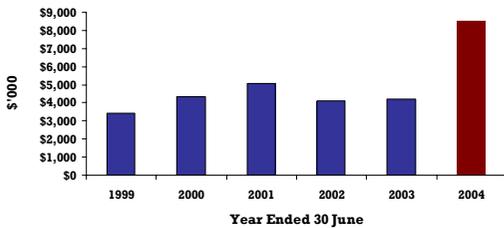


Outlook

The Directors are pleased that the demand for the Company's services is growing steadily as evidenced by the 13.5% revenue increase. As a result of the WesTrac investment, the Company has the financial position and ability to fund the proposed expansion in NSW.

The Australian Bureau of Statistics survey of Hire Services 8567.0 published in June 2004 identified that revenue for the hire/lease services industry grew by 5.5% annually between 1999/2000 and 2002/2003, which continues the longer term trend that we have been experiencing.

Net cash inflows from operating activities



The strength of the building and construction industry and major projects in NSW is underpinning a strong business environment. BIS

Shrapnel forecasts strong prospects for the building and construction industry for the next several years. The Federal Government's recent announcement on road and rail improvements will further assist demand for the hire industry.

Directors and Management are very excited about the growth potential inherent in the rebranding, rollout and product range expansion. The implementation of this strategy has been deliberately measured during the first 4 months to ensure that a platform is established that will enable a successful rollout across all suitable markets in NSW and the ACT. In particular, we are pleased with the strong relationship that has been established between National Hire and WesTrac.

The Directors and Management continue to evaluate growth opportunities and remain confident of the immediate prospects for the Company.

Total Revenue	2004 \$'000	2003 \$'000	Amount Change	% Change
EBITDA before significant items	34,495	30,395	4,100	13.5%
Operating profit before significant items interest & tax	6,942	5,765	1,177	20.4%
Net Interest	2,850	2,045	805	39.4%
Operating profit before significant items & tax	(760)	(1,523)	763	50.1%
Significant items	2,090	522	1,568	300.4%
Operating profit before tax	(647)	(411)	(236)	(57.4%)
Tax expense	1,443	111	1,332	1200.0%
Operating profit after tax	(572)	(23)	(549)	(2387.0%)
Earnings per share - weighted average number of ordinary shares	871	88	783	889.8%
	0.97 cents	0.31 cents	0.66 cents	N/A

National Hire Group Limited

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National Hire

FULL YEAR RESULTS 30 JUNE 2004

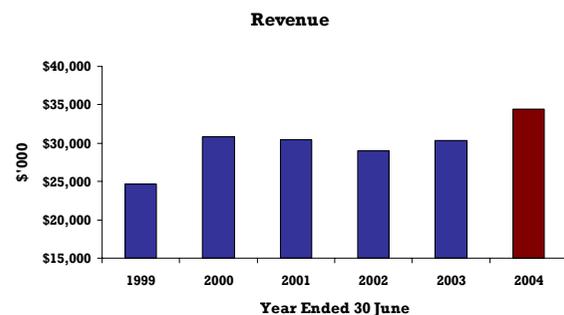
IMPROVEMENT CONTINUES



Improvement Continues

The Company has reported after tax profit for the year ending 30 June 2004 of \$871,000, a \$783,000 improvement compared to the previous corresponding period.

This improvement continues the recent trend and is particularly pleasing after considering the corporate activity undertaken in the year including the successful completion of a \$6.3 million Renounceable Rights Issue, the \$25.0 million investment by WesTrac, the rebranding of the New South Wales business to The Cat Rental Store, the acquisition of the business of Ready Hire Australia Pty Ltd in South East Queensland and the planning for the New South Wales/ACT The Cat Rental Store expansion. These activities incurred transaction costs of \$647,000, which were expensed in the period.

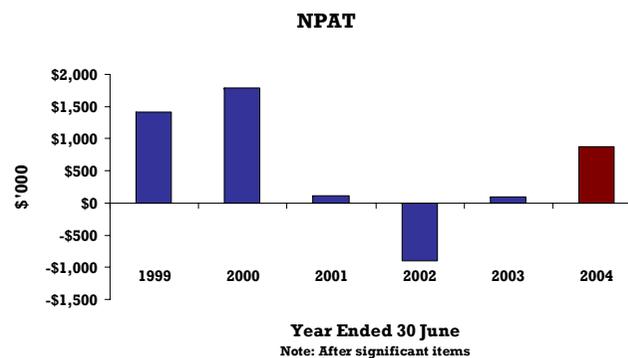


Revenue was \$34,495,000, an increase of 13.5% over the previous corresponding period.

EBITDA before significant items for the period was \$6,942,000, which compares favourably to the previous corresponding period of \$5,765,000, and represents an increase of \$1,177,000 or 20.4%.

Operating Profit

Operating Profit before significant items, interest and tax was \$2,850,000 (\$2,045,000 in 2003) an improvement of \$805,000 (39.4%) over the previous corresponding period.



Operating profit before significant items and tax was \$2,090,000 (\$522,000 in 2003) an increase of \$1,568,000.

The pre-tax profit for the year ended 30 June 2004 was \$1,443,000, which compares to a profit of \$111,000 for the corresponding period last year, representing a \$1,332,000 improvement.

Basic earnings per share of 0.97 cents compared to 0.31 cents in the previous period.

No dividend was declared.

WesTrac

The \$25.0 million investment by WesTrac was completed by way of a placement in March 2004 and provides the Company with the ability to trade under the The Cat Rental Store brand in NSW and the ACT. From 9 April 2004 the Company commenced a rebranding program that has seen all NSW branches converted to the new brand, "National Hire The Cat Rental Store". The rebranding was completed on time. As part of the rebranding, the Company has acquired a range of equipment to compliment the existing range. This equipment includes skid steer loaders, mini excavators and rollers. National Hire is in the process of finalising Phase 2 of the growth plan which includes the opening of new The Cat Rental Store locations and a product range expansion.

The ability to trade under the strong brands of The Cat Rental Store and leverage off the WesTrac customer base combined with National Hire's market reach and knowledge, provides the Company with a significant competitive advantage.

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