

27 November 2012

Norfolk Group: Acquisition Proposals and Strategic Review

At the time of the Annual General Meeting (AGM) in July 2012, the Board of Norfolk Group Limited (ASX: NFK) (Norfolk or the Company) indicated that it was actively seeking to address the Company's share price performance. Recent sentiment and volatility in the resources sector has continued to weigh upon the Company's share price performance.

The Board continues to believe that the company is too small to remain listed as an entity at its current or recent market capitalisation.

Since the AGM the Company, together with its financial adviser KPMG Corporate Finance, has undertaken a strategic review of the business that identified and explored various opportunities to maximise the value of Norfolk. During this strategic review process, the Company received non-binding, indicative and conditional proposals from several parties to effectively add the ODG HADEN and Resolve FM platforms alongside their existing businesses and extend their capabilities.

While each party sought exclusivity to complete due diligence and provide an offer capable of acceptance, there was nothing substantially differentiating one proposal from the other. Most of the parties identified that additional clarity around the year end outcome (March 2013) would facilitate the due diligence and indicated that value had not been given to the current high level of work in progress (WIP) being converted to cash in their valuations.

Following careful assessment of the proposals received, and in the interests of maximising shareholder value, the Board has decided to resume the strategic review process at the end of the current financial year (March 2013), at which point the Board is confident the Company will be able to present conclusively the level of full year earnings and quantify cash released from current working capital. The Company also expects the benefits of the restructure of ODG HADEN to positively impact the ongoing earnings of the business by that time.

The work to date in the strategic review demonstrates strong genuine interest exists from parties that are well positioned to potentially integrate and develop Norfolk's business and people as part of a larger entity.

Norfolk remains the only national electrical and HVAC business in Australia. The Company is ideally positioned to capitalise on opportunities given its breadth of capabilities and diversity of addressed sectors. This has been strengthened further by the recent integration and creation of ODG HADEN.

Further announcements of any material developments regarding the strategic review process will be made in due course.

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For further information

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Norfolk Group Limited

Norfolk is a leading provider of integrated engineering services in the electrical, HVAC (heating, ventilation and airconditioning) and facilities management markets.

Norfolk employs more than 3,000 people, including highly skilled engineers, electricians, air conditioning technicians and apprentices, across more than 120 locations throughout Australia, New Zealand and Asia. Norfolk has more than 10,000 customers across a range of sectors including infrastructure, industrial, commercial, resources, retail, government and communications.

For further information on Norfolk, please visit www.norfolkgl.com.