



29 August 2008

NRW (ASX Code: NWH) today reported full year accounts for fiscal year 30 June 2008

NRW reports revenues and EBITDA of \$471.2 million and \$84.2 million for FY08 – up 70% and 86% on FY07.

2008 Year in Review

Unless otherwise indicated, the results referred to in this review (including references to EBITDA, EBIT, net profit and revenue) are set out on a pro forma basis to show the financial performance of NRW Holdings Limited and its controlled entities, having disregarded the financial effects of any extraordinary activities undertaken during the year in review.

The pro forma adjustments are in substance consistent with those made in the prospectus, and in addition, adjustments made for additional costs relating to business appraisal costs have also been made to provide meaningful comparison to the forecasts presented in the prospectus dated 27 July 2007.

Highlights

Pro forma Revenue of \$471.2 million, a 70% increase on FY2007 Pro Forma

Pro forma EBITDA of \$84.2 million, a 86% increase on FY2007 Pro Forma

Pro forma EBIT of \$66.1 million, a 97% increase on FY2007 Pro Forma

Pro forma Net Profit After Tax of \$41.4 million, a 106% increase on FY2007 Pro Forma

Pro forma Earnings per share of 16.46 cents, a 106% increase on FY2007 Pro Forma

Total dividends per share of 8.23 cents for the year, representing a 50% payout ratio on Pro Forma NPAT

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NRW's Chief Executive Officer Jeff McGlinn, in commenting on the result said, "The results are pleasing in that the company has met the expectations outlined in our Prospectus. NRW is now particularly well placed to take full advantage of a buoyant resources sector not only in Western Australia but wherever strategic opportunities present themselves."

Financial

NRW grew strongly in the 2008 financial year, reflecting the performance of several substantial civil and mining contracts.

Financial Performance

NRW's pro forma and statutory financial performance is summarised in the following table:

	PROSPECTUS				
	PRO FORMA ACTUAL	STATUTORY FORECAST	PRO FORMA FORECAST	STATUTORY ACTUAL	PRO FORMA ACTUAL*
<i>\$ millions</i>	FY2007	FY2008	FY2008	FY2008	FY2008
Revenue	277.6	440.4	440.4	471.2	471.2
EBITDA	45.2	74.0	85.4	71.9	84.2
EBIT	33.6	52.9	64.2	53.8	66.1
Profit before tax	28.7	46.1	57.4	47.3	59.6
Net profit after tax	20.1	32.1	40.2	32.8	41.4

* The following tax-effected Pro Forma adjustments have been made in the current interim period in relation to:

- o Costs of \$10.8 million were incurred by NRW relating to the sale of shares by the vendor shareholders under the IPO.
- o The issue of shares to eligible employees under the IPO resulting in a share-based payments expense of \$0.9 million.
- o Business development costs of \$0.6 million relating to the appraisal of potential business acquisitions.

The company has reported pro forma revenue of \$471.2 million and pro forma EBITDA of \$84.2 million.

Financial Position

As at 30 June 2008, NRW had net assets of \$117,216,000.

Dividend

On the 27 August 2008, the Board of NRW Holdings Limited declared a final dividend for the Financial Year ending June 30, 2008. The final dividend payable is 4.23 cents per share and brings the full year dividend to 8.23 cents per share. This represents a 50% payout ratio on Pro forma NPAT for the full year.

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Operating cash flow and capital expenditure

\$millions	FY07 Pro Forma Actual	FY08 Pro Forma Actual	FY08 Pro Forma Forecast
Operating cash flow	45.0	14.7	74.0
Capital expenditure			
Maintenance	4.4	8.0	8.7
Growth	36.4	51.0	52.4
Total	40.8	59.0	61.1

Civil Contracting

NRW civil contracting projects have included bulk earthworks, project rehabilitation, conveyor line preparation and construction of access roads, drill pads, rail sidings, tailings dams, run-of-mine pads, airstrips, green field mine development, bridges and iron ore storage facilities.

Revenue for the civil contracting division was \$336.8 million (2007: \$158.9 million) in the 2008 financial year.

The Division's growth continues to be driven by the Pilbara Iron Ore producers' need for new or enhanced infrastructure to meet expanding demand for their ore. This environment will continue to underwrite the division's expectations for the coming year with contribution expected from the emerging Midwest Iron ore province and other commodity mine sites commencing construction in the coming year.

Mining Services

NRW's mining services division provides contract mining services to mining companies and has extensive experience in developing mines in remote locations. Significant work has been undertaken in the iron ore, gold, and mineral sand sectors. Services include earth moving, waste stripping, ore haulage and related ancillary services.

Revenue for the Mining Services Division was \$107.2 million (2007:\$77.8 million) in the 2008 financial year.

The Divisions operations were predominately driven by the increased demand for natural resources, particularly iron ore and other related commodities.

Outlook

The outlook for further growth in the Mining sector remains strong, buoyed by the current strong resource commodities price cycle and the significant number of development projects in the approvals and construction pipeline.

Continued focus on NRW's indigenous involvement program will assist with resourcing this growth potential.

Promac Sales and Rental

Through its subsidiary, Promac Rental & Sales Pty Ltd, NRW offers the rental and sale of new and used heavy earthmoving equipment and the sale of off-road tyres. The sales and rental division supports the growth of NRW's civil contracting and mining services division, and the majority of equipment rental revenue is generated from sales to these divisions.

Promac has a fleet of highly reliable, low-hour heavy earth moving equipment including articulated dump trucks, rollers, excavators and loaders. Promac also leases mining support equipment including service trucks, generator sets, personnel transporters and other ancillary equipment.

Revenue for Promac was \$21.2 million (2007:\$28.6 million) in the 2007 financial year. The majority of Promac's plant hire revenue was generated from sales to other divisions within the NRW Group.

The decrease in revenue is due to a reduction in tyre sales revenue partially offset by an increase in hire services revenue from the expanded rental fleet.

The outlook for further growth in the mining and civil construction sectors remains strong. An expansion in the client base and the rental machinery fleet are planned for the 2009 financial year.

Promac has developed strategic relationships with a number of machinery manufacturers and importers, enabling it to introduce new products into key markets. In addition, Promac is the also authorised distributor for Patron Saint and Amberstone off road tyres.

Action Mining Services

Through its subsidiary, Actionblast Pty Ltd t/as Action Mining Services, NRW provides equipment repairs, sandblasting and painting services, service truck and water tanker fabrication and import services (including quarantine cleaning).

Financial

Revenue for the Services Division was \$26.2 million (2007:\$4.8 million – Action Mining Services held for only the final quarter of 2007 as acquired part way through the year, proforma \$20.7 million 2007 comparative).

Growth was driven by increasing demand for heavy earthmoving repair and maintenance services from civil and mining equipment owners and operators. Strong demand for fabricated products was also experienced.

Fabricated products, comprising service modules and water tankers, were successfully designed and developed by Actionblast Pty Ltd during the year and have been in strong demand from customers.

The outlook for continuing growth within the services division remains strong, driven by the growth in overall numbers of earth moving machines operating in Western Australia. Improvements in throughput are expected during the 2009 financial year, and additions to the range of fabricated products are under consideration.

Outlook

The outlook for NRW remains strong with all major clients announcing significant expansion plans based upon continued high level of demand for iron ore from the Chinese market.

With most industry forecasts predicting an annual production increase in iron ore of 9 - 12% over the next five years, NRW is well positioned to take advantage with both Mining and Civil construction Divisions.

NRW expects to capitalise on its push into Queensland, with opportunities in coal mining and civil construction in the second half. NRW has also identified significant additional opportunities in Guinea and several other African countries to consider. The civil and mining tender activity remains at historically high levels.

NRW expects profit growth for FY2009 to be at least 15 - 20%.

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