NWR
NEW WORLD RESOURCES

Press Release

New World Resources interim results for the half-year ended 30 June 2008

Strong performance reflects continued strength of coking coal market

Amsterdam, 28 August 2008 – New World Resources N.V. ('NWR" or "the Company"), Central Europe's leading hard coal producer, today announced its financial results for the six months ended 30 June 2008.

Highlights

- Consolidated revenues increased by 60% to EUR 1.04 billion
- EBITDA increased by 93% to EUR 356 million, significantly increasing EBITDA margin to 34%
- Profit for the period reached EUR 189 million, up 340%
- Adjusted Earnings per A Share of EUR 0.71
- Operating cash flow increased by 176% to EUR 240 million
- Interim dividend declared at EUR 0.28 per share
- Stable external sales volumes, up 1% to 5.9 million tonnes of coal and 0.6 million tonnes of coke
- Production of 6.7 million tonnes of coal and coke, versus 6.5 million tonnes in the first half of 2007. Excellent performance in the first quarter whereas second quarter performance was impacted by lesser number of longwall production days, reduced average seam height as well as reduced longwall availability. This further underpins the importance of POP 2010
- Semi-annual coke contracts for H2 2008 completed at a record price of EUR 477 per tonne, increasing the average coke price for FY 2008 by 21% to EUR 320 per tonne
- POP 2010 investment programme in Czech mines on schedule, with four longwalls delivered at different levels of completion and with one fully installed which has commenced its underground test running procedures.
- Debiensko project in Poland making good progress. 50-year mining licence received in June 2008. Feasibility study by JT Boyd underway. Recruitment of top management started

Comment

Mike Salamon, Executive Chairman of NWR said:

"These results reflect the strength of our markets and the sound overall performance of our operations. Our recent H2 2008 coke price settlements, as well as international coking coal price settlements, indicate that demand from the steel industry remains robust. Our successful application for a mining licence at Debiensko in Poland was an important milestone for New World Resources and brings us a step closer to achieving one of our key goals of expansion within the region. In parallel, the considerable progress in our POP 2010 investment programme, which is running as scheduled, bodes well for the future efficiency and reliability of the OKD business. We expect market conditions in the second half of 2008 to continue to be favourable and believe we are well-placed to build on our first half performance."

Selected Financial and Operational Data

(EUR thousand)	**HY 2008**	**HY 2007**	**% change**
Revenues	1,037,060	647,801	60%
EBITDA	355,796	183,885	93%
Operating result	271,276	104,832	159%
Profit before tax*	254,039	58,401	335%
Profit for the period	189,105	42,988	340%
Total assets	2,617,019	1,930,398	36%
Net cash flow from operations	240,293	86,942	176%
Net debt	414,882	465,561	(11%)
Net working capital	65,790	48,685	35%
CAPEX	101,858	30,234	237%
Adjusted earnings per share**	0.72	0.16	350%
Dividend per share	0.28	-	NA
Coal and coke sales volumes***	6,549	6,465	1%
Total coal production***	6,677	6,517	2%
Average number of staff****	21,353	22,220	(4%)
Lost-time Injury Frequency Rate	12.82	16.75	(23%)

* from continuing operations
** adjusted to current number of shares, see also section Earnings per Share
*** in thousands of tonnes
**** including contractors

Strong half-year results

Our inaugural interim results presented today reflect the sound operating and financial performance from our coal and coke businesses. A buoyant global coal market and significant industrial growth within the Central and Eastern Europe (CEE) region contributed to a strong performance for the first half of 2008.

Our EBITDA of EUR 356 million represents an increase of 93% compared to the first half of 2007, leading to an EBITDA margin of 34%. Excluding the impact of Czech Karbon (the electricity trading business), non-recurring IPO advisory costs, share-based payments and foreign exchange currency effects (11% appreciation of the

Czech Koruna relative to the Euro), underlying costs increased by approximately 15%, a reasonable performance in light of rising input costs.

Adjusted earnings per share reached EUR 0.72, up 350%, benefitting from strong revenue growth due to rising coal prices.

The performance for the first half of 2008 was driven by strong production levels in the first quarter. Second quarter performance was, however, impacted by 7.3% less longwall production days than in the first quarter, average extraction seam height reduced by 9.5% as well as a 3% reduction in longwall availability. This variability clearly highlights the importance of the introduction of the POP 2010 equipment.

NWR continues to invest in new state-of-the-art technology with the aim of improving the efficiency of its operations. Implementation of the POP 2010 investment programme is expected to result in productivity gains, a safer working environment, improved reliability as well as the ability to extract full seam widths.

We continue to pursue growth opportunities in the CEE region in order to be able to service the strong demand in the region. During June of 2008, we reached an important milestone in this process with the receipt of the Debiensko licence.

Global coal demand has also contributed to NWR's ability to contract higher prices in the market, as demonstrated by the settlement of our semi-annual coke contracts for the second half of 2008 at all time high contracted prices of EUR 477 per tonne. Annual coking and thermal coal contract price negotiations for 2009 are anticipated to take place during the fourth quarter.

The fundamentals of the global coal market remain rather positive and we are confident in our ability to continue to deliver a strong sustained performance throughout the remainder of this year.

Health and Safety

The health and safety of our workforce is the priority at NWR and we continue to work hard at improving the environment in our workplaces. Each mine has set forth specific objectives aimed at reducing accident rates and exposure to hazards. For instance daily ten-minute employee training sessions, held at the beginning of each work shift, have been introduced - as well as other activities aimed at enhancing the level of engagement of all employees in jointly striving towards our objectives.

Our Lost time frequency incident rate in the first half of 2008 was reduced by nearly a quarter compared to the same period last year. Tragically, however, five employees died in four incidents this year. We have extended our deepest condolences to their families, friends and colleagues.

Update on POP 2010

Phase I of the Productivity Optimisation Program (POP 2010) is at the height of its implementation. Of the Phase I development sections, three out of the four roadheaders and both drill and load equipment sets are now in operation.

Productivity to date for the roadheader equipment sets has already improved by approximately 40% compared to the old equipment.

Of the five Phase I longwall sets, four are already in various stages of delivery and implementation; with two completely delivered, one at about 75% and the other at some 10%. One longwall has been fully installed and has commenced its underground test running procedures.

All five sets are expected to be in operation by the end of this year, while the overall procurement costs for phase I remains as previously anticipated at EUR 160 million.

The balance of the equipment, or Phase II of POP 2010, is still expected in accord with the agreed 2009 delivery schedule. However costs are expected to be slightly higher due to foreign exchange currency movements as well as increased steel prices. Capex for Phase II is now anticipated to at EUR 170 million, leading to a total capex for the POP 2010 programme of EUR 330 million.

Update on COP 2010

The Coking Plant Optimisation Program (COP 2010) is on schedule.

Two out of the four phases of the Svoboda coke plant chamber No. 8 refurbishment project, scheduled for 2008, have already been completed. Start up of the chamber is expected to take place in mid December.

The total costs for this project are anticipated to be in the range of EUR 20 million and it is expected to be completed by the end of 2010.

The construction of the new No. 10 coking battery at Svoboda plant has also started with foundation work and track installation. The investment required for this project is anticipated to be in the range of EUR 70 million and it is also expected to be completed by the end of 2010.

Update on Debiensko

On 26 June 2008, NWR announced that it had been granted a mining licence for the Debiensko 1 area of southern Poland by the Polish Ministry of Environment. The licence, which is valid for a 50 year period, was granted to NWR’s wholly-owned Polish subsidiary, Karbonia PL Sp. z.o.o., following an application filed with the Polish Ministry of Environment on 3 March 2008.

JT Boyd is currently in the process of performing the feasibility study. In July a number of Polish and international shaft sinking contractors were invited to inspect the project with a view to making proposals on how they would approach the development of the Debiensko project. We have also commenced the process of recruiting additional senior management.

Update on Morcinek

On 20 August 2008, Czech and Polish governments signed a treaty on cross-border mineral exploration, enabling companies from both countries to operate in the border area. The signing of this treaty, which must now be ratified by the Czech parliament and the Polish government, created the legal framework needed to enable the Morcinek project to move forward.

NWR, together with its JV partner, Poland's JSW, will now commence the necessary geological and pre-feasibility work required to progress this project.

Energy assets

In accordance with NWR's strategy to focus on its core mining business, the Group is in the process of effecting a reorganisation of its energy assets, currently held by its subsidiaries OKD, a.s. and Karbonia PL, Sp. z o.o. In order to achieve this, the Company has established a new entity in each of Poland and the Czech Republic to consolidate these assets under these two entities in the second half of 2008. The assets comprise local power and heat generation and distribution facilities historically developed by the subsidiaries.

Once the reorganisation process is complete the Company will review its strategic options for the stand-alone energy business.

Distribution of certain real estate assets

As stated during the time of the IPO, NWR intends to transfer the assets of the Real Estate Division to the holder of its B shares, RPG Industries. Under the Divisional Policy Statements, the Mining Division has the right to maintain the undisturbed continuation of its mining, coking and related operations conducted on certain of the assets of the Real Estate Division and is entitled to unrestricted access to such assets of the Real Estate Division for use those mining operations.

The first spin off of such assets is being currently prepared and should take place during the second half of 2008.

Financial Performance

EBITDA

EBITDA for the first half of 2008 was EUR 356 million, EUR 172 million higher than in the first half of 2007, representing an increase of 93%.

Production Volumes

Total production of coal increased by 2% to 6.7 million tonnes in the first half of 2008.

	Half-year ended 30 June		Change	
Tons of coal and coke produced (kt)	**2008**	**2007**		**%**
Coal	6,677	6,517	160	2%
Coke	662	665	(3)	(0%)
Total volume	7,339	7,182	157	2%

The external volume of coking coal sales increased by 3% to 3.5 million tonnes.

The external sales volume of thermal coal remained stable at 2.4 million tonnes during the first half of the year.

The volume of coke sold increased by 5% in the first half of 2008 compared to the first half of 2007.

	Half-year ended 30 June		Change	
Tons of coal and coke sold (kt)	**2008**	**2007**		**%**
Coking coal*	4,017	3,900	117	3%
Thermal coal	2,437	2,467	(30)	(1%)
Coke	621	594	27	5%
Total volume*	7,075	6,961	114	2%
*of which coking coal sold internally	526	495	31	6%

Prices

(EUR/t)	Half-year ended 30 June		Change	
Price	**2008**	**2007**		
Coking coal	129	84	45	54%
Thermal coal	65	48	17	35%
Coke	295	165	130	79%

High world prices for both coking coal and thermal coal, caused particularly by very strong demand from the developing Asian economies together with constrained coal supply (as a consequence of *force majeure* events in Australia, USA and Poland), as well as by logistical limitations (inadequate rail and port capacity in various important supply regions), enabled NWR to increase coking coal prices by 54% and thermal coal prices by 35% for the first half-year of 2008 relative to the same period in 2007. Almost all 2008 coking and thermal coal production has been sold and priced at these levels.

As a consequence of the steep increase in Chinese coke prices as well as strong demand, particularly for blast furnace and foundry coke, we were able to achieve an annual coke price increase of 79% during the 2008 pricing negotiations.

Semi-annual coke contracts

For coke contracts, which are priced semi-annually approximately 15% of total coke production, NWR has concluded agreements at an average price of EUR 477 per tonne for the second half of 2008. This represents an increase of 21% compared to the prices contracted for the first half of 2008. This will result in an average coke price for 2008, of EUR 320 per tonne.

Costs

The Company's reported main costs combined (consumption of material and energy, service expenses and personnel expenses), increased by 42% in the first half of 2008 compared to the same period in 2007. This is due primarily to the increase in the volume of electricity trading reflected in the consumption of material and energy (an increase of EUR 61 million); an increase in advisory fees due to the IPO; costs for equity-based remuneration to directors and employees of the Group (an increase of EUR 12 million); and additional bonuses paid out to employees.

Excluding the impact of Czech Karbon (the electricity trading business), non-recurring IPO advisory costs as well as the share-based payments (which did not occur in 2007), and the strong appreciation of the Czech Koruna, underlying costs increased by 15% in the first half of 2008 compared to the first half of 2007.

Implementation of the POP 2010 investment programme is making good progress and initial results from gateroad development equipment have demonstrated significant improvements in productivity. We remain confident in our ability to deliver the expected cost reductions, whilst maintaining current levels of production and improving safety and reliability.

Exchange rates

Based on an average exchange rate against the Euro for the first half of 2008, the Czech Koruna appreciated by approximately 11% compared to the same period in 2007.

Approximately 44% of the Group's sales are denominated in Euros and 56% are denominated in Czech Koruna, while most of the costs are denominated in Czech Koruna. The Company has a policy for hedging approximately 70% of its net Euro / Czech Koruna exposure resulting from sales and is currently renegotiating its forward contracts in order to maintain such a position in light of recent currency movements.

Cash flows

Net operating cash flow for the first half of 2008 was EUR 240 million, an increase of 176% compared to EUR 87 million in the first half of 2007, mainly driven by higher revenues due to higher prices of coal and coke.

Dividend

NWR's dividend policy, as set out at the time of the IPO, is to target distribution of approximately 50% of the Mining Division's consolidated annual net income over the course of the business cycle. Accordingly, consistent with this policy and a desire to seek an appropriate balance between the interim and any expected final dividend payments, the Directors have proposed an interim dividend for the half-year ended 30 June 2008 of EUR 0.28 which will be paid to shareholders on 23 October 2008.

Subject to various exceptions and exemptions, shareholders are generally subject to Dutch dividend withholding tax at the rate of 15 per cent on dividends distributed by the Company, which sum the Company is required to withhold and account for to the Dutch tax authorities. Shareholders should consult their own tax advisers as to the particular tax consequences for them of receiving dividends from the Company.

The dividend for New World Resources N.V. is declared in Euros. Shareholders may elect to receive this dividend in Pound Sterling, Euros, Czech Koruna or Polish Zlotys. The default election will be deemed to be Pound Sterling if no preference is otherwise expressed by a shareholder. The Pound Sterling, Euro, Czech Koruna or Polish Zloty amount payable will be determined by reference to the exchange rate applicable to the Euro on 3 October 2008.

The timetable in respect of the interim dividend will be:

Ex-dividend London Stock Exchange (LSE)	17 September 2008
Ex-dividend Prague Stock Exchange (PSE)	17 September 2008
Ex-dividend Warsaw Stock Exchange (WSE)	17 September 2008
Record date	19 September 2008
Currency election closing date	26 September 2008
Euro exchange rate fixed and announced	3 October 2008
Payment date	23 October 2008

The record time is close of market on the record date as defined above.

Further details regarding dividend payments, together with currency election and dividend mandate forms, are available from New World Resources' website (www.newworldresources.eu) or from the Company's registrars.

Liquidity and capital resources

The Company completed a successful Initial Public Offering on the London, Prague and Warsaw Stock Exchanges in May 2008 with the aim of raising additional financing for its activities. The Company offered 13,500,000 new shares ("the primary offer"), while existing shareholders offered 69,513,344 existing shares in the IPO. The net proceeds from the primary offer amounted to EUR 218 million.

NWR is a holding company and relies on dividends and other distributions from its subsidiaries, inter-company loans or other capital contributions to fund its liquidity requirements.

The Group has reviewed its cash flow and operations, and believes that the cash generated from its operations and borrowing capacity will be sufficient to meet its capital obligations and requirements. To augment its existing cash and liquidity resources, the Company continues to evaluate a range of transactions, including debt financings.

As at 30 June 2008, the Company's net debt was EUR 415 million.

Corporate Governance

Throughout the reporting period, NWR has consistently applied its Corporate Governance policies adopted by its board of directors on 1 January 2008.

Outlook

Global coal market conditions remain very positive, sustained by strong demand fundamentals as well as continued supply disruptions, which have resulted in increasing prices. Forecasts anticipate considerable growth in steel production and energy consumption, while the development of new supplies remains constrained.

Increased export taxes in Indonesia and China may add pressure to the already tight demand and supply balance for both coal and coke in the global markets. Hence markets are expected to remain constricted for the next couple of years.

Within the CEE region, increasing industrial and manufacturing presence aligned with strong GDP growth should continue to drive demand for both coking and thermal coal. Transportation costs have been materially impacted by the increase in oil prices during the period and local production is likely to continue to be exceeded by demand. As a result, imports to the region will continue ensuring a key role for global coal fundamentals in pricing within the region. Consequently NWR is well positioned to continue to deliver superior levels of return.

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Results presentation and webcast

New World Resources management will hold an analyst and investor presentation in London today, Thursday, 28 August 2008, at 11h00 UK time,12h00 CET, during which senior management will discuss the financial results for the period.

A live webcast of the presentation will be made available on NWR's website at www.newworldresources.eu.

New World Resources N.V.

New World Resources is the sole owner of OKD a.s., the Czech Republic's largest hard coal mining company and one of the largest producers in Central Europe by revenue and volume. Serving customers in the Czech Republic, Slovakia, Austria, Poland, Hungary and Germany, the Company sold approximately 13.1 mt of coal in 2007, over 6.8 mt of which was coking coal supplied to its steel industry customers

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Forward Looking Statements

Certain statements in this document are not historical facts and are “forward-looking”. The Company’s prospects, plans, financial position and business strategy, and statements pertaining to the capital resources, future expenditure for development projects and results of operations, may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “will”, “could”, “may”, “might”, “believe” or “continue” or the negatives of these terms or variations of them or similar terminology. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. These forward-looking statements involve a number of risks, uncertainties and other facts that may cause actual results to be materially different from those expressed or implied in these forward-looking statements.

Factors, risk and uncertainties that could cause actual outcomes and results to be materially different from those projected include, but are not limited to, the following: risks relating to changes in political, economic and social conditions in the Czech Republic, Poland and the CEE region; future prices and demand for the Company's products, and demand for the Company's customers' products; coal mine reserves; remaining life of the Company's mines; coal production; trends in the coal industry and domestic and international coal market conditions; risks in coal mining operations; future expansion plans and capital expenditures; the Company's relationship with, and conditions affecting, the Company's customers; competition; railroad and other transportation performance and costs; availability of specialist and qualified workers; and weather conditions or catastrophic damage; risks relating to Czech or Polish law, regulations and taxation, including laws, regulations, decrees and decisions governing the coal mining industry, the environment and currency and exchange controls relating to Czech and Polish entities and their official interpretation by governmental and other regulatory bodies and by the courts. Additional risk factors are described in the Company’s annual report.

Forward-looking statements speak only as of the date of this document. The Company expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained in this report to reflect any change in our expectations or any change in events, conditions, assumptions or circumstances on which any such statement is based unless so required by applicable law.