STRONG FUNDAMENTALS

FUNDAMENTAL STRENGTHS
This presentation contains forward-looking information within the meaning of applicable securities laws. The forward-looking information is based on assumptions, estimates and analysis made in light of the company’s experience and its perception of trends, current conditions and expected developments, as well as other factors that are believed by the company to be reasonable and relevant in the circumstances. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from those predicted, expressed or implied by the forward-looking information. The risks and uncertainties include, among other things, changes in global economic activity and changes in energy supply and demand which impact on the level of drilling activity and pipeline construction; political, economic and other risks arising from international operations; compliance with environmental, trade and other laws; liability claims; fluctuations in foreign exchange rates and fluctuations in raw material prices, as well as other risks and uncertainties that are more fully described in the company’s current Annual Information Form, annual and quarterly reports and in other reports and filings made with securities regulatory authorities and available at www.sedar.com.
ShawCor at a Glance
A global leader in energy services

- The Global Leader in Pipe Coating and Related Products/Services
- Strategic Global Locations
- Proprietary Technology
- Track Record of Reliable Execution
- Superior Financial Performance
The company

The market opportunity

The strengths

The future
## ShawCor Quick Stats

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locations</td>
<td>&gt;80</td>
</tr>
<tr>
<td>Countries</td>
<td>25</td>
</tr>
<tr>
<td>Business Units</td>
<td>8</td>
</tr>
<tr>
<td>Employees(^1)</td>
<td>&gt;8000</td>
</tr>
<tr>
<td>Market capitalization(^2)</td>
<td>~ $2.5B</td>
</tr>
</tbody>
</table>

\(^1\) Estimated  
\(^2\) As of July 2, 2013
# Eight Business Units
- All Ranked #1 or #2

## PIPELINE & PIPE SERVICES

<table>
<thead>
<tr>
<th>Bredero Shaw</th>
<th>Socotherm*</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Coatings</td>
<td></td>
</tr>
<tr>
<td>- corrosion protection</td>
<td></td>
</tr>
<tr>
<td>- insulation</td>
<td></td>
</tr>
<tr>
<td>- weight / protective</td>
<td></td>
</tr>
<tr>
<td>- internal flow efficiency</td>
<td></td>
</tr>
<tr>
<td>- Coatings</td>
<td></td>
</tr>
<tr>
<td>- corrosion protection</td>
<td></td>
</tr>
<tr>
<td>- weight / protective</td>
<td></td>
</tr>
<tr>
<td>- thermal insulation</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Canusa-CPS</th>
<th>Flexpipe</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Joint protection</td>
<td></td>
</tr>
<tr>
<td>- Pipe coating materials</td>
<td></td>
</tr>
<tr>
<td>- Flexible composite pipe for:</td>
<td></td>
</tr>
<tr>
<td>- oil and natural gas gathering lines</td>
<td></td>
</tr>
<tr>
<td>- oilfield water and fluids</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shaw Pipeline Services</th>
<th>Guardian</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Weld inspection</td>
<td></td>
</tr>
<tr>
<td>- radiographic</td>
<td></td>
</tr>
<tr>
<td>- ultrasonic</td>
<td></td>
</tr>
<tr>
<td>- Drill pipe/tubular inspection</td>
<td></td>
</tr>
<tr>
<td>- Inventory management services</td>
<td></td>
</tr>
</tbody>
</table>

## PETROCHEMICAL & INDUSTRIAL

<table>
<thead>
<tr>
<th>DSG-Canusa</th>
<th>ShawFlex</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Heat shrink tubing for sealing and protection</td>
<td></td>
</tr>
<tr>
<td>- Control, instrumentation cable</td>
<td></td>
</tr>
</tbody>
</table>

* As of Oct 2012
Active in All High Growth Segments

- Deepwater
- Offshore
- LNG
- Shale
- Oil Sands
- Enhanced Recovery (EOR)
- Conventional
- Rehabilitation
- Potable Water
Technology Sets Us Apart

- 248 Issued Patents - 57 technologies
- 169 Patents Pending - 51 technologies
- 86 Proprietary Formulations
- 20 Scientists at Corporate Laboratories
- Subsea Test Facility
- Mobile Plant Technology
# The Need for New Technologies

## Deepwater
- Proprietary passive insulation coating provides flow assurance for subsea pipelines and SURF (Subsea Umbilicals, Risers and Flowlines)

## Offshore
- Concrete Weight Coating provides seabed stability and pipeline protection

## Shale Plays
- Spoolable composite pipe offers corrosion resistance, faster installation and lower total installed cost

## Next Generation Land Coatings
- New High Performance Powder Coating (HPPC) and Reinforced Polyethylene Coating (RPC) provide increased reliability
Capability Sets Us Apart

- Uniquely Capable to Serve the Largest Projects
- Major Expansions/ Upgrades Completed in 2012
- Complete ‘Pipe Mill to Pipeline’ Logistics
- Full Product Array and Back-up Facilities
- Reduce Client’s Construction Schedule Risk and Pipeline Performance Risk

- New MLPP plant in Kabil
- Expanded Deepwater wharf in Kabil
- Expanded Kuantan pipecoating facility
- Two major facilities in Asia/Pacific
Agenda

1. The company
2. The market opportunity
3. The strengths
4. The future
The Market Opportunity

Key Pipeline Drivers

**DEMAND**
- Growth in energy demand (1.3% per annum)$^1$

**DEPLETION**
- Rising depletion (6.7%-7.5% per annum)$^2$

**TECHNOLOGY**
- New sources in more “challenging” locations

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$^1$ Source: EIA 2011-2035  
$^2$ Avg. production-weighted worldwide decline rate for past-peak oil, gas fields – IEA WEO 2008, 2009
Structural Change in Pipeline Infrastructure

Pipeline Investment
(US$ billions)

- Increased Activity
- Bigger Projects

Source: Oil and Gas Journal, Douglas Westwood

Structural change has taken place
Agenda

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Client Relationships and Track Record

Americas
- Enbridge
- Syncrude
- Husky Energy
- Encana
- EVRAZ
- Suncor Energy
- Chevron
- Marathon
- Devon
- ExxonMobil
- ConocoPhillips
- Petrobras
- Kinder Morgan
- PEMEX
- Duke Energy

EMAR
- ENI
- BP
- Gazprom
- Tullow Oil
- Total
- Lukoil
- Technip
- Subsea 7
- Statoil
- Sonangol
- Gassco
- Enagas
- Sasol
- Sonangol

Asia Pacific
- Nippon Steel
- INPEX
- Mitsui & Co.
- CUEL
- BHP Billiton
- Nomon
- PetroChina
- Origin
- Santos
- Pemex
- Petronas
- Reliance Energy
- Sumitomo Metals

Strong relationships with all major global players

* Partial list only
Strategic Locations to Service All Major Basins

80+ Global locations
Effective Acquisition Program

- New Growth Platforms ‘Flexpipe’
- Geographic Expansion ‘Brazil’
- Expanded Services ‘ShawCor CSI’
- Socotherm Acquisition

Flexpipe, July 2008

Socotherm, Oct 2012

CSI, March 2011

Brazil, October 2010
The ShawCor Manufacturing System

- Systems for Reliable Project Execution
- A Process for Continuous Cost Reduction
- Standard Program Across ShawCor
- “SMS” Currently Generates >$20 million in Annual Savings
Financial Strength

Net Resources

- **Cash flow**: > $1 Billion from operations (5 yr)
- **Term Debt**: $350 Million
  - 10.4 years @ 3.65%
- Cash Position + Credit Facilities to fund growth > $400 Million

Competitive Advantage

- Able to Simultaneously Execute:
  - The Largest Projects
  - Geographic Expansion
  - New Technologies
  - New Product Programs
  - Acquisitions
Agenda

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## Highlights Q1 2013

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$454.7</td>
<td>+46%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$104.3</td>
<td>+139%</td>
</tr>
<tr>
<td>EPS</td>
<td>$1.01</td>
<td>+197%</td>
</tr>
<tr>
<td>Backlog</td>
<td>$875</td>
<td>+30%</td>
</tr>
</tbody>
</table>

- **Excellent Execution and Backlog Increase**
- **Acquired Remaining 49% of Socotherm GOM**
- **Increased Dividend 25%**
Growth Opportunity - Deepwater

- Deepwater CAPEX of $223 billion expected over the next five years\(^1\)

Global leader in deepwater insulation coating

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\(^1\) Douglas-Westwood
Global LNG demand to increase by 200 mtpa by 2025 = 23 “Wheatstone’s”\(^1\)

Global gas demand to increase 43% to 2030\(^2\)

LNG growth = New pipeline infrastructure

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\(^1\) World LNG Report 2011, LNG 17 2012, Chevron Wheatstone Project Overview

\(^2\) BP Energy Outlook 2013
Growth Opportunity - Global Shale

- Will account for about 46% of US Natural Gas production by 2035
- 70% of global shale deposits are outside North America

$2.6 Billion market opportunity to drive Flexpipe growth
Growth Opportunity - Aging Pipeline Infrastructure

10% of ShawCor’s land pipeline coating revenue is for pipeline replacement and is a rapidly growing segment
Upcoming Major Projects

1. Competing LNG projects to export low cost North American gas to Asia
2. Gulf of Mexico Deepwater activity increasing as majors target large reserves
3. Brazil pre-salt oil production to increase to 2 million barrels per day by 2020
4. Growing West African oil production - Nigeria, Angola, Congo - to meet needs of emerging Asian economies
5. New, large gas discoveries positioning East Africa to become a major global LNG exporter
6. Australia NW Shelf, Malaysia, Indonesia LNG projects supporting growth in emerging Asian economies
7. Oil demand in India and China to increase by 10 million barrels per day by 2035
8. Additional pipelines from Russia to offset W. European depletion
9. Additional North African pipelines to Europe providing natural gas
10. Inadequate pipeline infrastructure to accommodate new Oil Sands and Shale developments

Gas
Oil
Current Growth Programs

1) Secure Major Upcoming Projects

2) Product/ Geographic Expansion at Flexpipe

3) Profit Improvement at Socotherm

4) Strengthened Acquisition Program

Underway

Upward

Trend to 2016
Why Invest in ShawCor

- ShawCor is the Global Leader
- Established Record of Superior Shareholder Returns
- Well Positioned for Future Growth
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