



**BLACK DIAMOND**  
GROUP



**Annual General Meeting**  
Trevor Haynes (CEO) and Mike Lambert (CFO)

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# **FORWARD LOOKING STATEMENTS**

This presentation contains forward-looking statements. The use of the words “anticipate”, “continue”, “estimate”, “expect”, “will”, “project”, “should”, “believe”, “intend” and similar expressions identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but cannot give any assurance these expectations will prove to be correct.



# Black Diamond: A Global Provider of Remote Camps

## Global footprint



**\$140 million**  
2014 EBITDA

**33% CAGR**  
2007 - 2014

Premier remote accommodations,  
workspaces and management services



**400+ employees**

**20 locations**

**3 countries**

# Experienced Management Team



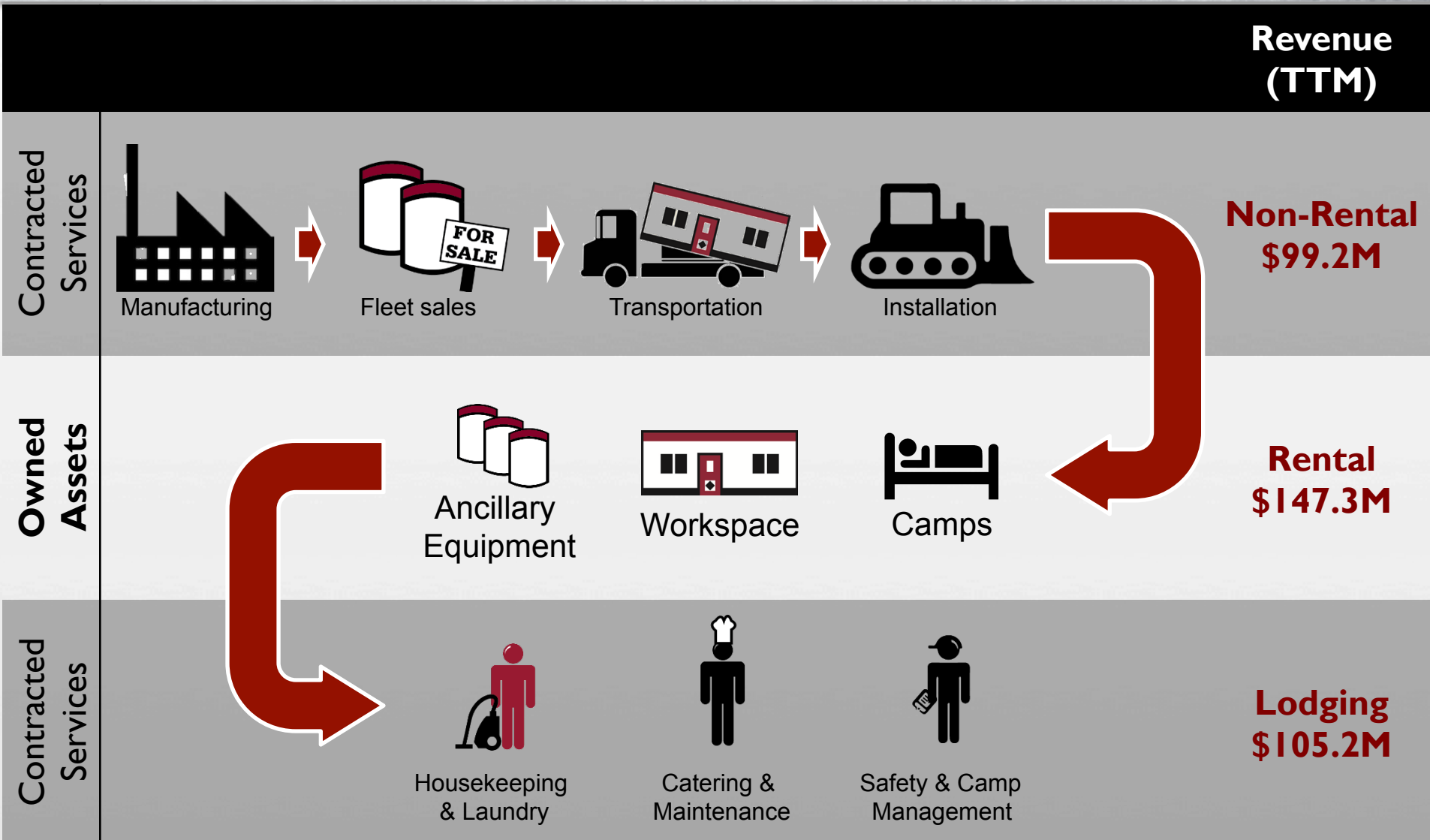
Senior executives with  
more than

**20 years**  
of industry experience

Long standing Management with **15% Ownership**



# Value Chain – Owning the right assets





# Structures Business Unit

## Camps and BOXX Modular



Mount Milligan Project – NE BC



### Camps – Workforce Accommodation



**3,550** Dorm Units



**12,999** Beds

**\$19.1 M** Q1 2015 EBITDA

**73%** Q1 2015 Utilization

### BOXX Modular – Workplace Solutions



**3,636** Rental units

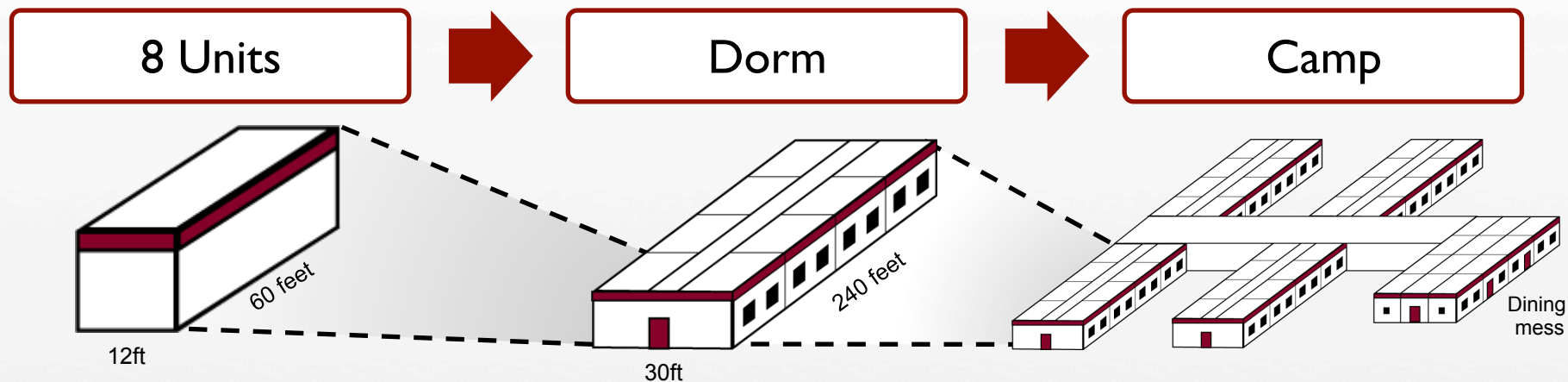
**\$6.4 M** Q1 2015 EBITDA

**70%** Q1 2015 Utilization

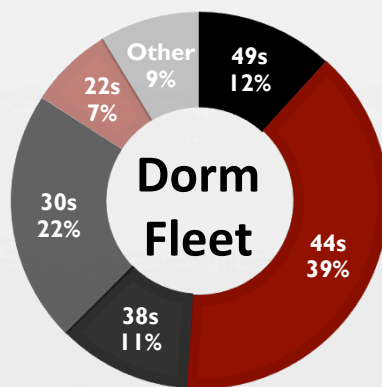
**Rental revenue is driven by long-term contracts**



# Camps: How our camps are assembled



**3,550  
Units**

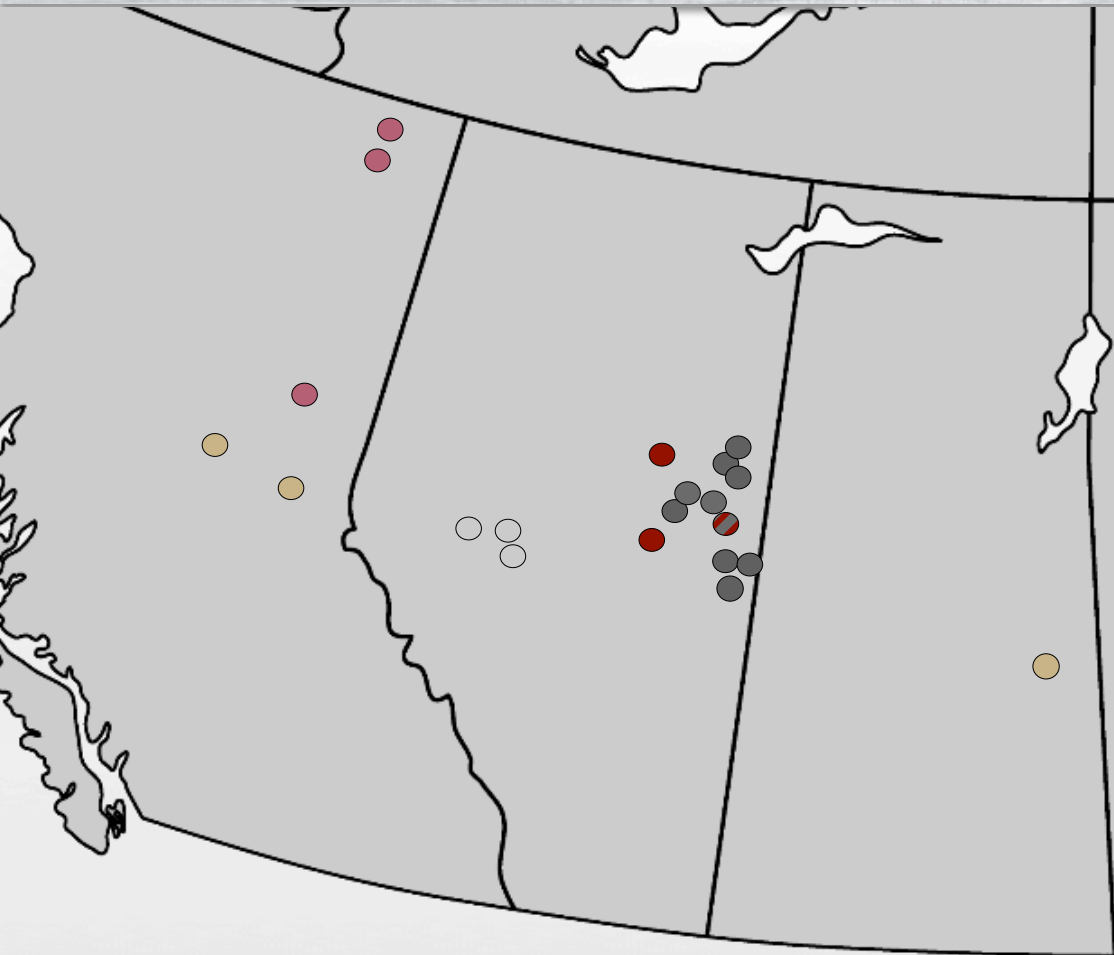


Dorm Density	Bathroom configuration	Bedroom size (sq. ft.)
49 Bed	Communal	84
44 Bed	Semi-Private	99
38 Bed	Private	88
30 Bed	Private	140
22 Bed	Private	234

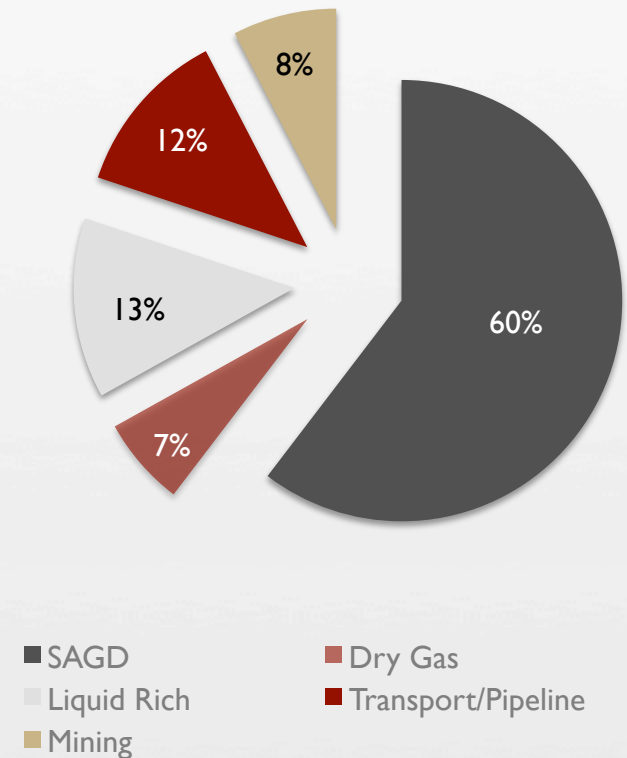
**Not all camps are created equal:  
Density and mobility are key differences**



# Camps: Assets & Industry Exposure



Industry Exposure by Bed Count

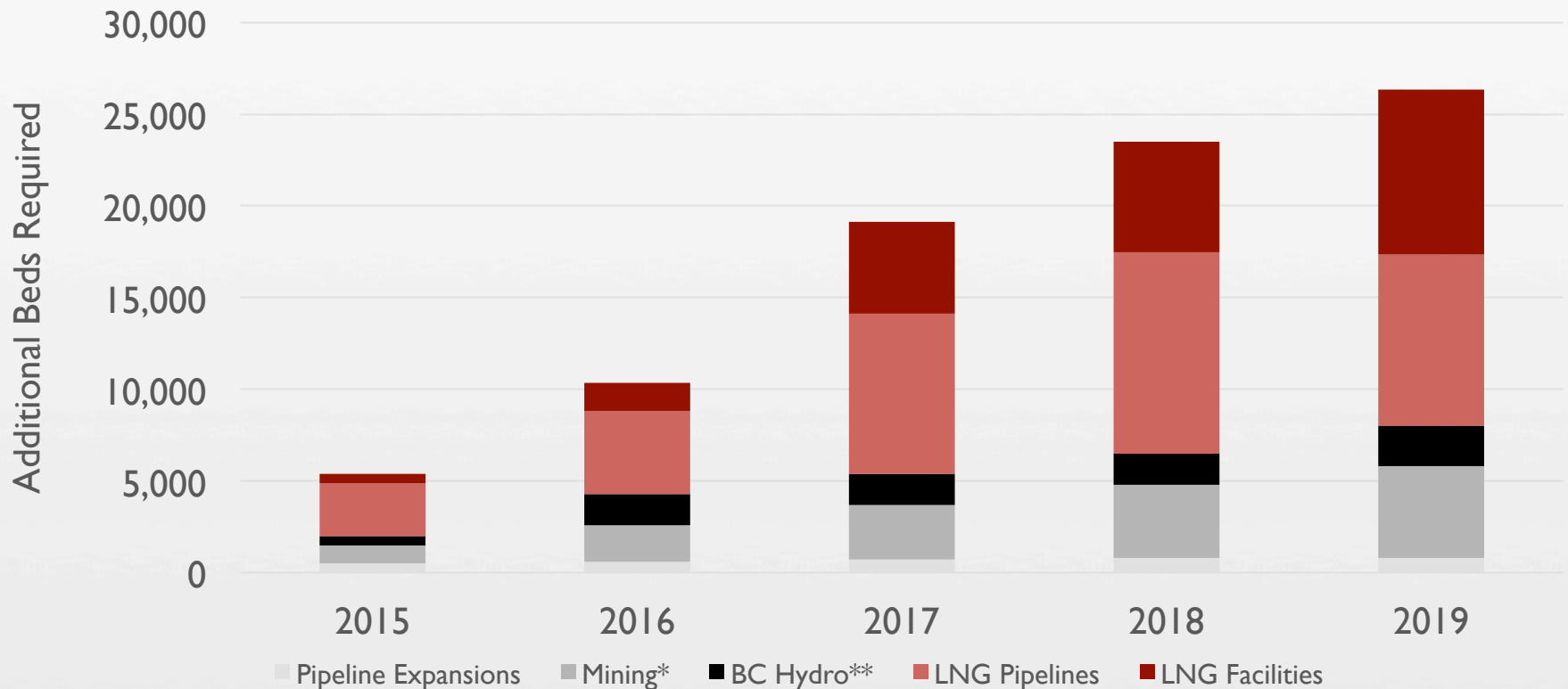


**Less than 40% of total revenue is related to camps for the oil sands**



# Camps: Western Canadian Market Potential

Cumulative Market Potential for New Workforce Accommodation Beds  
Not Related to Oil Extraction (Compared with 2014 Baseline)



**Opportunities continue to emerge in the current environment**

# Logistics Business Unit



Managed workforce accommodation services on a cost-plus and day-rate basis

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 **4,294** Q1 2015 Operated Beds

**\$8.2 M** Q1 2015 EBITDA

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- Two full service open camps: Sunday Creek and Horn River



**Minimum contracted utilization rates protect down-side**



# Energy Services Business Unit



Oil and gas well site accommodations and tank rentals

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**331** Well site units



**968** Beds

**60%** Q1 2015 Utilization

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**2,362** Surface rentals

**29%** Q1 2015 Utilization

**\$2.1 M** Q1 2015 EBITDA

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**Short term susceptibility to commodity price volatility**

# International Business Unit



Long-term platform for growth in Australia which is primarily focused on mining.



**1,230** Units



**1,776** Beds

**28%**

Q1 2015 Utilization

**\$0.3 M**

Q1 2015 EBITDA

- Challenged by mining sector

## Weak demand for coal and iron has lowered utilization





Operating Results

# FIRST QUARTER 2015

# First Quarter 2015 Highlights

Revenue	<b>\$99.7 million</b> - down 20% year-over year on lower utilization due to oil prices, but up \$10 million compared with Q4 2014
EBITDA	<b>\$30.6 million</b> moderately ahead of consensus of \$27.3 million
Profit	<b>\$9.0 million</b> – down 50% year over year due to the decrease in revenue, and static depreciation and administration costs
<b>\$50 million Capital Plan</b>	As at Mar. 31, 2015 Black Diamond's capital expenditure program: <ul style="list-style-type: none"><li>• \$17.9 million spent</li><li>• <u>\$15.9 million committed</u></li><li>• \$33.8 million total so far in 2015</li></ul>



# Q1 2015 EBITDA \$30.6 Million

## Divisional Highlights

### Structures

- Lower oil prices drive 11% decrease in rental revenue

### Logistics

- EBITDA up 1% due to increase in occupancy of day-rate camps

### Energy Services

- Lower oil prices drive decrease in rental and non-rental revenue

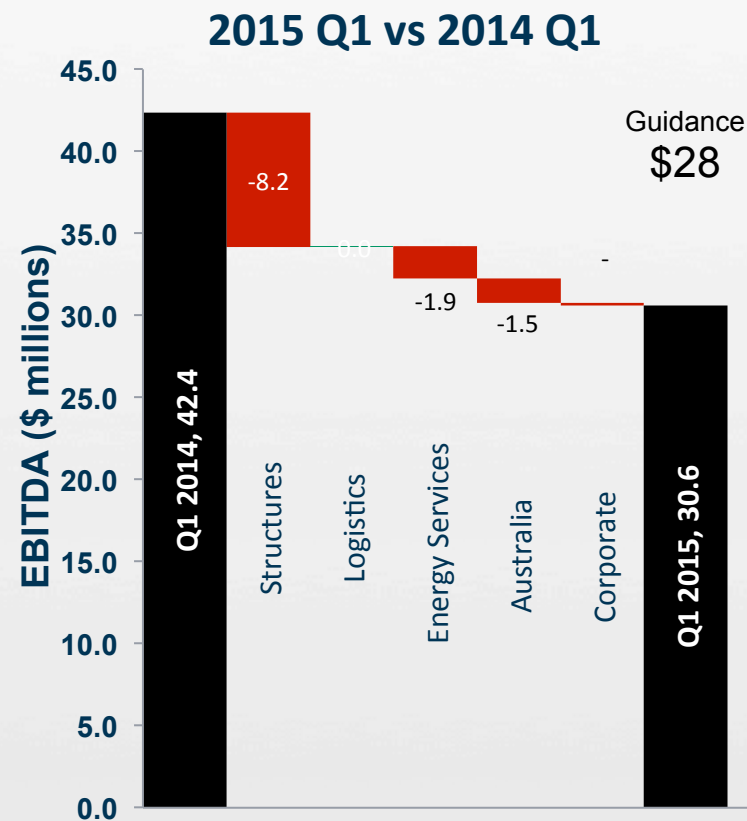
### International (Australia)

- Lower commodity prices drive decrease in rental and non-rental revenue

### Corporate

- Administrative expenses stayed level due to normal course severance costs

## EBITDA Waterfall



# Quarterly Review

<b>Financial Highlights</b> (in millions of dollars except as noted)	For the three months ended		
	Mar. 31, 2015	Mar. 31, 2014	% Change
Profit	9.0	17.9	(50%)
Earnings per share (basic)	\$0.22	\$0.42	(48%)
Funds available for dividends	27.5	37.1	(26%)
Payout ratio	36%	26%	
Net Debt : EBITDA	1.45	1.19	



# Contracts Outstanding

Forward Contracted Revenue (in millions of dollars)	As at		
	Mar. 31, 2015	Mar. 31, 2014	% Change
Structures	\$84.9	\$105.1	(19%)
Logistics	\$26.3	\$54.1	(51%)
Energy Services	\$3.1	\$4.2	(26%)
International	\$1.9	\$3.6	(47%)
Total	\$116.2	\$167.0	(30%)

Weighted Average Contract Term Outstanding (in months)	As at		
	Mar. 31, 2015	Mar. 31, 2014	% Change
Structures	10	10	-
Energy Services	3	2	50%
International	4	5	(20%)

**Customers are opting for short-term extensions versus long-term renewals to maintain flexibility**

# Enterprise Strategy

## Capital Allocation

- Own quality rental assets
- Sell associated services
- Use working capital efficiently

## Risk Management

- Contract utilization of assets
- Contract third party services
- Manage counterparty risks

## Diversification

- Geographies
- Commodities / Customers
- Rental assets


## Managed Assets

- Measure return on assets (ROA) at original book value
- Sell assets that don't meet ROA requirements
- Maintain a modern fleet

**Target industry leading returns on capital**



# Company Summary



**\$0.08/share**  
Monthly dividend

**Symbol (TSX):** BDI

**Headquarters:** Calgary, Alberta

**Year End:** December 31

**Shares Outstanding:** 41,086,422

**Share Price :** \$17.66 (04-May-15)

**Market Capitalization:** \$734.2 million

**Inside Ownership:** 15%

**Debt:** (As at 31-Mar-15)

Revolving facility: \$96.1 million

Senior secured notes \$102 million

**“We are comfortable with our dividend capacity in the current environment”**





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**THANK YOU!**