



May 11th 2015

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

ROYAL WOLF HOLDINGS LIMITED: Third Quarter and Financial Year to Date 2015 Results

Please find attached an announcement for release to the market.

Yours faithfully

Greg Baker
Company Secretary

About Royal Wolf

Royal Wolf is Australasia's largest provider of container solutions with 32 facilities including 28 dedicated Customer Service Centres located throughout Australia & New Zealand and a hire fleet of approximately 42,300 containers at 31 March 2015. Royal Wolf has 19 years of experience and a commitment to providing superior customer service. We offer over 100 container based designs with applications in portable storage, portable buildings, mining camps and freight containers.

MEDIA RELEASE

Royal Wolf - diverse regional customer base and products offset the impact of the downturn in the resources sector.

Royal Wolf presents a summary of the key underlying quarterly and YTD information provided to General Finance Corporation for inclusion in their third quarter release. The data below has been prepared in Australian Dollars and in accordance with International Financial Reporting Standards (IFRS).

Key points on the results

- Container leasing revenue for the March 2015 quarter was \$0.5m below last year, despite the resources sector March quarter lease revenue being \$1.2m behind last year. The sudden reduction in resource activity has been almost replaced by demand for Royal Wolf products from customers in other industries across Australia and New Zealand.
- YTD leasing revenue was 3.8% (\$2.3m) above last year with growth greater than 5% being achieved in each of New Zealand, Victoria, New South Wales, Queensland and NT Customer Service Centre's, with WA declining.
- Leasing revenues comprised 57.4% for the quarter and 56.6% YTD of total revenues versus 52.9% and 46.8% in 2014FY.
- Average utilisation for the March 2015 quarter was 82.1% compared to 84.2% last year and YTD was 82.8% compared to 82.6% for 2014FY.
- Total revenues of \$36.2 million for the quarter and \$110.4m YTD, 9.9% and 14.2% behind 2014FY, with the reduction principally in the lower margin sales revenues.
- March quarter's EBITDA was \$679k (5.7%) behind the same quarter last year. EBITDA YTD is equal to last year. The quality of the leasing revenue is replacing the contribution from lower margin volume sales.
- YTD Trading EBITDA of \$32.9 million (margin of 29.8%) compares to \$33.8 million (margin of 26.3%) last year.

Management Commentary

Robert Allan, Chief Executive Officer said: "We continue our strategy of focusing on increasing the leasing revenue base from a diversity of regional customers and are pleased with our success."

"As we review the 2015 financial year to date, we see a slight contraction in sales revenue after adjusting for the influence of the significant one off sales in the same period last year. The underlying sales revenue base, excluding one off deals, is delivering a consistent gross margin which is relatively unchanged since listing in 2011. This maintenance of the base business sales gross margin is a complement to the team at Royal Wolf which can secure opportunities in a range of business sectors and geographies."

"For leasing revenue, we have greater than 5% year on year growth in New Zealand and four Australian States and, except for WA (impacted by resources), the other states reported similar levels to last year. The group is experiencing increased demand from the building and construction / infrastructure industry and is investing in relevant fleet to meet that demand".

"NPAT is being impacted by higher depreciation on portable buildings. A proportion of this product with high capital cost but low unit volume is not generating revenue while it is remarketed away from the energy sector, generally in disaggregated applications. We now have \$20.0m of assets idle that were deployed in resources / energy applications. Some units may be sold which would have the future effect of reducing debt and depreciation. Current market conditions do not indicate that redeployment will occur in the near term."

"While we secure that redeployment of the portable buildings, SG&A costs and container fleet capital expenditure have been and will continue to be reduced."

"The Group performance year to date reflects approximately \$1.2m of foregone contracted leasing revenue from the energy sector. However, FY15 leasing revenue is still forecast to exceed FY14. We are pleased that our diverse geographies and customer base has enabled us to replace this loss of rental income."

"Despite the issues faced in the resources / energy sector, current trends suggest that Royal Wolf will experience leasing revenue growth in FY16"

"On a regional basis, the New Zealand business continues to grow both its YTD revenue and trading EBITDA by low double digits in NZD across both leasing and sales, demonstrating a strong deliverable in a positive marketplace and an expanded product range. The Australian business performance achieved consistent sales gross margin, however decline in energy / resources activity was not fully offset by other industry leasing demand"

"Debt is currently at a high point with the combination of investment for growth in the building and construction / infrastructure industry, the revenue and EBITDA drop from the energy sector and the strategic purchase of our purpose built hub for the Auckland market to secure long term tenure. Anticipated lower net fleet capital expenditure and reduced inventory spend is forecast to reduce the debt levels over the next 6 months."

“The absence of significant sales during 2015FY and the reduced energy / resources activity indicates an outcome for FY15 EBITDA marginally behind FY14. Of note, Royal Wolf approaches the new financial year with good momentum in leasing revenue and already has over \$8.0m of significant sales orders for delivery in the FY16 year. Fleet capex in FY16 is anticipated to be lower than previous years as idle equipment is absorbed or sold, with the probable impact being good cash flow generation and reduction in debt.”

General Finance Corporation (NASDAQ: GFN) is the majority shareholder owning just over 50% of our issued shares. Therefore these results are consolidated in General Finance Corporation results. General Finance Corporation intends to lodge its Form 10-Q with the U.S. Securities and Exchange Commission mid-May, and that form will be available for download at <http://www.generalfinance.com/investor.html> once lodged.

Shareholders should note that the results presented by General Finance Corporation are in U.S. Dollars and have been prepared in accordance with Generally Accepted Accounting Principles in the United States (US GAAP).

For further information please contact:

Robert Allan
Chief Executive Officer
+61 2 9482 3466

Greg Baker
Chief Financial Officer
+61 2 9482 3466

About Royal Wolf

Royal Wolf is Australasia's largest provider of container solutions with 32 facilities including 28 dedicated Customer Service Centres located throughout Australia & New Zealand and a hire fleet of approximately 42,300 containers at 31 March 2015. Royal Wolf has 19 years of experience and a commitment to providing superior customer service. We offer over 100 container based designs with applications in portable storage, portable buildings, mining camps and freight containers.

Financial Information

(\$ in thousands)

	Quarter ended March 31,			Nine Months ended March 31,		
	FY2015	FY2014	Growth %	FY2015	FY2014	Growth %
Container lease revenue	20,753	21,267	-2.4%	62,490	60,187	3.8%
Container sales revenue	15,432	18,905	-18.4%	47,865	68,365	-30.0%
Total revenue	36,185	40,172	-9.9%	110,355	128,552	-14.2%
Trading EBITDA*	11,181	12,344	-9.4%	32,895	33,820	-2.7%
EBITDA	11,136	11,815	-5.7%	32,566	32,566	0.0%
EBITA	7,017	8,236	-14.8%	20,681	22,734	-9.0%
EBIT	6,252	7,173	-12.8%	18,503	19,576	-5.5%
Underlying NPAT**	4,028	4,714	-14.5%	11,490	12,804	-10.3%
NPAT	3,515	3,786	-7.2%	9,858	10,166	-3.0%
EPS	3.5	3.8	-7.2%	9.8	10.1	-3.0%
Net Debt				137.9	119.3	15.5%
Fleet capital expenditure	7.4	2.6	184.6%	17.8	24.0	-25.8%
Acquisition capital expenditure	-	-		1.7	5.6	-69.6%

* Trading EBITDA is calculated to eliminate the impact of unrealised exchange gains and losses and mark to market revaluation of FX hedge instruments which we do not consider to be indicative of the performance of our ongoing

**Underlying NPAT

NPAT	3,515	3,786	9,858	10,166
Items not forming part of the normal ongoing operating activity				
Mark to market valuation loss/(gain) for interest rate swaps	-	(78)	14	(253)
Unrealised exchange loss/(gain) on forward contracts	45	529	329	1,254
Amortisation of intangible assets related to business acquisitions	688	874	1,988	2,767
Subtotal	733	1,325	2,331	3,768
Tax effect	(220)	(398)	(699)	(1,130)
Subtotal	513	928	1,632	2,638
Underlying NPAT	4,028	4,714	11,490	12,804

Key Operating Metrics

Lease fleet			42,317	40,696
Units on lease			33,528	33,406
Utilisation %			79.2%	82.1%
Average units on lease	34,594	34,439	34,127	33,345
Average utilisation %	82.1%	84.2%	82.8%	82.6%
Container lease % of total revenue	57.4%	52.9%	56.6%	46.8%
Container sales % of total revenue	42.6%	47.1%	43.4%	53.2%
EBITDA/ATTA	17.3%	18.2%	17.3%	18.2%