Full year results presentation

21 February 2017

Emerging from the cycle as a better business

- Vision : To be recognised as the best technical services company to work with, work for and invest in, with a relentless focus on excellence
- 2016 presented short term challenges and longer term positioning opportunities
- Objectives
  - Reorganising and simplifying to improve delivery
  - Generate sustainable cost savings
  - Develop our best talent
  - Invest organically in innovation and through acquisition
  - Create value for shareholders

2016 Financial results

David Kemp - CFO

Financial summary

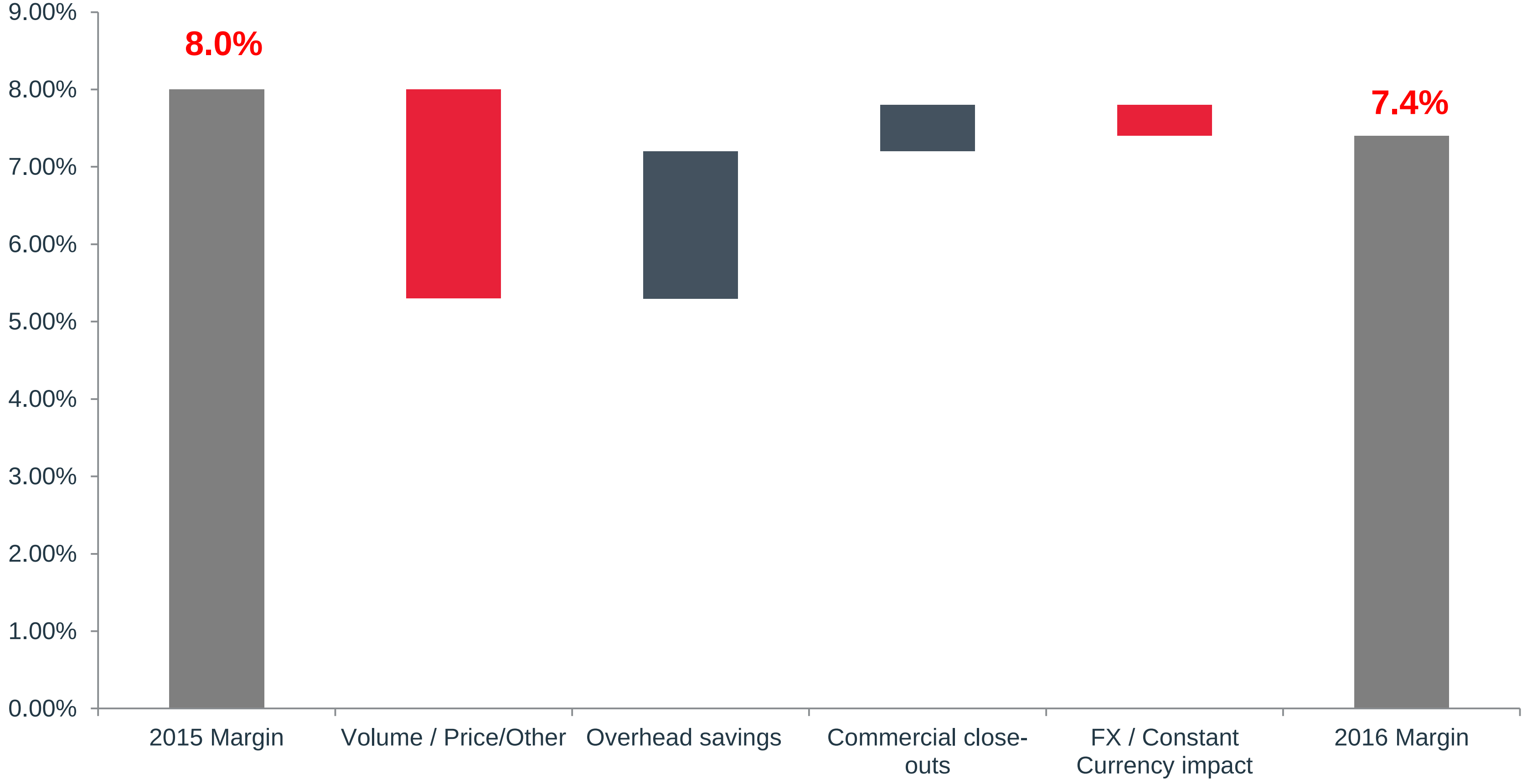
Total Revenue	Total EBITA	EBITA Margin	AEPS	Total Dividend
$4.9bn	$363m	7.4%	64.1c	33.3 cents
▼ 16%	▼ 23%	▼ 0.6%	▼ 24%	▲ 10%

- Pressure on volumes and prices; impact mitigated by
  - management of utilisation (headcount down 18%)
  - overhead cost savings of $96m
  - commercial close out on projects of $29m
- Second successive year of 10% dividend growth, in line with previous intentions

Trading performance reflects continued flexibility

	2016 $m	2015 $m	Change %
Total revenue	**4,934**	**5,852**	*(16)%*
Total EBITA	**363**	**470**	(23)%
EBITA margin	*7.4%*	*8.0%*	*(0.6)%*
Amortisation	(104)	(109)	
Total operating profit pre exceptional items	**259**	**361**	(28)%
Net finance expense	(26)	(23)	
Profit before tax and exceptional items	**233**	**338**	(31)%
Taxation (before exceptional items)	(59)	(89)	
Profit before exceptional items	**174**	**249**	(30)%
Exceptional Items (net of tax) – restructuring & redundancy	(51)	-	
Exceptional Items (net of tax) – EthosEnergy impairment & restructuring	(89)	(159)	
Profit for the period	**34**	**90**	(62)%
Adjusted diluted EPS (AEPS)	**64.1c**	**84.0c**	(24)%
Dividend	**33.3c**	**30.3c**	*10%*

Mitigating the trading challenge



Asset Life Cycle Solutions – Western Region

(43% of Revenue and 44% of EBITA)

	2016 $m	2015 $m	Change %
Revenue	**2,115**	2,121	*(0.3)%*
EBITA	**176**	209	*(15.8)%*
Margin	**8.3%**	9.9%	*(1.6)%*
Headcount	**10,900**	13,800	*(21.0)%*

Operations & maintenance

(c.70% of revenue)

- Pricing and volume pressure offset by Kelchner and Infinity acquisitions
- Margin benefit from cost reductions
- Early signs of improvement in US onshore
- Ongoing hook up and commissioning scope on Hebron topsides

Projects & modifications

(c.30% of revenue)

- Flint Hills refinery project concluded
- Commenced Noble Leviathan, detailed work on Statoil Peregrino and BP South Pass
- Continuing on Anadarko Shenandoah, ETC Dakota access pipeline

Asset Life Cycle Solutions – Eastern Region

(47% of Revenue and 36% of EBITA)

	2016 $m	2015 $m	Change %
Revenue	**2,331**	3,145	*(25.9)%*
EBITA	**143**	217	*(34.1)%*
Margin	**6.1%**	6.9%	*(0.8)%*
Headcount	**15,300**	19,000	*(19.5)%*

Operations & maintenance
(c.60% of revenue)

- Renewed contracts in very challenging North Sea market
- Secured role as operator for CATS and SAGE systems
- Turbine Activity down on 2015, $89m impairment of Ethos

Projects & modifications
(c.40% of revenue)

- Decline in UK brownfield modifications
- Significant awards in Baku and Iraq but pace slower than expected
- Growth in activity in Saudi Arabia with Aramco and in the Caspian with NCOC
- Completion of Ivar Aasen follow-on work

Specialist Technical Solutions

(10% of Revenue and 20% of EBITA)

	2016 $m	2015 $m	Change %
Revenue	**488**	586	*(16.7)%*
EBITA	**79**	92	*(14.1)%*
Margin	**16.2%**	15.7%	*0.5%*
Headcount	**2,800**	2,600	*7.7%*

Subsea & technology
(c.55% of revenue)

- Subdued market and reduced activity in subsea
- MSAs concluded with Statoil, Apache, BP & Chevron
- 2016 margin benefitted from one off items

Automation
(c.45% of revenue)

- Robust activity in automation, including ATG acquisition
- Commenced TCO automation project in Kazakhstan
- Awarded main automation services contract with Exxonmobil Chemical

Differentiated balance sheet strength

	2016 $m	2015 $m
Cash generated pre working capital (excl. JVs)	**326**	**504**
Working capital movements	(81)	59
Cash generated from operations	**245**	**563**
Cash conversion (% of equity accounted EBITDA)	**68%**	**119%**
Acquisitions and deferred consideration	**(36)**	(238)
Capex & intangible assets	**(87)**	(83)
Tax	**(55)**	(97)
Interest, dividends and other	**(95)**	(113)
Net (increase)/ decrease in net debt	**(28)**	**33**
Closing net debt (excl. JVs)	**(322)**	**(294)**
JV Net (debt)/ cash	**(9)**	**4**
Closing net debt (incl. JVs)	**(331)**	**(290)**
Net debt to EBITDA	**0.8x**	**0.5x**

Financial Summary

- Results in line with expectations
- Robust management of utilisation and decisive action on cost
- Cumulative overhead costs saving of $244m largely sustainable
- One off contract close outs in 2016
- Balance sheet remains strong: net debt at 0.8x EBITDA
- Dividend increased by 10%, progressive policy going forward

2016 Final results – Operations

Robin Watson – Chief Executive

Our operational focus in 2016

- **Performing against 2016 objectives**
  - Delivering in line with guidance
  - Repositioned “One Wood Group” with good customer support
  - Cumulative, sustainable overhead cost reduction of $244m
  - Investing organically
- **Well positioned but cautious on near term outlook**
  - Challenging oil & gas market in 2017
  - Modest recovery limited to certain markets
  - Competitive pricing environment
  - Renewals and awards demonstrate strong customer support

Improved visibility and connectivity

Asset Life Cycle Solutions (c 90% of Revenue)

West

- Projects & Modifications
- Operations & Maintenance
- Industrial services
- Pipeline services
- Decommissioning services

East

Specialist Technical Solutions (c 10% of Revenue)

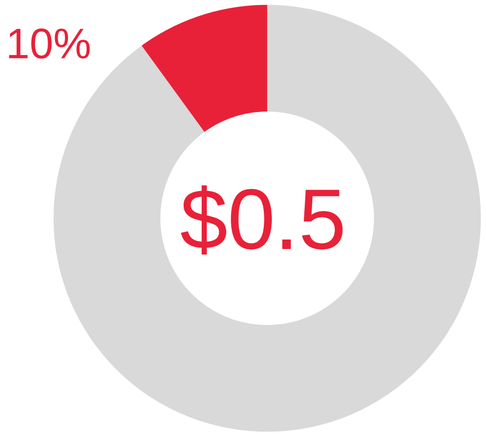
- Subsea
- Asset integrity solutions
- Clean energy
- Digital Solutions
- Studies
- Automation

Strongly positioned with existing and emerging customers

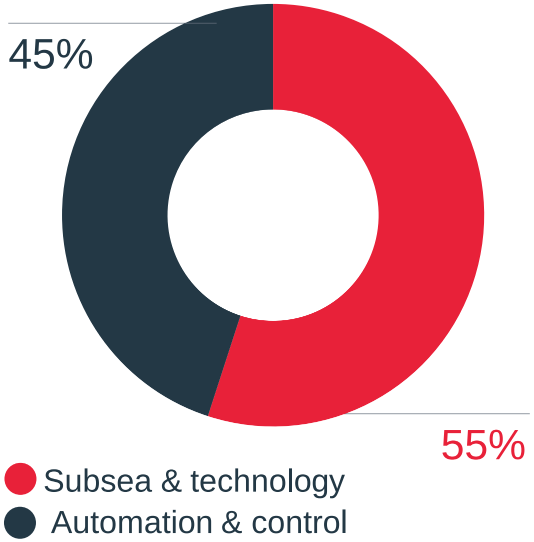
Specialist Technical Solutions - Innovation

- Solving complex technological challenges across the energy and industrial sectors
- Global delivery in specialist areas developing innovative solutions and new services to support our customers
- Subsea & Technology (Asset Integrity, Clean energy Digital Solutions, Studies), Automation & Control

10% of Group revenue: ($bn)



Service breakdown



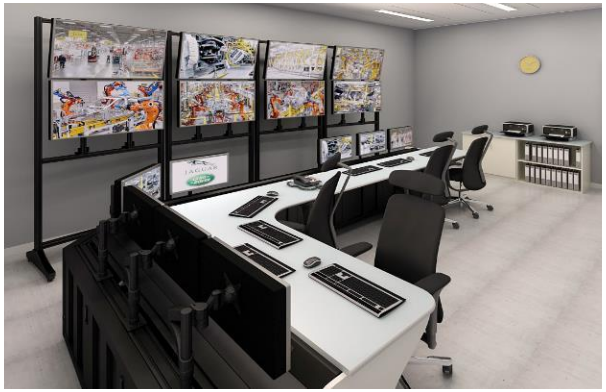
People:

2,800

Nurturing technology, digitisation and automation

Automation & Control

- Independent provider ensuring process and manufacturing control systems work together efficiently
- Manufacturing and process industries; oil & gas, chemicals and automotive sectors



- Acquisition of ATG accelerates strategy in the automotive sector
- $700m main automation contractor scope on TengizChevroil

US shale – differentiated services & regional capability

- Simplifying customers’ field activities through, Civils, Construction, Fabrication Pipeline, Operations & Maintenance
- Differentiated capability across Permian, Eagle Ford, Marcellus and Bakken regions
- Fragmented market with room to grow
- Current focus on construction of gathering facilities and pipelines work in Permian
- Rebuilding backlog in a competitive pricing environment
- Increased bidding levels in Permian not yet replicated in other regions

Summary

- **Performing against 2016 objectives**
  - Delivering in line with guidance
  - Repositioned “One Wood Group” with good customer support
  - Cumulative, sustainable overhead cost reduction of $244m
  - Investing organically
- **Well positioned but cautious on near term outlook**
  - Challenging oil & gas market in 2017
  - Modest recovery limited to certain markets
  - Renewals and awards demonstrate strong customer support
  - Competitive pricing environment

Appendix

Reconciliation of operating profit (pre-exceptionals)

	2016 $m	2015 $m
Total operating profit before exceptional items per proportional consolidation	**259**	**361**
Tax and interest charges on JVs included within operating profit but not EBITA	(15)	(20)
Operating profit before exceptional items per Group income statement	**244**	**341**

Exceptional items

	2016 $m	2015 $m
EthosEnergy impairment & restructuring	89	159
Integration and restructuring	28	24
Onerous leases	38	12
Onerous contract	-	(14)
Provision release related to divested business	-	(10)
Total exceptional loss	**155**	**171**
Tax	(15)	(12)
Total exceptional loss after tax	**140**	**159**

“Like for like” revenue and EBITA

	2016 $m		2015 $m	
	Revenue	**EBITA**	**Revenue**	**EBITA**
ALCS West	2,115	176	2,525	240
ALCS East	2,331	143	2,916	200
Specialist Technical Solutions	476	78	607	94
Central costs	-	(35)		(44)
“Like for like”	**4,922**	**362**	**6,048**	**490**
Acquisitions	12	1	(460)	(41)
Constant currency			264	21
Total as reported	**4,934**	**363**	**5,852**	**470**

Amortisation

	2016 $m	2015 $m
Amortisation on software, development costs and licenses	54	55
Amortisation of intangible assets arising on acquisition	50	54
	104	**109**

Tax

	2016 $m	2015 $m
Profit from continuing operations before tax	233	338
Tax charge	**59**	**88**
Effective tax rate on continuing operations	**25.3%**	**26.2%**

Finance expense

	2016 $m	2015 $m
Interest on debt, arrangement fees and non-utilisation charges	14	13
Interest on US Private Placement debt	14	14
Total finance expense	**28**	**27**
Finance income	(2)	(4)
Net finance expense	**26**	**23**

Net debt and interest cover

	2016 $m	2015 $m
Closing net debt (incl JVs)	331	290
Net Debt:EBITDA	0.8x	0.5x
Interest cover	14.1x	20.3x

ROCE

	2016 $m	2015 $m
Net operating assets	**2,539**	**2,711**
Net borrowings	(331)	(290)
Net assets	**2,208**	**2,421**
Non controlling interests	(13)	(23)
Shareholders' funds	**2,195**	**2,398**
ROCE	13.0%	16.3%

Historic Financial Performance 2012 to 2016

	2012 ($m)			2013 ($m)			2014 ($m)			2015 ($m)			2016 ($m)		
	Revenue	**EBITA**	*Margin*	**Revenue**	**EBITA**	*Margin*	**Revenue**	**EBITA**	*Margin*	**Revenue**	**EBITA**	*Margin*	**Revenue**	**EBITA**	*Margin*
PSN Production Services	3,713	208	*5.6%*	3,996	265	*6.6%*	4,636	342	*7.4%*	3,448	258	*7.5%*	3,006	189	*6.3%*
Engineering	1,788	220	*12.3%*	1,986	247	*12.4%*	2,130	232	*10.9%*	1,728	215	*12.4%*	1,335	175	*13.1%*
Turbine Activities	1,327	85	*6.4%*	1,082	78	*7.2%*	850	33	*3.9%*	676	44	*6.5%*	593	34	*5.7%*
Central costs		(52)			(57)			(57)			(47)			(35)	
	6,828	**461**	*6.8%*	**7,064**	**533**	*7.5%*	**7,616**	**550**	*7.2%*	**5,852**	**470**	*8.0%*	**4,934**	**363**	*7.4%*
Asset Life Cycle Solutions West	2,166	200	*9.3%*	2,399	256	*10.7%*	2,798	270	*9.6%*	2,121	208	*9.8%*	2,115	176	*8.3%*
Asset Life Cycle Solutions East	4,011	213	*5.3%*	3,948	221	*5.6%*	4,099	221	*5.4%*	3,145	217	*6.9%*	2,331	143	*6.1%*
Specialist Technical Solutions	651	100	*15.4%*	717	113	*15.8%*	719	116	*16.1%*	586	92	*15.7%*	488	79	*16.2%*
Central costs		(52)			(57)			(57)			(47)			(35)	
Reported	**6,828**	**461**	*6.8%*	**7,064**	**533**	*7.5%*	**7,616**	**550**	*7.2%*	**5,852**	**470**	*8.0%*	**4,934**	**363**	*7.4%*

Footnotes

Footnotes

1. Total EBITA represents operating profit including JVs on a proportional basis of $104.2m (2015: $179.1m) before the deduction of amortisation of $104.3m (2015: $109.0m) and continuing exceptional expense of $154.9m (2015: $181.6m) 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 2016 and includes joint ventures.

4. Interest cover is EBITA divided by the net finance expense.

5. Return of Capital Employed (“ROCE”) is EBITA divided by average capital employed.

Disclaimer

This document has been prepared by John Wood Group PLC (the **Company**) solely for use at presentations held in connection with the full year results announcement of 21 February 2017. Neither the information in this document nor any statement made at, or in conjunction with, those presentations have been independently verified, and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein or at the presentations. None of the Company or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss whatsoever arising from any use of this document, or its contents, or otherwise arising in connection with this document or the presentations. However, nothing in this disclaimer shall serve to exclude liability to the extent that such liability results from fraud including fraudulent misrepresentation.

This document does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company.

Certain statements in this presentation are forward looking. By their nature, forward looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those forward looking statements. These risks, uncertainties or assumptions could adversely affect the outcome and financial effects of the plans and events described in this document or statements made at or in conjunction with the presentations. Forward looking statements contained in this document and made at, or in conjunction with, the presentations regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. You should not place undue reliance on forward looking statements, which speak only as of the date of the presentation.

The Company is under no obligation to update or keep current the information contained in this document or any statement made at, or in conjunction, with the presentations, including any forward looking statements, or to correct any inaccuracies which may become apparent and any opinions expressed are subject to change without notice.