



Austin Engineering Bell Potter Securities - Small Cap Conference

November 20, 2007
Sydney Harbour Marriott Hotel



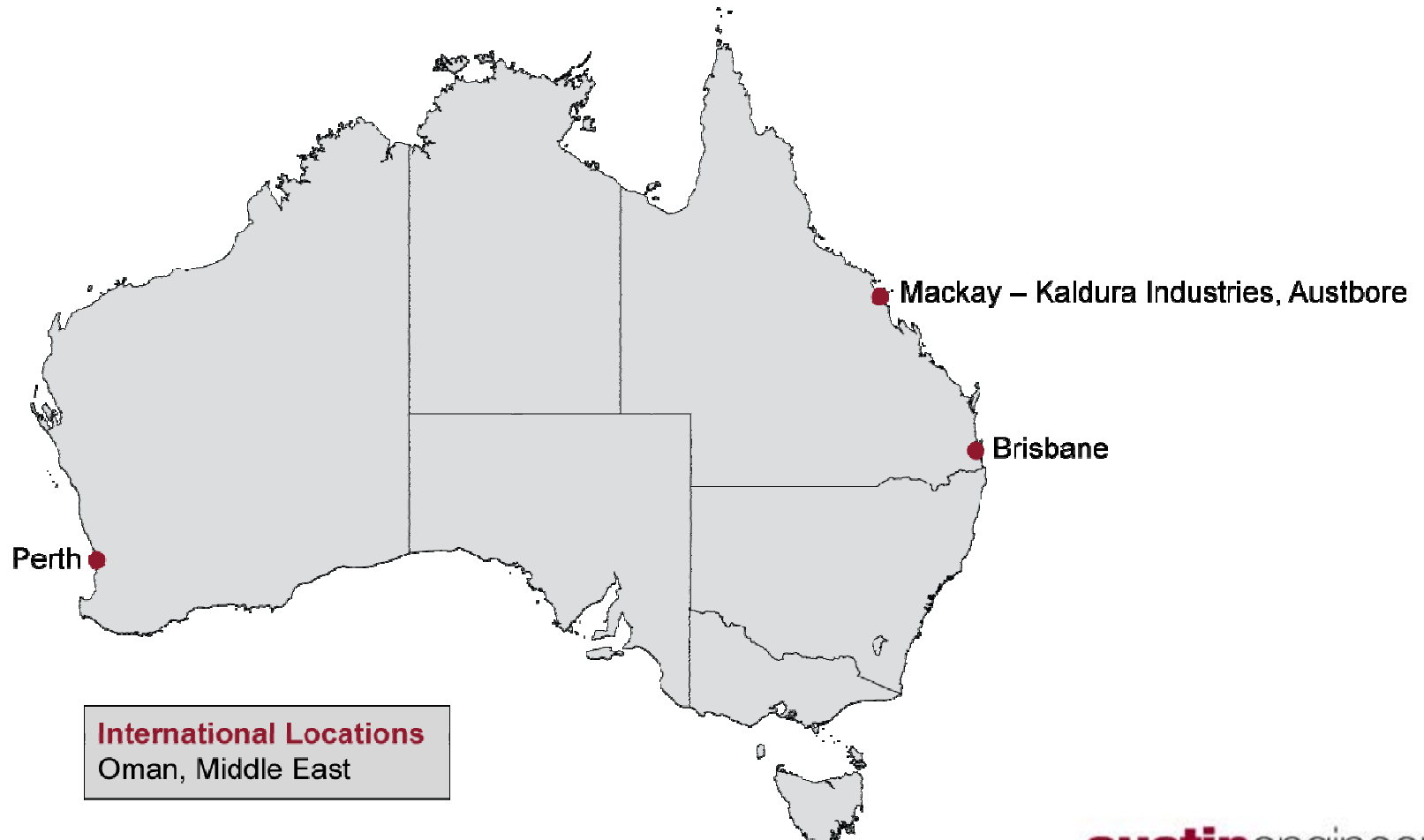
About Austin Engineering

- ASX-listed company with \$110m market capitalisation
- Manufacturing operations in Brisbane, Perth, Mackay and Oman (Middle East), serving the resources sector
- Employing 595 people across the business
- JEC Mining & Earthmoving Products a market leader
- Key product lines include excavator buckets, haul trucks, service vehicles, tyre handlers, piping, mineral processing equipment and aluminium smelter components



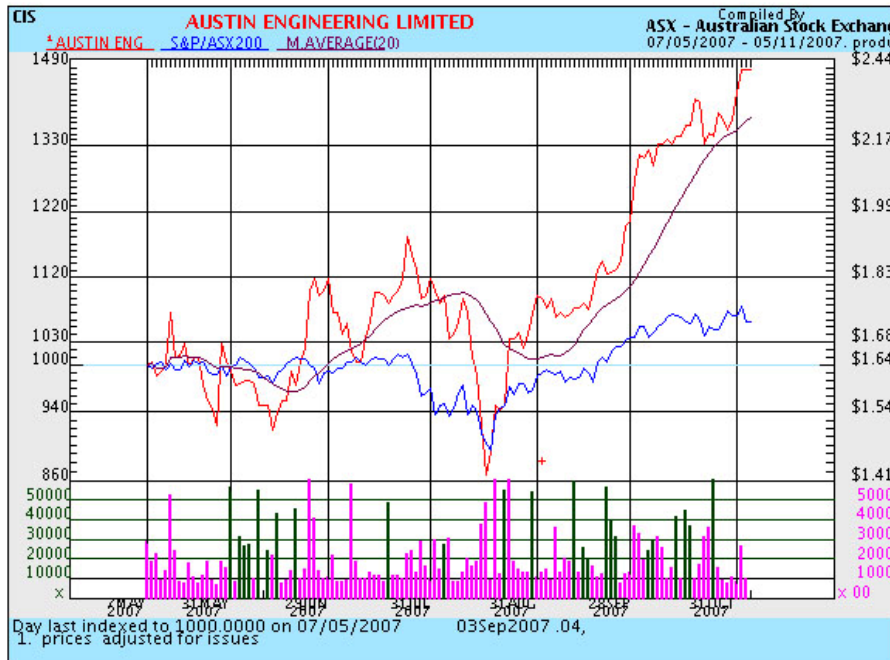


Serving major resources provinces in Australia and Middle East



Austin Engineering – Financial Snapshot

The chart of daily prices over 6 months for security ANG.



Current trading data	
Share price	\$2.36
Shares on issue	46.7m
Market capitalisation	\$110m

Key 2007 financial data	
EBITDA	\$7.31m
Net profit	\$4.97m
EPS	12.45c
Dividends per share	4c
Payout ratio	25-40%

Board and executive team	
Peter Fitch	Chairman
Michael Buckland	Managing Director
Peter Pursey	Non-exec Director
Eugene Fung	Non-exec Director
Colin Anderson	CFO

Top 5 shareholders	
Michael Buckland	5.28%
Invia Custodian Pty Ltd	4.93%
S J Quinlivan Pty Ltd	4.32%
ANZ Nominees Ltd	4.16%
RBC Dexia Investor Services	3.71%



Delivered on our strategy in 2007

- A year of consolidation and growth
- Record net profit of \$4.97m, up 207%
- Maintained cost control and improved efficiencies through automation
- Kaldura Industries and Austbore ahead of expectations
- \$6.9m capital raising completed and well supported
- Strong order book for 2007-08



Strengthening Austin – the acquisitions

Kaldura Industries in Mackay, QLD

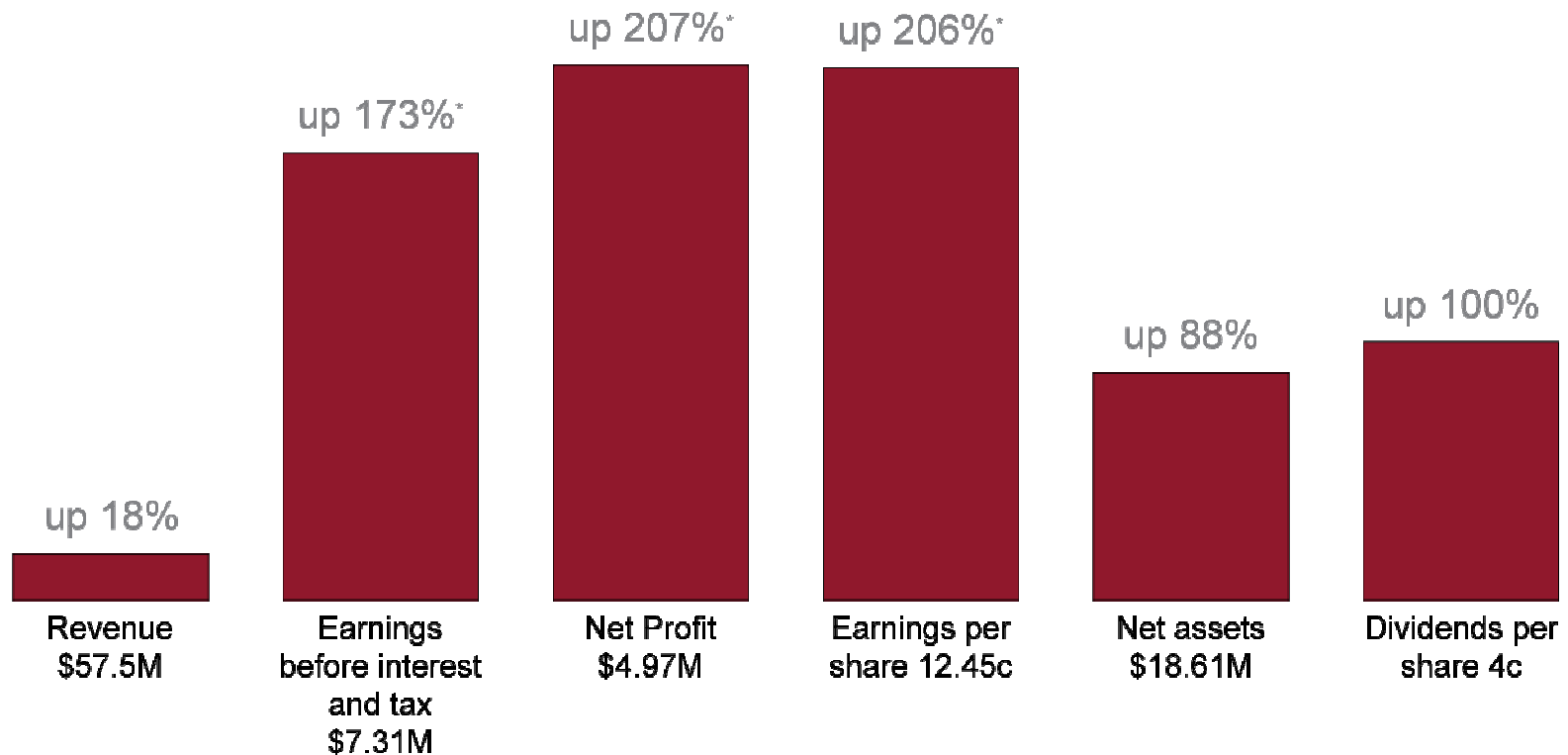
- \$5.3m acquisition completed July 2006
- Purchase price on multiple of 2.36 times EBIT
- Specialist in mining equipment repair
- Complements fabrication operation in Brisbane

Austbore in Mackay, QLD

- \$10.3m acquisition completed April 2007
- Purchase price on multiple of 3.4 times EBIT
- Established in 1991, core competencies include: general machining services, overhaul and manufacture, mobile line boring
- Potential access to major new client, consistent with expansion and diversification strategy of providing “one-stop shop”



Financial highlights for 2006-07

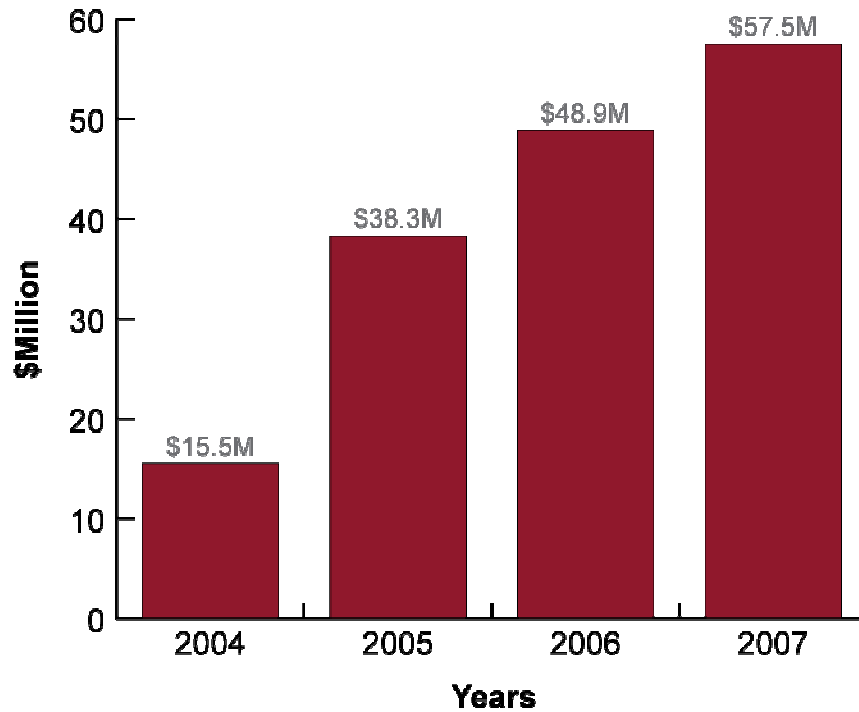


*Excluding gain on sale of properties in 2005/06

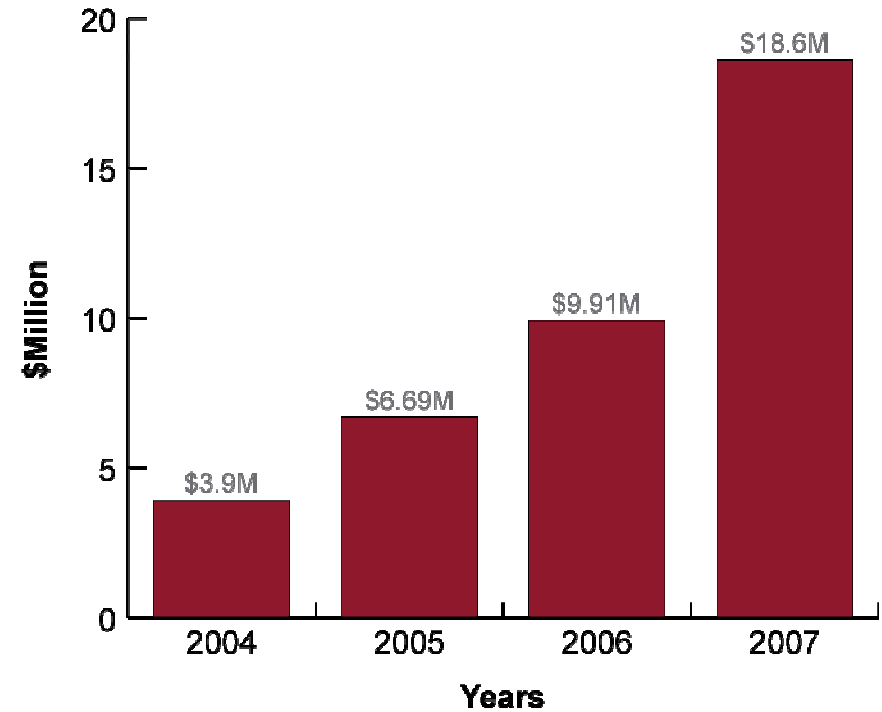


Growing the business

Revenue



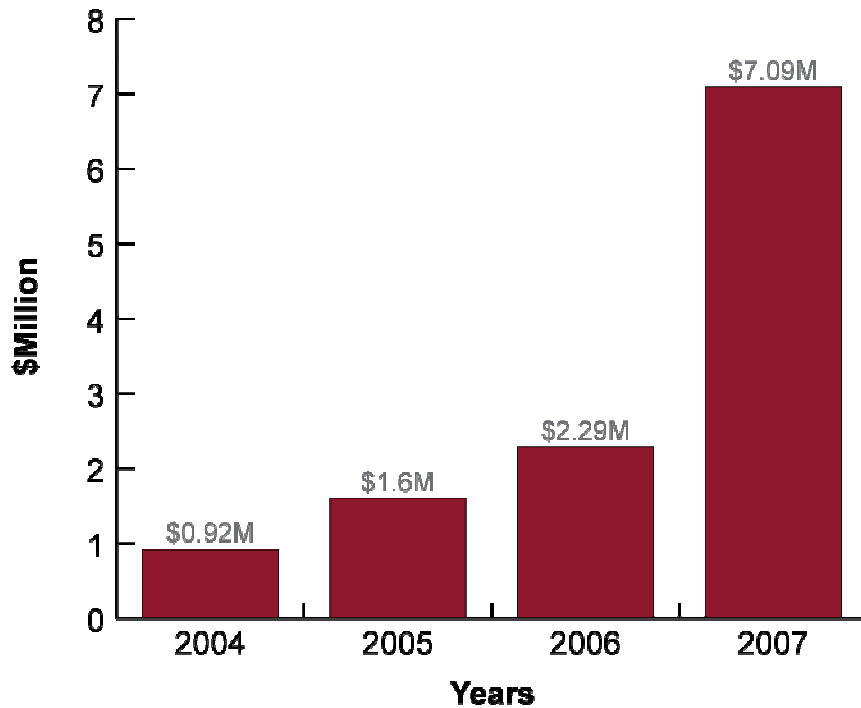
Net Assets



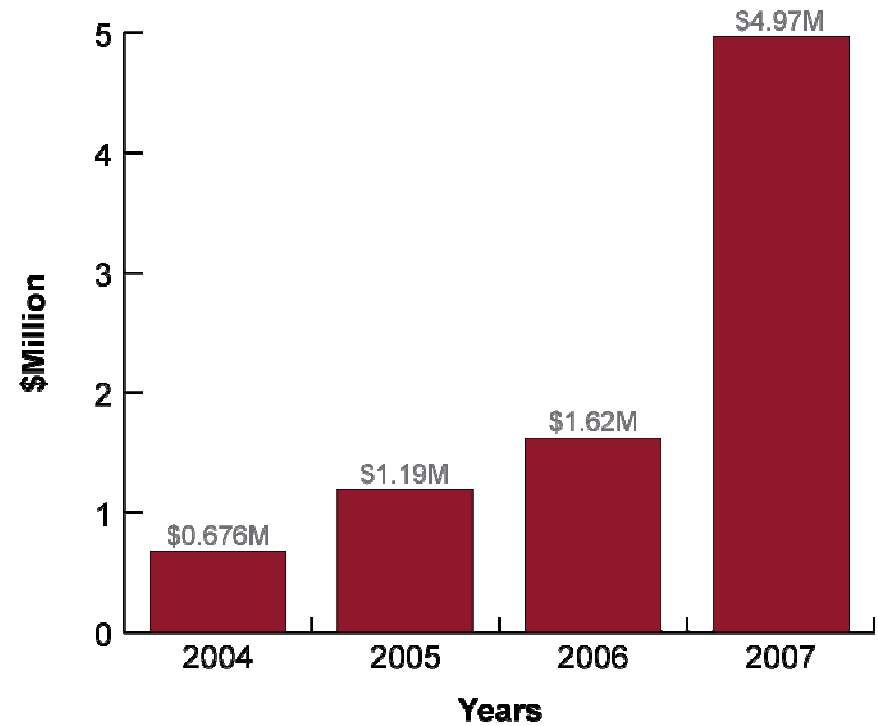


Growing the business

Profit Before Tax*



Net Profit After Tax*

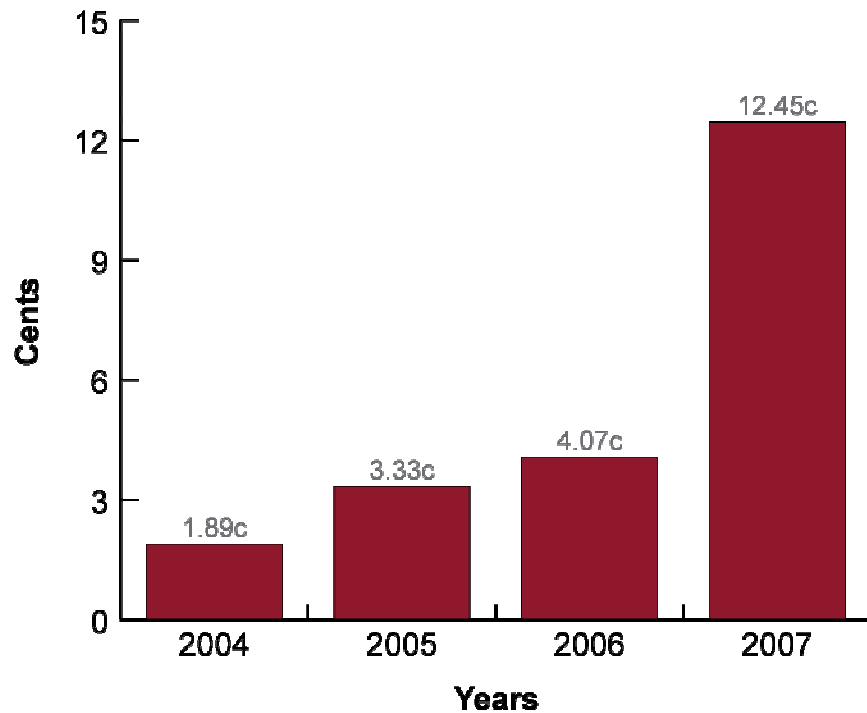


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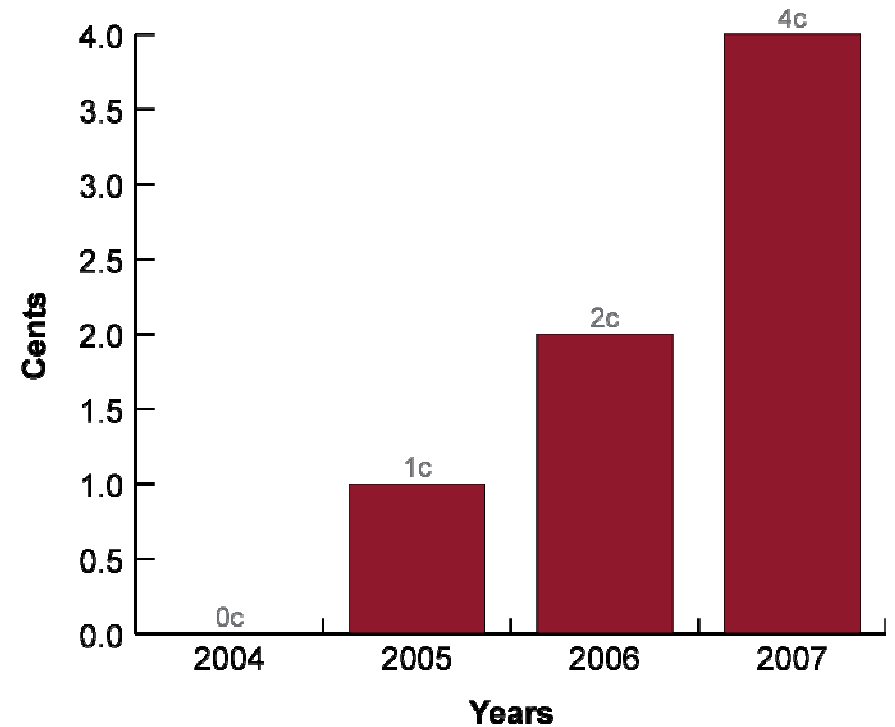


Growing the business

Earnings Per Share



Dividend Per Share





Operational overview - Perth

- Record revenue and profit in 2006-07
- Buoyant market, very high levels of activity and capacity utilisation
- Throughput increased through robotic welding, offsetting skilled labour shortage
- Recent expansion to increase capacity by 65%
- 100% of budgeted revenue secured
- Orders received for 08/09 year



Operational overview - Brisbane

- Predominantly serves central Queensland coal fields
- 2006-07 workload affected by infrastructure issues
- Completed change in production focus and work mix; JEC product lines now 85% of revenue
- Technology increased workshop capacity, productivity and offset skills shortage
- Focus on revenue growth and capacity utilisation
- 100% of budgeted revenue received
- Orders received for 08/09 year



Operational overview - Mackay

Kaldura Industries

- Result ahead of expectations, driven by high capacity utilisation and improved productivity
- Completed \$3.5m workshop expansion, increased capacity by 60%
- Focus on increasing revenue, marketing initiatives underway

Austbore

- Successfully integrated into existing operations
- Results as per forecast
- Looking forward to full year contribution, targeting increased revenue and synergies



Operational overview - Oman

- \$11.5m project for production of busbar assemblies for Sohar Aluminium Smelter
- Progressing after slower than expected start, targeting February completion
- Well positioned to take advantage of opportunities in expanding Middle East
- A number of new projects under consideration



Austin's strategy

- Growth and diversification through acquisition
- Employ technology to further reduce costs, increase output
- Increase revenue in Perth and Mackay through capacity expansion
- Acquire new product lines
- Establish additional overseas operations



Favourable industry conditions

Activity in the resources sector is expected to remain high:

- Iron ore leading growth in Western Australia; infrastructure spending to drive growth in Queensland coal
- China, India and South East Asian economies to continue to drive demand for commodities and energy
- Commodity prices expected to remain firm for medium term
- Budgeted global mineral exploration expenditure a record \$US10bn*
- Repair and replacement expenditure to follow new capital

*Metals Economics Group – 2007 preliminary estimate



Outlook

- Record order book with orders into 2008-09
- Resources sector to remain strong, both new projects and repair and replace
- Potential to expand Westtech relationship for manufacture of truck bodies under licence
- Capacity to pursue further acquisitions
- Perth capacity increased by 65%, strong order book
- Kaldura expansion complete by mid-November
- Considering expansion of Austbore
- Forecasting strong increases in all key financial measures of the Company
- Previously forecast (in April 07) EBIT in excess of \$10m for 2007-08



Thank-you

For more information please visit www.austineng.com.au