20 February 2019
NRW Holdings Limited
181 Great Eastern Highway
Belmont, 6104, Western Australia

Australian Securities Exchange
Perth

Strong Half Year Results and Key Strategic Acquisition Objective Completed

Australian civil and mining contractor NRW Holdings Limited (ASX: NWH) is pleased to provide its results for the half year ending 31 December 2018.

Highlights

Operations
- Revenue (1) of $521.1 million, an increase of 50.9% compared to the prior comparative period (pcp)
- EBITDA (2) increased to $74.3 million compared to $40.3 million in the pcp
- EBIT (3) more than doubled to $50.0 compared to $22.5 million in the pcp
- Net Earnings increased to $28.2 million compared to $15.3 million in the pcp
- Order Intake in the 6 months of circa $1.0 billion increasing total work in hand to $2.4 billion

Strategic
- Completed acquisition of RCR Mining Technologies for $10 million, funded from cash, - provides diversification in service offering
- Secured new Civil contracts for all 3 major WA iron ore projects – South Flank, Eliwana and Koodaideri

Balance Sheet
- Cash holdings increased to $82.7 million compared to $58.8 million as at June 2018
- Net Debt improved to $12.8 million compared to $34.4 million as at June 2018
- Very low gearing of 4.3%
- Interim Dividend declared of 2 cents per share, fully franked

Notes
(1) Statutory Revenue of $494.0 million plus revenue from associates of $27.1 million.
(2) EBITDA is earnings before interest, tax, depreciation, amortisation and transaction costs.
(3) EBIT is earnings before interest, tax and transaction costs.

Commenting on the results Jules Pemberton, NRW’s Chief Executive Officer and Managing Director, said:
“The results for the first six months are a credit to the delivery and support teams across the business. I couldn’t be more proud of them. The results reflect the continued growth in activity which saw revenues increase in the previous financial year by 95% and in the last six months by a further 51%. Delivering this scale of revenue increase profitably has been a core focus for the business teams across the group and I am delighted to be reporting their success.”

“Not only have we delivered incremental earnings growth but we have been able to maintain strong cash flows through the period to reduce net debt to $12.8 million and gearing to 4.3% despite an increase in capex driven by the purchase of key mining assets. All businesses performed on or above plan and it is...
worth noting that the Golding business has now generated cash equal to its acquisition cost within the first 14 months of ownership."

"Key target opportunities identified in previous outlook commentaries included securing work on iron ore sustaining tonnes programmes. Progress to date has been extremely positive following the awards of South Flank for BHP in July 2018, the Koodaideri Plant site for Rio Tinto announced in January 2019 and the award of FMG’s Stage 1 Eliwana rail package in February 2019."

"I am also looking forward to integrating and developing the RCR Mining Technologies (RCR MT) business following the successful completion in February of the acquisition announced in January 2019. The RCR MT business has developed a wealth of intellectual property across a range of products and processes and are recognised as leaders by global resource clients. The acquisition will allow the company to provide incremental services, in line with our strategic objectives, to a number of core clients common to both NRW and RCR MT and is a very strong foundation on which to build a broader maintenance services business."

"The company increased its order book at December 2018 to $2.4 billion which includes around $557 million of work scheduled for delivery in the second half of the year. The order book supports guidance for full year revenues at around $1.1 billion, (before any contribution from RCR MT)."

"Following the Eliwana and Koodaideri contract awards we already have over $900 million of work secured for FY20 which currently excludes contributions from the Golding Urban and RCR MT businesses. These businesses have consistently delivered $200 million of revenue per annum in prior years."

**Interim Dividend**

The Directors have declared an interim dividend for the half year ending 31 December 2018 of 2 cents per share. This will be the first interim dividend paid since April 2014. The Directors have determined the dividend payable based on the Company’s liquidity profile over the next financial year and are pleased to be in a position to announce further dividends following the full year dividend paid in November 2018. The dividend which will be fully franked will be paid on the 8 May 2019.

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 is a diversified provider of contract services to the resources and infrastructure sectors in Australia. With extensive operations in Western Australia, South Australia, New South Wales, Queensland and Victoria. 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 offers a leading original equipment manufacturing (OEM) and innovative materials handling design capability with comprehensive additional experience for refurbishment and rebuild service for earthmoving equipment and machinery.

--ENDS--