

## Media Release

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21 February 2013

### NRW reports solid first half results for FY2013

- Revenue of \$810.7 million
- EBITDA of \$101.4 million, 12.5% of revenue
- EBIT of \$78.8 million, 9.7% of revenue
- Net profit after tax of \$48.6 million, 6.0% of revenue
- Strong cash position of \$210.4 million.
- Interim dividend of 8.0 cents per share.
- Net Debt / Equity of 8%.

**Perth:** Leading Australian civil and mining contractor NRW Holdings Limited (ASX: NWH) (“NRW” or “the company”) today announced its earnings result for the half year ending 31 December 2012. The company’s Board of Directors is pleased to report a solid first half result notwithstanding a challenging environment occurring in the second quarter of the financial year.

Revenue for the Group increased by 33% compared to the prior corresponding period that translated to a 7% increase in net profit of \$48.6 million.

Jules Pemberton, NRW’s Chief Executive Officer and Managing Director, said “Despite the challenges in the Mining division the Group performed very well, particularly the Civil division which reported a revenue of \$479.3 million representing growth of 48% on the prior corresponding period. The Drill and Blast division also performed very well, with revenue of \$94.0 million representing growth of 85% on the prior corresponding period.”

“Notable contract wins and extensions during the period included civil works for Rio Tinto including at the Cape Lambert Port project, the Yandi Sustaining Project and the West Angelas Road Upgrade. Furthermore, long term contracts were secured and extended by the Action Drill & Blast division for John Holland Group with a 3 year plus 2 year option at Isaac Plains and a 12 month extension to works at Greenbushes for Talison Lithium. More recently, Action Drill & Blast secured yet another long term contract (4 years plus 2 year option) for drilling services at Fortescue’s Cloudbreak mine,” said Jules Pemberton.

NRW’s balance sheet is in a strong position with a cash balance of \$210.4 million and net debt of \$28.8 million at 31 December 2012. The strength in the balance sheet provides the business with a solid foundation to withstand the volatile market conditions.

Net earnings equated to 17.83 cents per share, a 10% increase compared to the prior corresponding period. In light of the performance and cash position, the directors are pleased to declare a fully franked interim dividend of 8.0 cents per share for the half year ended 31 December 2012.

The dividend will be paid on 28 March 2013 on shares registered at 5.00pm on 1 March 2013. The dividend represents a 46% payout ratio for the half year.

### OUTLOOK

NRW expects its full year revenue to be \$1.4-\$1.5 billion, pending timely award and commencement of contracts during the remainder of 2HFY13. The corresponding NPAT margin is expected to be 6%.

A focus on internal efficiencies, rationalising input costs and realising synergies across the Group will continue as we retain NRW’s capacity to grow organically or through acquisition. The strong cash position with substantial funding facilities in place provides flexibility for this growth enabling NRW to execute its strategy into FY14 and beyond.

With a current order book of \$1.35 billion, we expect solid conversion of a potential \$4.0 billion of work tendered across the Civil, Mining and Drill and Blast divisions during the second half. This will continue to strengthen the order book into FY14 and FY15.

**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.*