

19 February 2016

Results for the six months ended 31 December 2015

Overview:

- Revenue of \$174.1 million
- EBITDA of \$23.2 million
- Net profit after tax of \$3.3 million, after significant items expense of \$2.1 million
- Net cash at 31 December 2015 of \$66.7 million
- Challenging market conditions continue to weigh on the sector
- FY16 revenue forecast of \$330 – \$360 million

Macmahon Holdings Limited (ASX:MAH) today released its half year results to 31 December 2015, reporting stable performance from its mining operations in a challenging market.

Revenue for the half year was \$174.1 million, resulting in a net profit after tax of \$3.3 million after significant items expense of \$2.1 million. Revenue for the full year is expected to be in the range of \$330 - \$360 million.

Macmahon Chief Executive Officer, Sy van Dyk, said he was pleased the Company had returned to profitability following a period of major change in the industry and for Macmahon in particular.

“Current market conditions remain challenging, with competition for new work resulting in ongoing pressure on margins,” Mr van Dyk said.

“Pleasingly, over the past six months we have continued to stabilise the Company, refine our operating model and lower our cost base, and importantly, we are continually improving our performance across most of our existing operations.

“During this period we have been successful in securing three new contracts which, along with our Tropicana contract, gives us a solid base from which we can continue to re-establish the business.

“Right now, our key focus is ensuring the successful commencement of each of our new projects, and we will continue to look for further opportunities to improve our productivities and reduce costs.

“This effort will be critical as we move forward, especially as we expect our financial performance in the second half of 2016 to be impacted by project start-up costs and the conclusion of most of our Olympic Dam operations.

“Looking beyond the next six months, we are aiming for further growth and our balance sheet positions us well to capitalise on new opportunities as they arise.

“We currently hold a net cash balance of \$66.7 million. This gives us a very strong foundation to work from and it differentiates us from many of our peers.

“We are also actively pursuing a number of new projects both here in Australia and overseas and our strategy is to target opportunities in areas where we have an established presence or a competitive advantage,” he said.

Mr van Dyk said capital management would also remain a priority for the Company.

“During the period we commenced a 10/12 share buy-back program. This initiative is being undertaken as part of our ongoing capital management, at a time when the Company’s shares are trading at a significant discount to their net tangible asset value,” Mr van Dyk said.

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For further information, please contact:

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About Macmahon

Macmahon is an international contracting company offering the complete package of mining services to clients in Australasia and Africa.

Listed on the ASX and headquartered in Perth, the Company has extensive knowledge and experience in Surface and Underground Mining, Engineering and Fabrication, Construction and associated contracting services.

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.