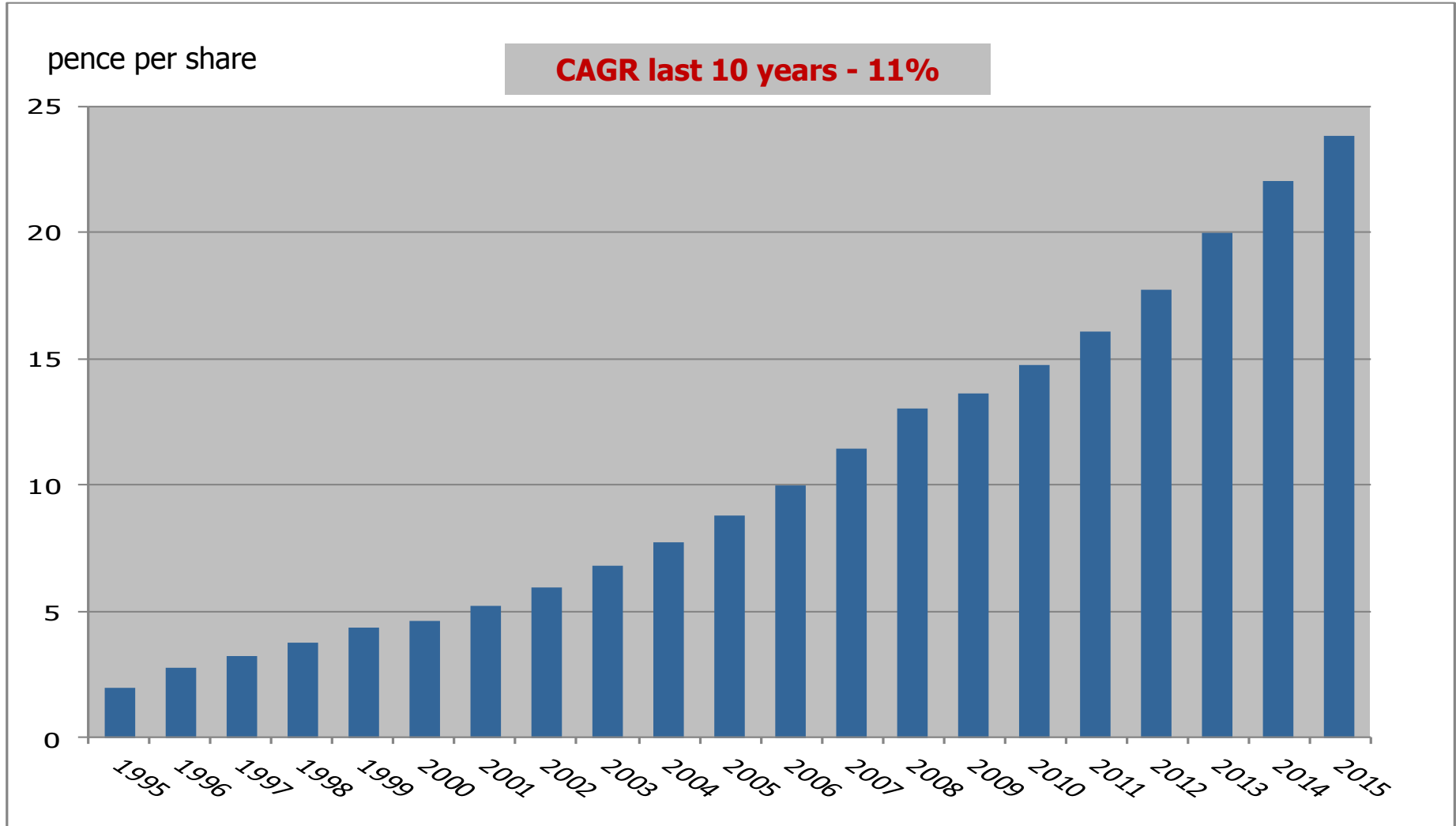


Earnings per share track record





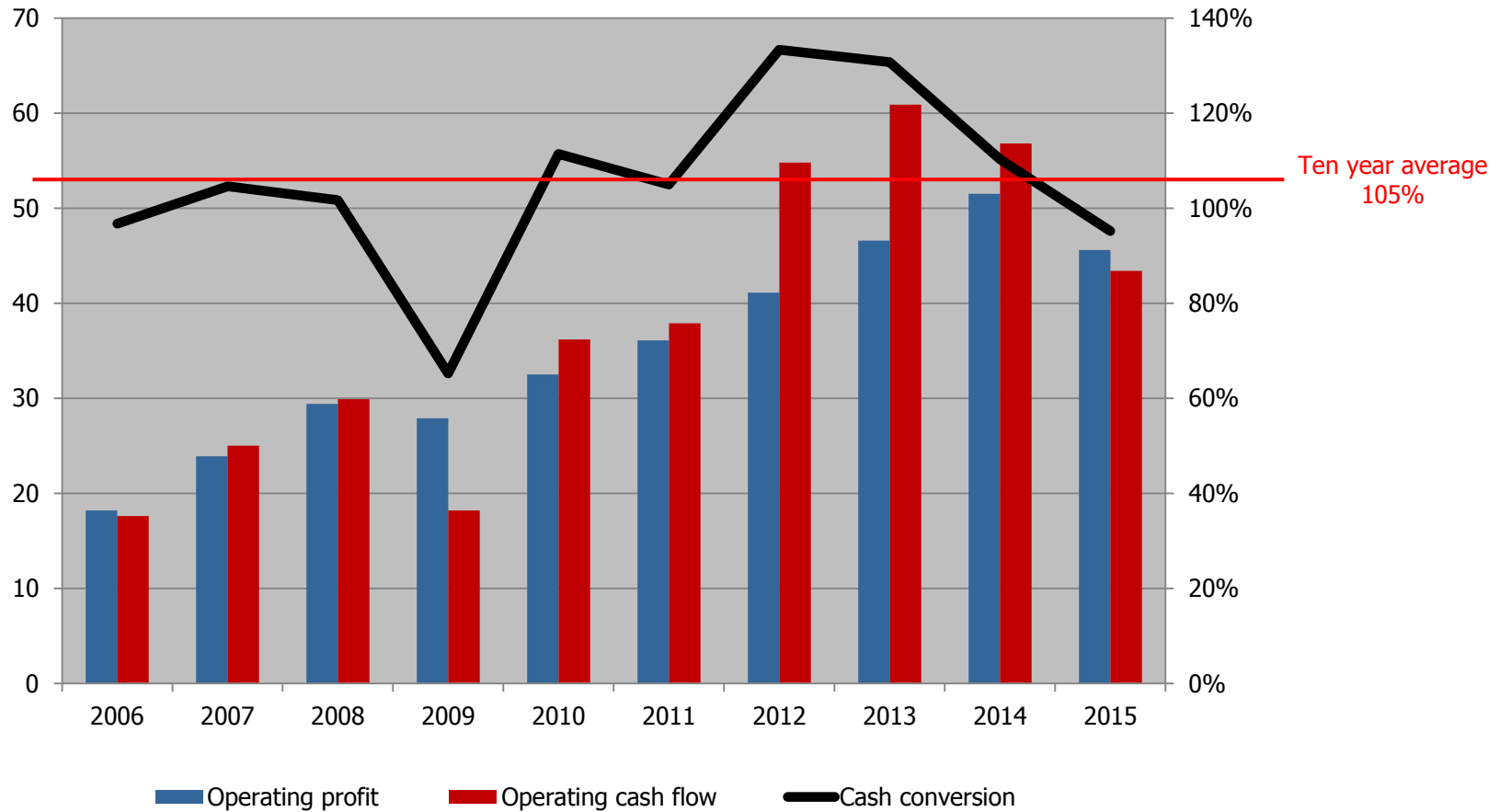
Dividend track record



- 21 consecutive years of dividend increase

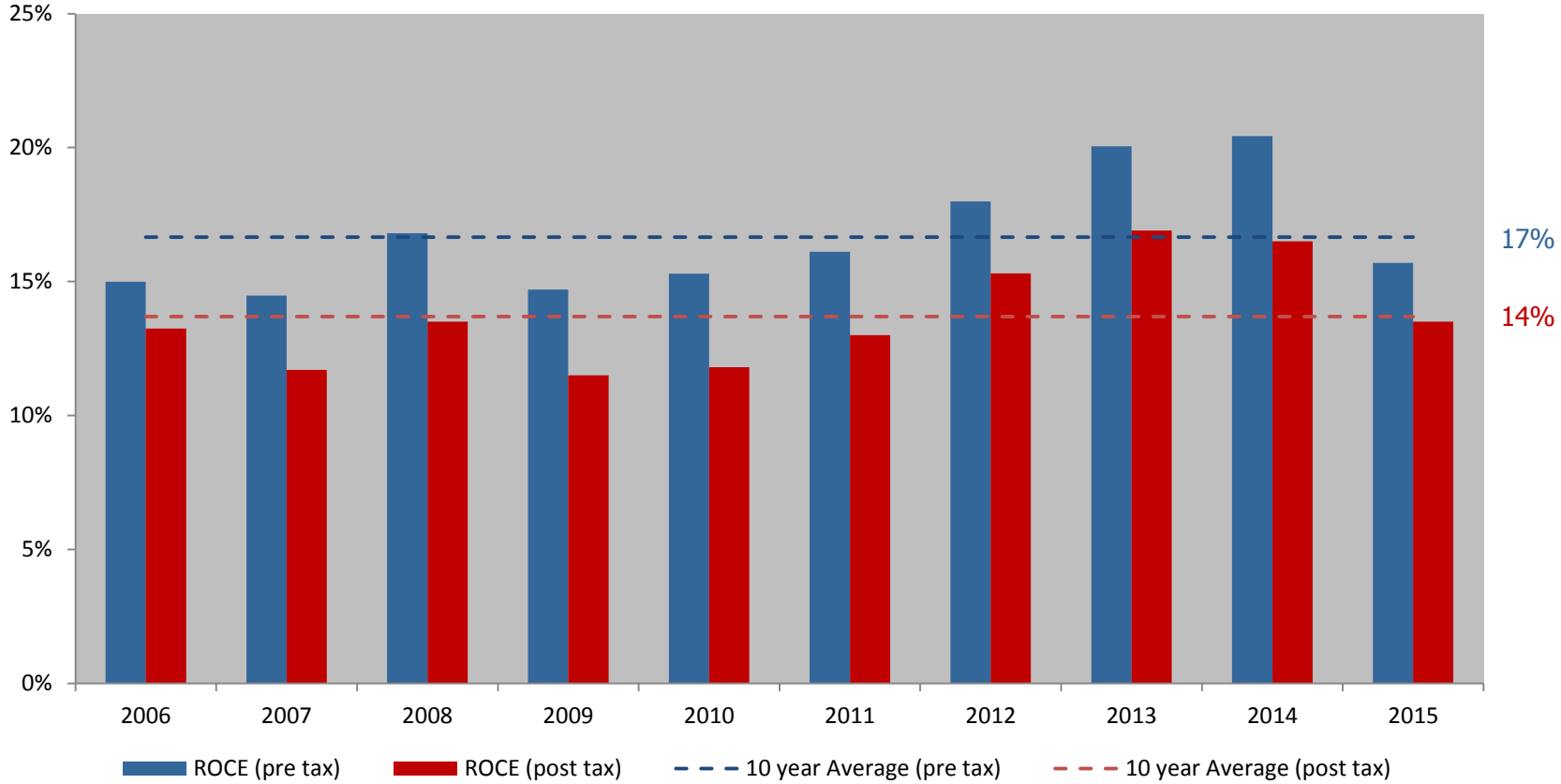


Cash Conversion



- Operating cash flow > operating profit in 7 of last 10 years

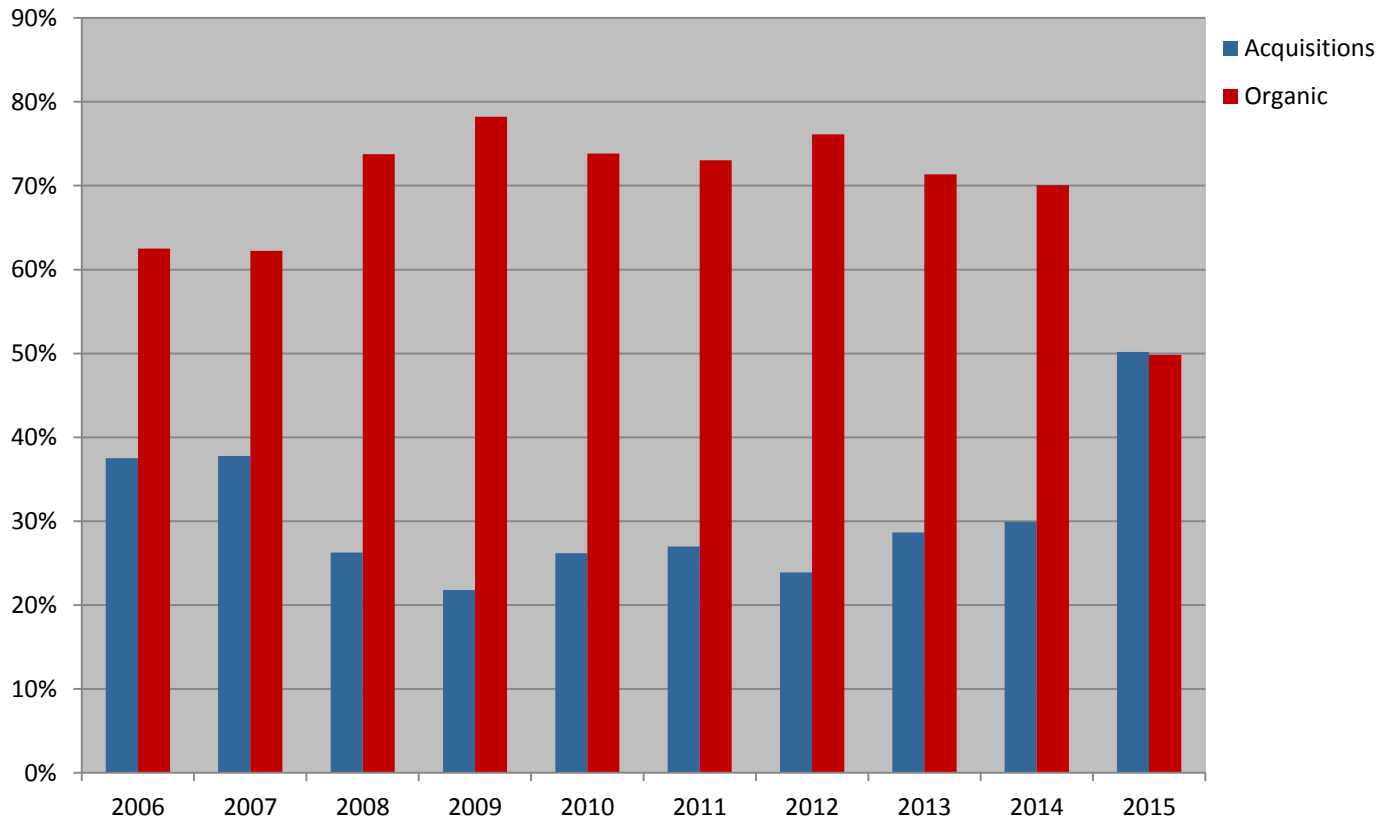
ROCE





Organic Growth

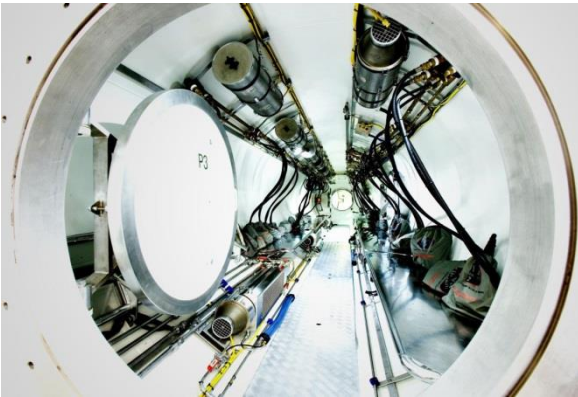
Cumulative growth in underlying operating profit of Specialist Technical, Offshore Oil & Marine Support



- 60%-70% organic growth since 2006
- 2015 reduced by Offshore Oil downturn

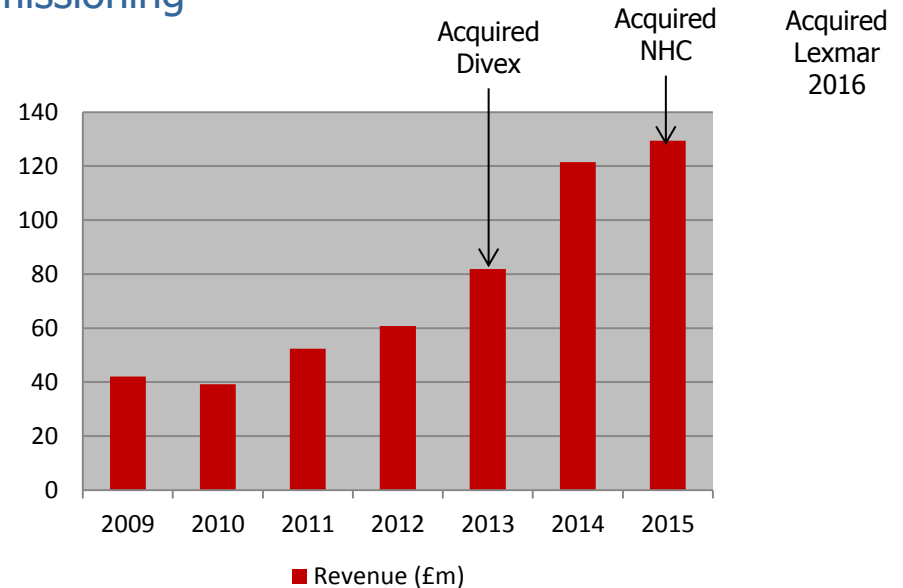


Deep dive on Specialist Technical



Two businesses

- JFD (2/3 of revenue)
- Specialist submarine rescue, hyperbaric facilities and diving and subsea equipment
- JF Nuclear (1/3 of revenue)
- Nuclear decommissioning

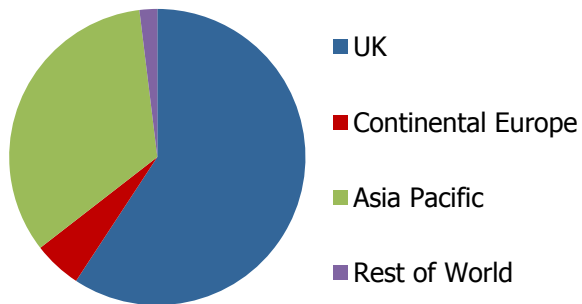




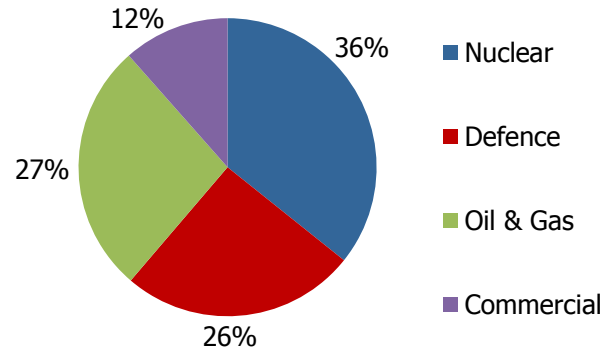
Specialist Technical Division - 2015

- 30% of Group Revenue
- 31% of Underlying Profit
- 800 employees

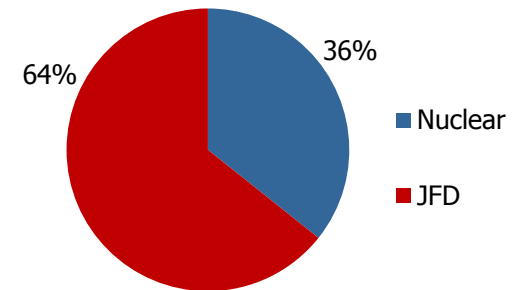
Revenue by Geography



Revenue by Sector



Revenue by Company





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JFD

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Submarine Rescue Services
Swimmer Delivery Vehicles



Saturation Diving Systems
Military & Commercial diving equipment



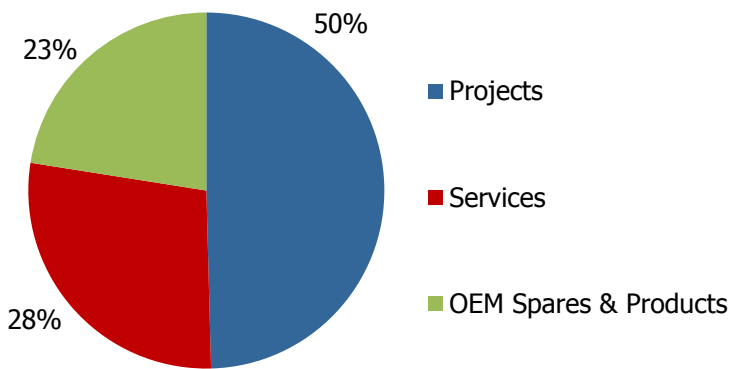
national **hyperbaric** centre

Hyperbaric Rescue Services
Testing & Training

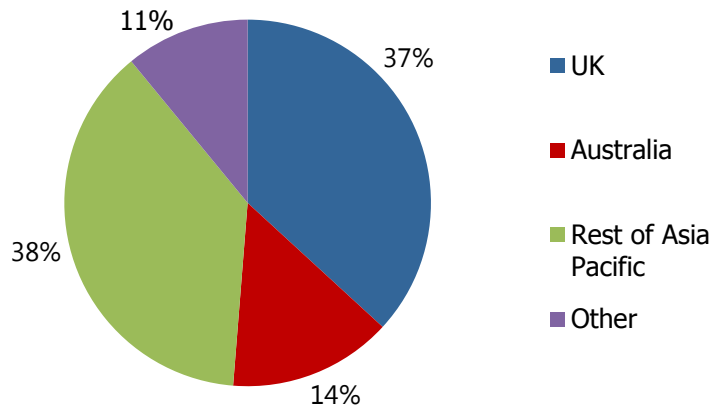
- “Multi-niches” Company
- Operating Model: from supplier of equipment to provider of services
 - Leverage on expertise (best in class) to secure projects
 - Use projects to establish long term services



Revenue by Activity - 2015



Revenue by Geography



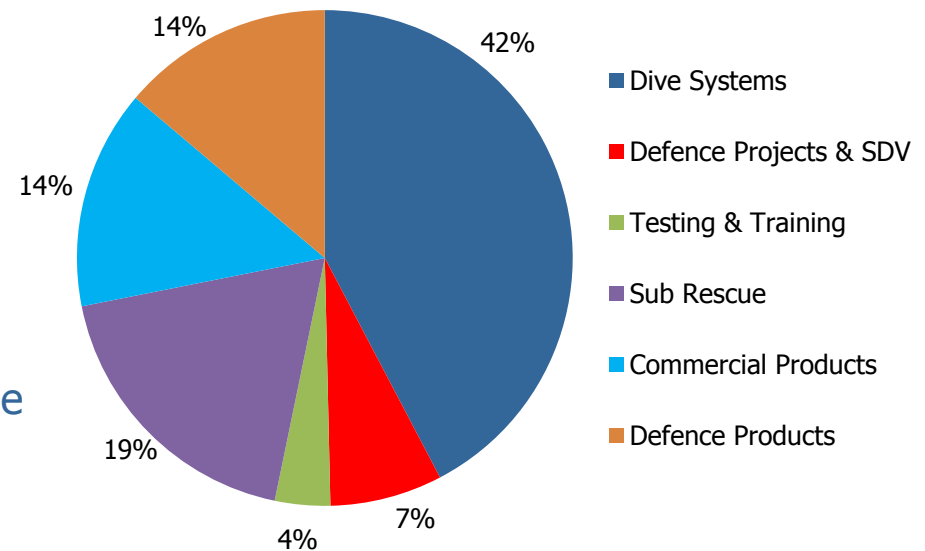
- Singapore based Lexmar acquired in August 2016



Revenue by activity

2015

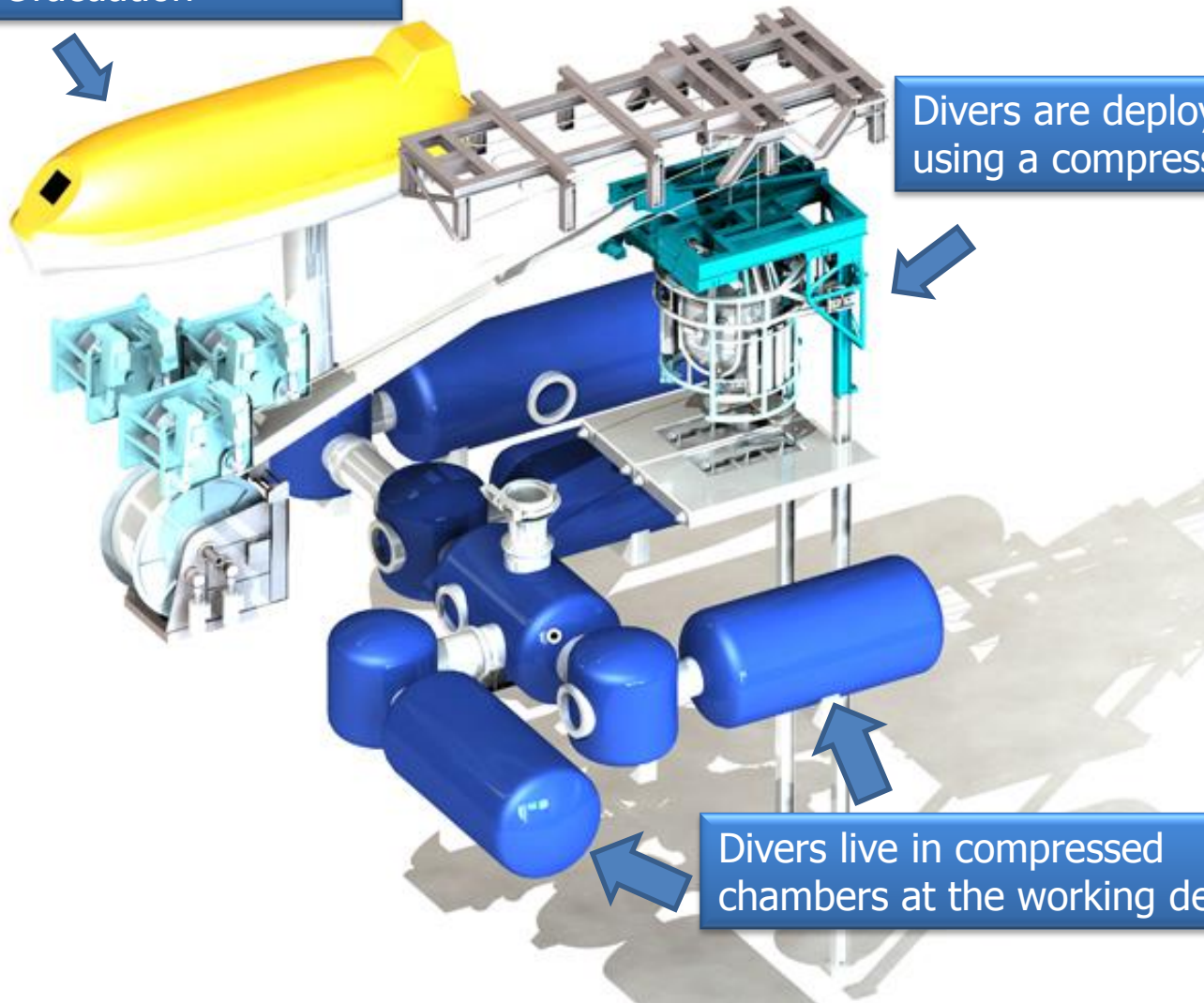
- Dive Systems
 - Saturation Diving
- Submarine Rescue
- Testing & training
- Commercial and Defence Products
- Defence Projects and Swimmer Delivery Vehicle





Saturation Diving Systems

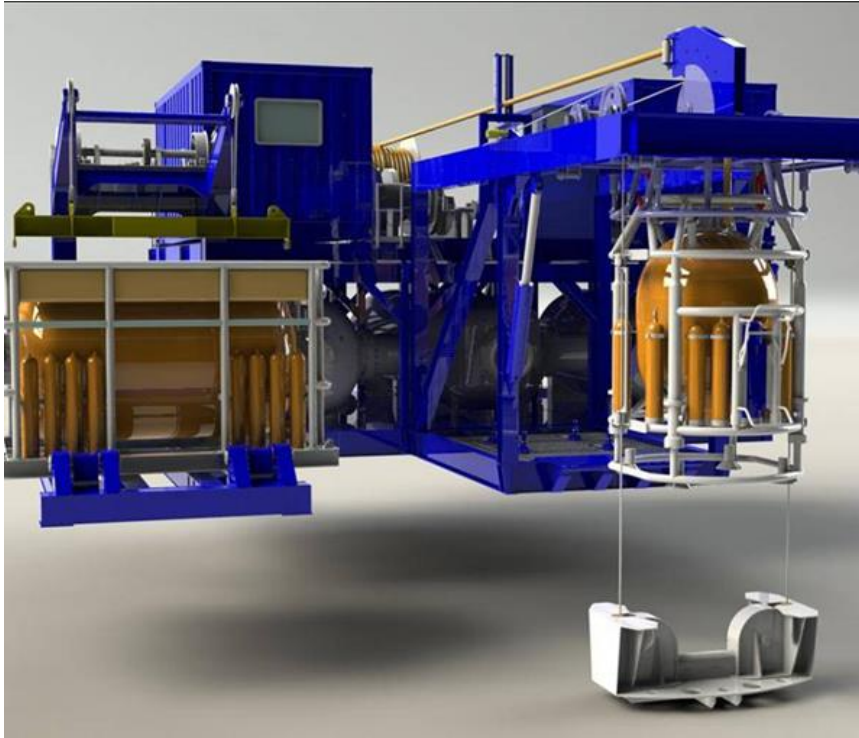
Divers have a compressed lifeboat for emergency evacuation



Divers are deployed on seabed using a compressed diving bell

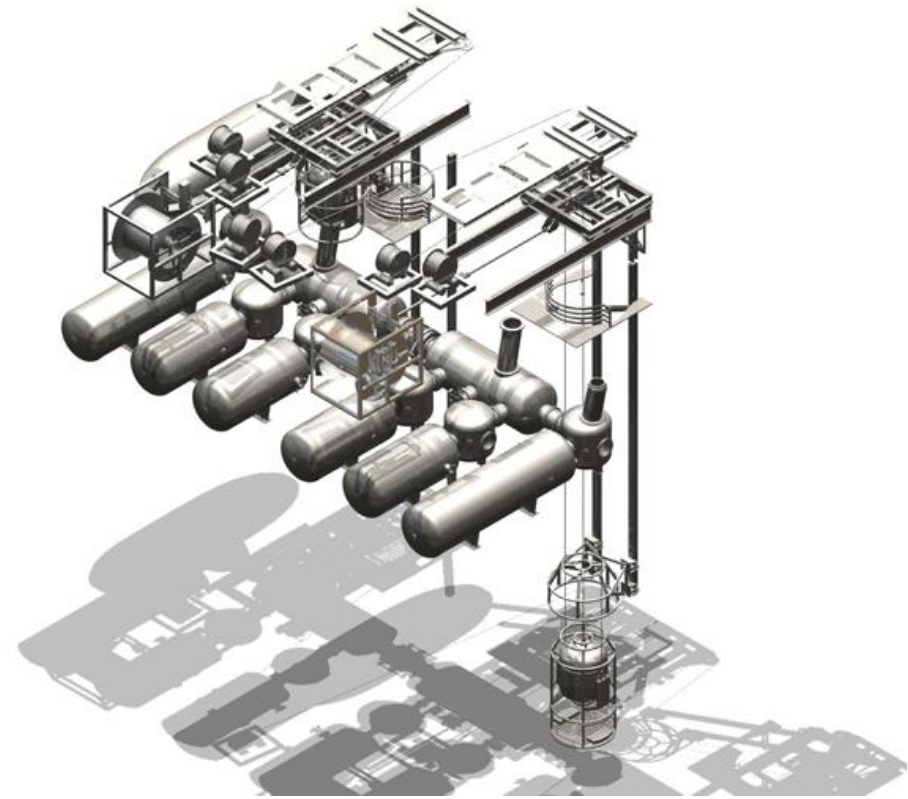
Divers live in compressed chambers at the working depth

Saturation Diving Systems



PORTABLE SYSTEMS

- Small and compact
- Installed on vessel's deck
- Easy to install and remove
- Suitable to many vessels
- Limited use (weather limitation)

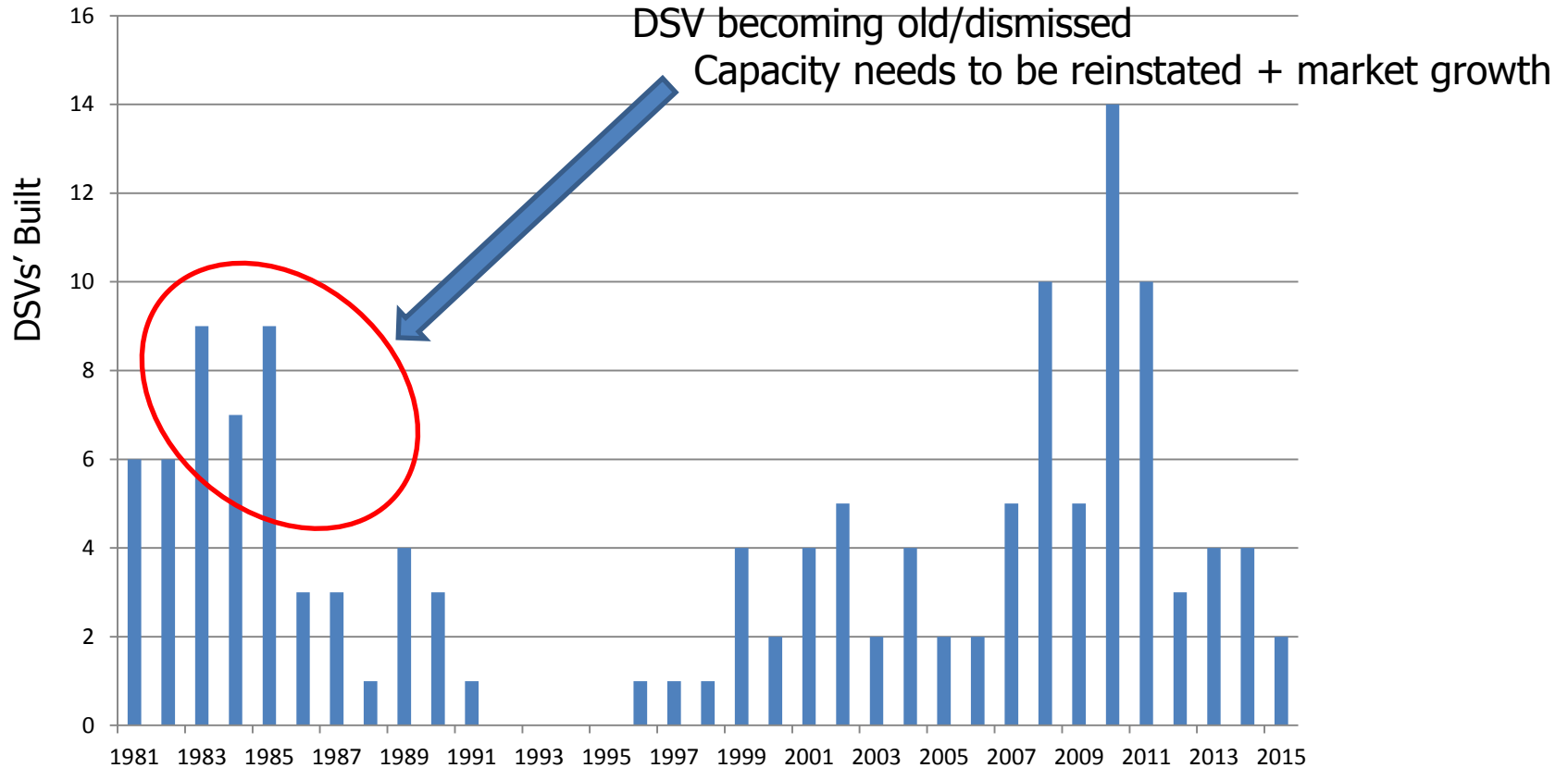


BUILT IN SYSTEMS

- Larger capacity (divers/efficiency)
- Specific design and built
- Extended use



Saturation Diving Systems



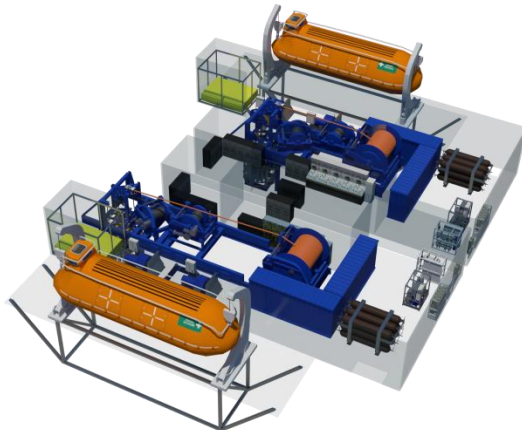
- Approx. one third of DSVs' built-in systems are JFD
- Approx. two third have JFD gas reclaims and other equipment
- 43% of currently new build DSVs' have JFDS systems

* DSV – Dive support Vessel



JFD – Dive Systems APAC Focus

LEXMAR



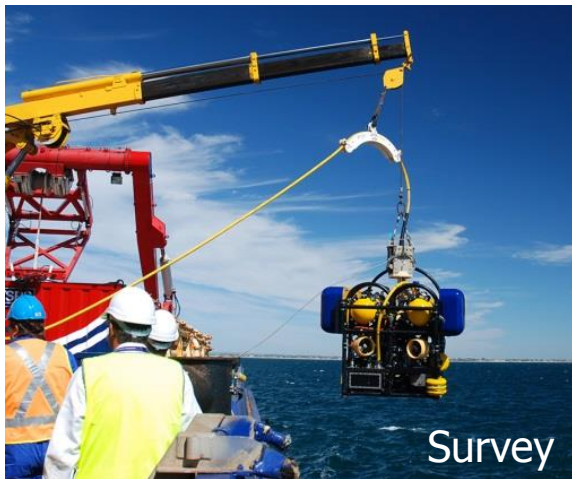
Shanghai Salvage
500 SAT System



Submarine Rescue



Escape



Survey



Full Rescue

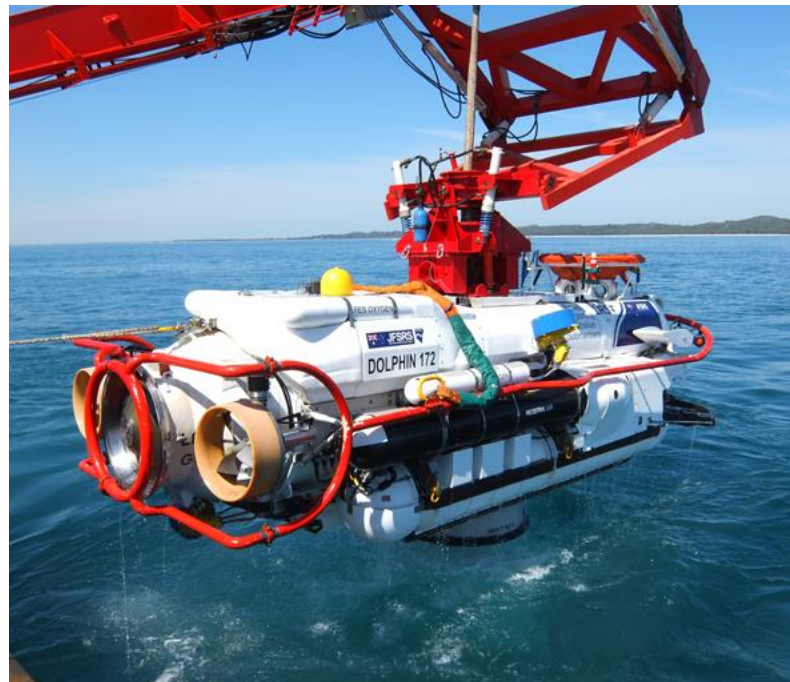


Decompression



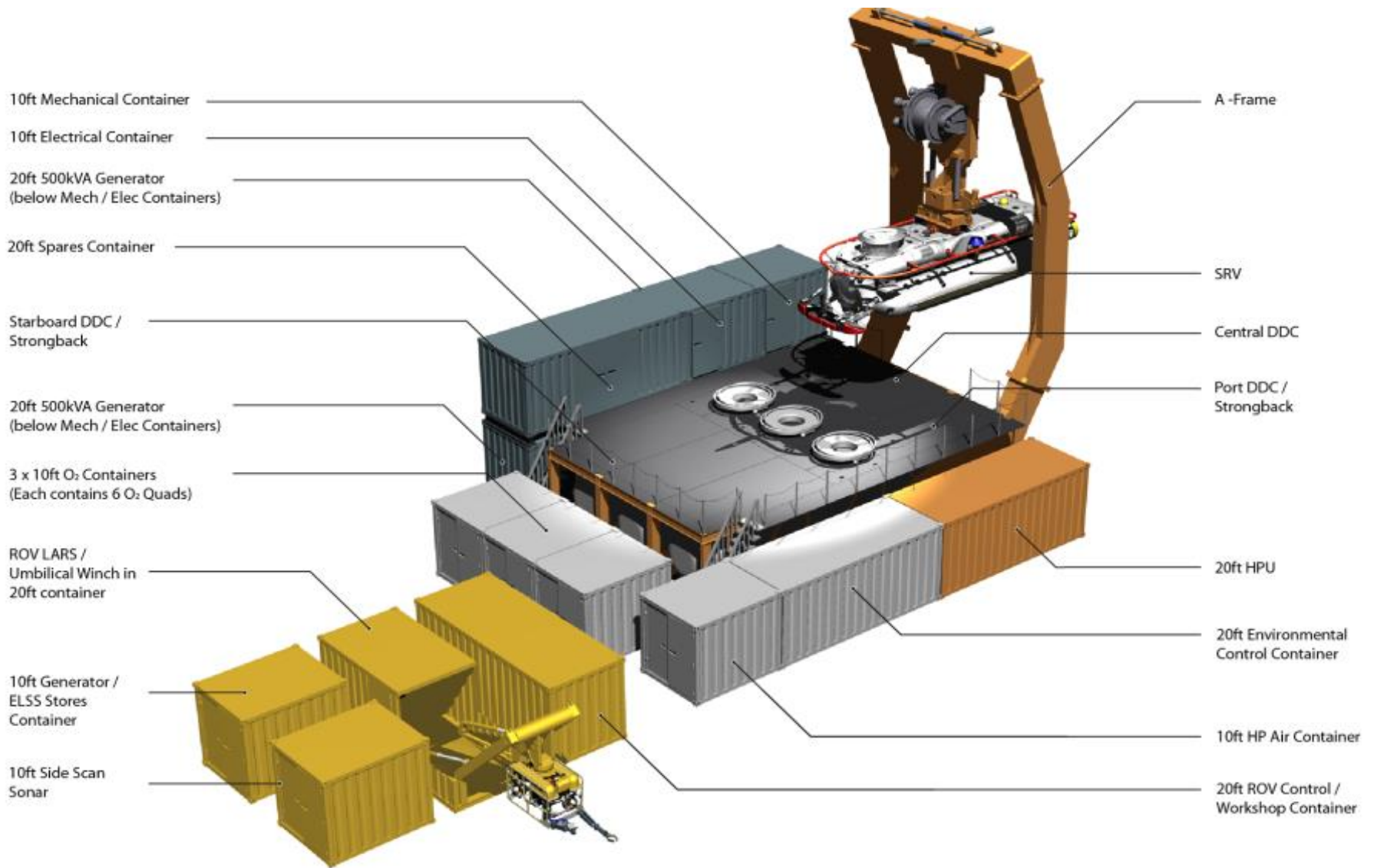
Submarine Rescue

- NATO (Royal Navy, French Navy, Norwegian Navy) – 2015 – 5 year agreement
- Singapore Navy – 2008 – Delivery of Rescue Vehicle system and 25 year agreement
- Australian Navy – 2015 – Rescue Vehicle provided and 5+5 year agreement
- South Korean Navy – 2008 – Delivery of Rescue Vehicle system
- Indian Navy – 2016 – Delivery of 2 Rescue Vehicle systems and 25 year agreement





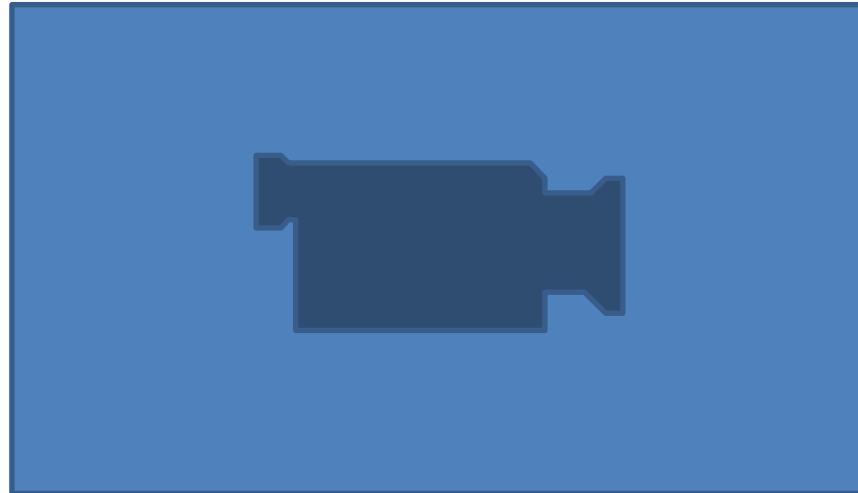
Submarine Rescue





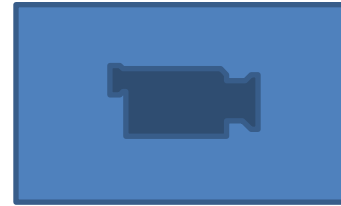
Submarine Rescue

SUBMARINE RESCUE EXERCISE BLACK CARILLION 2016

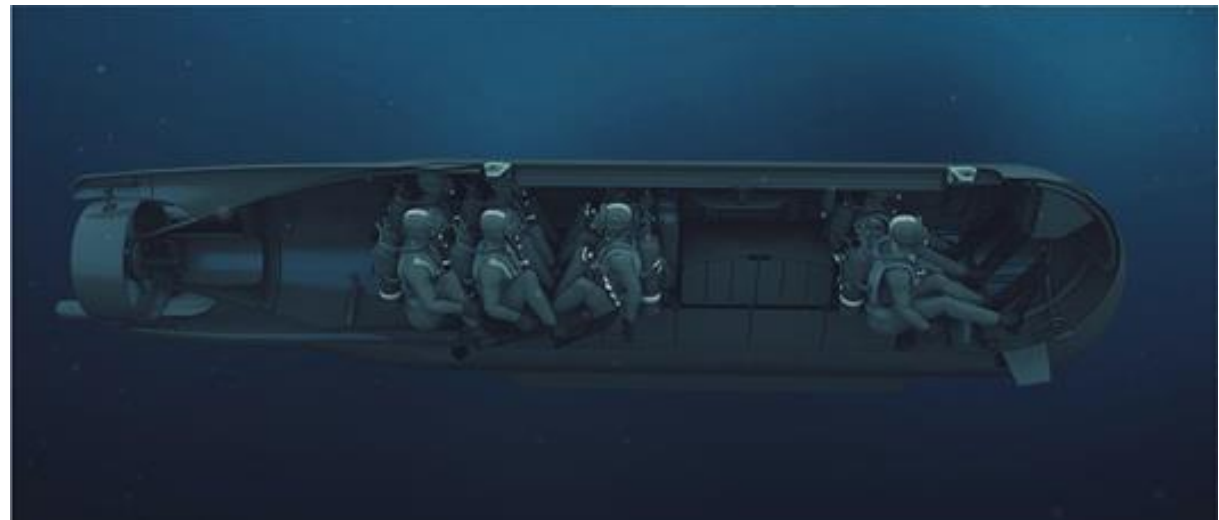




Swimmer Delivery Vehicles



- Swedish Navy – Seal Carriers
- Bahrain Navy – Torpedo Seals
- A Navy – Closed SDV Prototype



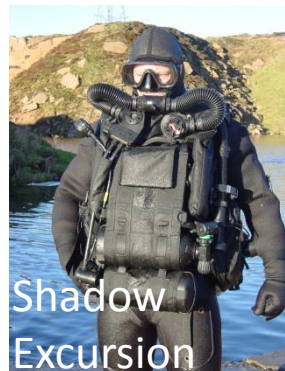


JFD – Products

Closed Circuit Rebreathers



- Commercial Market
 - SLS** used since 1986 – 30min@120m (400m max)
 - COBRA (new) – 45min @ 120m (450m max)



- Defence Market
 - Enforcer: 3h – 24m
 - Excursion: 6h – 24m
 - CDLSE*: 5h – 120m

* Clearance Diver's Life Support Equipment

** Secondary Life Support



JFD – Products

Original Equipment Manufacturer (OEM)

- Gas Recovery Systems:

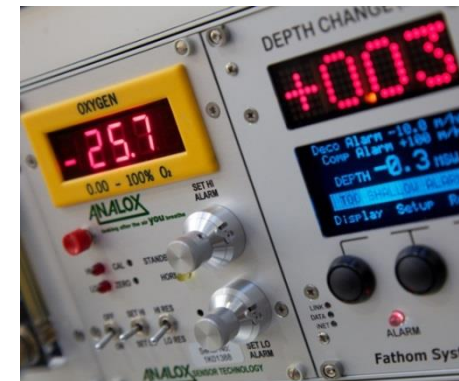
- Electric Gasmizer Diver Gas Recovery System
- Gaspure Chamber Gas Recovery System
- Helipure Membrane Gas Separation Systems

- Environmental Conditioning Systems:

- Habitat Conditioning Unit
- Chiller System
- Heater System
- Domestic Water System
- Diver Heating Unit

- Gas Monitoring Equipment:

- A comprehensive range of panel mount gas analysis monitors
- Monitoring O2, CO2, CO, He, N2, Depth, Humidity & Temperature



JFD – Products

Self Propelled Hyperbaric Lifeboats (SPHL)

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- 12 man
- 18 man
- 24 man
- Up to 500m water depth



National Hyperbaric Centre

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Marine Services Worldwide



Diving operations simulation



Hyperbaric Rescue



Hyperbaric Testing



Class Training



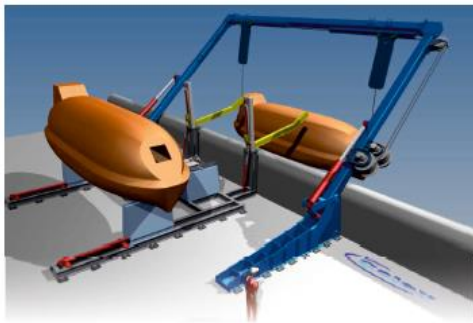
Practical Training

JFD – Global Hyperbaric Rescue

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Marine Services Worldwide



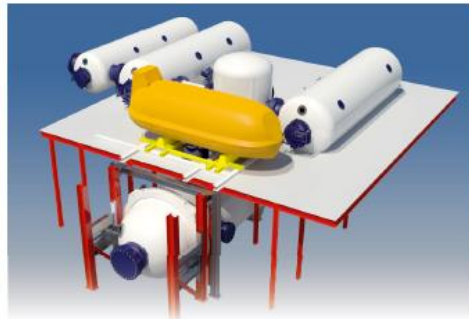
The System is deployed to a pre-engineered vessel



The SPHL(s) can be recovered from the water up to sea state 6



On arrival at the quayside, the SPHL is either lifted onto a portable HRF or transported to NHC's HRF



Once locked onto the HRF, the divers can be safely decompressed and medically treated

Global Reach Service

* HRF – Hyperbaric Rescue Facility

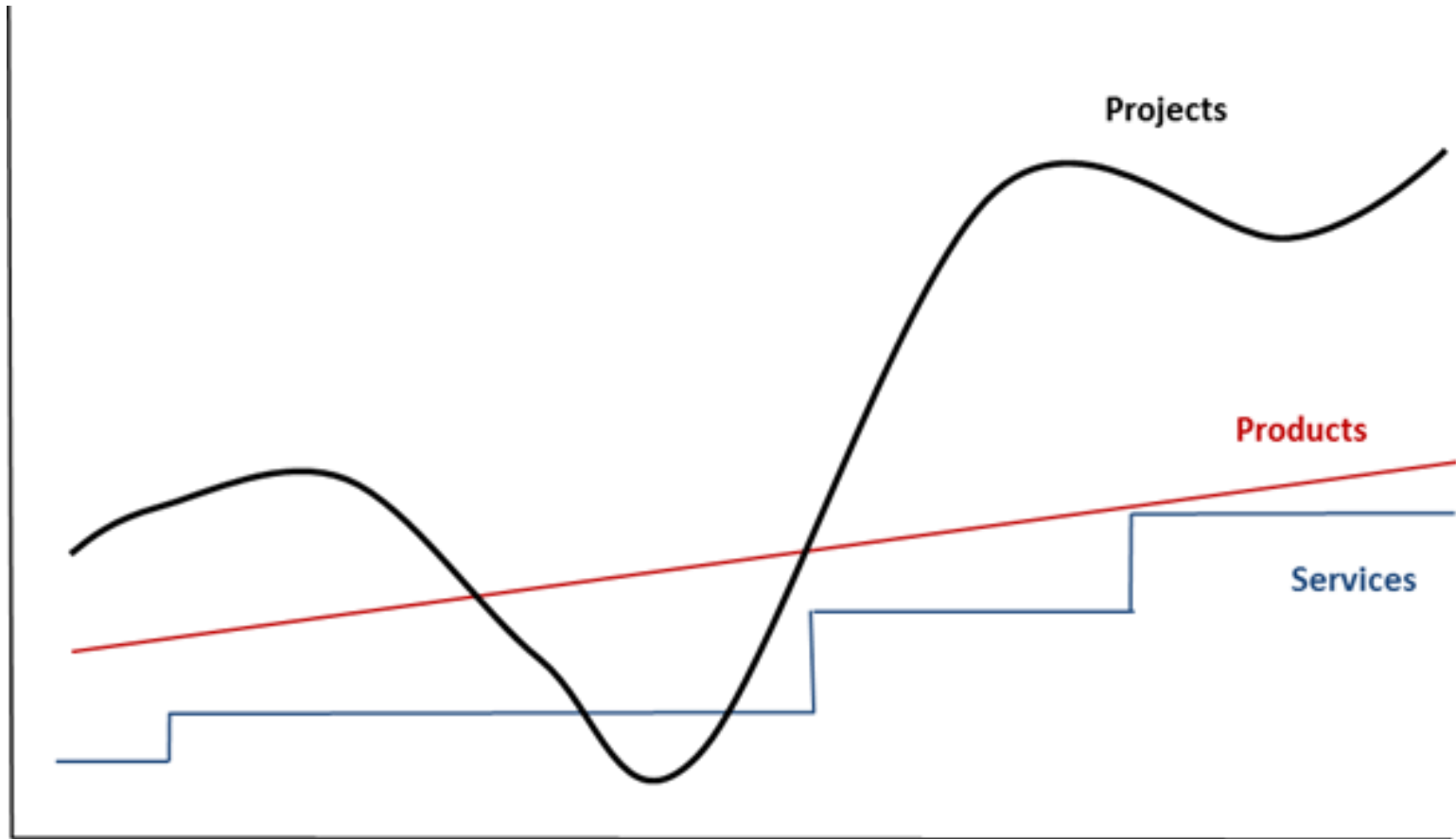


JFD – Opportunities

	Illustrative project size	OEM Products/Services (Annual)	Growth Opportunity
Saturation Dive Systems	£20m-£30m	£2m-£6m	Services APAC Region/China Oil Price
Rebreathers - Military - Commercial		£6m-£9m £0.5m-£1m	US Navy Cobra, Services, Oil Price
Submarine Rescue	£30m-£40m	£12m-£20m	Australia New System South Korea China Italy
Swimmer Delivery Vessels	£12m-£15m	£2m-£4m	APAC Region Europe America
Hyperbaric Rescue Facilities		£2m-£10m	Combine with submarine Extend globally



JFD – Quality of Earnings



- Projects lead to growing recurring base of:
 - Services
 - Spares and product sales



Deep dive on Marine Support

Ship to Ship Transfers

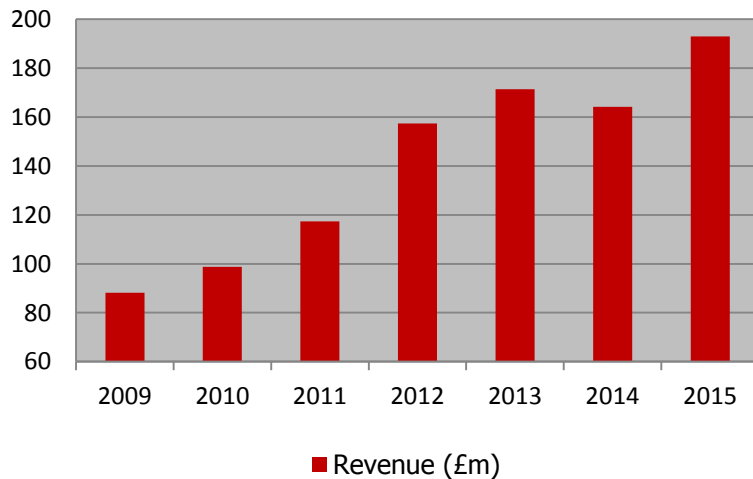
Testing Services

Mass Flow Excavation

Marine products

Marine Services

Marine Support

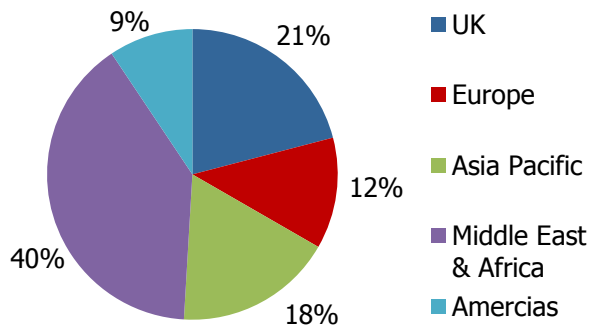




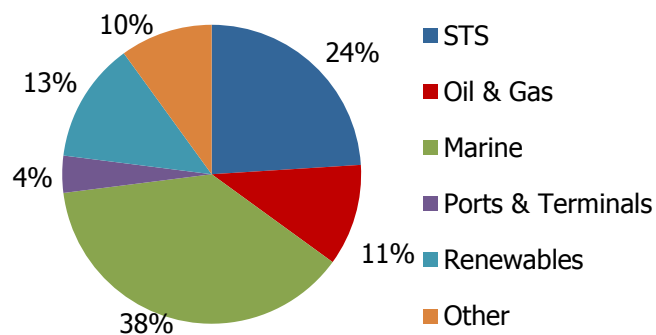
Marine Support Division - 2015

- 44% of Group Revenue
- 42% of Underlying Profit
- 1,100 employees

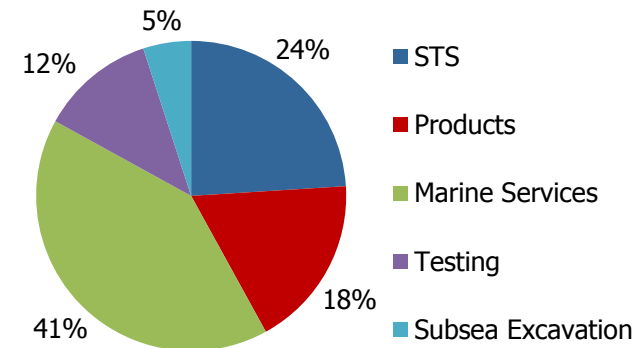
Revenue by Geography



Revenue by Sector



Revenue by Service





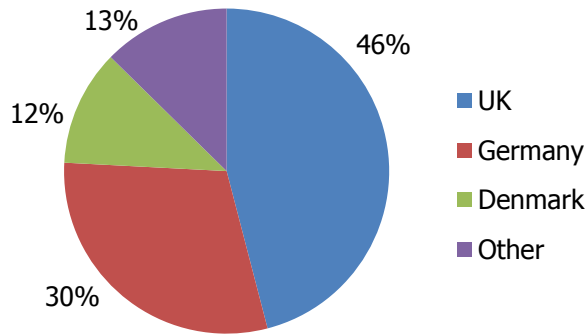
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Marine Services

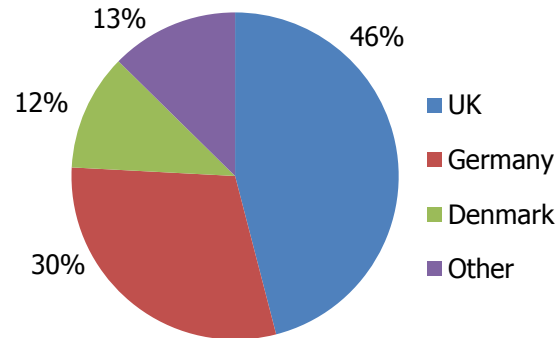
Capital Markets Day – 22 November 2016



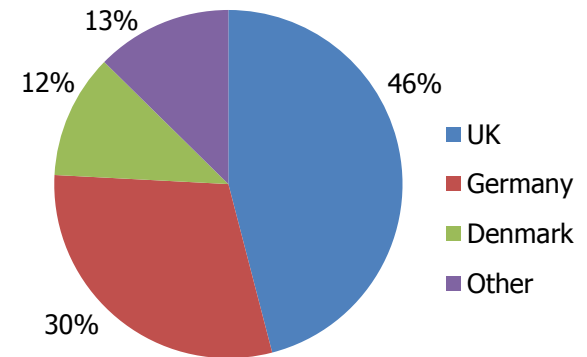
Offshore Renewables Market Size (Europe) 2017-2019



**Existing 11,000MW's
(1,800 Turbines)**



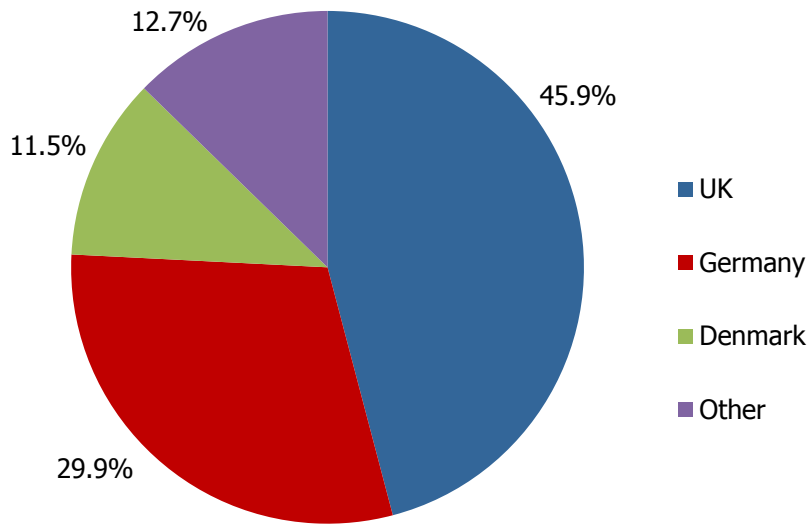
**Potential 9,700MW's
(1,600 Turbines)**



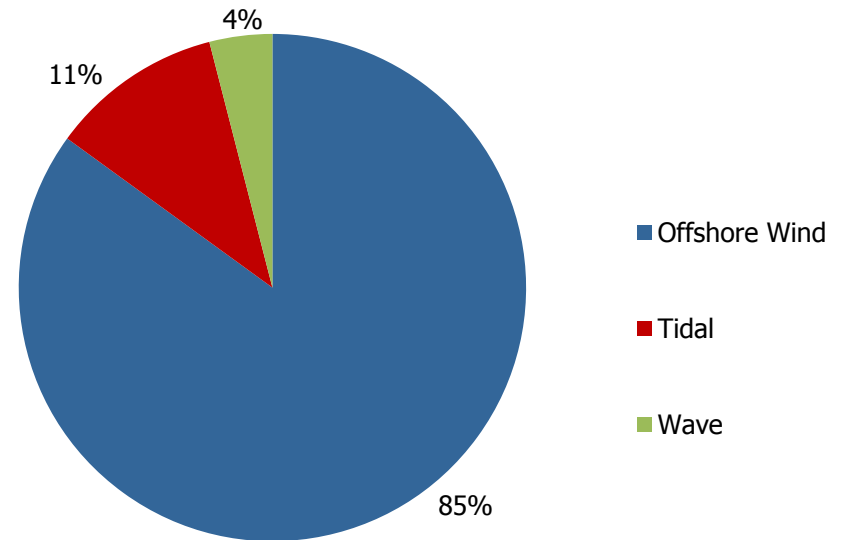
**Total 20,700MW's
(3,400 Turbines)**



Offshore Renewables Market Size (Europe) 2017-2019



- €13.3bn of approved finance
- €11.0bn of expected finance

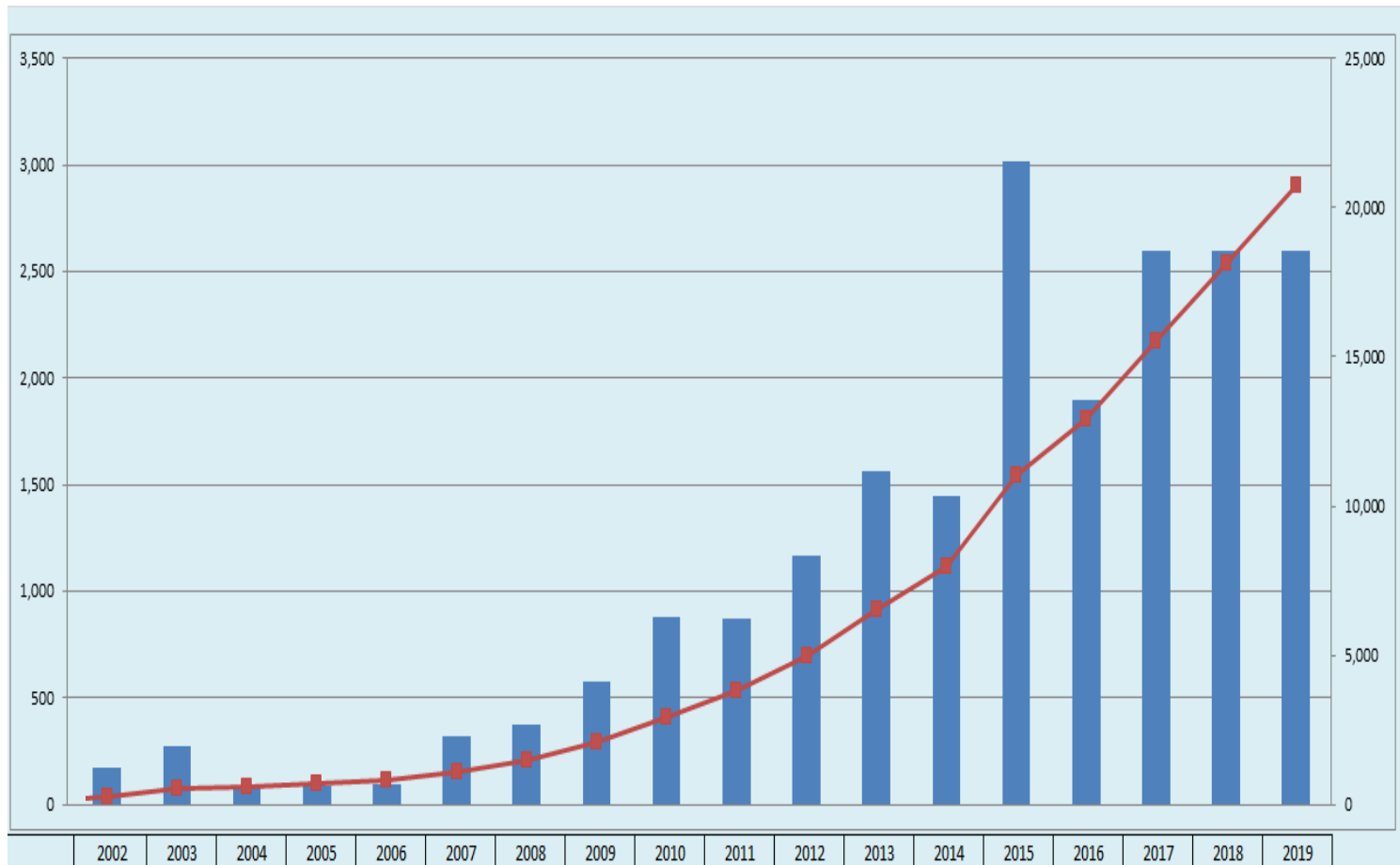


- £11bn of finance approved
- £9bn of finance expected



Offshore Renewables

Projected Offshore Wind Market Growth (Europe)





Offshore Renewables

Offshore Wind Major Opportunities

- RWE Galloper Integrated Services £35m
- EDPR Moray Firth Integrated Services £50m
- RWE Triton Knoll Integrated Services £50m
- SPR East Anglia 1 Integrated Services £70m
- Vattenfall Norfolk Vanguard Integrated Services £70m





Offshore Renewables

Round 3 Projects

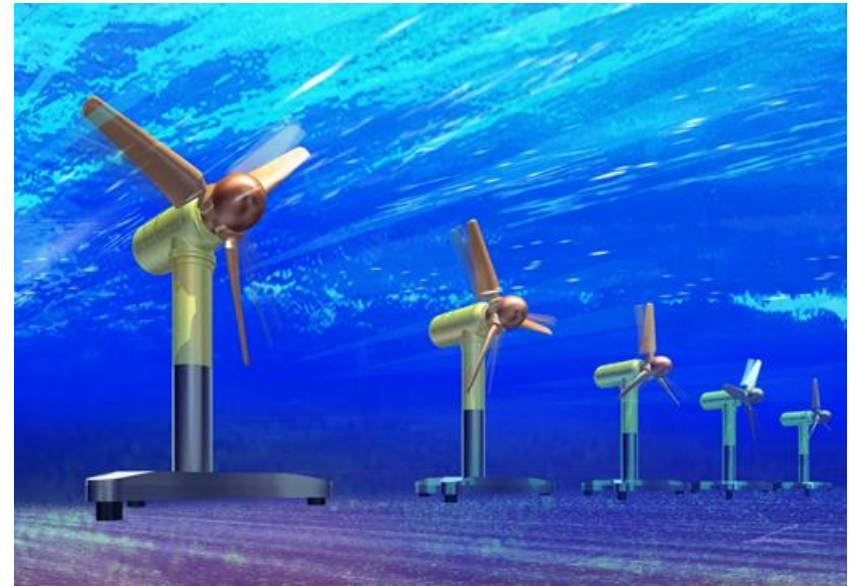
	<u>Turbines</u>	<u>MW</u>	<u>Commences</u>
Beatrice	84	588	2017
East Anglia ONE	102	714	2017
Galloper	56	336	2017
Walney Extension East	47	329	2017
Walney Extension West	40	330	2017
Hornsea Project One	171	1200	2018
Neart Na Gaoithe	64	448	2018
Triton Knoll	112	900	2019



Offshore Renewables

Tidal & Wave Energy Major Opportunities

- Meygen Phase 1a Integrated Services £5m
- Meygen - Phase 1b Integrated Services £10m
- Open Hydro Marine Support £10m
- Energie Ras Blanchard Integrated Services £15m
- Wave Hub Cable & Marine Services £4.5m
- Sabella Turbine Removal & Replacement £2m
- G Wave Integrated Services £8m





Offshore Renewables O&M Capabilities

- Marine Coordination (OWMS)
- Marine Economic Risk Management (MERMAID)
- Total range of Topsides Maintenance Services
- Oil Exchange & Management Services
- OFTO Management & Operational Services
- Subsea Inspection and IRM

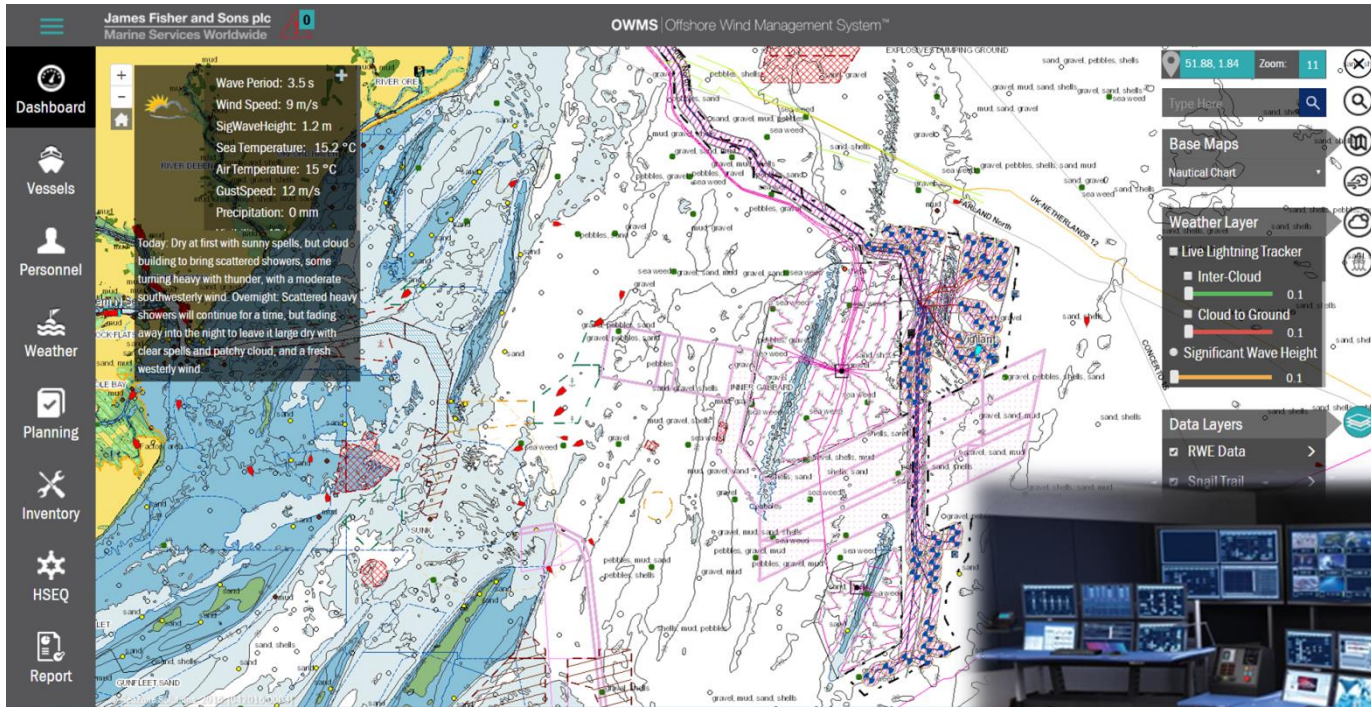


Offshore Renewables Rationale for James Fisher

1. Niche capabilities & services
2. Wide range of services and de-risking ability
3. UK plc offering strategic UK content and local knowledge
4. Differentiators OWMS, MERMAID significant "in house" Content
5. Ability to react to rapid industry consolidation "large company"
6. Strong partner with scale and track record



Offshore Renewables Offshore Wind Management System (OWMS)



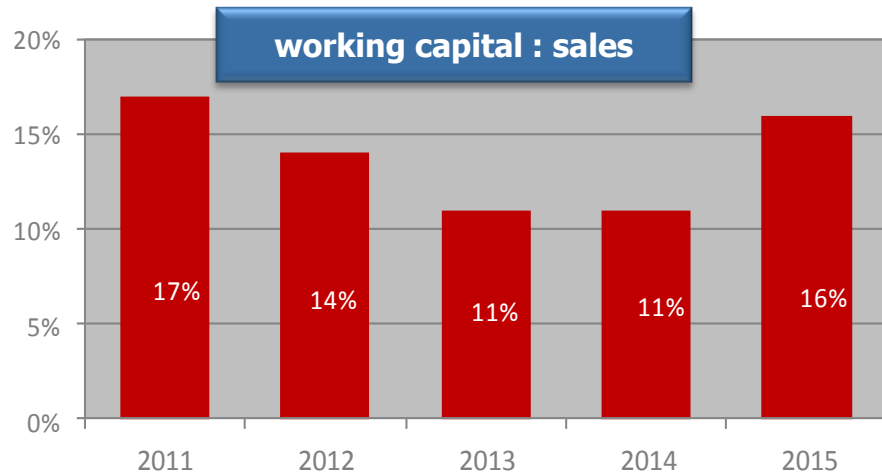
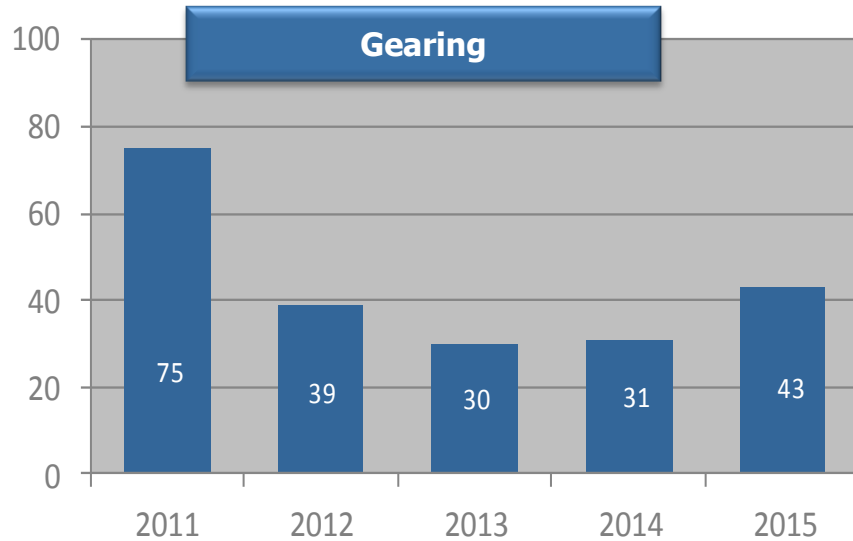
Offshore Renewables Our Capabilities

James Fisher and Sons plc
Marine Services Worldwide





Financial position



- Modest gearing
- Strong cash conversion track record
- Working capital:sales
 - Positive trend
 - Larger projects impact
 - Bond/guarantee requirements
- India DSRV stretch of £19m in 2017



Outlook

- Niche businesses with strong market position in offshore, marine and nuclear sectors
- Strong growth potential in JFD and Marine Services
- Positioned for any upturn in Offshore Oil
- Bolt-on acquisitions
- Well placed to provide growth in shareholder value