



18 February 2016

ORDER BOOK AND CASH CONVERSION REMAINS STRONG FOR RCR HALF YEAR

Diversified Engineering and Infrastructure Company, RCR Tomlinson Ltd (ASX: **RCR**) today reported its half year results for the six months ending 31 December 2015 ("HY16"), delivering an Underlying Net Profit after Tax of \$9.7 million before acquisition costs.

HIGHLIGHTS

- Order Book up 15% to **\$821 million**
 - Order Book excludes preferred contractor status on **+\$300M** of new works
- Revenue of **\$515.3 million**
- EBITDA* of **\$25 million**, down 37%
- Underlying NPAT* of **\$9.7 million**
- Statutory NPAT of **\$8.9 million**
- Interim Dividend of **1.75 cents per share**, unfranked
- Net Debt of **\$32 million**, gearing 9.2%

Movements relate to the prior comparative period, being six months ended 31 Dec 2014

* Before acquisition costs of \$0.8 million

Revenue for the half was \$515.3 million, down 12% from near-record levels achieved in the prior comparative period, however, in line with the level of activity in the second half of the 2015 financial year. The lower revenues were predominantly a reflection of the reduction in infrastructure spending in the first half.

RCR continued to deliver strategic acquisitions by increasing our presence in the Infrastructure sector with the acquisition of a WA Water business and major project awards in water in WA and NSW. RCR's order intake during the half was approximately \$500 million leaving RCR with a solid forward order book of \$821 million at the end of the half.

RCR has recently been nominated as preferred contractor for over \$300 million of new work that includes a large power generation project.

RCR will continue to increase its presence in the Infrastructure and Energy markets in Australia, New Zealand and SE Asia and is well positioned for larger EPC contacts in the Resources sector that are currently under adjudication. In the Infrastructure and Energy markets, the Company continues to target further opportunities in solar and gas generation, rail, road tunnels, facilities management and water.

Footnote: RCR's financial reporting complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS"). Underlying EBITDA and underlying NPAT, both adjusted for transaction costs, is unaudited but is derived from the auditor reviewed half year financial report. RCR believe the non-IFRS earnings reflect a more meaningful measure of the Company's underlying performance.

RCR continues to adjust its business and reduce costs in order to be more competitive in today's market.

At 31 December 2015, the Company had a Net Debt of only \$32 million, a low gearing ratio of 9.2% and cash and available facilities of \$277 million.

MANAGING DIRECTOR'S COMMENTS

Commenting on the half year results RCR's Managing Director, Dr Paul Dalglish said, "this is a reasonably solid result for the half and our gearing remains low considering we funded the acquisition of our Western Australian Water business, absorbed its working capital and paid increased dividends. We have strengthened our position in the Infrastructure and Energy sectors, winning contracts in rail, water, resources and power station maintenance. We are also the preferred contractor on some large opportunities in power generation, both gas and solar.

"We remain committed to our long-term growth strategy through diversification of both revenue streams and geographies. Our balance sheet provides us with the capacity to pursue acquisition opportunities that support these objectives.

"With a solid pipeline of opportunities, a recurring revenue base and a forward order book that now stands at \$821 million, and with the conversion of preferred status on a number of key opportunities, I believe we are well positioned to grow in FY2017."

INTERIM DIVIDEND

The Board has maintained the interim dividend payout ratio of 27%, declaring an interim dividend of 1.75 cents per share, unfranked for the half year.

The record date for entitlement to the interim dividend of 1.75 cents per share, will be 10 March 2016 and the payment date will be 6 April 2016.

INVESTOR PRESENTATIONS

RCR will be undertaking Investor roadshows to meet with institutional shareholders, brokers and analysts commencing today. A copy of RCR's Investor Presentation will be provided on the ASX Announcements Platform and on the Company's website.

For further information please contact:

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About RCR

RCR Tomlinson Ltd (ASX code: RCR) (“RCR”) is one of Australia’s oldest and most diversified engineering and infrastructure companies providing turnkey integrated solutions to clients in the **infrastructure**, **energy** and **resources** sectors.

RCR’s core capabilities encompass structural, mechanical, piping and electrical disciplines, railway signalling & overhead wiring systems; OEM supply of materials handling and process equipment; asset repair and maintenance services; HVAC; facilities management, design and construction of power generation plants (using a wide range of fuels, solar and wind), integrated oil & gas services, both onshore and offshore; and water infrastructure solutions.

RCR has operations across Australia, Asia and New Zealand. Additional information is available at www.rcrtom.com.au.