

DRIVING VALUE

FINNING

80
YEARS
1933 - 2013

Finning Canada Investor Tour Mining, Construction and Forestry

**Dave Primrose, EVP, Mining, Construction and Forestry
June 26, 2013**



Forward Looking Information

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This report contains statements about the Company's business outlook, objectives, plans, strategic priorities and other statements that are not historical facts. A statement Finning makes is forward-looking when it uses what the Company knows and expects today to make a statement about the future. Forward-looking statements may include words such as aim, anticipate, assumption, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, project, seek, should, strategy, strive, target, and will. Forward-looking statements in this report include, but are not limited to, statements with respect to: expectations with respect to the economy and associated impact on the Company's financial results; expected revenue and SG&A levels and EBIT growth; anticipated generation of free cash flow (including projected net capital and rental expenditures), and its expected use; anticipated defined benefit plan contributions; the expected target range of the Company's Debt Ratio; the impact of new and revised IFRS that have been issued but are not yet effective. All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws.

Unless otherwise indicated by us, forward-looking statements in this report describe Finning's expectations at June 26, 2013. Except as may be required by Canadian securities laws, Finning does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Forward-looking statements, by their very nature, are subject to numerous risks and uncertainties and are based on several assumptions which give rise to the possibility that actual results could differ materially from the expectations expressed in or implied by such forward-looking statements and that Finning's business outlook, objectives, plans, strategic priorities and other statements that are not historical facts may not be achieved. As a result, Finning cannot guarantee that any forward-looking statement will materialize. Factors that could cause actual results or events to differ materially from those expressed in or implied by these forward-looking statements include: general economic and market conditions; risks associated with the conduct of business in foreign jurisdictions; foreign exchange rates; commodity prices; the level of customer confidence and spending, and the demand for, and prices of, Finning's products and services; Finning's dependence on the continued market acceptance of Caterpillar's products and Caterpillar's timely supply of parts and equipment; Finning's ability to continue to improve productivity and operational efficiencies while continuing to maintain customer service; Finning's ability to manage cost pressures as growth in revenues occur; Finning's ability to reduce costs in response to slowing activity levels; Finning's ability to attract sufficient skilled labour resources to meet growing product support demand; Finning's ability to negotiate and renew collective bargaining agreements with satisfactory terms for Finning's employees and the Company; the intensity of competitive activity; Finning's ability to realize expected benefits of acquisitions; Finning's ability to raise the capital needed to implement its business plan; regulatory initiatives or proceedings, litigation and changes in laws or regulations; stock market volatility; changes in political and economic environments for operations; the integrity, reliability, and availability of information technology and the data processed by that technology; expected operational benefits from the new ERP system. Forward-looking statements are provided in this report for the purpose of giving information about management's current expectations and plans and allowing investors and others to get a better understanding of Finning's operating environment. However, readers are cautioned that it may not be appropriate to use such forward-looking statements for any other purpose.

Forward-looking statements made in this report are based on a number of assumptions that Finning believed were reasonable on the day the Company made the forward-looking statements. Refer in particular to the Outlook section of the MD&A. Some of the assumptions, risks, and other factors which could cause results to differ materially from those expressed in the forward-looking statements contained in this report are discussed in the Company's current Annual Information Form (AIF) in Section 4.

Finning cautions readers that the risks described in the AIF are not the only ones that could impact the Company. Additional risks and uncertainties not currently known to the Company or that are currently deemed to be immaterial may also have a material adverse effect on Finning's business, financial condition, or results of operations.

Except as otherwise indicated, forward-looking statements do not reflect the potential impact of any non-recurring or other unusual items or of any dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. The financial impact of these transactions and non-recurring and other unusual items can be complex and depends on the facts particular to each of them. Finning therefore cannot describe the expected impact in a meaningful way or in the same way Finning presents known risks affecting its business.

All amounts in this presentation are in Canadian dollars unless otherwise noted

- Heavy Construction
 - Continued investment in infrastructure
 - Alberta: ring roads, airports, LRT's
 - British Columbia: Evergreen Line Rapid Transit - Coquitlam to Vancouver; Interior to Lower Mainland (ILM) Transmission Project - Nicola to Coquitlam
 - Numerous pipeline projects in Western Canada through 2020
- Forestry
 - US housing starts improving
 - Diversified markets



- Petroleum / Oil & Gas
 - Many idled drilling rigs
 - Exploration, well servicing and production companies leveraging existing assets, driving demand for product support
- Natural Gas
 - Low prices expected to curtail exploration
 - Increased focus on producing more power using NG
 - Desire to switch from diesel to NG (or dual fuel) growing in all markets
- Electric Power Generation - new mines off-grid, requiring powerhouses
 - BC Hydro upgrading off-grid communities
 - Alberta market remains buoyant
 - Solid demand, particularly in mining



Coal and Metals Mining

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- Two copper mines, Mt. Milligan and Red Chris, going into production in 2013 - 2014
- Diamond mining activity continues strong as Dominion Diamond expands in NWT by purchasing Ekati
- Teck Coal proceeds with site development of Quintette Coal in north eastern BC
- Underground mining opportunities expand as product line and market grow
- Numerous new mines at various stages throughout our territory



Mining Support Capabilities

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OEM Remanufacturing

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- 325,000 square foot purpose built “5 Star” facility
 - Meets Caterpillar’s highest contamination control standards
- 530 employees, two shift operation
- Fully integrated facility
 - Investments in inspection, salvage and testing technologies
- Reman components reduce equipment owning and operating costs
 - Typically 50% to 75% of cost of new components
- Finning Canada mining and heavy construction product support focus
- Critical customer requirements
 - Availability
 - Quality and reliability
 - Cost efficiency, continuous improvement
 - Supporting services



Center of Excellence (COE)

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1. Machine Overhauls / Rebuilds

- Overhauling equipment for its second life under various options – 45% to 75% of new price
 - Finning - customer program
 - CAT certified powertrain program
 - CAT complete machine certification
- Support capabilities
 - Component repairs
 - Ready-to-go 'modules' (e.g., cabs, grader circles, track frames, radiators)
 - Engineered products (e.g., handrails, platforms)



2. New Equipment Preparation

- New equipment delivered from CAT to COE where it is assembled and modified to meet customer specifications

Center of Excellence (COE)

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D11 dozer with
>82,000hrs

Expanded Mining Product Line

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- Bucyrus acquisition meeting business case expectations
 - Service on plan; parts ahead of plan
 - Equipment sales slower, as expected
- Ongoing transition to genuine Caterpillar parts and components
- Expanded electric drive truck options with Unit Rig in addition to 795
- Existing models updated and new models introduced



- Supply Chain
 - Global Supply Chain Council
 - Improving forecasting and planning for equipment
 - Leveraging Spokane Parts Distribution Center
- Service Excellence
 - Customer-centric business balanced with operating discipline
 - Leveraging scale and repeatable processes
 - Caterpillar Production System (CPS)
- SG&A initiatives
 - Third party benchmark and assessment of SG&A costs
 - Developing and implementing sustainable process improvements in product support areas



Strong Competitive Advantage

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- Leading market position – broadest product line
- Product support capabilities
- Service culture
- Focus on operational excellence
 - Enhancing customer service and loyalty
 - Driving sustainable improvement in operating profitability

