



ASX Announcement

20 February 2018
NRW Holdings Limited
181 Great Eastern Highway
Belmont, 6104, Western Australia

Australian Securities Exchange
Perth

NRW consolidates Golding acquisition

Australian civil and mining contractor NRW Holdings Limited (ASX: NWH) is pleased to provide its results for the half year ending 31st December 2017.

Highlights

- Revenue of \$345.3 ⁽¹⁾ million up 95% on the same period last year
- Underlying EBITDA⁽²⁾ of \$40.3 million up 38% on the prior comparative period
- Net Profit after Tax before amortisation of \$19.5⁽³⁾ million (up 70%) on the prior comparative period
- Golding acquisition completed September 2017; Acquisition price \$85 million; Golding net cash balance on acquisition (generated in July and August) totalled \$10.7 million
- New work secured circa \$0.7 billion; Order book \$1.6 billion as at December 2017
- Net Debt reduced to \$49.8 million compared to pro forma post acquisition debt of \$76 million
- Improved gearing ratio of 20.4% compared to pro forma acquisition gearing of 33%
- Cash holdings of \$53.0million

Notes (1) Statutory Revenue of \$312.7M plus revenue from associates \$32.5M and excludes pre acquisition revenues generated by Golding in July and August 2017.

(2) Underlying EBITDA excludes one off costs related to the Golding acquisition of \$2.5 million

(3) Statutory comprehensive income of \$15.3 million add back \$4.2 million of amortisation

Following the successful acquisition of Golding NRW has structured its business reporting into three segments, **Civil, Mining and Drill & Blast**. The Civil business comprises the existing NRW Civil activities together with the Golding Civil and Urban businesses. Mining consolidates the Mining businesses of NRW and Golding together with NRW's Mining support business AES Equipment Solutions. Action Drill & Blast constitutes the third reporting segment.

Commenting on the results Jules Pemberton, NRW's Chief Executive Officer and Managing Director, said:

"The acquisition of Golding has been an outstanding success and has largely contributed to the significant increase in revenue and earnings compared to the six months to December 2016. The business continues to meet or exceed our expectations and has secured new contracts and contract extensions across all of its businesses.

"NRW's strong order book growth not only includes the incremental work related to Golding but also a number of key contract awards in the six months to December 2017. Following the announcement of a \$111 million Early Contractor Involvement for OZ Minerals we have now commenced the first stage of the work on site with the construction of the aerodrome at the Carrapateena project. We also announced a \$324 million Mining contract for Gascoyne Resources at their Dalgaranga project where we are currently mobilising to site.

Outlook

“The order book of \$1.6 billion includes approximately \$360 million of work scheduled for delivery in the second half of the financial year. The quality of prospects continues to improve and more closely aligns with our historic delivery capability and our enhanced delivery capability as a result of the Golding acquisition. The pipeline of opportunities is currently valued at \$6 billion of which approximately \$1.5 billion are active tenders. These tenders are spread across the Civil business in iron ore and public infrastructure and In Mining in coal, lithium, nickel, gold and bauxite.

Interim Dividend

The Directors have determined not to pay a dividend. The acquisition of Golding was funded from new debt, new equity and cash reserves. The Directors have concluded that the business should retain current cash balances to ensure debt is fully serviced, to provide sufficient liquidity to meet existing business commitments and to support opportunities particularly new capital equipment to support new work (as recently announced for the \$324 million Dalgaranga project) as they arise.

Kim Hyman
Company Secretary

For more information, please contact:

Jules Pemberton
CEO and Managing Director
NRW Holdings Limited
+61 8 9232 4200

Andrew Walsh
Chief Financial Officer
NRW Holdings Limited
+61 8 9232 4200

About NRW Holdings Limited:

NRW Holdings Limited is a diversified provider of contract services to the resources, energy, civil infrastructure and urban development sectors in Australia and internationally. NRW's geographical diversification combined with a comprehensive service capability supports an enhanced delivery platform to a wide range of Tier 1 clients and projects.

--ENDS--