

FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2009

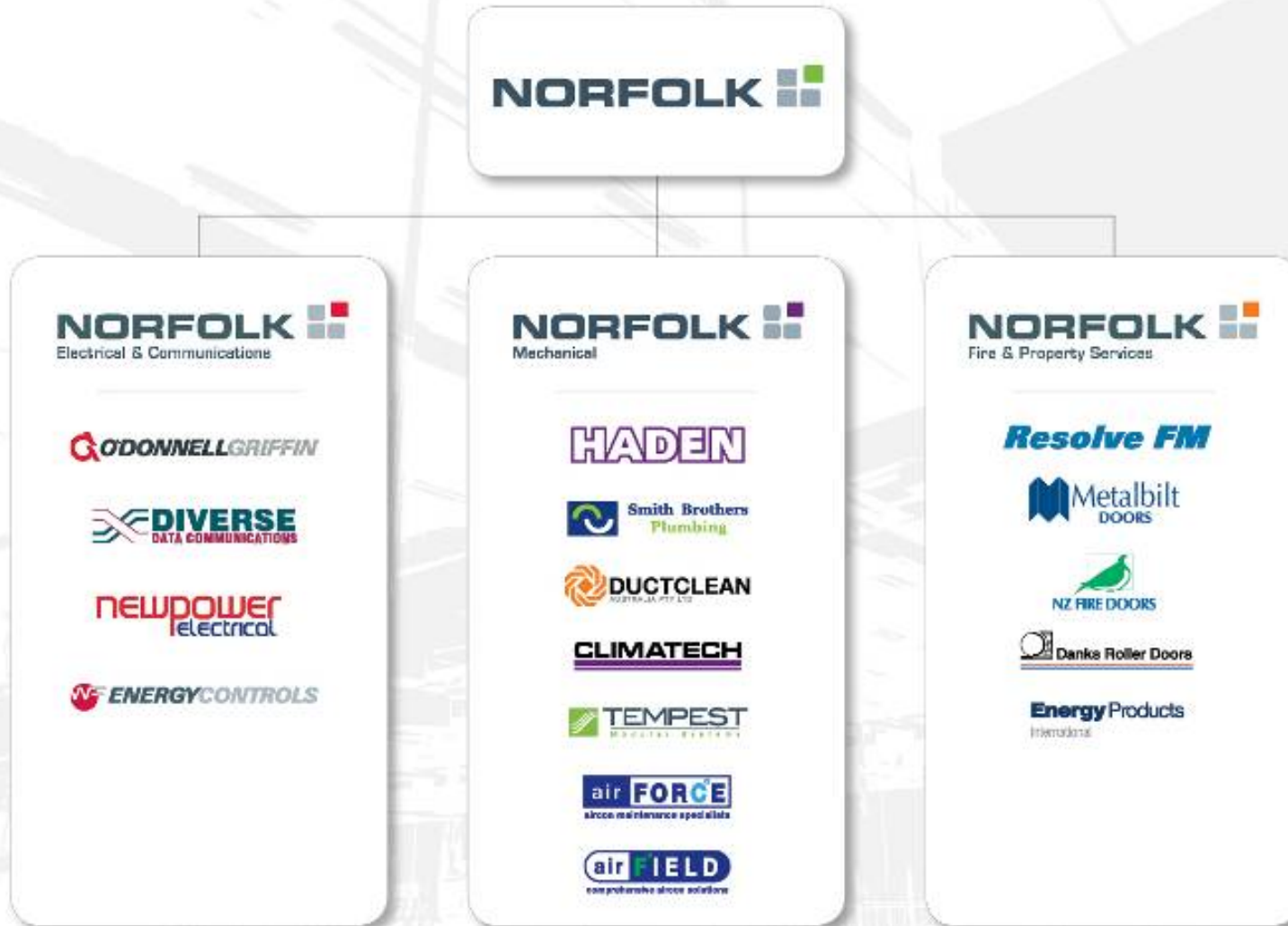
ASX: NFK
27 MAY 2009

NORFOLK 

NORFOLK
IS A LEADING
INTERNATIONAL
PROVIDER OF
INTEGRATED
BUILDING &
ENGINEERING
SERVICES

NORFOLK 

Integrated resources, Established businesses



Employees

~1360

~1850

~410

Our international footprint



Agenda

1. FY2009 key points
2. Financial performance
3. Operation and division review
4. Strategy
5. Outlook
6. Q&A

FY2009 key points

- FY2009 Revenue of \$744.2m, steady year-on-year ⁽¹⁾
- Normalised EBIT of \$28.9m, within guidance range ⁽¹⁾
- Normalised NPAT of \$15.0m, EPS 11.5 cents ⁽¹⁾
- One-off impairment charge of \$13.5m relating to legacy rail project
- Net operating cash flow solid at \$19.7m
- O'Donnell Griffin Rail secured largest-ever single contract for the Group (RailCorp ~\$400m)
- Haden service achieved 14% year-on-year growth in revenue
 - \$570 million of FY2010 revenue underpinned by current contracts, work orders and ongoing service commitments



1. FY2009 key points

2. Financial performance

3. Operation and division review

4. Strategy

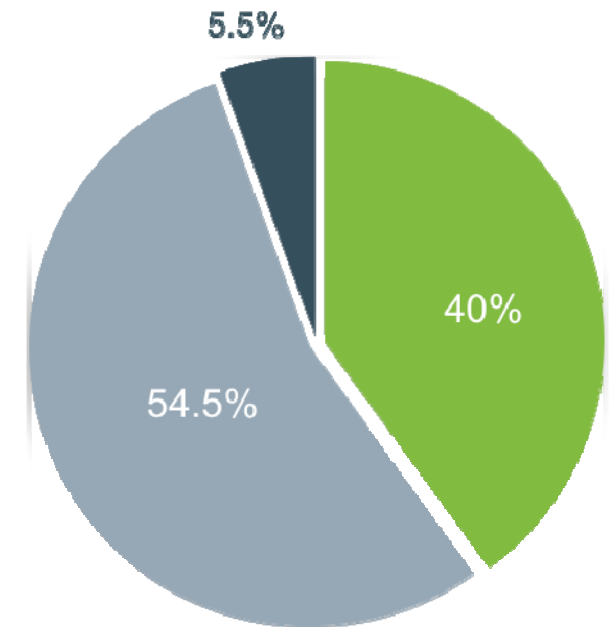
5. Outlook

6. Q&A

Financial performance commentary

- FY2009 Revenue of \$744.2m (FY2008: \$744.8m) ⁽¹⁾
- Normalised EBIT of \$28.9m ⁽¹⁾
 - One-off impairment of \$13.5m
 - Statutory EBIT of \$15.4m
- Normalised NPAT of \$15.0m ⁽¹⁾
 - Statutory NPAT from continuing operations of \$5.6 million
 - EPS 11.5 cents
- EBIT margin 3.9% ⁽¹⁾
 - Australian margin improved from 5.7% to 5.9%
 - Overall Group margin impacted by rapid decline of NZ economy
- Maintained focus on stable, quality earnings
 - Contribution to gross profit from maintenance and recurring services increased to 54.5% (from ~52.0% in FY2008)
- Net operating cash flow solid at \$19.7m
- Strong balance sheet, proactive steps to refinance debt facility
- No FY2009 dividend declared, ongoing focus on reducing debt

Gross profit contribution



- Installation and other non-recurring services
- Maintenance and recurring services
- Alliance contracting

(1) Excludes one-off impairment charge (SSR Project) and discontinued operations (Trafalgar)

Financial performance: income statement summary

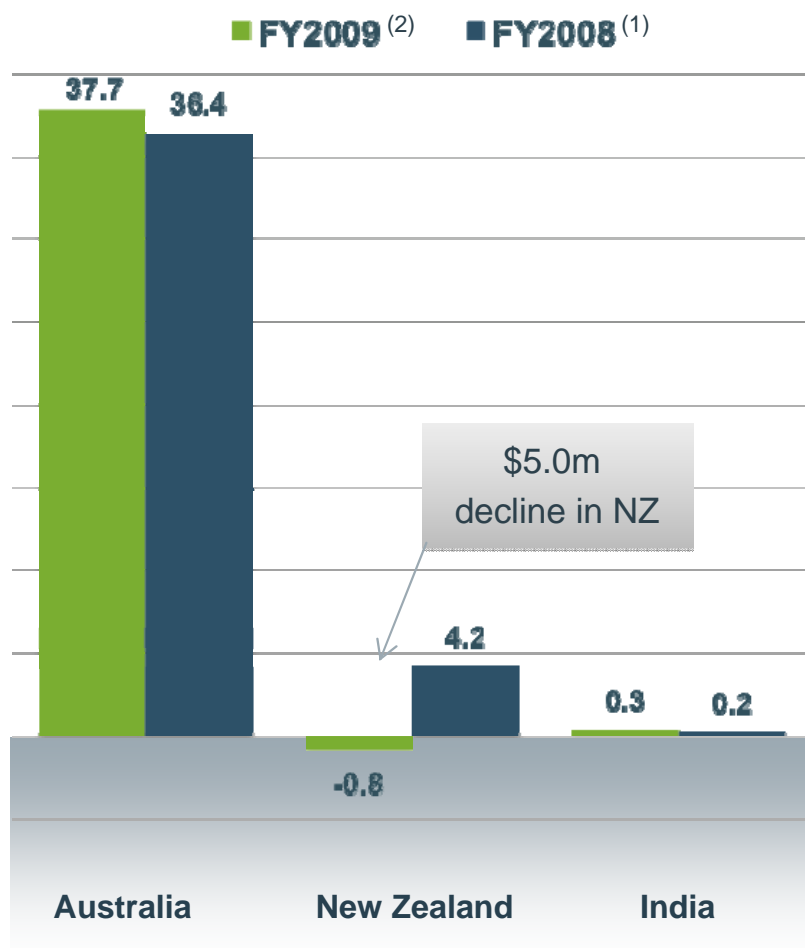
AU\$ million	FY2009	FY2009	FY2008
	Statutory	Normalised ⁽¹⁾	Pro forma
Revenue	744.2	744.2	744.8
EBITDA	20.2	33.7	38.6
EBIT	15.4	28.9	33.5
EBIT Margin %	2.1%	3.9%	4.5%
NPAT from continuing operations	5.6	15.0	19.5
NPAT including discontinued operations	4.4	13.8	20.0
EPS (cents) from continuing operations ⁽²⁾	4.3	11.5	15.0

(1) Excludes one-off impairment charge (SSR Project)

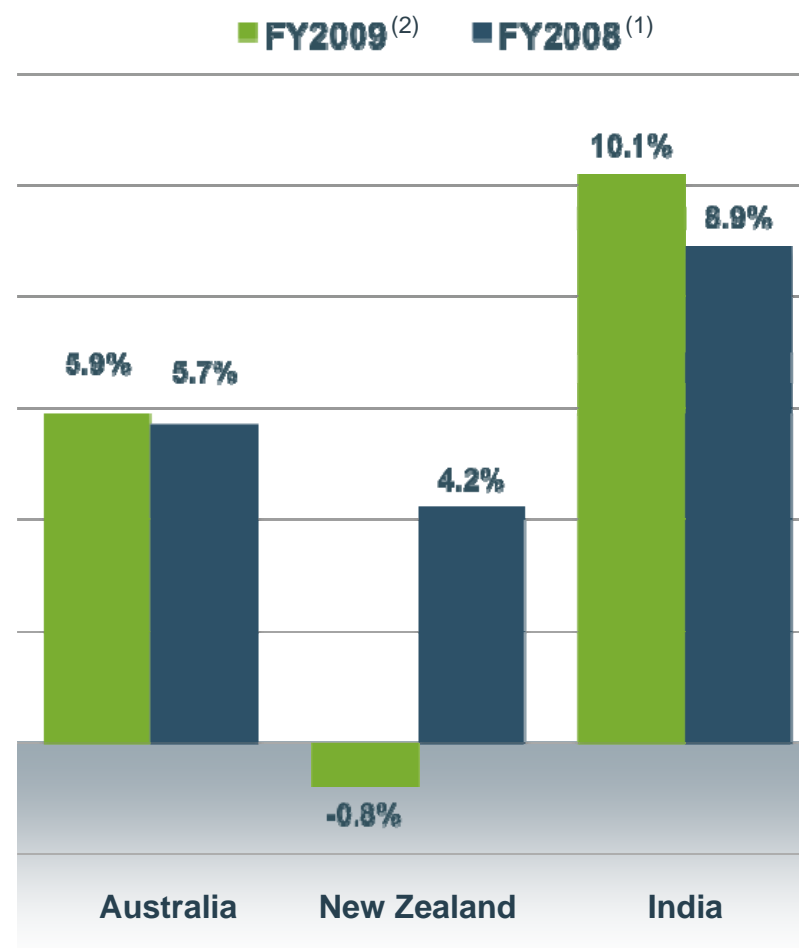
(2) Based on issued capital (130,000,000) undiluted

Financial performance

Operating EBIT AU\$ million by Country



EBIT Margin % by Country

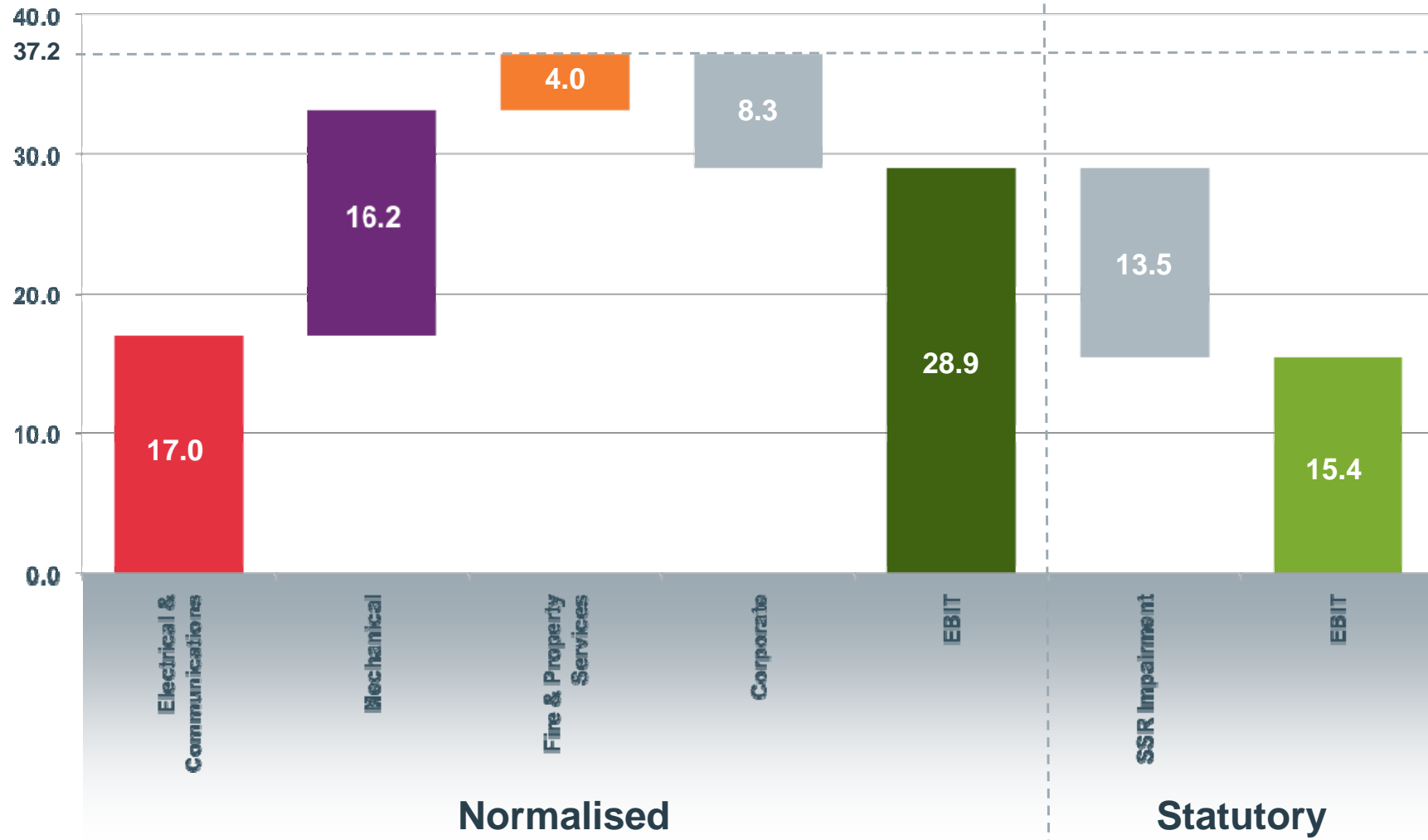


(1) Pro forma excluding discontinued operations (Trafalgar)

(2) Excludes one-off impairment charge (SSR Project) and discontinued operations (Trafalgar)

Impact of Southern Suburbs Rail Project impairment

EBIT AU\$ million



Cash flow summary

AU\$ Million	FY2009	FY2008
	Statutory	Pro forma
EBITDA	18.5	39.5
Change in Working Capital	12.5	(1.1)
Net Interest Paid	(7.0)	(6.1)
Income Tax Paid	(4.3)	(4.4)
Net Operating Cash flow	19.7	27.9

- Net operating cash flow remains solid
- Change in Working Capital attributable to SSR Project impairment
- Interest paid in FY2009 includes \$1.0 million of FY2008 expenses not paid until FY2009

NOTE: Cash flow summary includes discontinued operations. In both FY2008 and FY2009 Trafalgar's net operating cash flow was negative \$0.5 million.

Balance sheet, capital structure & dividend policy

Balance sheet summary	AU\$m
Total Assets	268.7
Total Liabilities	237.8
Total Equity	30.9

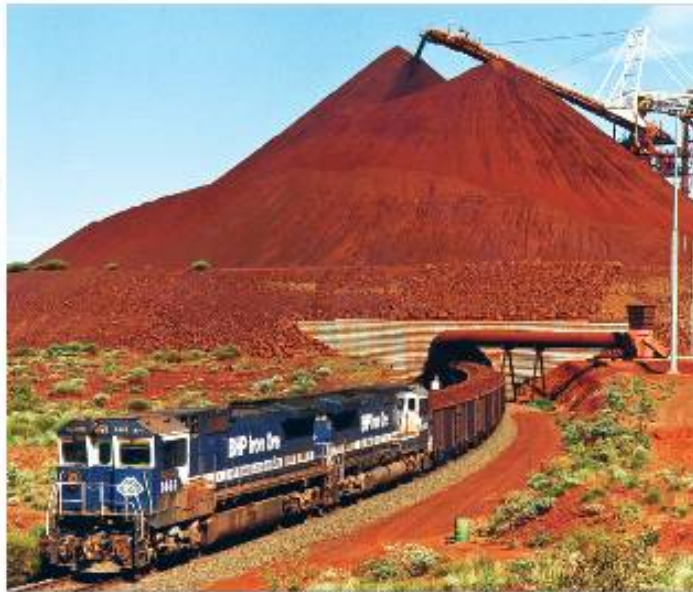
Debt Details	AU\$m
Net Debt (includes finance leases)	49.5
Term Debt / Working Capital Facility	110.0
Bond Facility	50.0
Maturity date	July 2010

- Debt reported as current due to agreement reached with banks on treatment of impairment, post 31 March 2009
- Proactive engagement with banks for three year debt facility, discussions well advanced
- No FY2009 dividend declared, focus on debt reduction

Key points: Southern Suburbs Rail (SSR) Project

- \$1.5 billion rail infrastructure project to link Perth and Mandurah (Western Australia)
- O'Donnell Griffin contracted in 2004 prior to the formation of Norfolk
- Practical completion in 2007; technically sound and running well
- Dispute resolutions in relation to a receivable for the SSR Project have been ongoing
- On 7 May 2009, Norfolk announced that it will incur a one-off impairment charge of up to \$14 million
- The one-off impairment impacts EBIT for the 2009 financial year by \$13.5 million
- The impairment does NOT impact Norfolk's 2009 cash flow or the calculation of bank covenants
- Norfolk is continuing to pursue its rights in relation to the SSR Project
- Current company policies and practices would not permit Norfolk to enter into a contract with such onerous conditions
- The SSR Project has been a springboard for other rail projects

O'Donnell Griffin Rail on track



- **South Improvement Alliance (SIA)**
Melbourne to Sydney rail corridor upgrade
Value: ~\$160million

- **BHP Billiton Rapid Growth Projects**
O'Donnell Griffin has been contracted for RGP1 (ADP), RGP2, RGP3 and RGP4
Value: ~\$60million

- **RailCorp (Novo Rail Alliance)**
Largest single contract for Norfolk Group, alliance with Laing O'Rourke and Connell Wagner
Value: ~\$400million

- **ONTRACK (NZ)**
First overseas rail project, expected to expand
Value: ~\$17million

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Electrical & Communications division

FY2009 highlights

Rail

- RailCorp Program Alliance (RPA), \$1 billion over 5 years
- BHP Billiton's Rapid Growth Project (RGP4)
- First international rail contract with ONTRACK (NZ Government)
- Continuation of South Improvement Alliance with ARTC

Water

- Completion of the Warragamba Dam Electrical Upgrade
- SCADA and Telemetry Control (IICATS) for Sydney Water Corporation
- Cascade (Water Treatment Plant) and Orchard Hills (Sewage Treatment Plant)
- Awarded as SA Water approved provider

Power

- Solar panel installation project with Origin Energy
- Energex projects
- Callide B Power Station Control System upgrade contract with CS Energy
- Tarong Power Station Control System upgrade contract with Siemens

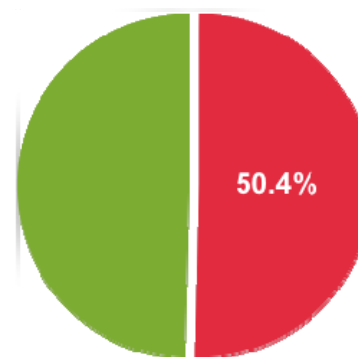
Resources

- Dalrymple Bay Coal Terminal Redevelopment (Queensland)
- Completion of OZ Minerals Prominent Hill project (SA)
- Completion of contract with Fortescue Metals Group (FMG)

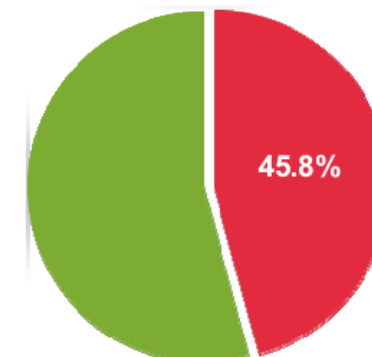
Other

- Adoption of state-of-the-art field automation tools
- Enhanced national service contracts (Optus, Crown Castle, Origin Energy)
- Diverse Data Communications secured INTACT contract (ACT)

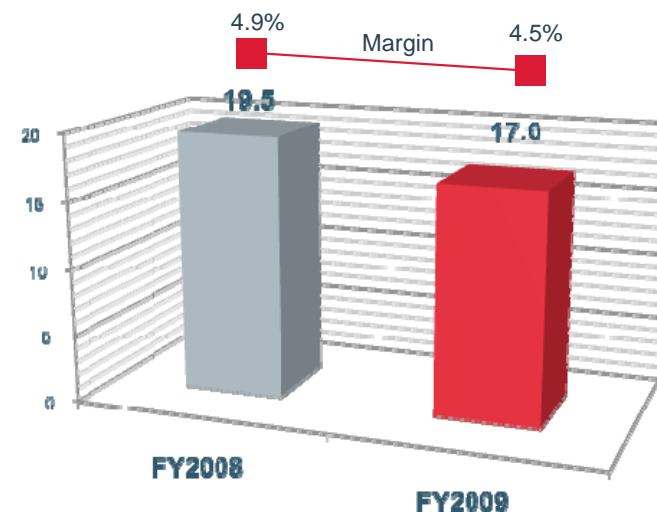
Group revenue contribution



Group EBIT contribution



Division EBIT (AU\$m) ⁽¹⁾



Mechanical division

FY2009 highlights

Haden Service

- 14% year-on-year growth in recurring service revenue
- Contract wins: Visy, Serco Sodexo, Delta Electricity and Westfield
- HVAC&R, maintenance, emergency services contract with BHP Billiton

National Key Accounts

- Year-on-year growth in revenue of 54%
- New NKA clients include NAB, Caltex, David Jones, Ericsson and IBM
- MOU with Jones Lang LaSalle (Australia, NZ and India)

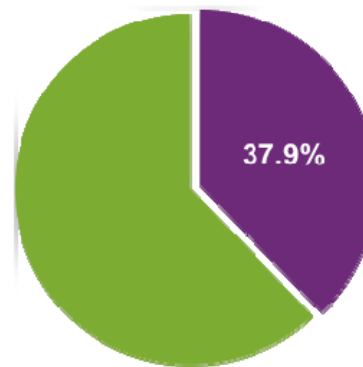
Construction

- Bovis Lend Lease 420 George Street Project
- Hedland Regional Resource Centre Project (WA)
- William McCormack Place Stage 2 (Queensland)
- University of Queensland (Chemical Engineering and Hawkins Building)
- CSIRO Laboratory (ACT)
- Panda enclosure, Adelaide Zoo

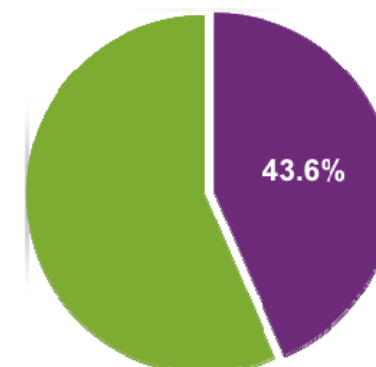
Other

- Acquisition of air conditioning service business in Alice Springs
- Green field branches in Wagga Wagga (NSW) and Bunbury (WA)
- Norfolk Mechanical India expanded operations from 11 to 20 branches
- Signed JV with Novus Capital, for mech/electrical/plumbing (MEP) in UAE

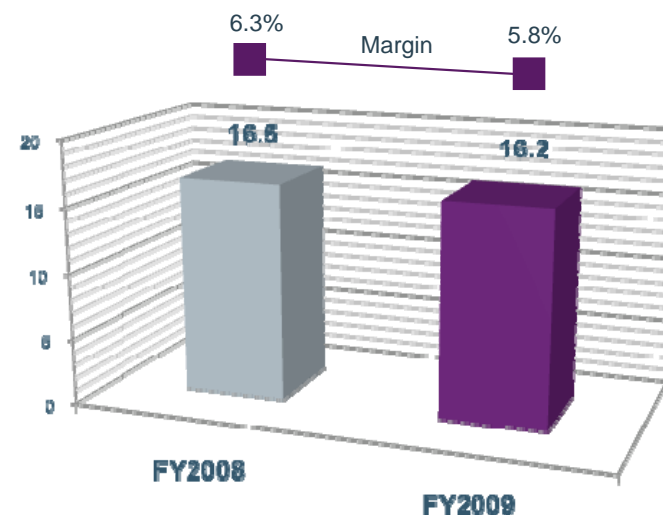
Group revenue contribution



Group EBIT contribution



Division EBIT (AU\$m)



Fire & Property Services division

FY2009 highlights

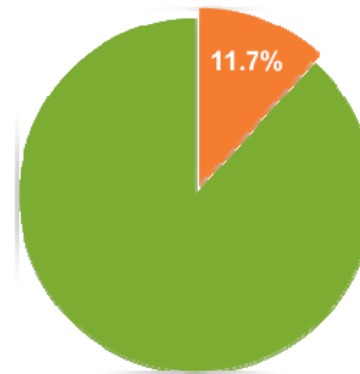
Resolve FM

- New contracts: University of Wollongong (NSW), Ford Motor Company, Australian Air Express, KPMG, Mercedes, Dept. of Immigration and Citizenship's (DIAC)
- Ongoing contracts: General Motors Holden, South Windsor Correctional Centre (NSW), American Express, Credit Suisse, Dept. of Human Services (Victoria), Dept. of Housing (HomesWest)
- Tendered first Public-Private Partnership (PPP) in corrective services
- Launched Group-wide call centre, calls up from 2,000 to 20,000 per month
- Secured first contract in Health sector

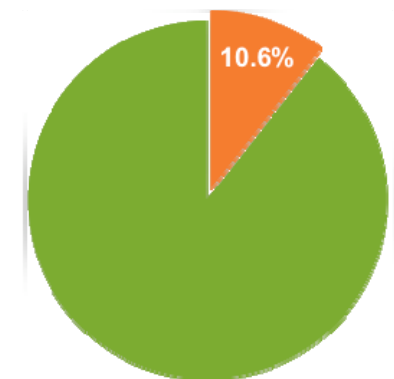
Building Products

- Trafalgar business restructured and divested
- Strong sales performances in NZ by Energy Products Int. (EPI) & Metalbilt® Doors, in difficult trading conditions
- EPI saw strong demand for its air handling units, boilers, radiators and chillers in a number of infrastructure areas including education, hospitals and airports
- Strength of Metalbilt®'s customer base (Fletcher Construction, Hawkins Construction, Mainzeal Property & Construction and Brookfield-Multiplex in particular), was instrumental in the attraction of a number of high quality projects
- Metalbilt®'s development of the Fyreshield™ fire rated roller shutter system, instrumental in securing the AMI Stadium upgrade

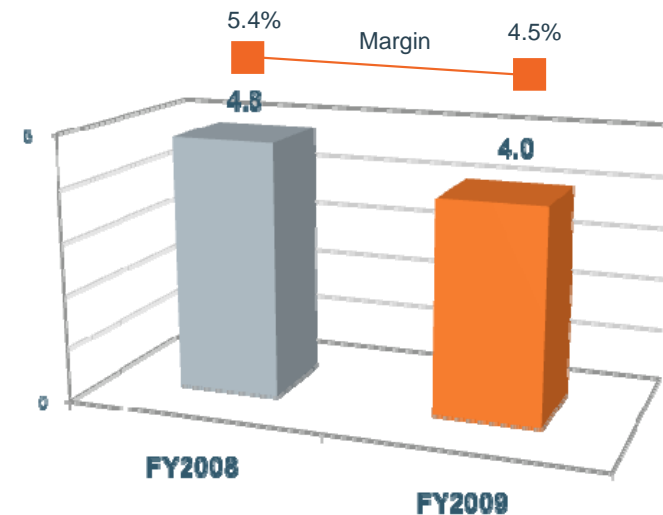
Group revenue contribution



Group EBIT contribution



Division EBIT (AU\$m) ⁽¹⁾

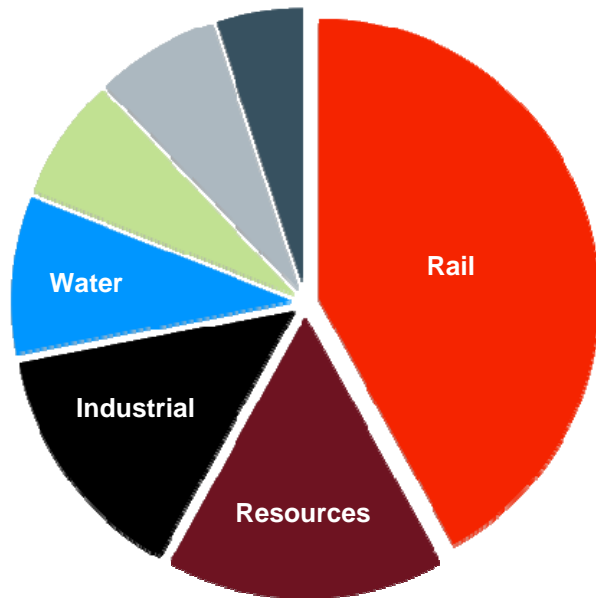


Key drivers and industry outlook

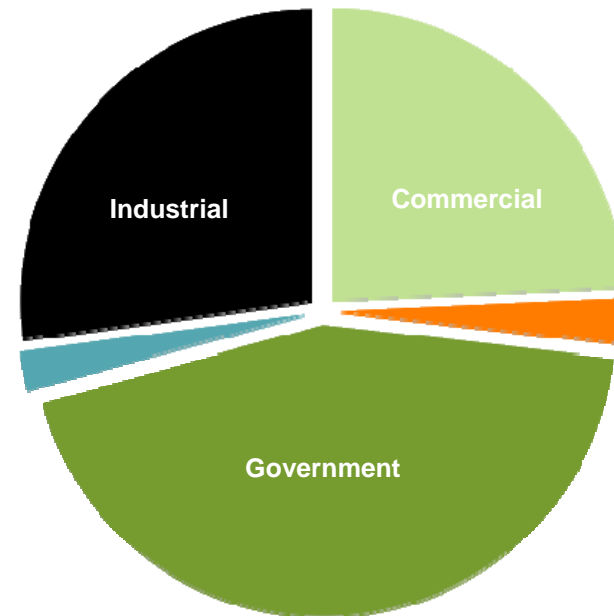
	Electrical & Communications	Mechanical	Fire & Property
Sector	Rail, water, power, communications, resources, industrial, government	Government, health, education, commercial, retail, resources, industrial	Industrial, commercial, government, infrastructure, defence, custodial, health
Key Industry Drivers	<ul style="list-style-type: none"> ■ Positioned for growth through averaging existing and new opportunities in the transport infrastructure, water, power generation, communications and resources sectors ■ Strong position to benefit from state and federal government investment ■ Active steps to extend water industry expertise to other geographies in Australia ■ Power generation team is increasing its profile in Victoria and NSW and looking to identify new market opportunities on co-generation works in those markets ■ Well placed to draw on experience in the resources sector as economies recover ■ Targeting long-term 'alliance' contract work; alliance-style activity currently delivers almost 40 per cent of the division's gross profit 	<ul style="list-style-type: none"> ■ Major government works to come out of the recently announced stimulus packages bode well ■ Dedicated marketing campaign to target 6000 schools for the 'Building the Education Revolution' investment ■ Anticipated improvements in operations in New Zealand through a reduction in fixed costs, consolidation of businesses and signs of a gradually improving economy ■ An ongoing dedication to customer retention and expansion through Haden's customer symposium program ■ Outlook focused on building recurring service revenue and growing the portfolio of National Key Accounts (NKA) 	<p>Resolve FM</p> <ul style="list-style-type: none"> ■ The flow through of government stimulus packages expected to positively impact accommodation upgrade activities ■ The need for cost reductions will drive demand for specialist facility management ■ Commitment to key sectors: commercial property, tertiary education, industrial, automotive, custodial, corrective services, defence, health <p>Building Products</p> <ul style="list-style-type: none"> ■ Earnings growth through negotiated contracting and recurring service and maintenance work ■ Maintain focus on infrastructure projects and commercial construction with fire protection needs (i.e. sports stadiums), secondary/tertiary education, airports, hospitals

Robust market sectors, diversity of earnings

Electrical (O'Donnell Griffin)

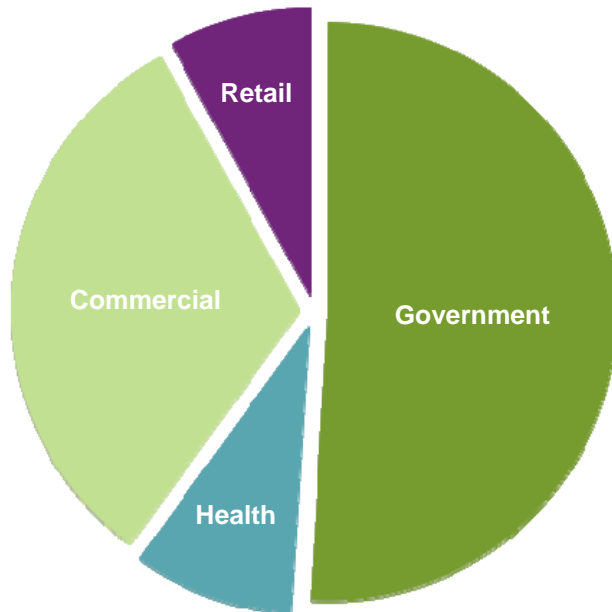


Resolve FM

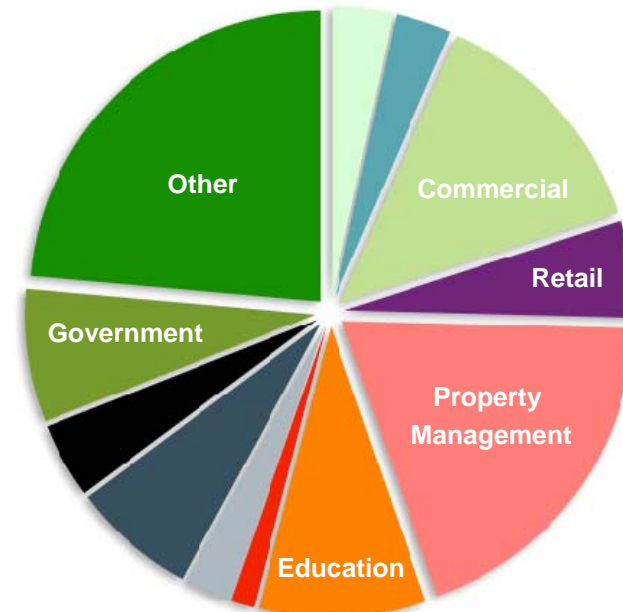


Robust market sectors, diversity of earnings

HVAC Installation (Haden)



HVAC Service (Haden)



- Government
- Commercial
- Rail / Transport
- Communications

- Retail
- Education
- Health
- Property Management

- Entertainment
- Information Technology
- Food & Beverage
- Other (Utilities, Financial Services, Manufacturing, Resources)

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Strategy

1. Focus on stable sectors

Maintain focus on the more stable government, infrastructure (water, rail, power), industrial, commercial, healthcare etc sectors

2. Recurring & alliance-style revenue

Sustainable organic growth through increased percentage of total revenue from recurring and alliance-style contracts

3. Technology leaders

Develop and grow expertise in niche sectors through the harnessing of technology

4. Leverage existing customer network

Broaden customer touch-points across the suite of Norfolk Group products and services

5. Build strong health & safety culture

Focus on operational improvement; align safety targets with incentive programs

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Outlook

- Economic outlook remains uncertain; little sign of improving in financial year 2010
- The fundamentals of the Norfolk Group businesses are solid
- Maintain commitment to existing Norfolk Group strategy, including stable sector focus
- \$570 million of FY2010 revenue underpinned by contracts, work orders and ongoing service commitments (as at 31 March 2009)



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NORFOLK 