

ASX Media Release

24 February 2011

NRW reports record first half results for FY2012

- Revenue of \$610.4 million
- EBITDA of \$89.4 million, 14.6% of revenue
- EBIT of \$70.4 million, 11.5% of revenue
- Net profit after tax of \$45.3 million, 7.4% of revenue
- Strong cash position of \$140.0 million.
- Interim dividend of 8.0 cents per share.
- Net Debt / Equity of 2%

Perth: Leading Australian civil and mining contractor NRW Holdings Limited (**ASX: NWH**) (“NRW” or “the company”) today announced a record earnings result for the half year ending 31 December 2011. The company’s Board of Directors is pleased to report a net profit after tax (NPAT) of \$45.3 million, up 123% on the previous corresponding period.

Improved performance and planned revenue growth was successfully executed across all of NRW’s operating divisions - civil, mining, drill and blast and maintenance – resulting in total revenue of \$610.4 million, a 72% increase compared to the prior corresponding period.

The increase in revenue can be attributed to the ramp up of NRW’s five year Middlemount Coal mining contract in Queensland, FMG’s Solomon Project and the continued strong demand for civil infrastructure in the iron ore sector in Western Australia. Action Drill & Blast, NRW’s newest subsidiary, also performed very well in the period with a 354% increase in revenue to \$50.9 million.

NRW’s excellent relationships with key blue chip clients resulted in over two thirds of the current civil workload being negotiated rather than tendered and Jules Pemberton, NRW’s Chief Executive Officer and Managing Director, stated “NRW is focused on delivering repeat quality work to our clients, and it is on the strength of our proven expertise and relationships that we have managed to achieve a 69% increase in our civil division revenue, an outstanding result”.

NRW’s balance sheet is in a strong position with a cash balance of \$140.0 million and net debt of \$5.5 million at 31 December 2011. The strength in the balance sheet provides the business with a solid base to take advantage of improving market conditions. NRW’s improved earnings performance and debt position has resulted in net interest cover of 12.7 times earnings (EBIT), compared to 11.2 times at the prior corresponding period.

NRW continued to invest in health and safety training and process improvement, and introduced a new safety culture program during the period. The Group’s total recordable injury frequency rate (TRIFR) experienced a significant improvement, dropping from 12.03 at 30 June 2011 to 5.27 at January 2012.

The NRW workforce increased steadily throughout the period, and as of 31 December 2011 NRW employed a workforce of nearly 3,800 (including direct employees, subcontractors and apprentices), representing a 67% increase from the same time the year prior.

Net earnings equated to 16.2 cents per share, a 100% increase compared to the prior corresponding period. In light of the strong performance and cash position NRW’s Board has declared an interim dividend of 8.0 cents per share. The dividend represents a 50% payout return for the half year.

The fully franked interim dividend will be paid on 30 March 2012, with a record date of 2 March 2012.

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OUTLOOK

Following a solid half of revenue growth NRW is well placed to achieve an upgraded full year revenue target of circa \$1.30 billion, representing an increase of 75% on FY2011. The company anticipates a full year NPAT margin of 7% of revenue. Results guidance is contingent upon limited disruptions through adverse weather conditions and other unforeseen events.

NRW's strong balance sheet, operating cash flow and expanded funding facilities will underpin the company's future growth.

NRW remains focused on its strategy of servicing its existing blue chip customer base in the key markets of iron ore and coal whilst actively pursuing additional opportunities in the oil and gas sector further to the Wheatstone contract award, as well as other key commodities.

A visible and significant tender pipeline of \$11.4 billion exists across the resources and infrastructure sectors throughout Australia. NRW is also investigating opportunities in emerging markets in existing fields of expertise as well as seeking opportunities to broaden our future service offering. Current active tenders are valued at \$3.23 billion across the Civil, Mining and Drill and Blast Divisions.

Jules Pemberton, NRW's Chief Executive Officer and Managing Director also stated "The order book remains very robust with the award of new contracts, extensions and changes of scope to existing projects. The company expects to convert a number of current active tenders and preferred contractor arrangements resulting in significant growth of the forward order book during the second half FY12 and beyond.

FURTHER INFORMATION:

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About NRW Holdings Limited:

NRW is a diversified provider of contract services to the resources and infrastructure sectors in Australia and internationally. With extensive operations in Western Australia, the Northern Territory and Queensland as well as Guinea (West Africa), NRW's geographical diversification is complemented by its delivery of a wide range of operations. These encompass civil expertise including bulk earthworks and concrete installation; contract mining and drill and blast. NRW also encompasses a comprehensive refurbishment and rebuild service for earthmoving equipment and machinery.

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