For personal use only

Investor Presentation – Half Year 2008 Result

22 February 2008

Agenda

- Highlights
- Business Review
- Income Statement
- Balance Sheet
- Operating Cash Flow
- Capital Expenditure
- Strong Industry Growth
- Outlook
- Appendix – Additional financial information

For personal use only

Highlights

For personal use only

Business Highlights

- Successful completion of IPO and listing on ASX
- Strong market demand for civil and mining services, equipment and maintenance services
- Integration of Action Mining acquisition
  - Implementation of NRW detailed safety and financial systems complete
- New contracts progressing well: Brockman 4, Hope Downs (Stage 2), Simandou
- Senior Manager appointed in Queensland to assist with business development opportunities and management on the East Coast

Highlights

For personal use only

Financial Highlights

- Pro Forma Revenue of $253.5m (58% of full year Prospectus forecast)
- Pro Forma EBIT of $34.9m (54% of full year Prospectus forecast)
- Pro Forma NPAT of $22.3m (56% of full year Prospectus forecast)
- Pro Forma EPS of 8.89 cents
- Fully franked interim dividend of 4.0 cents per share declared (payment date of 31 March 2008)
- 100% of the Group's FY08 Prospectus revenue forecast of $440.4m secured or under negotiation
- Group on track to at least achieve Prospectus NPAT forecast of $40.2m for FY08
- Strong trading conditions expected to continue for foreseeable future

Business Review

Civil Contracting

Project name	Description
105km Rail Construction FMG	▪ Project progressing well with NRW approx 90% complete ▪ Additional works being undertaken by variation
Ranger Uranium ERA	▪ Project completed and demobilised
Brockman 4 – Pioneering Works Rio Tinto	▪ Project progressing well with personnel numbers increasing to 150+ within the next month
Hope Downs 1 Stage 2 Hamersley HMS	▪ Bulk earthworks, site roads and ROM pad contract progressing well ▪ Additional works being negotiated

FMG

ERA Ranger

Hope Downs

For personal use only

NRW HOLDINGS LIMITED

Business Review

For personal use only

Mining Services

Project name	Description
Tom Price Mining Rio Tinto	▪ Excavation, haulage and waste dump management services ▪ In-pit works including pre development pit establishment, waste prestripping, waste cutback and remnant ore mining
Tiwi Islands Matilda Minerals	▪ Excavation, haulage and ore mining ▪ Concentrate handling and haulage of 140 kilometres to the Garden Point export shipping facility
Rio Tinto Continuous Mining Trial Rio Tinto	▪ Ongoing evaluation of Wirtgen Surface Miner for Rio Tinto at Yandi, Marandoo and Brockman
Simandou Guinea Rio Tinto	▪ New fleet just purchased to support continuous Miner trial ▪ Negotiating an extension to contract through 2009

Tiwi Islands

RTIO Continuous Mining Trial

Simandou

Business Review

For personal use only

Promac

- Tyre sales expected to increase in the second half and negotiations are continuing with major retail outlets for Australia wide distribution
- Promac's Lighting Tower product will be available by the end of March 2008 for release at trade shows in April

Action Mining Services

- Currently expanding fabrication capabilities to increase the number of service and water trucks produced
- Designing water tanks suitable for larger trucks

Income Statement

Pro Forma revenue by division

$m	Full Year '07 Pro Forma actual	Half Year '08 Pro Forma actual	Full Year '08 Pro Forma Prospectus forecast
NRW Civil Contracting	162.0	220.5	305.7
NRW Mining Services	77.8	18.9	91.4
Promac	28.6	10.7	39.6
Action Mining	20.7	13.6	26.0
Other / Eliminations[1]	(11.5)	(10.2)	(22.4)
Total Revenue	**277.6**	**253.5**	**440.4**

Note:
1 Primarily comprises the elimination of sales by Promac to NRW Civil and Mining divisions and sales by Action Mining to Promac

- Strong Civil Contracting revenue driven by FMG rail and camp construction and Rio Tinto expansion projects, including Simandou
- Lower Mining Services revenue due to utilisation of equipment by Civil Contracting
- Mining Services revenue expected to increase in the second half of FY08
  - Capital to be redeployed to Mining Services for future Rio Tinto projects
  - Simandou will become a Mining Services project in the second half of FY08
- Promac revenue down on forecast largely due to changes in market conditions for low margin tyre sales
  - Tyre sales expected to increase in second half due to a stronger distribution network
- Action Mining revenue in line with Prospectus forecast

For personal use only

Income Statement

For personal use only

Pro Forma Income Statement

$m unless stated	Full Year '07 Pro Forma actual	Half Year '08 Pro Forma actual	Full Year '08 Pro Forma Prospectus forecast
Revenue	277.6	253.5	440.4
EBITDA	**45.2**	**42.4**	**85.4**
EBITDA margin (%)	*16.3%*	*16.7%*	*19.4%*
Depreciation	(11.6)	(7.5)	(21.1)
EBIT	**33.6**	**34.9**	**64.2**
EBIT margin (%)	*12.1%*	*13.8%*	*14.6%*
Interest	(4.9)	(2.8)	(6.8)
PBT	**28.7**	**32.1**	**57.4**
Tax	(8.6)	(9.7)	(17.2)
NPAT	**20.1**	**22.3**	**40.2**
EPS	8.00 cents	8.89 cents	16.00 cents
DPS	-	4.00 cents	8.00 cents

Income Statement

- Pro Forma financials are adjusted for IPO and other one-off costs to reflect the recurring performance of NRW Group (refer Appendix for Statutory financials)
- Lower EBITDA margin than Prospectus forecast reflects low margin on FMG camp construction
  - Strategic project undertaken to secure accommodation requirements for NRW
  - Ensured the timely completion of NRW's component of the FMG rail contract
- Depreciation and interest charges are less than half of full year 2008 forecast due to the majority of capital expenditure occurring towards the end of the half
- Pro Forma EBIT of $34.9m (54% of full year Prospectus forecast)
- Pro Forma NPAT of $22.3m (56% of full year Prospectus forecast)

For personal use only

Balance Sheet

Summary Balance Sheet

$m unless stated	31 Dec 07
Cash	22.5
PPE	114.7
Other assets	125.8
Total assets	**262.9**
Current liabilities	
Interest bearing liabilities	40.0
Other current liabilities	80.2
Non current liabilities	
Interest bearing liabilities	35.0
Other non current liabilities	0.4
Total liabilities	**155.6**
Net assets	**107.4**
Shareholders equity	**107.4**
Debt metrics	
Pro Forma EBIT/net interest	12.5x
Net debt/(Net debt + equity)	32.8%

- Total debt of $75m (net debt of $52.5m)
  - Trade finance of $15m (converted to hire purchase liabilities in Jan 2008)
  - Hire purchase liabilities of $60m (3-5 year term, fixed rate, asset backed)
- Significant financial headroom
  - Undrawn $50m ANZ multi-option facility
  - Additional hire purchase facilities of $65m available which are expected to increase to $110m pending finalisation of negotiations with financiers
- NRW hire purchase liabilities mature evenly over a 3-5 year period
- Conservative debt metrics

For personal use only

Operating Cash Flow

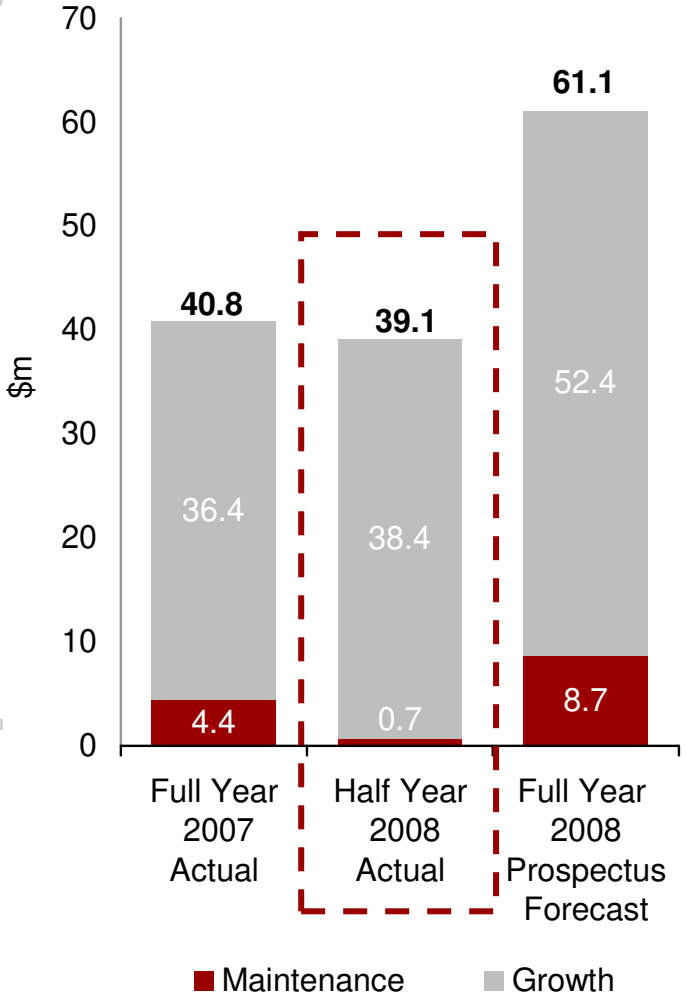
Pro Forma Operating Cash Flow

$m	Full Year '07 Pro Forma actual	Half Year '08 Pro Forma actual	Full Year '08 Pro Forma Prospectus forecast
EBIT	33.6	34.9	64.2
Depreciation and amortisation	11.7	7.5	21.1
EBITDA	**45.2**	**42.4**	**85.4**
Working capital movements	(0.2)	(8.6)	(11.4)
Cash flows from operations	**45.0**	**33.8**	**74.0**

- Increase in working capital due to increased accounts receivable
  - Driven by increase in revenue
- Dividend Reinvestment Plan not being activated

For personal use only

Capital Expenditure



- Half Year 2008 capital expenditure of $39.1m
  - $6.1m funded by cash
  - $21.7m funded by hire-purchase liabilities and $11.3m funded by trade finance
- Capital expenditure primarily relates to:
  - Simandou project ($12.7m)
  - Hope Downs project ($11.0m)
  - Promac division ($6.4m)
- Capital expenditure for Full Year 2008 not expected to be materially different from Prospectus forecast unless Rio Tinto accelerates expansion of the Simandou project

For personal use only

Strong Industry Growth

Key clients continue to increase investment and announce iron ore production increases in WA and offshore

RIO TINTO

Current production: 166 mt (FY2007)

Forecast production: 320 mt in FY2012, increasing to 420 mt by 2018

- Expansion to 320mt to cost US$10bn
- Committed to additional A$3.6bn in iron ore projects in Cape Lambert, Hope Downs, Mesa A and Brockman 4

In addition, Simandou to produce up to 170 mtpa with first production date in 2013

FMG

Current production: 0

Forecast production: 55 mt (2008/2009) increasing to 200 mt (timing unknown)

- In excess of 1.7 bt of inferred resources of iron ore discovered in the Solomon East area

bhpbilliton

Current production: 108 mt (FY2007)

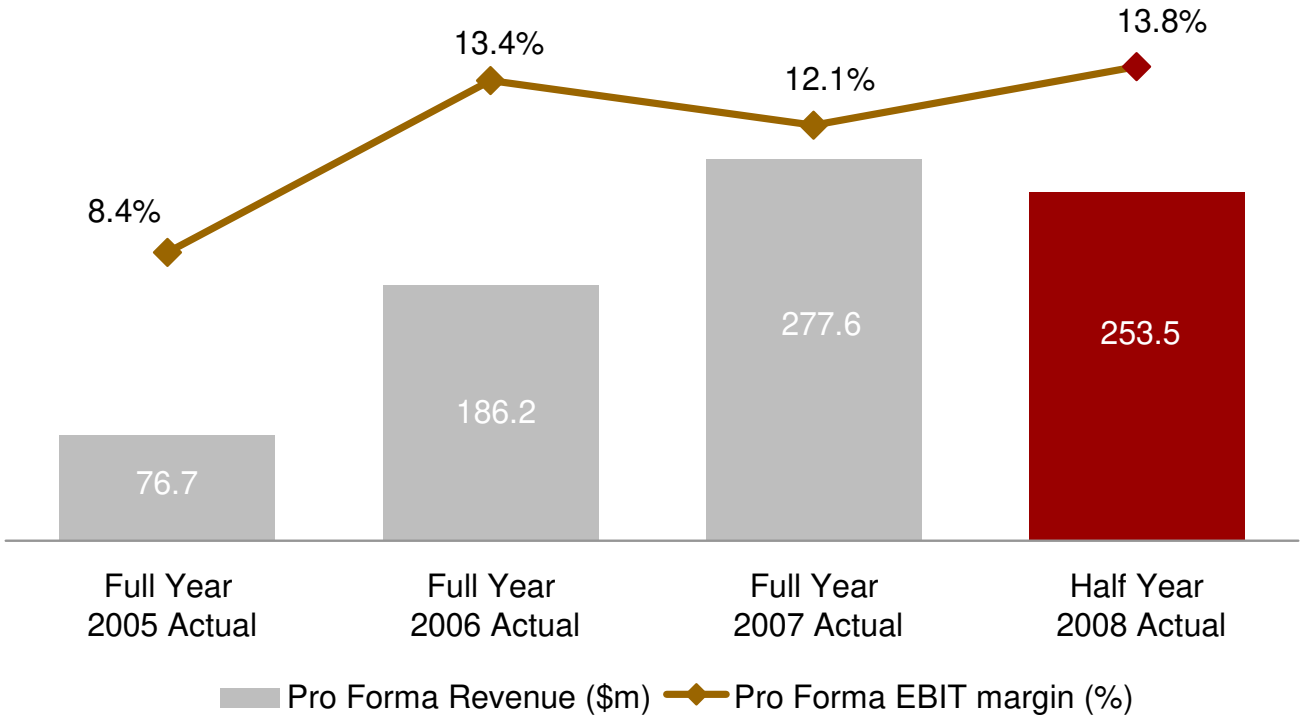
Forecast production: 300 mt by FY2015

- RGP4 ongoing
- A$1.2bn approved expenditure for Rapid Growth Project 5 (RGP5)
- Railway duplication between Yandi and Port Hedland and expansion of inner harbour at Port Hedland

For personal use only

Outlook

Strong growth and margins



For personal use only

Outlook

- Strong trading conditions expected to continue for foreseeable future
- 100% of the Group's FY08 Prospectus revenue forecast of $440.4m is secured or under negotiation
  - Civil and Mining divisions have already secured revenue of $160m for the second half of FY08 with a further $30m under negotiation
- Group on track to at least achieve the Prospectus NPAT forecast of $40.2m for FY08
- Expect strong growth to continue in FY09
  - Targeting 15-20% organic growth in revenue and profit
  - $200m of revenue already secured or under negotiation for FY09

For personal use only

For personal use only

Appendix – Additional financial information

Additional financial information

For personal use only

Statutory and Pro Forma Income Statement

$m unless stated	Half Year '07 Statutory actual	Half Year '08 Statutory actual	Half Year '08 Pro Forma actual	Full Year '08 Pro Forma Prospectus forecast
Revenue	134.0	253.5	253.5	440.4
EBITDA	21.6	30.2	42.4	85.4
EBITDA margin (%)	*16.1%*	*11.9%*	*16.7%*	*19.4%*
EBIT	16.3	22.7	34.9	64.2
EBIT margin (%)	*12.2%*	*8.9%*	*13.8%*	*14.6%*
NPAT	9.2	13.7	22.3	40.2
EPS	3.66 cents	5.44 cents	8.89 cents	16.00 cents

- Pro Forma Financials are adjusted for IPO and other one-off costs to reflect the recurring performance of NRW Group
- EPS computations for all periods presented reflect shares on issue after the Initial Public Offering (i.e. 251.2m common shares)

Additional financial information

For personal use only

Reconciliation of Statutory to Pro Forma Income Statement

$m unless stated	Half Year '08 Statutory actual	IPO related costs	Other costs	Half Year '08 Pro Forma actual
Revenue	253.5	-	-	253.5
Operating costs	(223.3)	11.7	0.5	(211.1)
EBITDA	**30.2**	**11.7**	**0.5**	**42.4**
Depreciation	(7.5)	-	-	(7.5)
EBIT	**22.7**	**11.7**	**0.5**	**34.9**
Interest income/ (expense)	(2.8)	-	-	(2.8)
PBT	**19.9**	**11.7**	**0.5**	**32.1**
Tax	(6.2)	(3.4)	(0.2)	(9.7)
NPAT	**13.7**	**8.3**	**0.4**	**22.3**

- Actual expenses of $12.2m vs. Prospectus forecast of $11.4m

Additional financial information

For personal use only

Statutory Consolidated Statement of Cash Flows

	Half-year ended 31 December 2007 $'000	Half-year ended 31 December 2006 $'000
Cash flows from operating activities		
Cash receipts from customers	246,403	134,585
Cash paid to suppliers and employees	(213,400)	(104,718)
Interest paid	(2,802)	(1,951)
Income tax paid	(7,716)	(780)
Net cash provided by operating activities	**22,485**	**27,136**
Cash flows from investing activities		
Interest received	612	234
Acquisition of subsidiaries net of cash acquired	(125)	(1,929)
Proceeds from the sale of property, plant and equipment	853	-
Acquisition of property, plant and equipment	(17,819)	(1,228)
Net cash used in investing activities	**(16,479)**	**(2,923)**
Cash flows from financing activities		
Proceeds from the issue of share capital	46,070	21,400
Proceeds from borrowings	12,247	368
Repayment of borrowings and finance/hire purchase liabilities	(42,661)	(15,407)
Payment of costs relating to initial public offering	(12,911)	(276)
Repayment of director related party loans	(3,557)	(12,638)
Net cash used in financing activities	**(812)**	**(6,553)**
Net increase in cash and cash equivalents	**5,194**	**17,660**
Cash and cash equivalents at beginning of the period	16,551	382
Cash and cash equivalents net of bank overdraft at the end of the period	**21,745**	**18,042**
Bank overdraft balance at the end of the period	784	-
Cash and cash equivalents at the end of the period	**22,529**	**18,042**