



ASX Release
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EMECO DEBT FACILITY AMENDMENTS

Emeco Holdings Limited (ASX: EHL) ('Emeco' or 'the Company') today announced the amendment of two financial covenants under the A\$450m Senior Debt Facility, (the "Bank Debt Facility").

Emeco remains in full compliance with its current covenants. Amendments to the Gearing Ratio (Gross Debt: EBITDA) and Interest Cover Ratio (EBITDA: Net Interest) covenants were sought to provide the Company with additional flexibility and headroom and to provide balance sheet certainty while it pursues the debt reduction strategy in FY14.

Amendments will apply for the period to 30 June 2014 at which point the covenants will revert to current levels under the Bank Debt Facility. As previously announced to market, Emeco will not pay dividends or pursue other capital management initiatives prior to 30 June 2014, and has extended this commitment to providers of the Bank Debt Facility during the period to 30 June 2014.

Current and amended ratios are as follows:

	Current Covenants	Amended Covenants ³
Gearing (Gross Debt : EBITDA ¹)	<3.0x	<3.5x
Interest Cover (EBITDA : Net Interest Expense ²)	>4.0x	>3.5x

1 – Rolling 12 month trailing Operating EBITDA

2 – Rolling 12 month trailing Net Interest Expense

3 – Amended Covenants apply to the USPP Notes

Other key terms of the Bank Debt Facility, including pricing, remain unchanged and Emeco retains full access to the Bank Debt Facility. Emeco did not incur any fees or charges from providers of the Bank Debt Facility in connection with the amendment.

Emeco is focused on reducing debt and continues to generate strong cash flow with net debt reducing by \$25m in the first quarter from \$415m at 30 June 2013 to \$390m at quarter end. Through the combination of further cash flow generation, working capital release, asset disposals and lower capex, Emeco will deliver further reductions in debt through FY14.

Stephen Gobby, Chief Financial Officer, said "We have been pleased with the cash flow performance of the business this year despite the tough operating environment. Our focus remains on maintaining strong cash flow over the balance of FY14 in order to further reduce debt and ensure that the balance sheet of the Company remains robust."

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About Emeco

Established in 1972, Emeco is the world's largest, independent mining equipment rental business and services major resource projects across Australia, Canada, Chile and Indonesia. Emeco pursues a best in class asset management strategy and operates a global fleet of equipment from a range of original equipment manufacturers to deliver the most effective equipment rental and maintenance solutions for its customers. Emeco is a publicly listed company on the Australian Securities Exchange (ASX:EHL).

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