

2014 AGM – Chairman’s Address

Shareholders, ladies and gentlemen, I will now move on to my Chairman’s address.

Our 2013 results were strong, in spite of persistent economic difficulties and challenging, competitive conditions in our main markets, in part reflecting the benefits from the well performing Stewart Weir acquisition in Canada.

Operating revenue rose 13% to \$459.7m and EBIT by 14% to \$34.3m – both exceeding our Business Plan targets. NPAT was down 2.6% on 2012, mainly reflecting higher interest and tax costs, but our Return on Equity of 17.7% compares very favourably with the NZX 50 market capitalisation weighted average of 11.2%. The final dividend was 3.9 cents per share, bringing the total dividend for the year to 7.9 cents.

Businesses need effective leadership, focussed on performance, growth and continuous improvement, and with the ability to react astutely to market challenges and opportunities.

The Opus Executive Leadership Team comprises experienced business leaders with an excellent range of disciplines and strengths. They are astute, passionate and highly motivated and David continues to demonstrate his effective leadership, particularly with the on-going, fundamental improvement processes.

The Board and the Executive Leadership Team often work together and utilise their combined business acumen on complex and challenging issues; and the directors provide strong leadership in important areas such as business performance, strategy, policy and innovation. They bring robust, multi-cultural experience across a range of executive and governance roles, and we benefit from both their diversity of capabilities and their shared view on business values.

Last year, we continued our strong focus on developing a high performance culture. High performance requires excellent leadership, with the right people in the right roles, working collaboratively towards shared objectives, and allowing everyone to achieve their potential. As a result of continuing improvements, we have excellent top down management, targeted use and development of high performing staff, a keen focus on performance, and a recognition and reward framework based on performance.

High performance requires continuing improvement across all aspects of the business. We are making good progress towards this objective, as the Annual Report highlights, including:

- Business growth through innovation and technical and management solutions, allowing client-focussed business development.
- Investment in driving productivity gains, diversification into new markets, a strong risk culture and attracting and retaining top talent.

As we move into 2014, global markets remain mixed with a weakened Australian economy and difficult market conditions in New Zealand. In contrast, the UK and Canadian businesses continue a good growth trajectory, the latter boosted by the Stewart Weir acquisition.

But, while some markets have been tight and risk remains a key consideration, there are also many opportunities, both in new and existing markets, which we are strongly focused on.

I thank David, his Management team, and all of the Opus staff for their hard work and dedication. I also thank my fellow directors for their excellent contribution throughout the year.

I will now pass you over to David Prentice, who will now address you in more detail on the operations of the company during the year.