

# Mannai Corporation QSC

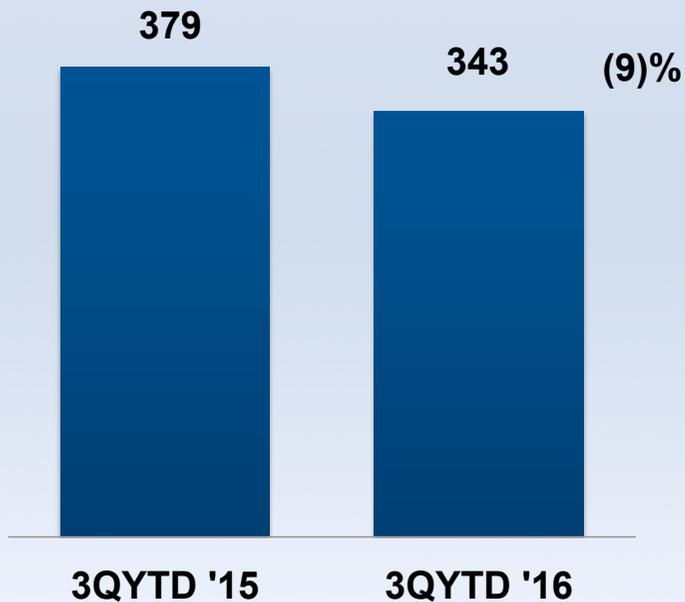
## 3Q'16 Financial Summary



## 3Q'16 Profits Improvement Offset 1H'16 Softness

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### Net Profit



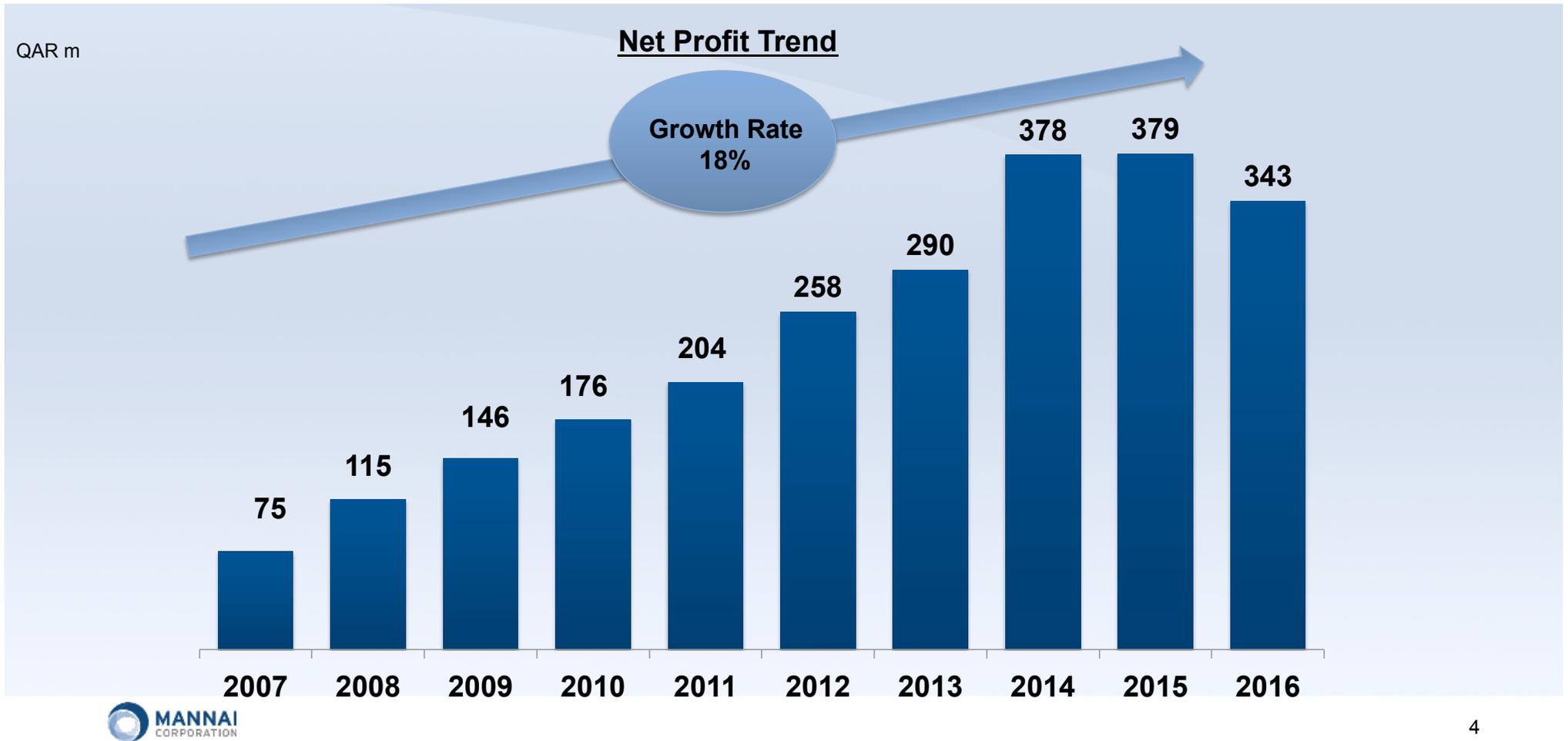
- YTD Profits Down 9% to 343m
- Damas Net Profit down 40% or 60m due to continued revenue softness
- GFI Contribution YTD of 14m after funding costs in line with expectations offsetting the fall in profits.
- ICT Profit growth of 3% helps offset pressure from Qatar businesses impacted by slowdown in infrastructure projects

# Financial Highlights

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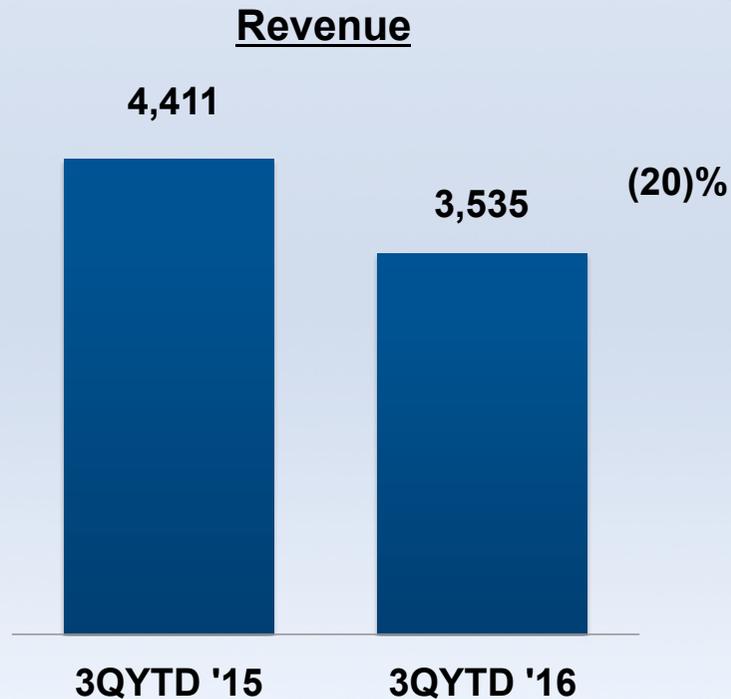
	<u>3QYTD'15</u>	<u>3QYTD'16</u>		
Net Profit	379m	343m	(9)%	▼
Revenues	4,411m	3,535m	(20)%	▼
Gross Profit %	22.3%	24.1%	1.8pts	▲
Net Profit %	8.6%	9.7%	1.1pts	▲
Capital Employed	5,213m	6,582m	26%	▲
Earnings Per Share	8.30	7.52	(9)%	▼
Return on Equity	23%	19%	(4)pts	▼

## Damas Exceptional in 2014 and Mini-boom in 1H'15 Masks Underlying Growth Trend of 18%



## Continued Revenue Pressure Due to GCC Economic Conditions

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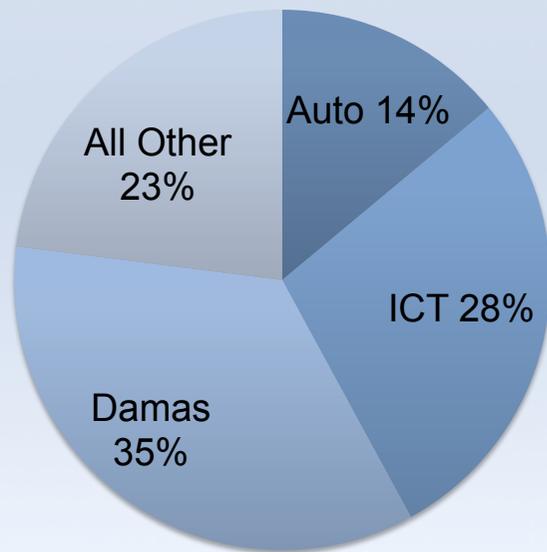


- Damas continues to be largest drop, down 358m or 23% driven by decline in Gold Sales of 33%
- Slowdown in new Construction Projects impacting Heavy Equipment down 31%, Energy & Industrial Markets down 19% and Geotechnical down 25%
- Oil and Gas downturn impacting Manweir and Turbines Service business
- ICT continues relatively better with 11% fall in Revenues

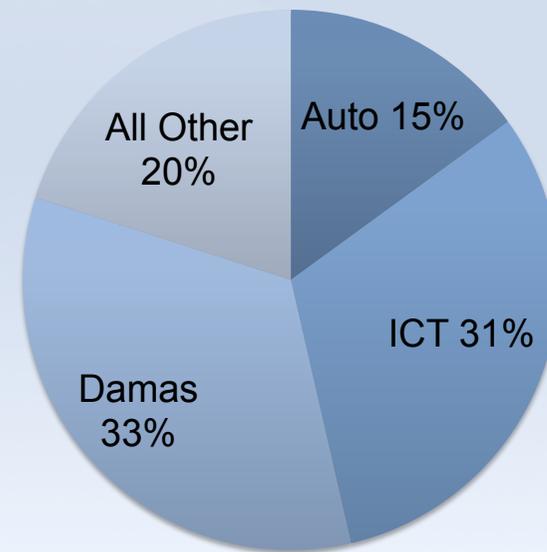
# ICT Performance Drives Revenue Share Close to Damas

## Revenue Mix

3QYTD '15

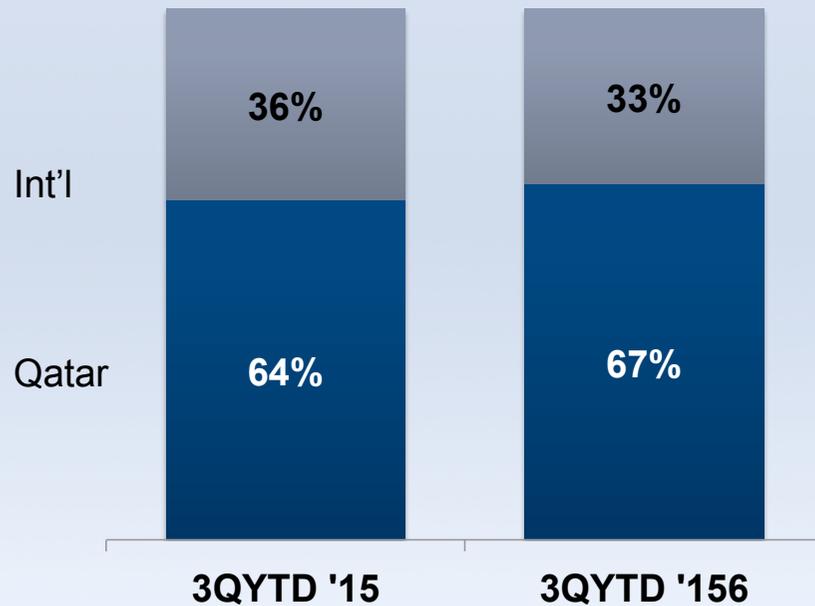


3QYTD '16



## Gfi Informatique Contribution Partially Offset Damas Weakness

### Net Profit

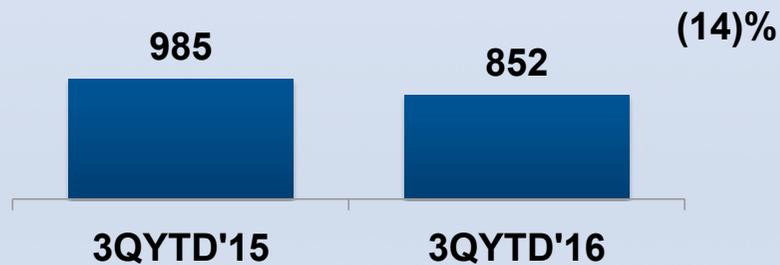


- Damas Drop of 60m partially offset by Gfi contribution of 15m
- Relative Qatar performance drives share up by 3pts

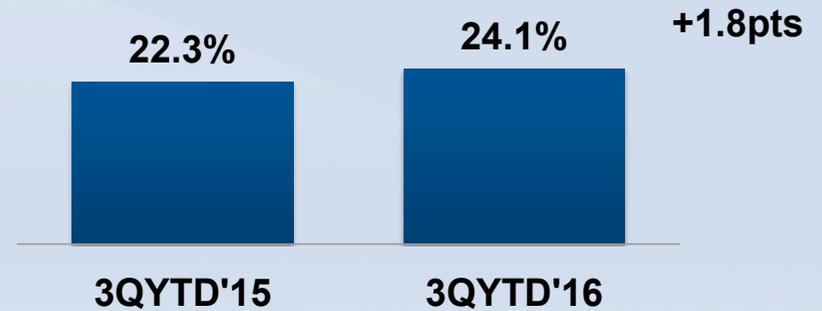
# Improved Gross Profit Margin Partially Offset Revenue Pressures

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## Gross Profit



## Gross Profit Margin %



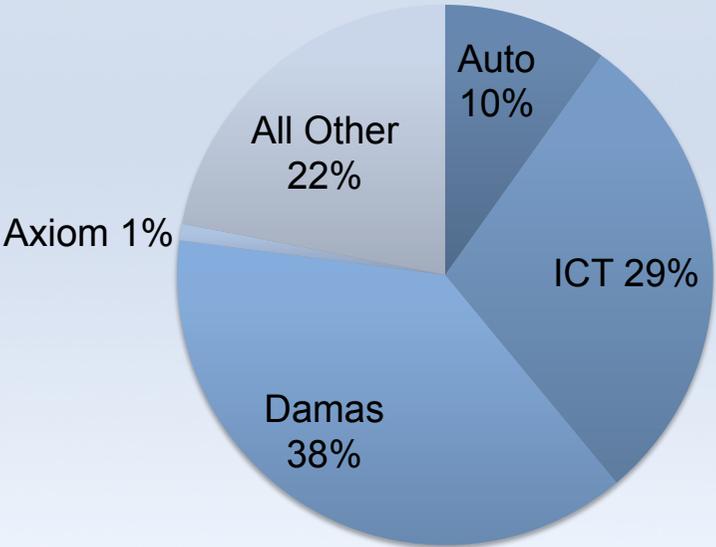
- Auto Group margins up due mix shift from New Vehicles, driven by Yukon/Escalade in 1H'15, to Parts and Services
- ICT margins driven up by improved margins on long term projects as a result of direct labour productivity
- Mix-shift to Non-Gold sales due to increasing Gold Prices driving 1.3pts improvement in Damas

	<u>3Q'16%</u>	<u>V pts</u>
Auto Group	20.5%	1.4 pts ▲
ICT	17.4%	1.9 pts ▲
Damas	30.5%	1.3 pts ▲
Other Qatar	26.4%	4.1 pts ▲

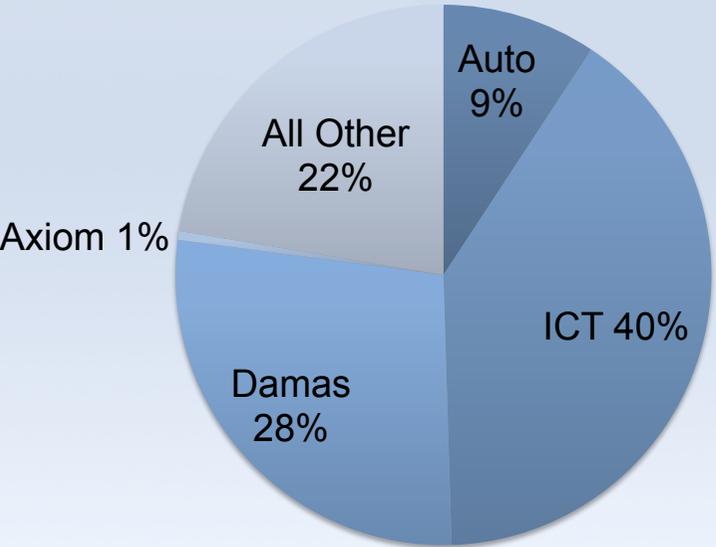
# ICT Growth combined with GFI drives share to 40%

## Net Profit Mix

3QYTD '15



3QYTD '16



# Other Income Increases Driven by Property Gain

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## Other Income

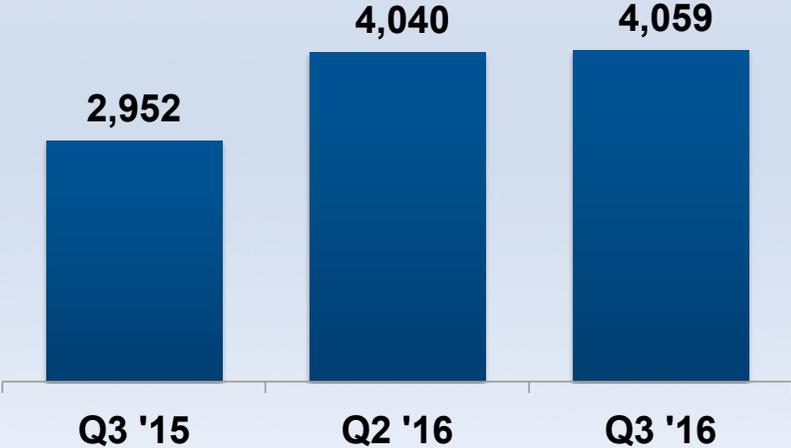


- Other Income increase driven by gain on sale of property in Damas for 34m
- Continued settlement of remaining Damas receivables continues with 57m YTD, up from 30m in 2015

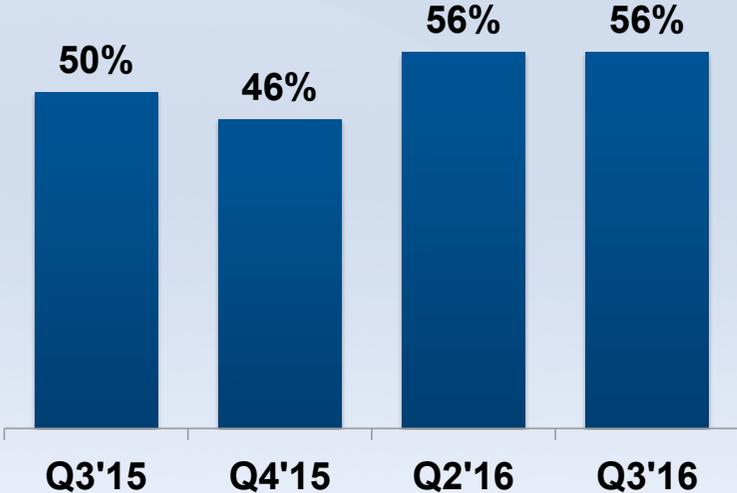
# Maintaining Steady Leverage ~ 50% Post Gfi Acquisition

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## Net Debt



## Net Debt to Total Capital\*



\*Total Capital adjusted for Acquisition Reserves

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