

NRW Holdings Annual General Meeting

26th November 2008







Agenda

- Highlights
- Business Review
- Balance Sheet and Capital Expenditure
- Outlook

Highlights

Highlights from 2008 results and update on recent contract wins

- Pro Forma Revenue of \$471.2m  70% increase on FY2007 Pro Forma
- Pro Forma EBIT of \$66.1m  97% increase on FY2007 Pro Forma
- Pro Forma NPAT of \$41.4m  106% increase on FY2007 Pro Forma
- Pro Forma EPS of 16.46 cents  106% increase on FY2007 Pro Forma
- Pro Forma Return on Equity 35.3%
- Fully franked final dividend of 4.23 cents per share paid at the end of October 2008
- Total dividends for the year 8.23 cents per share representing a 50% payout ratio on Pro Forma NPAT
- Mining services division contract awards of Bootu Creek and West Angelas in FY2009

Civil Projects Update

Project name

Description

**44km Cloud Break to
Christmas Creek Rail
Extension**

FMG

- Christmas Creek rail extension on schedule (\$87m +\$2m Variations)
- Project suspended at 47% complete and deferred until further notice however at this stage we believe will recommence in April 2009
- FMG remedial dayworks, 40 personnel onsite, expected completion end of Dec 2008.



Brockman 4

Rio Tinto

- Brockman 4 Expansion on schedule (\$245m) which consists of four separate contracts, a workforce of 500 and is expected to be complete by end of June 2009
- Contract includes: Camp construction, roadworks, rail earthworks, ROM site, plant site, bulk earthworks and drainage



**Newman Hub
Dayworks**

BHPIO

- Rail and road earthworks within the Newman Hub as part of the RGP4 development

Civil opportunities into 2010

Project name	Description
Rapid Growth Project 5 Rail BHPB	<ul style="list-style-type: none">■ NRW is part of a consortium tendering to construct the Yandi to Port Hedland rail duplication■ NRW will be responsible for all earthworks and drainage■ One of two remaining consortiums, commence in 2nd half for 18 month construction period
Queensland Infrastructure JV	<ul style="list-style-type: none">■ NRW discussing JV potentials for major infrastructure works in road and rail
Cape Preston Citic Pacific	<ul style="list-style-type: none">■ Minesite earthworks and port construction■ Quarrying, drill and blast, crushing, sea wall construction and stockyard.■ 4, 000, 000 m³ commence Jan/Feb 09
320mtpa Expansion Rio Tinto	<ul style="list-style-type: none">■ A small number of projects will still go ahead.■ RIO reviewing their 320 expansion, outcomes expected to be known early 2009
RGP5 BHPIO	<ul style="list-style-type: none">■ Dredge bunds at Finnucane island■ One of two remaining tenderers■ Award announcement imminent

Mining Services Update

New Contracts and Simandou update

Project name	Description
Bootu Creek OM Holdings	<ul style="list-style-type: none">■ Drill and blast, excavation, haulage waste dump management services and crusher feed■ 3 year contract \$185m plus 2 year option■ Mobilising for start in Dec 08
West Angelas Rio Tinto	<ul style="list-style-type: none">■ Pre strip mine overburden contract approx \$6m with an opportunity for additional works
Simandou project Rio Tinto	<ul style="list-style-type: none">■ Contracted to December 2009



Mining Services opportunities into 2010

Project name	Description
Christmas Creek FMG	<ul style="list-style-type: none">■ As part of FMG's mine expansion NRW has tendered the contract mining works at Christmas Creek
Bowen Basin Coal JV	<ul style="list-style-type: none">■ NRW is exploring a number of opportunities including a JV for entry into the Bowen Basin
Guinea Alumina BHPB	<ul style="list-style-type: none">■ Minesite earthworks and bulk sampling for a proposed Bauxite mine■ Construction camp earthworks tender in progress
Roll over of existing contracts Rio Tinto	<ul style="list-style-type: none">■ Several projects expected to rollover for the full year 2010

Promac / Action Mining

Promac Update

- Supply of Chinese radial tyres in the larger sizes (100+ tonne class truck) is expected to contribute to increasing sales in FY2009
- Promac has secured a yard in Queensland and have finalised negotiations with a distributor in South Australia for machinery sales and rental of products

Action Mining Services Update

- Further expanding our client list: Tendering machinery rebuild work to BHP Billiton and Rio Tinto



Balance Sheet

Summary Balance Sheet

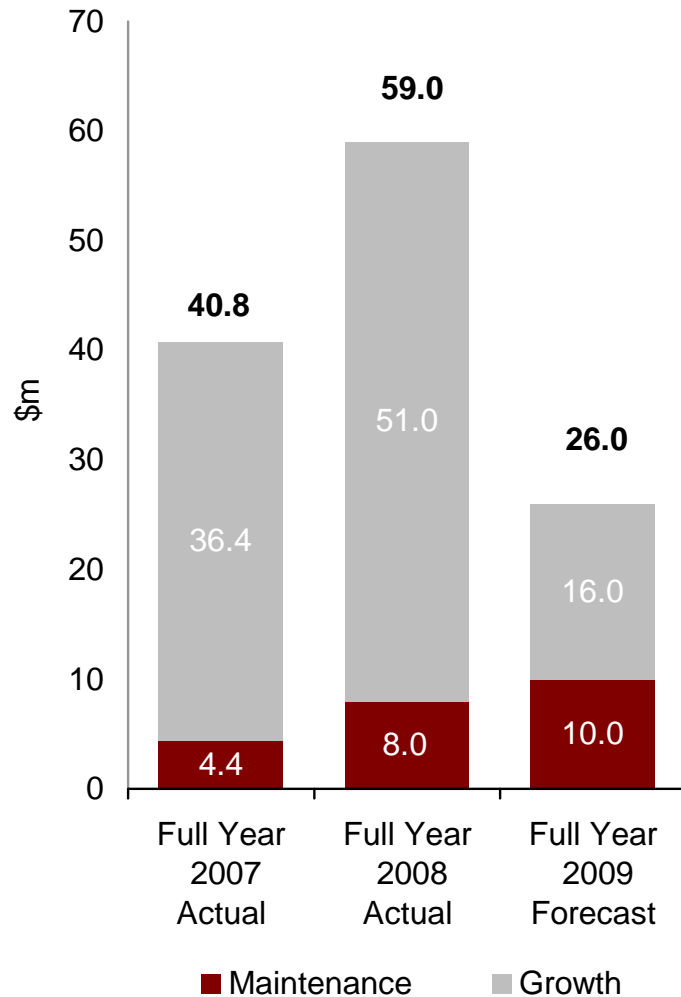
\$m unless stated	30 Jun 08
Cash	3.3
PPE	123.4
Other assets	185.0
Total assets	311.7
Current liabilities	
Interest bearing liabilities	53.2
Other current liabilities	87.5
Non current liabilities	
Interest bearing liabilities	44.9
Other non current liabilities	8.9
Total liabilities	194.4
Net assets	117.2
Shareholders equity	117.2

- Total debt of \$98.1m (net debt of \$94.8m)
 - Trade finance + insurance funding \$5.3m
 - Hire purchase liabilities of \$78.3m (3-5 year term, fixed rate, asset backed)
 - Bank Facility \$14.5m
- No significant refinancing requirements
- Debt levels expected to reduce in FY09 due to lower capex and improvements in working capital

Pro Forma Debt/Balance Sheet metrics

	FY08A	FY09F
Pro Forma EBIT/net interest	10.2x	8.0 - 9.0x
Net debt/Pro Forma EBITDA	1.1x	0.5 - 0.7x
Net debt/(Net debt + equity)	44.7%	28 - 32%

Capital Expenditure



- FY2008 capital expenditure of \$59.0m
 - \$4.8m funded by cash
 - \$53.2m funded by hire-purchase liabilities and \$1.0m funded by trade finance
- FY2009 forecast capital expenditure of \$26.0m
 - Growth capex in the past two years expected to be sufficient to support projects forecast in 2009
 - 50% spent to date
 - Assumes no significant mining contract wins above contracts currently forecast

Outlook

- Expect a strong order book into 2010, currently \$140m revenue secured
- Group tender activity: Civil tenders valued in excess of \$600M for projects commencing from January 2009 and Mining tender values in excess of \$700M scheduled to commence by June 2009.
- Further opportunities for growth being assessed on the east coast of Australia and in Guinea West Africa
- NRW currently finalising the JV agreement with ASX listed VDM Group and our Abu Dhabi based partner for civil construction works throughout the Middle East with a particular focus on Abu Dhabi and the UAE