

28 August 2015

2015 Full Year Results

Highlights

- Revenue of \$660.2 million from mining operations
- Consolidated loss after tax of \$217.9 million due to impairments taken on equipment, goodwill and inventory assets
- Profit before tax from continuing operations of \$13.7 million before asset write downs and onerous lease provision
- Strong operating cash flow of \$53.8 million in tough market
- Debt free – repayment of Syndicated Facility in July 2015
- Net cash at 30 June 2015 of \$74.2 million
- Healthy balance sheet
- Order book of \$1.2 billion
- Expected 2016 revenue in the range of \$280 - 350 million
- >\$2 billion of tenders currently under consideration

Macmahon Holdings Limited (ASX: MAH) today announced its full year results for the year ending 30 June 2015, reporting a loss after tax of \$217.9 million following impairments taken on equipment, goodwill and inventory assets.

Revenue from continuing operations for the year totalled \$660.2 million. Profit before tax from continuing operations totalled \$13.7 million before asset write downs and an onerous lease provision. Operating cash flow of \$53.8 million from mining operations remained healthy.

Macmahon Chief Executive Officer, Sy van Dyk, said while the year had been extremely challenging for the business, Macmahon had successfully restructured to become a leaner and more efficient organisation.

“Over the past twelve months we have worked hard to restructure our business to align with the current environment. We have consolidated our Perth facilities, reduced layers of management and significantly reduced our cost base,” Mr van Dyk said.

“In addition, the sale of the Company’s Mongolian business and the settlement of the CSA claim have provided a major financial cash boost to the organisation. Accordingly we have recently repaid our debt and closed our syndicated banking facility. All of these changes have put us in a much stronger, more competitive position,” he said.

Commenting on Macmahon's mining operations, Mr van Dyk said the Company was focused on achieving greater productivity and efficiency gains.

"Our operational performance at our major surface operation, Tropicana, has improved significantly during the year, and we are on track to achieve further productivity improvements this year," Mr van Dyk said.

"Meanwhile, across our underground and international operations, Macmahon has continued to perform in line with expectations, providing a strong base for future growth," he said.

Highlighting the Company's continued performance; a 5 year contract extension at the Lafarge Kanthan Quarry in Malaysia was also awarded during the year. Mr van Dyk said the Company was focused on growing its order book both in Australia and overseas.

"We are currently tendering more than \$2 billion of new work. This work is spread across numerous clients and geographies and covers a range of commodities including gold, copper, nickel, iron ore, coal and phosphate," Mr van Dyk said.

"We are optimistic that given our revised operating model and lower operating costs, we will be successful in securing some of this work in the near future," he said.

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For further information, please contact:

Christian Sealey Group Manager – Investor Relations & Communications +61 497 828 300

About Macmahon

Macmahon is a leading Australian company providing the complete package of mining services to clients throughout Australia and in New Zealand, South East Asia and Africa.

An ASX listed company, Macmahon's diverse and comprehensive capabilities provide an end to end service offering to its mining and engineering clients.

Macmahon's extensive experience in both surface and underground mining has established the Company as the contractor of choice for resources projects across a range of locations and commodity sectors.

With an international footprint, Macmahon's reputation for outstanding teamwork, integrity and commitment to the environment is underpinned by the Company's core value – safety.

Visit www.macmahon.com.au for more information.