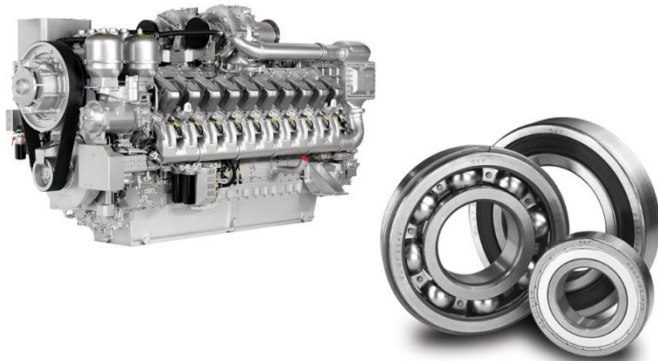




WAJAX CORPORATION Annual General Meeting

May 10, 2013



COLLECTIVE STRENGTH



Forward Looking Statements

- This presentation contains certain forward-looking statements. Forward looking statements relate to future events or the Corporation's future performance, and are based on management's current expectations and assumptions regarding the business and anticipated financial results of the Corporation. Forward looking statements involve known and unknown risks, uncertainties and other factors beyond the Corporation's control which may affect the Corporation's business, or cause management's expectations and assumptions to prove incorrect. As a result, actual results of operations could differ materially from those anticipated or implied by forward-looking statements. There can be no assurance any forward-looking statement will materialize.
- You can find a discussion of risks and uncertainties pertaining to the Corporation and its business and other factors that could cause financial results to fluctuate in our regulatory filings on SEDAR at www.sedar.com. The Corporation assumes no obligation to publicly update or revise its forward-looking statements to reflect new information, events or circumstances, except as required by law.

Agenda



Overview



2012 Results



2013 Q1 Results / Outlook






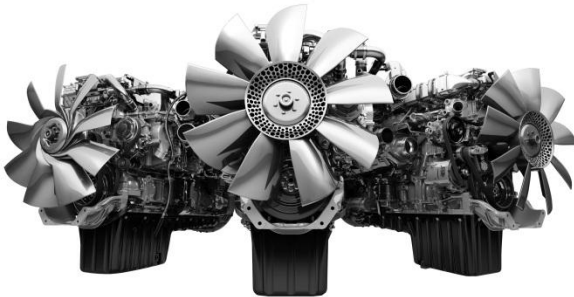


Growth Priorities



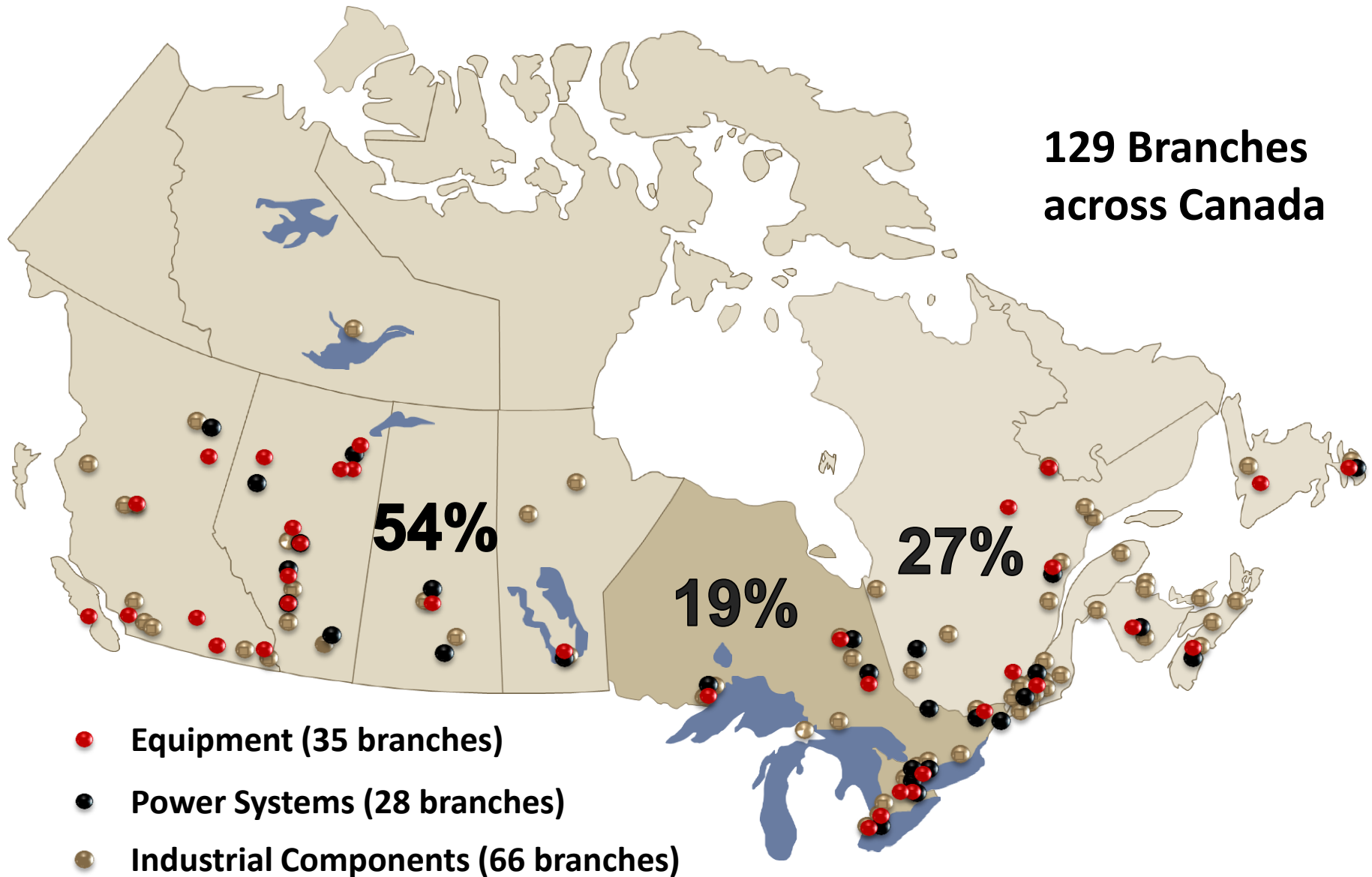
Summary

Overview

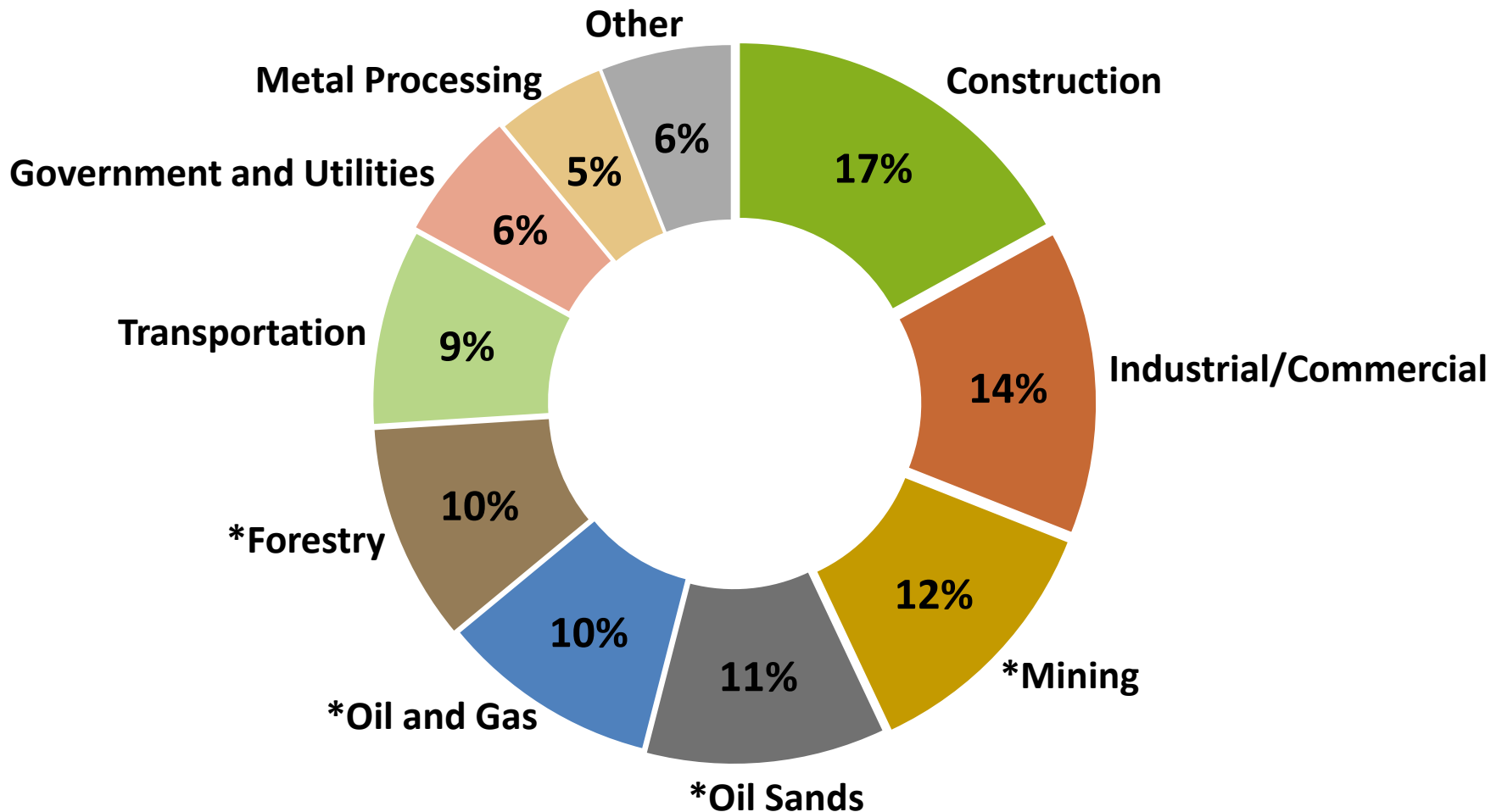
2012 Revenue and EBIT by Division

		Revenue	EBIT
 WAJAX EQUIPMENT		53%	54%
 WAJAX POWER SYSTEMS		23%	25%
 WAJAX INDUSTRIAL COMPONENTS		24%	21%

2012 Revenue by Region



2012 Revenue by Market

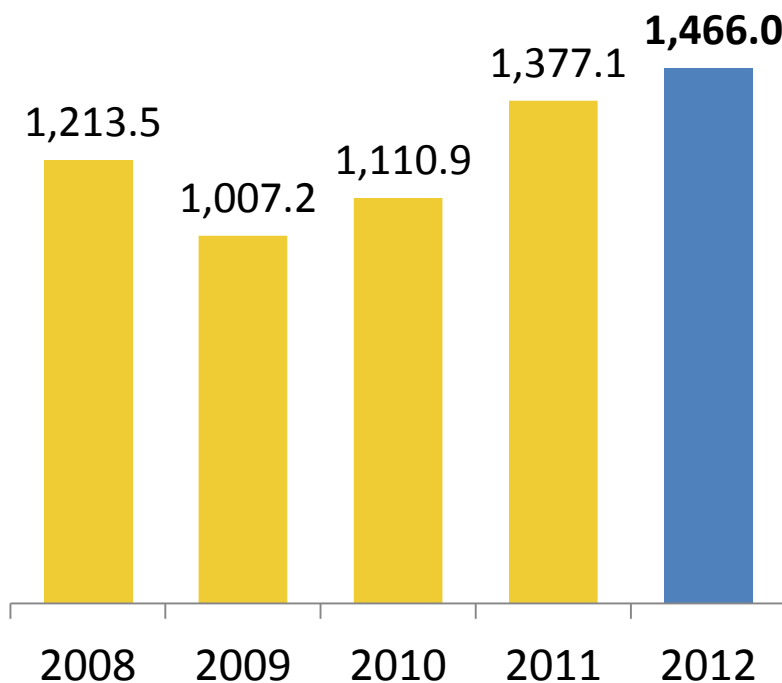


***43% Direct to Resource Markets**

2012 Results

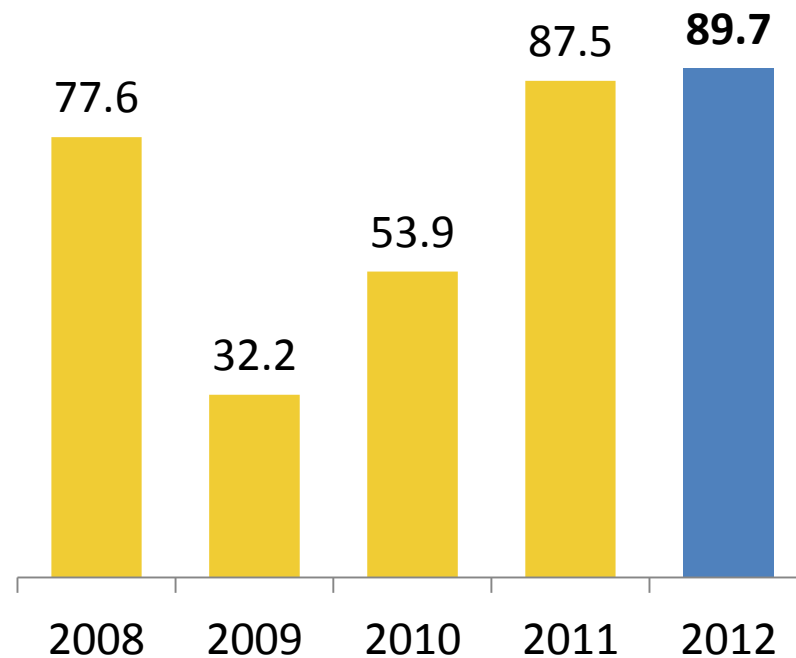
Consolidated Revenue and Pre-Tax Earnings

**Revenue
(\$ Millions)**



YOY 2012 Growth: 6.4%

**Pre-Tax Earnings
(\$ Millions)**

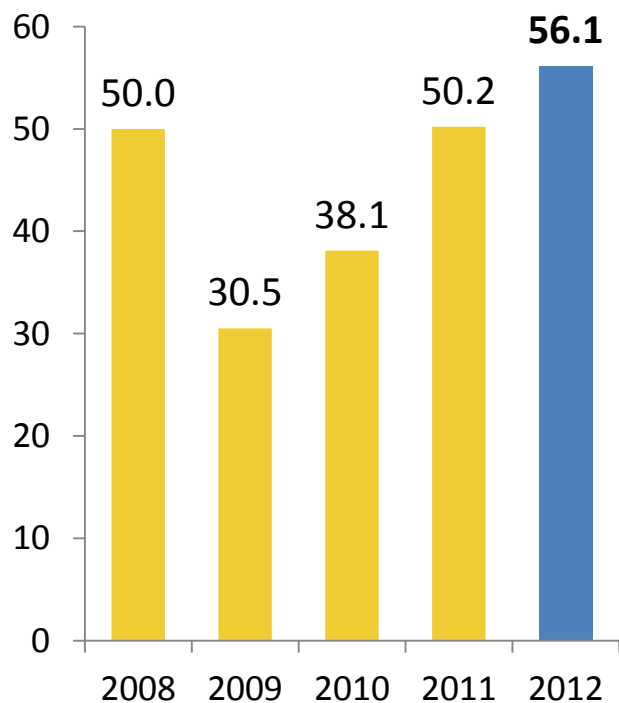


YOY 2012 Growth: 2.5%

Segment Earnings

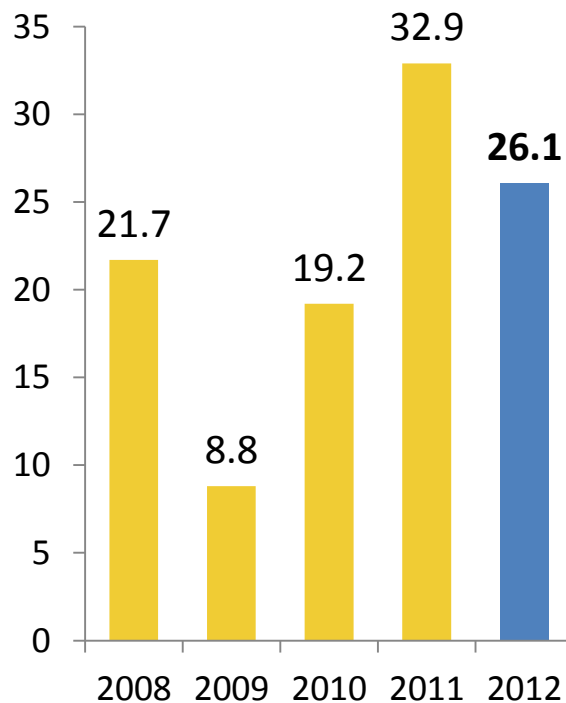
(\$Millions)

Equipment



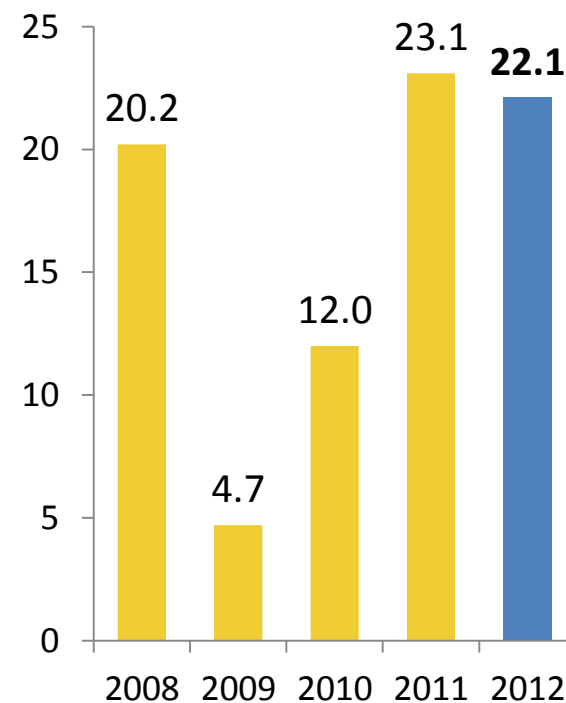
YOY 2012 Growth:
Revenue: 13.5%
Segment Earnings: 11.8%

Power Systems



YOY 2012 Growth:
Revenue: -4.4%
Segment Earnings: -20.6%

Industrial Components

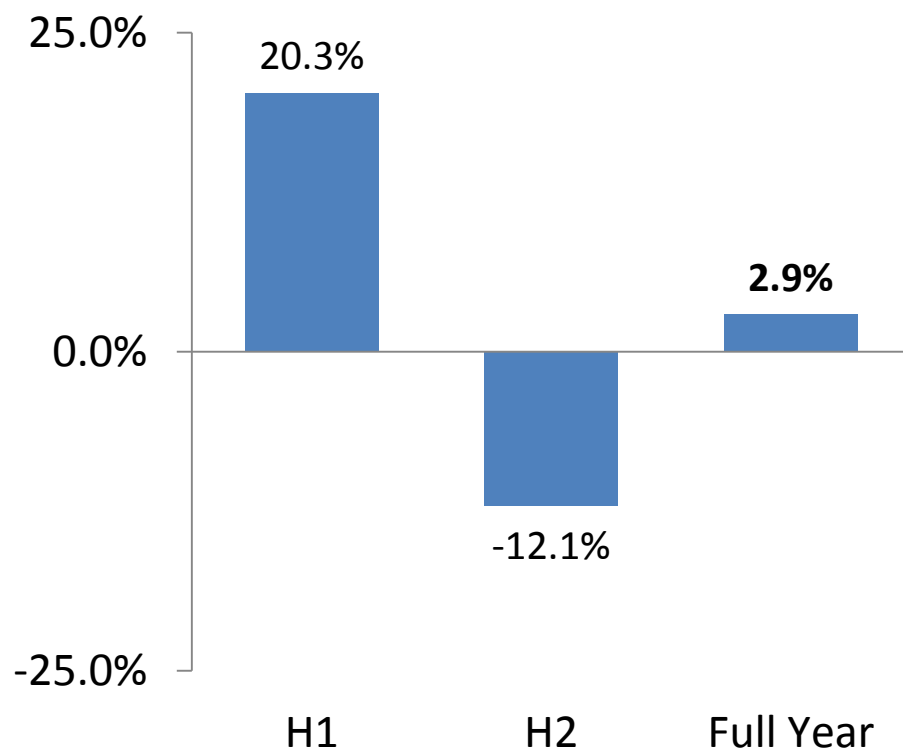


YOY 2012 Growth:
Revenue: 3.6%
Segment Earnings: -4.2%

2012/2011 H1 vs H2 Performance

Weakening market conditions, particularly oil and gas, hurt H2 earnings

Earnings Per Share



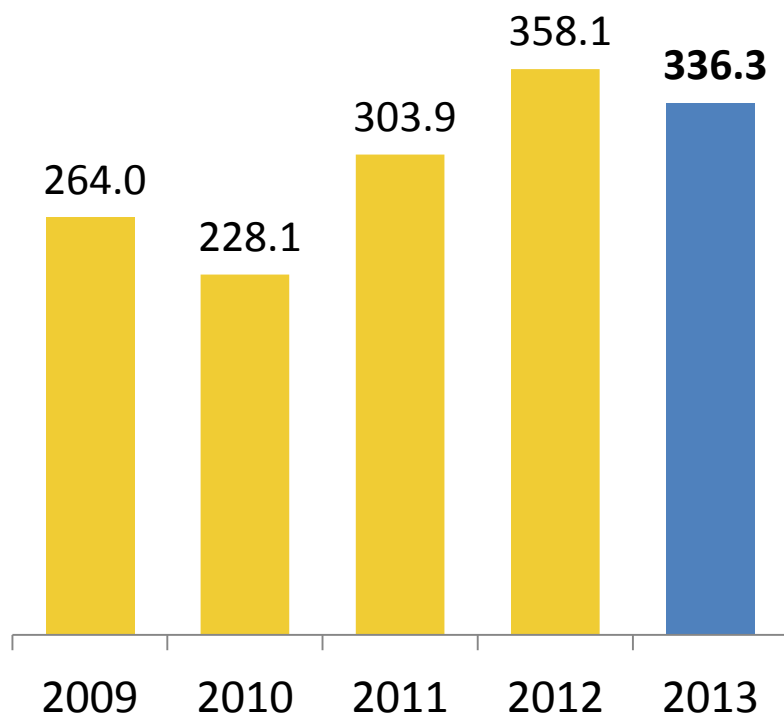
Segment Earnings

	<u>H1</u>	<u>H2</u>	<u>Full Year</u>
WE	24.6%	-	11.8%
WPS	-	-37.5%	-20.6%
WIC	18.4%	-24.8%	-4.2%

2013 Q1 Results / Outlook

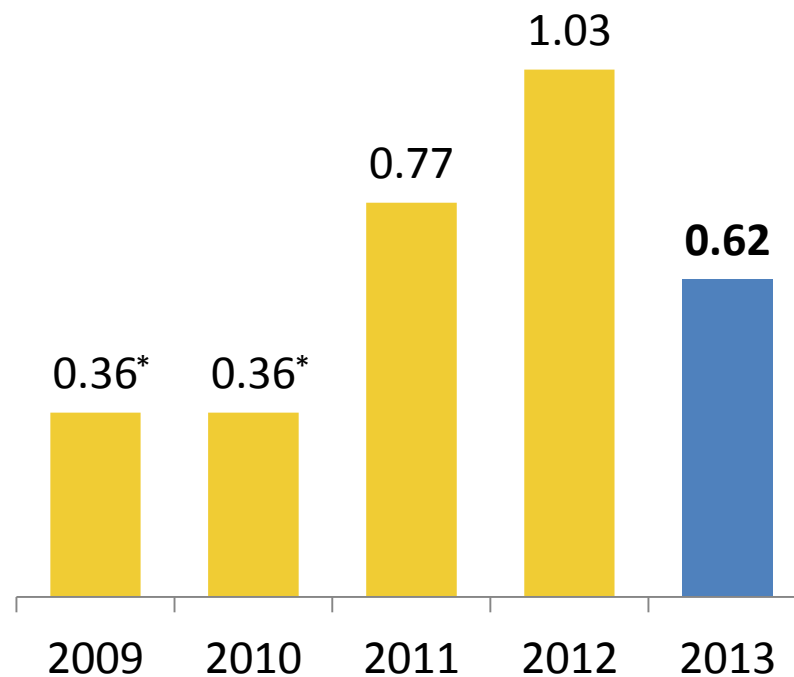
Q1 Consolidated Revenue and Earnings

**Revenue
(\$ Millions)**



YOY 2013 Growth: -6.1%

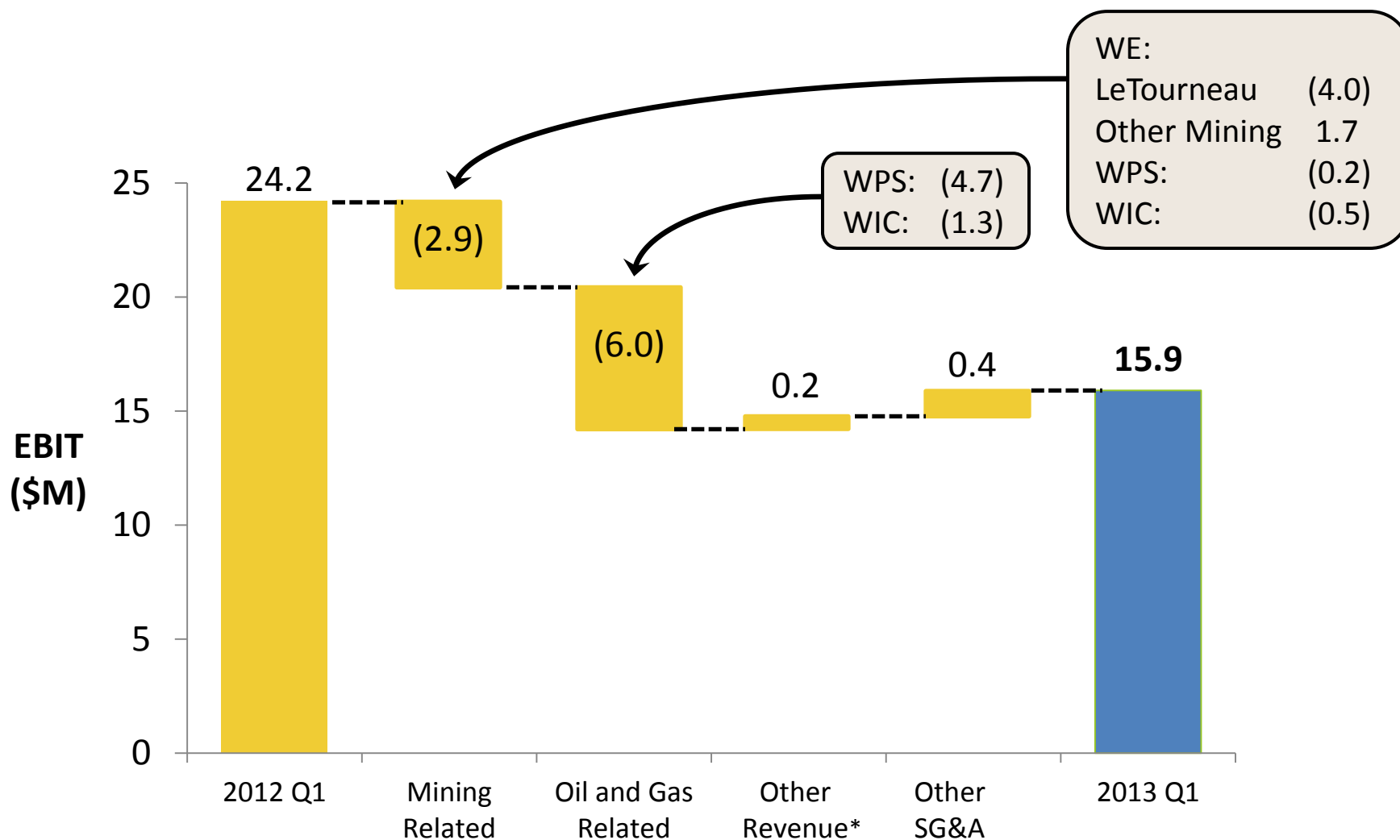
**Earnings
(\$ Per Share)**



YOY 2013 Growth: -39.8%

* Pro forma tax affected amounts as Wajax was an Income Fund until December 31, 2010.

Q1 EBIT Comparison - Consolidated

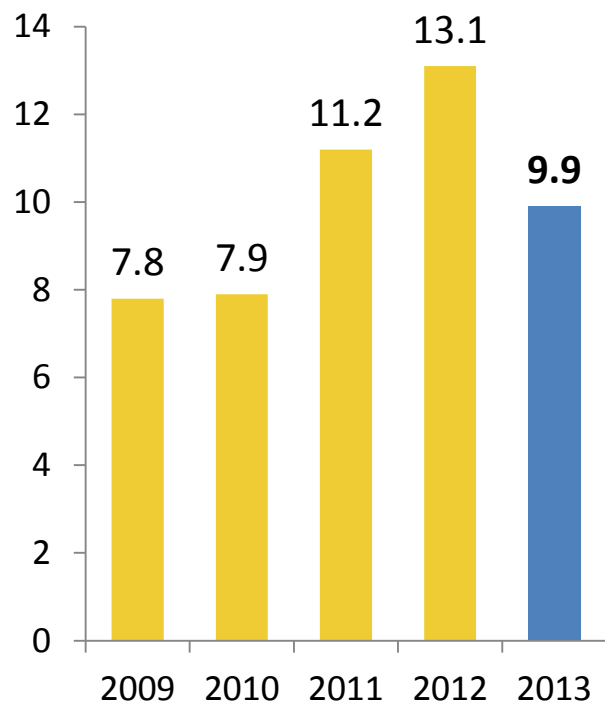


* Includes revenue and expenses related to WIC acquisitions

Q1 Segment Earnings

(\$Millions)

Equipment

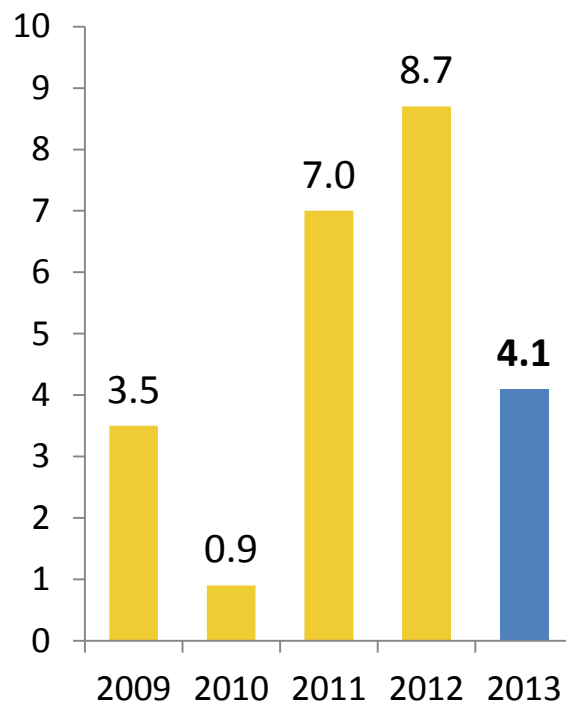


YOY 2013 Growth:

Revenue: -1.7%

Segment Earnings: -24.5%

Power Systems

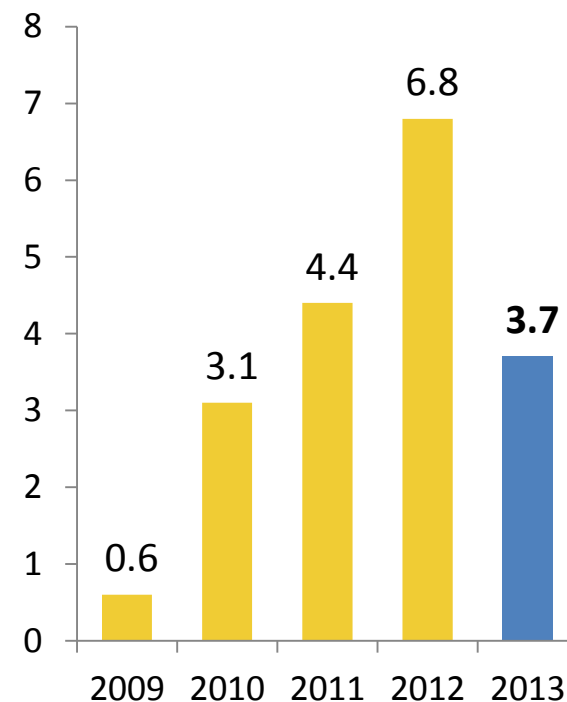


YOY 2013 Growth:

Revenue: -16.7%

Segment Earnings: -53.2%

Industrial Components



YOY 2013 Growth:

Revenue: -3.8%

Segment Earnings: -45.2%

Wajax Corporation

2013 Outlook

- 2013 full year earnings are expected to be less than 2012 due to continued challenges in oil and gas, mining, and the affect of the loss of LeTourneau distribution
- Our monthly dividend has been adjusted to \$0.20 per share
 - Based on current outlook, the adjusted annual dividend for 2013 is consistent with our objective of paying a minimum 75% of net earnings
- We are very confident in our growth initiatives:
 - Performance is expected to improve as the year progresses and as market conditions improve

Growth Priorities



EQUIPMENT



Wajax Equipment

Revenue and Growth Priorities

2012 Revenue by Product Type



Growth Priorities

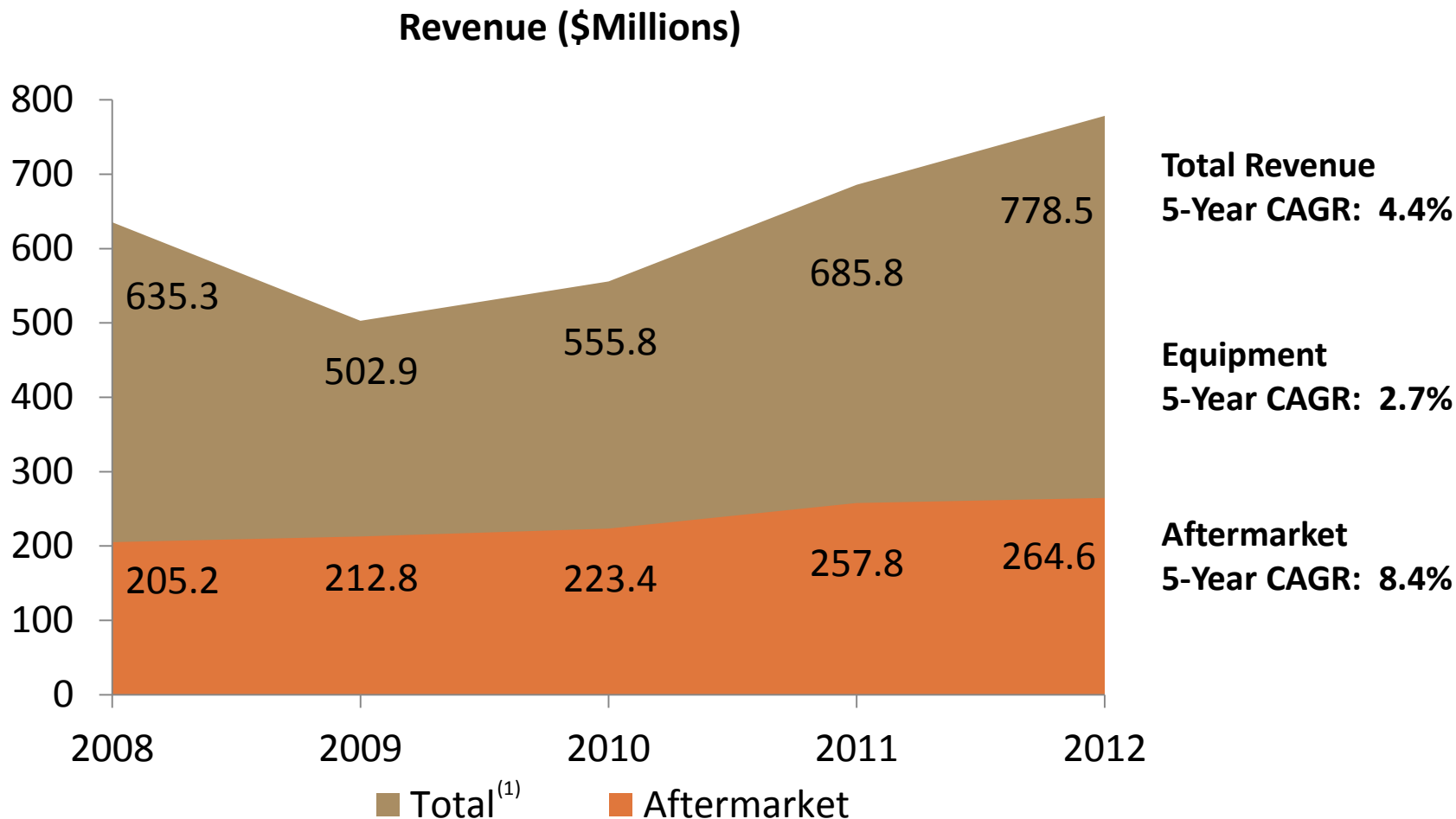
Base Business:

- 1) Continue to grow market share:
 - Focus: Construction and Material Handling
 - Continued sales force effectiveness improvements
- 2) Grow aftermarket contribution
- 3) Expand mining
- 4) Selected product line extensions and tuck-under acquisitions

New Opportunity:

- 1) Build Rotating Products division

Wajax Equipment Equipment, Parts and Service Sales



⁽¹⁾ Includes unit sales and aftermarket revenue of construction, forestry, mining, crane/utility and material handling equipment.

Wajax Equipment Expand Mining

Hydraulic Shovels



- Building on our leadership position in Hitachi mining shovels:
 - 1) Expand infrastructure in Ontario and Eastern Canada
 - 2) New products and services
 - Focus on rigid frame trucks

Rigid Frame Trucks



**Estimated Annual Market ⁽¹⁾
\$600M**

- AC drive truck designed to provide higher reliability
- Can generate 2X original cost in parts and service over 10-year lifetime

⁽¹⁾ Based on 2012 new unit sales of 190, 240 and 320T units

Wajax Equipment Product Line Extensions



**Estimated Annual Market ⁽¹⁾
\$225M**

⁽¹⁾ New unit sales – all sizes

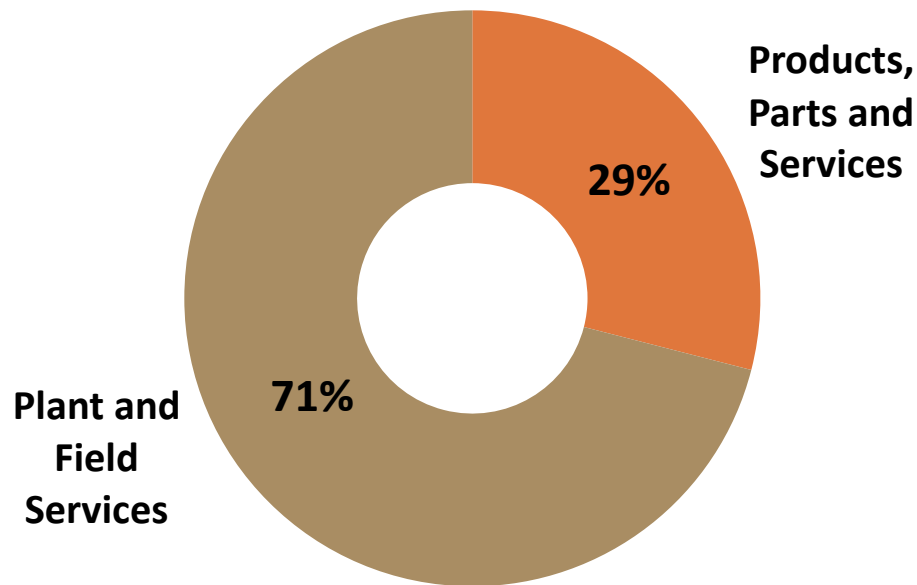
Bell Articulated Truck

- **Appointed exclusive Canadian distributor November 2012**
- **Estimated Canadian ADT market - 500 units / year**
- **Estimated Canadian WJX serviceable installed base – 300 units**

Wajax Equipment

Developing the Rotating Products Division

Estimated Oil Sands Market⁽¹⁾
\$1.8B



⁽¹⁾ Wajax Addressable Products and Services

Wajax Strategy

- 1) Grow revenue in an expanding array of oil sands products and services
 - Primary focus: products, parts and services in slurry systems
 - Strong parts and service opportunity
 - Secondary focus: selective provisioning of plant and field services
- 2) Focus on oil sands markets first and then expand to other Canadian markets

Wajax Equipment

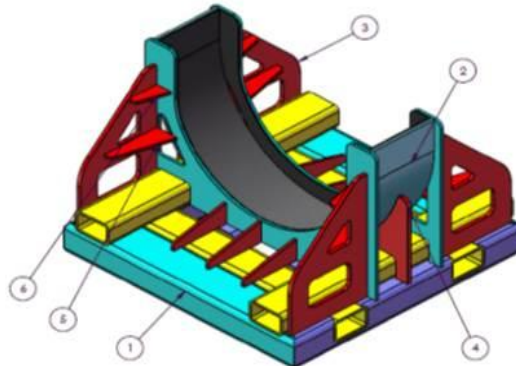
Developing the Rotating Products Division

Slurry Pumps Parts and Service



- Deliver technologically superior product at lower life cycle cost through exclusive vendor relationship

Engineering Support



- Design custom approaches to increase maintenance efficiency

Field Services



- Deliver targeted turnaround/shutdown maintenance services



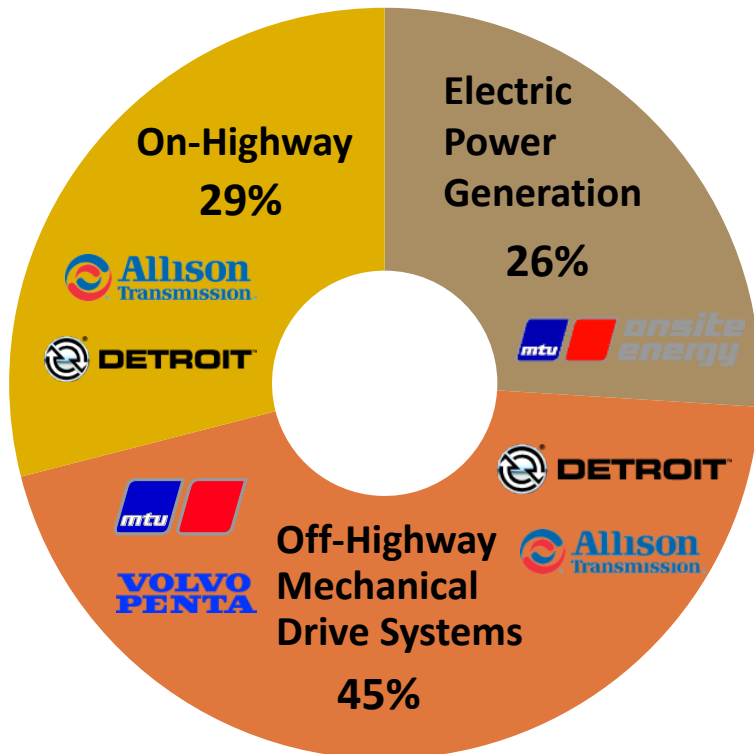
POWER SYSTEMS



Wajax Power Systems

Revenue and Growth Priorities

2012 Revenue Mix



Growth Priorities

Base Business:

- 1) Expand our success in Off-Highway mechanical drive systems
- 2) Maintain our position in On-Highway

New Opportunity:

- 1) Establish WJX as one of Canada's leaders in commercial Electrical Power Generation (EPG)

Wajax Power Systems

Off-Highway Mechanical Drive Systems

Oil and Gas



Frac Trailer
Components and Aftermarket

Marine



Mid Shore Patrol Vessel
Power, Gearbox and Gensets

Military



Leopard II Tank
Power Pack Maintenance

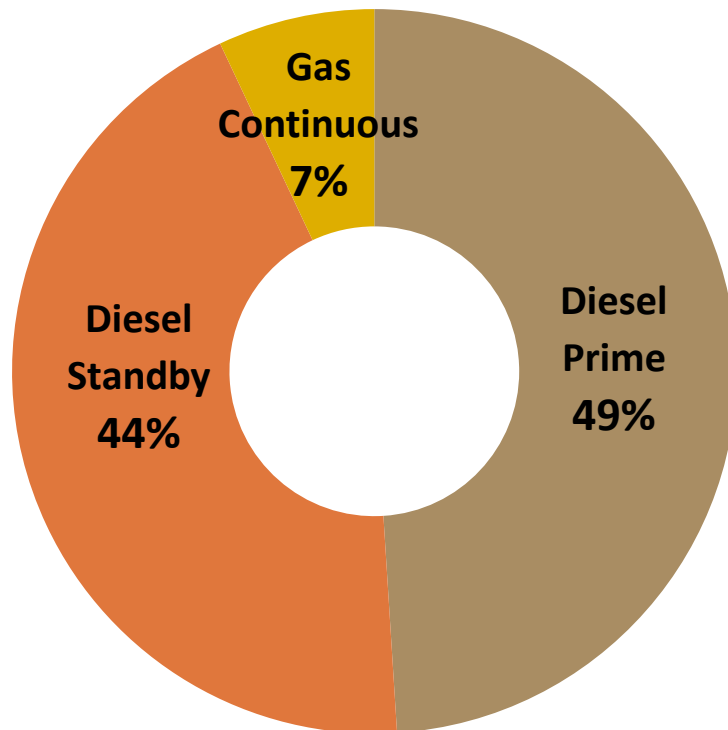
Growth Strategies

- **Oil and Gas**
 - Leverage product technology advancements by MTU and Allison
 - Expansion of aftermarket capabilities
- **Marine/Military Opportunities**
 - Canadian Coast Guard and Canadian Navy

Wajax Power Systems

Building Our EPG Business

Estimated Canadian Market Size⁽¹⁾
\$880M



⁽¹⁾ Wajax Addressable Segments

Wajax Strategy

- 1) Currently #3 in the market
- 2) Lever advantages:
 - National footprint
 - Diverse product portfolio
 - Building a world-class team
- 3) Focus for WJX
 - Continued success in standby and prime diesel, rental and gas
 - e.g. commercial, health care, data centres
 - Large projects capability (>7MW / \$5M)
 - e.g. water treatment, mining

Wajax Power Systems

Establishing an Infrastructure to Drive EPG

New Facilities and Capabilities



The 68,000 sq. ft. Génératrice Drummond facility opened in the summer of 2012 and will be used to support continued strength in the Quebec market and as a national integration center.

Expanding Partner Relationships

<u>Engine Type</u>	<u>Max Output</u>
High-speed diesel/gas	Up to 3.4 MW
Medium-speed diesel/gas	Up to 9.0 MW



Primary Partner

EPG Development Activity

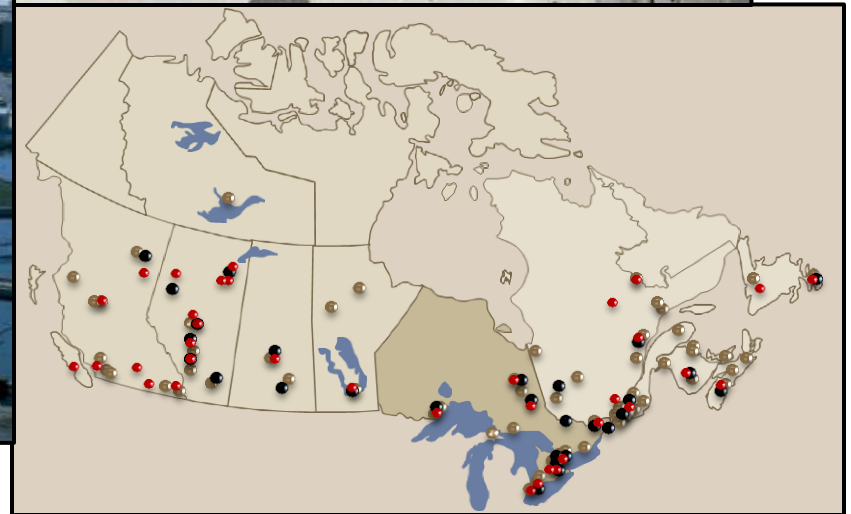
Data Centres / Health Care / Commercial



Gensets and UPS Systems

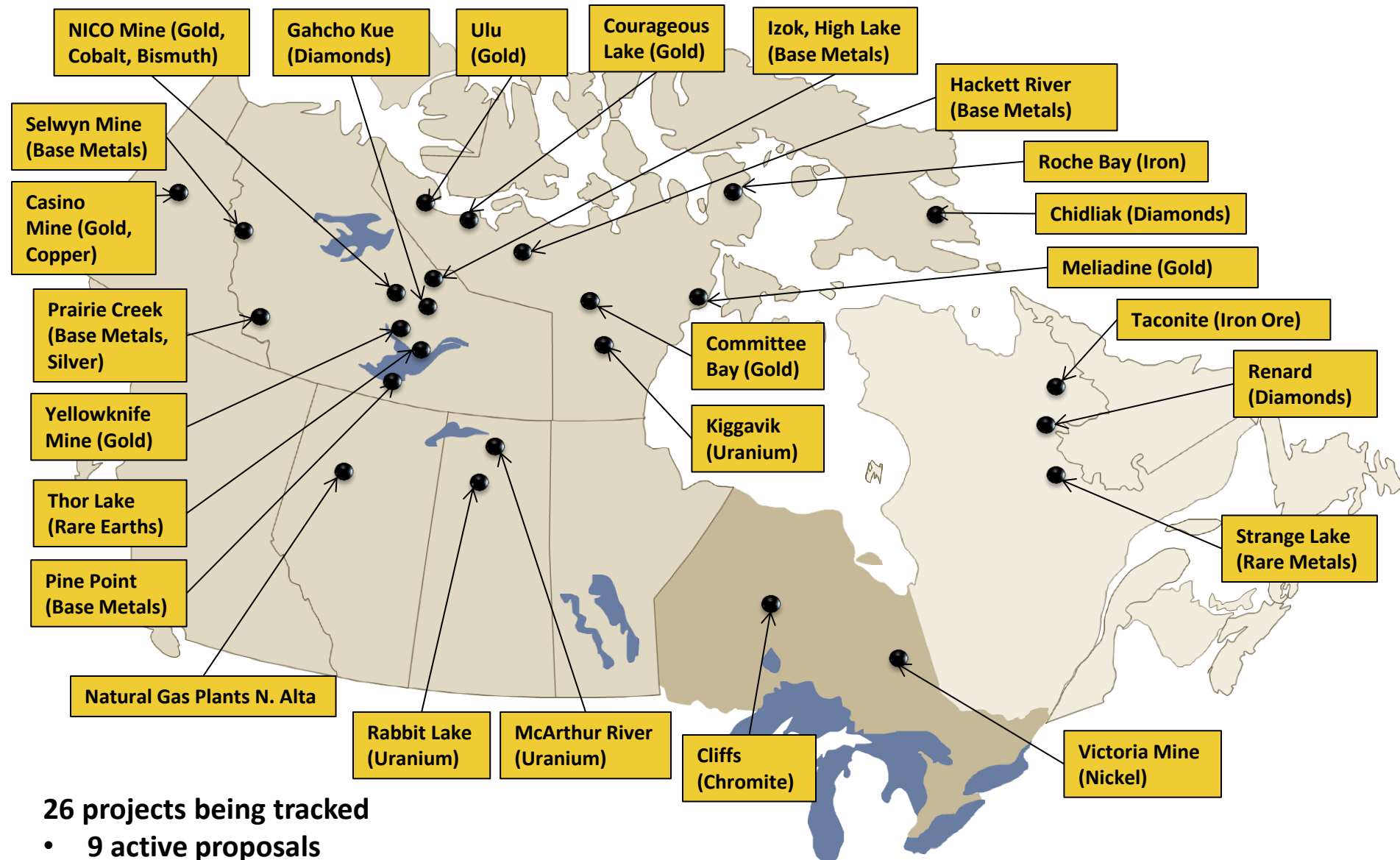


Waste Water Treatment



Mining Development

EPG Development Activity



26 projects being tracked

- 9 active proposals
- Average 18MW / \$34M



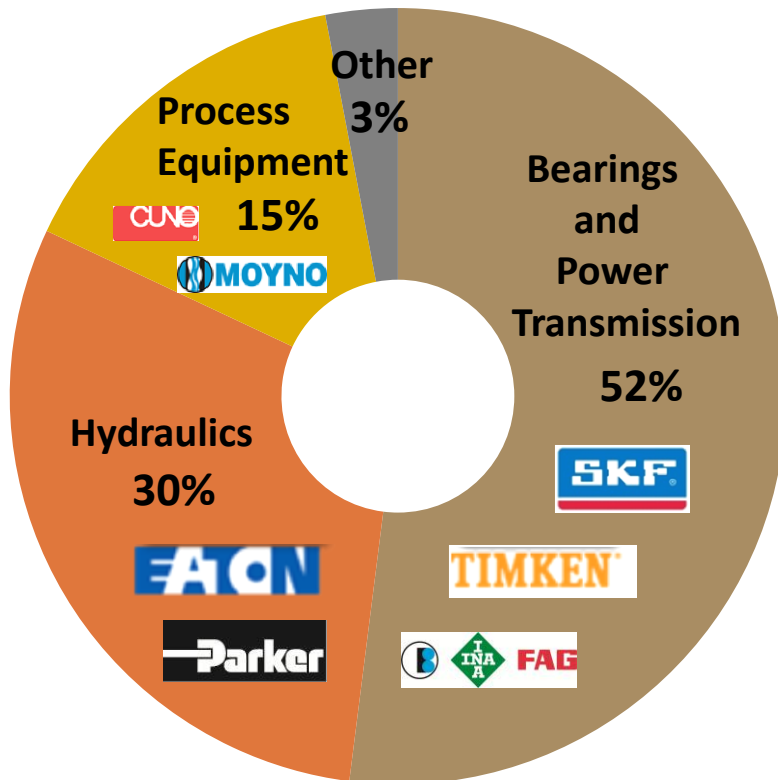
INDUSTRIAL COMPONENTS



Wajax Industrial Components

Revenue Mix and Growth Priorities

2012 Revenue Mix



Growth Priorities

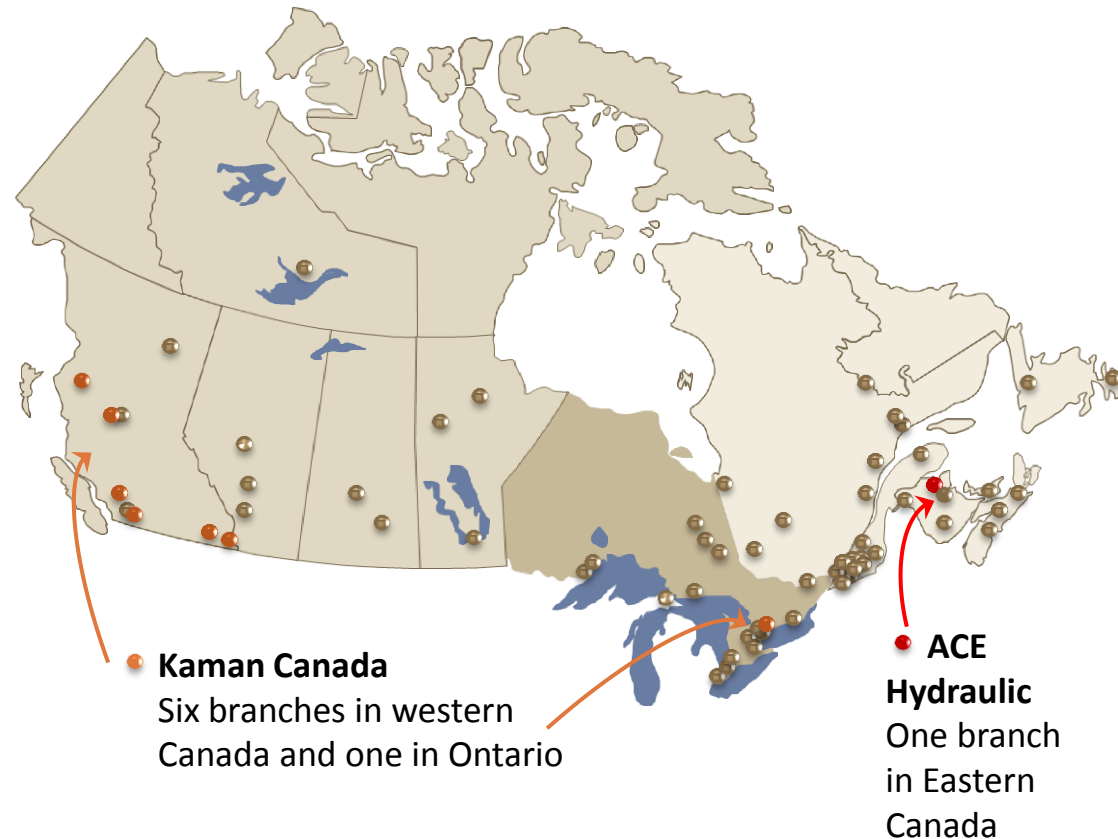
Base Business:

- 1) Expand branch network
 - Organic growth
 - Acquisitions
- 2) Improve efficiencies
 - Supply chain
 - Inventory management
 - E-commerce

New Opportunity:

- 1) Expand Engineering and Repair Service

Wajax Industrial Components - Tuck-Under Acquisitions Remain an Important Part of Strategy



Kaman Canada Acquisition / Sourcepoint Alliance

- Branch acquisition improves bearing and power transmission position in important BC market.
- Sourcepoint Alliance opens future potential for improved volume with North American contract customers.

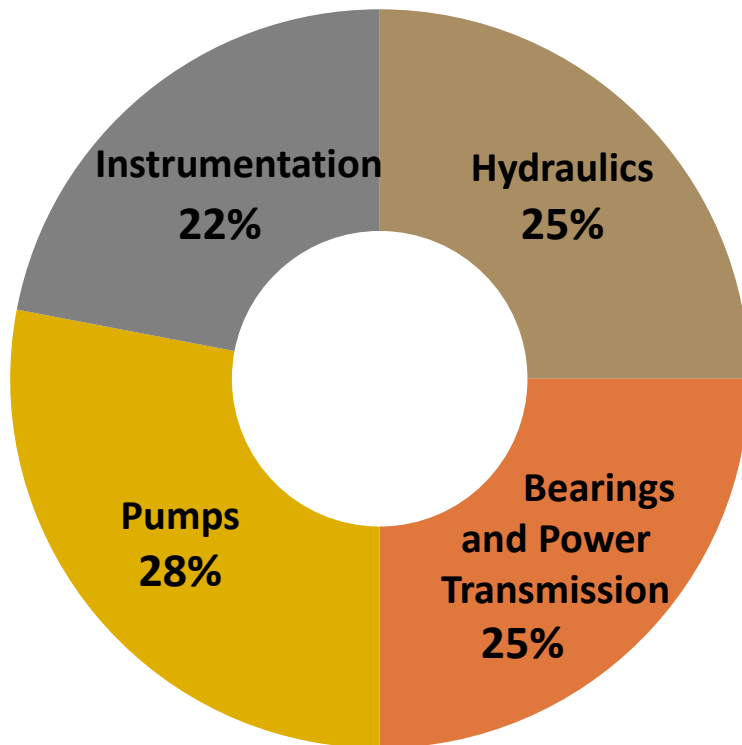
ACE Hydraulic

- Important hydraulics repair and engineering capability to support eastern Canada mining customers.

Wajax Industrial Components

Building our Engineering and Repair Services

Estimated Canadian Market Size⁽¹⁾
\$1.4B



⁽¹⁾ Wajax Addressable Products/Services

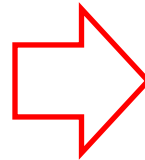
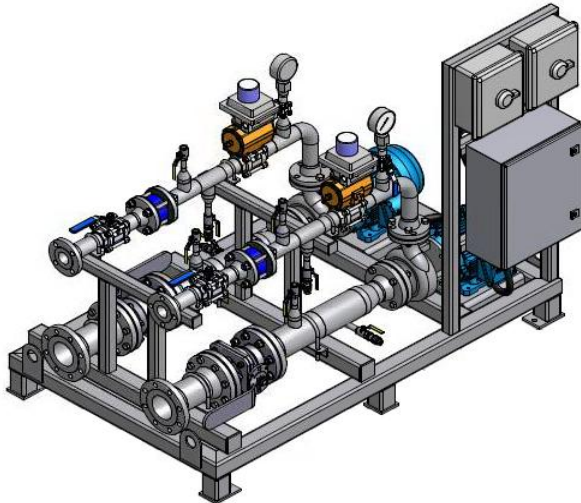
Wajax Strategy

- 1) Wajax current share estimated at ~4%
 - Driven by strength in hydraulics ~12% market share
- 2) Build services capability
- 3) Service centre network
 - Consider selected acquisitions to accelerate growth

Wajax Industrial Components Engineering and Repair Services

**Copper Sulfate Transfer Pump
West African Gold Mine
Delivery Time = 90 Days**

3D Rendering



Finished Skid

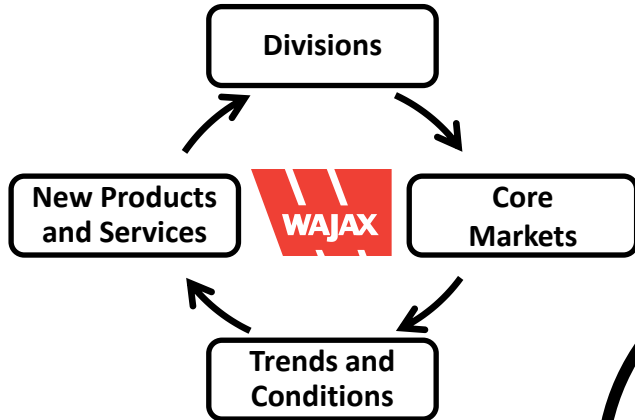


Services Range

- **Feasibility Assessment**
- **Pilot Systems**
- **Engineering**
- **Assembly and Testing**
- **Ongoing Support**

Building the Collective Strength of Our Business

Product, Market and Services Outlook



Sales Management

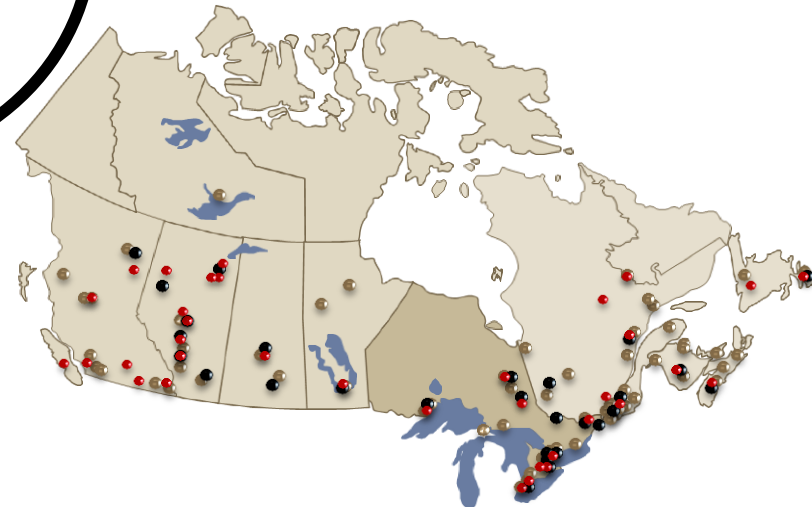


Information Systems



Cross Divisional
Efforts to
Improve
Market Access
and Efficiency

Branch Network



Summary

- 1) 2012 was a record year
- 2) 2013 presents short-term challenges
- 3) Our focus is on driving growth:
 - Base business
 - New opportunities
 - Cross-divisional projects



Thank you for attending

