Nerolie Withnall
Chairman
ALS Limited

Annual General Meeting
11am on 26 July 2016

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Ladies & Gentlemen, I will now make some brief comments as Chairman.


During the year, the Company expanded and diversified its technical services capabilities through strategic acquisitions in a number of industry sectors and geographies.

In Europe, we expanded our footprint in Food and Environmental testing through the acquisitions of the ControlVet food testing group in Portugal, Spain and Poland, and the OMM-Lab in Norway and Mikrolab in Slovakia, both accredited food and water testing laboratories.

In the US, the Company acquired the Asset Care business of Maverick Testing Laboratories, which provides materials engineering and mechanical testing services to petrochemical industries in the Gulf Coast.

We embarked on greenfield expansions with food testing in Thailand and Indonesia and geochemistry facilities in Kazakhstan and Ethiopia.

As part of our capital management strategy, in December last year the Company undertook a fully underwritten, pro rata 5 for 21 accelerated non-renounceable rights issue at $3.35 per share, raising approximately 318 million dollars in net proceeds.

The funds raised were used to strengthen the balance sheet by paying down debt and to provide capacity to undertake strategic investments in our Life Sciences businesses, specifically in the food sector.

The rights issue was well supported by institutional holders, whilst retail holders took up 43 per cent of their entitlements.

Bruce will have further comments about capital management.

As you are aware, the Company received an approach earlier last month from a private equity consortium, Advent International and Bain Capital, with a proposal to acquire all of the shares in the Company.

This was a non-binding, conditional proposal of $5.30 cash per share, and was conditional on the Board giving its support by recommending the bid to shareholders.

The Board did not support the proposal for the following reasons:

1. On the basis of our own internal work, and on our external consultants' advice on valuation, we concluded that the opportunistic approach significantly undervalued the Company.
2. The proposal did not recognise the fundamental value inherent in the global leadership position of many of the Company's service streams.

Management and Board were ready and prepared and able to respond quickly to the proposal. Following our response we consulted with a significant number of our major shareholders and received strong support for the Board's decision not to recommend the proposal.

Your Board remains committed to maximising value for shareholders and will consider all options to achieve that objective.

We have not had any further discussions with the consortium since advising them that we would not recommend their proposal. If anything further arises, we will advise you as soon as practical.

Now I'd like to give you an overview of the past year's results.

## Financial Summary

| | FY15 ($mn) | Full Year FY16 ($mn) | | | | |
|---|---|---|---|---|---|---|
| Full year | Continuing Underlying | Continuing Underlying | Impairment Charges | Restructuring & other one off items | Amortisation of Intangibles | Statutory Results |
| Revenue | 1422.2 | 1364.9 | | | | 1364.9 |
| EBITDA | 305.4 | 264.3 | (317.9) | (13.9) | | (67.5) |
| Depreciation & amortisation | (83.4) | (86.4) | | | (15.2) | (101.6) |
| EBIT | 222.0 | 177.9 | (317.9) | (13.9) | (15.2) | (169.1) |
| Interest expense | (33.1) | (34.5) | | | | (34.5) |
| Tax expense | (52.6) | (42.9) | 3.9 | 2.9 | | (36.1) |
| Non-controlling interests | (1.6) | (1.0) | | | | (1.0) |
| NPAT | 134.7 | 99.5 | (314.0) | (11.0) | (15.2) | (240.7) |
| EPS (basic – cents per share) | 31.7 | 21.7 | | | | (52.5) |
| Dividend (cents per share) | 21.0 | 13.5 | | | | 13.5 |

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RIGHT SOLUTIONS · RIGHT PARTNER

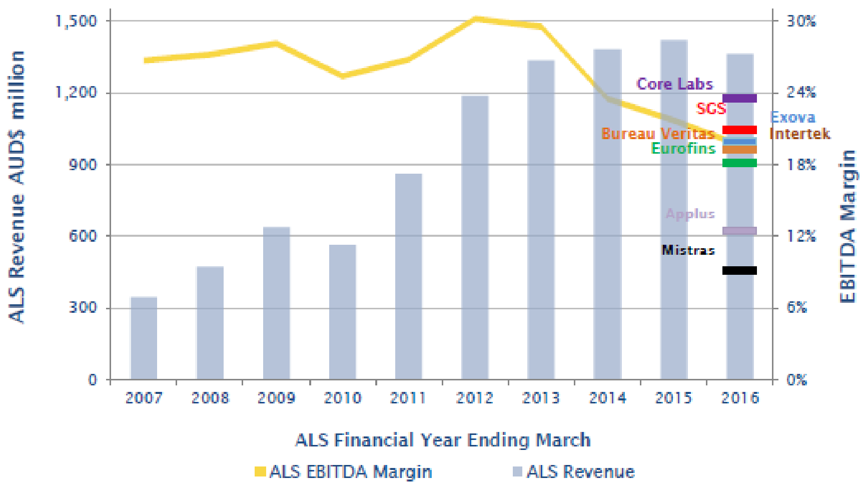
The Company achieved an underlying net profit after tax of $99.5 million for the year ended 31 March 2016. This net profit excluded impairment charges, amortisation of acquired intangibles, restructuring and other one-off items.

The result was 27% lower than the $135.4 million underlying profit achieved last year, reflecting the ongoing commodity price uncertainty.

Revenue from continuing operations was $1.365 billion, slightly down on the $1.4 billion recorded the previous year.

The statutory result was a net loss after tax of $240.7 million for the 2016 financial year. The loss was primarily due to non-cash impairment charges of $314 million after tax against the Company's oil and gas investments.

## Margin strong at the bottom of the cycle




*EBITDA Margin for Core Labs, SGS, Intertek, Bureau Veritas, Eurofins, Applus, & Exova is for Calendar Year 2015 and Mistras year ending May 2015. EBITDA Margin & Revenue for ALS includes all corporate expenses. Data for Financial Year ending March 2016 based on current forecasts. EBITDA is underlying EBITDA for all companies.*

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RIGHT SOLUTIONS · RIGHT PARTNER

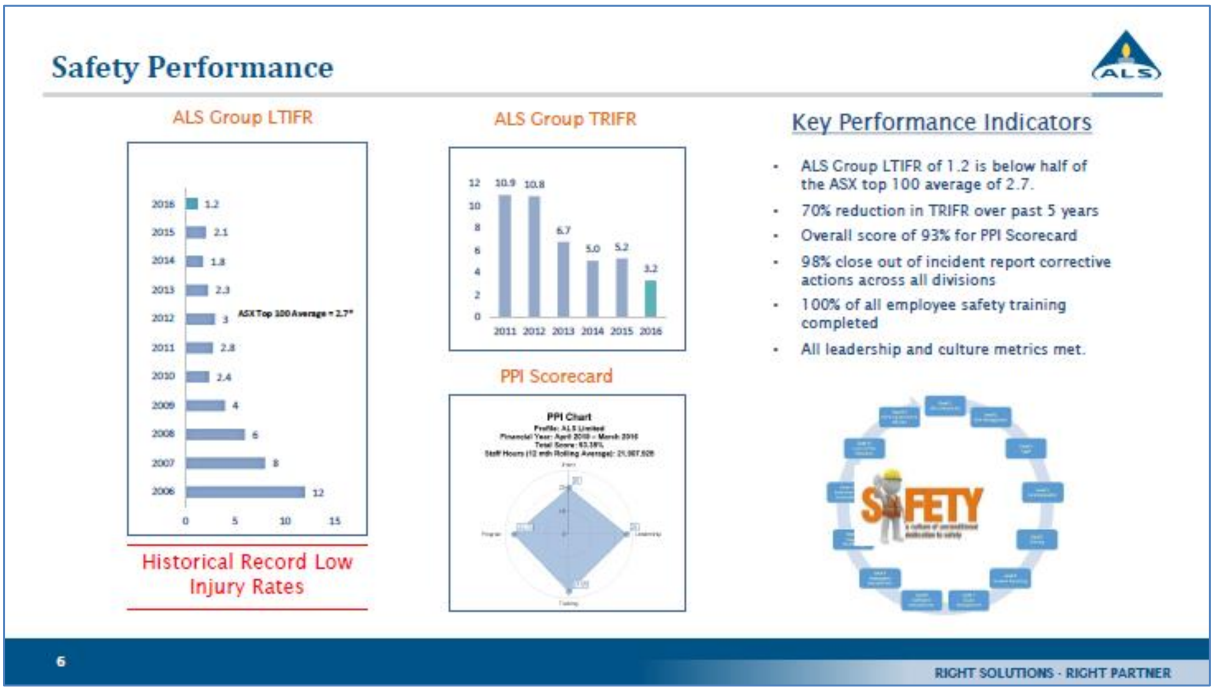
Overall, the result reflected a year of financial consolidation for the Group as we dealt with difficult market conditions in our businesses exposed to commodity cycles, particularly those in Oil & Gas and coal, and the Geochemistry and Metallurgy operations within the minerals sector.

The Life Sciences Division was successful in growing revenue in all regions as a result of consistent investment and market-share growth, with the Industrial Division relatively stable through the year.

A final dividend of 6 cents per share, franked to 40 percent, was paid earlier this month on the 1st of July. This brought the total dividend paid for the year to 13.5 cents per share, representing a full year payout of 61 per cent of underlying net profit after tax.

The Company's dividend reinvestment plan was suspended for the final dividend.

Bruce, as Incoming Chairman, will have more to say about the Company's dividend policy.




Providing a safe and healthy workplace for all employees, contractors and visitors is essential to the long term success of the Company.

The most commonly used method to measure health and safety performance is the Lost Time Injury Frequency Rate. Over the past year, the Company achieved a lost time injury frequency rate of 1.2 - which is well below the average of 2.7 for the Top 100 ASX companies, as reported July 2015.

Another measure of safety performance is the total recordable incident frequency rate which measures incidents of lesser harm but have the potential for harm. This measure has seen a reduction of 38% over last year and a 70% reduction over the last 5 years.

This downward trend is a result of the Company's focus on training and education using different methods and approaches to reach staff and managers in getting the safety message out. Such measures include mandatory safety training sessions, induction courses, driver safety sessions and injury management courses.

ALS employs over 11,000 staff across our global operations - offering a variety of careers and opportunities. Ongoing training and staff development are critical to the growth of ALS.

Access to learning materials starts during employee induction and courses are available to all staff via various ALS-specific courses hosted online.

Staff who demonstrate leadership qualities are targeted for management positions and further leadership and management skills training.

Following the first strike on the Remuneration Report last year, changes were made to the remuneration structure.

We are pleased that the Remuneration Report has been well received by shareholders. We have listened and addressed the concerns of shareholders.

The support of shareholders and proxy advisers is very much appreciated.

The Company's Remuneration Report, on pages 41 to 56 of the 2016 Annual Report, sets out what the Board believes is a very balanced and measured set of remuneration outcomes that align with the performance of the Company and the role and contribution of our executives.

For the year ended March 2016, executives received a small adjustment to fixed remuneration, reflecting cost of living increases, to ensure market-based remuneration was maintained.

The continuation of challenging economic conditions meant executives' 'at risk' remuneration earned was far less this year than last year.

A new financial 'gateway' was implemented to prevent short term bonus payments being achieved from non-financial key performance indicators when Group financial performance hurdles were not met.

No short term bonuses were paid to Key Management Personnel except to the Group General Manager of the Life Sciences division, Raj Naran, who achieved his financial targets.

For the executives' long term incentive plan, relevant performance hurdles for the three- year period ended March this year were partially met, at the reduced rate of 25% of the maximum potential.

Non-executive directors' fees were not increased during the 2016 financial year and will be unchanged for the 2017 financial year.

Following changes to the Board made last year, we undertook a further process to seek an appropriately qualified board candidate to replace me when I retire from the Board following today's meeting.

That process was carried out in early 2016 with the assistance and advice of a highly-regarded external consultant.

In the best interests of promoting diversity, the Board identified Tonianne Dwyer who joined us earlier this month. We believe she will add great strength and depth of experience to the Board and I welcome her.

Resolutions will be proposed later in this meeting seeking your support for the election of Tonianne Dwyer as a non-executive director as well as the re-election of Mel Bridges for a further three-year term. The Board strongly supports them, and we trust they have your support as well.

As previously announced, I will be retiring from the Board following today's meeting.

It has been an honour and a privilege to have been a director of your company over the past 22 years, and more recently, as your Chairman.

I have every confidence in the strategy and management team and believe that ALS is well positioned to grow over the longer term.

Finally, I would like to say thank you to all of you, our shareholders, for your ongoing support; to Greg and his management team for their continuing hard work and dedication in carrying out our strategies in a challenging environment; and to my fellow directors for their support over the past year.

I will now hand over to Bruce. Thank you.