



October 22 2015

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

Dear Sir/Madam

ROYAL WOLF HOLDINGS LIMITED: First Quarter 2016 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 33 facilities including 29 dedicated Customer Service Centres located throughout Australia & New Zealand and a hire fleet of approximately 41,500 containers at 30 September 2015. Royal Wolf has 20 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 presents a summary of the key underlying information provided to General Finance Corporation for inclusion in their first 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 revenues were \$18.7 million, a decrease of \$1.8 million, or 8.7% over the first quarter of 2015FY. Lease revenue from the Resource and Energy Sectors is \$2.3m behind last year.
- Container sales revenues were \$15.3 million, a decrease of \$0.6 million, or 3.6% over the first quarter of 2015FY.
- Container leasing revenue comprised 55.1% of total revenue versus 56.4% last year.
- Total revenues were \$34.0 million, a decrease of \$2.3 million, or 6.5% over the first quarter of 2015FY.
- 30th September 2015 utilisation was 77.9% compared to 82.5% at 30 September 2014. Removals industry is the notable contributor to lower utilisation which is at 50.2% compared to 61.8% last year. On this basis no fleet capex has been expended in the lead up to this year's peak removals season as we have fleet available for our customers.
- Net debt reduced by \$7.0 million in the first quarter as a result of disciplined cost control and reduced fleet expenditure.
- EBITDA of \$8.4 million (margin of 24.6%) compared to \$9.7 million (margin of 26.6%) last year.
- Net Profit after Tax (NPAT) attributable to ordinary shareholders of \$1.3 million or 1.3c per share compared to \$2.7 million or 2.7c per share last year.

Management Commentary

Robert Allan, Chief Executive Officer said: "As we review the quarter and as foreshadowed at our 2015FY results, the effect of the reduced container leasing revenue from the energy / resources sectors of approximately \$2.3m for the quarter is impacting on our performance."

"We were able to continue to reduce net debt in the first quarter from \$125.6m at 30 June to \$118.6m at 30 September as a result of disciplined cost control, working capital management and appropriate fleet expenditure."

"Approximately \$4.0m in asset value of the idle resources and energy sector buildings have been redeployed to the CSC network for building and construction use. Since the contraction of demand for accommodation solutions in the resources and energy sector in mid-2014, a total of \$7.6M of these assets have been redeployed or sold. The take up of Royal Wolf portable buildings in the construction industry is not of a scale to counter the offhire impact from the late 2015FY Resources and Energy sector contraction. The redeployment does reinforce that Royal Wolf's diverse industry customer base is a valuable asset."

"The \$12.0m of significant low margin sales orders in the Freight sector advised in our 2015FY results release are scheduled for delivery in the second quarter of 2016FY."

"We have also entered into sales contracts for the disposal of our two owned New Zealand properties for settlement in October with net proceeds of approximately A\$13.5m which will be applied directly to debt reduction."

"As we have demonstrated to the market, without the fleet capex demands for growth, we do anticipate significant debt reduction."

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-November, 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:

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Financial Information

(\$ in thousands, QE 30 September)

		Actual	
	FY2016	FY2015	Change
Container lease revenue	18,709	20,485	-1,776
Container sales revenue	15,251	15,822	-571
Total revenue	33,960	36,307	-2,347
EBITDA	8,353	9,650	-1,297
EBITA	4,340	5,970	-1,630
EBIT	3,579	5,275	-1,696
Underlying NPAT*	1,900	3,252	-1,352
NPAT	1,323	2,731	-1,407
EPS	1.3	2.7	-1.4
Net Debt	118.6	114.4	4.2
Fleet capital expenditure	3.6	2.5	1.1

*Underlying NPAT

NPAT

Items not forming part of the normal ongoing operating activity

Mark to market valuation loss/(gain) for interest rate swaps

Unrealised exchange loss/(gain) on forward contracts

Amortisation of intangible assets related to business acquisitions

Subtotal

Tax effect

Subtotal

Underlying NPAT

1,323	2,731
0	7
135	95
688	643
824	745
(247)	(223)
577	521
1,900	3,252

Key Operating Metrics

Lease fleet	41,484	40,349
Units on lease	32,325	33,285
Utilisation %	77.9%	82.5%
Average units on lease	32,224	33,004
Average utilisation %	77.6%	81.9%
Container lease % of total revenue	55.1%	56.4%
Container sales % of total revenue	44.9%	43.6%
EBITDA/ATTA	15.7%	18.3%

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