

## ACQUISITION OF WHELAN ACCESS PTY LIMITED

The Directors of National Hire are pleased to announce the acquisition of the business conducted by Whelan Access Pty Limited. Whelan Access is a specialist scissor and boom lift hire business with two branches. Whelan Access complements National Hire's specialised division of Hi-Lift Rentals providing an excellent opportunity for expansion in Victoria and consolidation in NSW.

The projected full twelve month hire revenue is \$2.6 million. The hire revenue contribution for this current year, 17 December 1999 to 30 June 2000, will be in the order of \$1.3 million.

The acquisition cost of the business is \$3.1 million.

The acquisition will contribute positively in terms of profitability and earnings per share during the next six months. In a full twelve month period it is expected that the acquisition will contribute approximately \$1.2 million earnings before interest, tax, depreciation and amortisation. It should be noted that during the current period whilst the contribution will be positive, there will be initial acquisition and associated costs.

The transaction is effective as at the commencement of business on Friday 17, December 1999.

Whelan Access commenced business in 1996 in Melbourne and opened the Sydney branch in 1997. The equipment fleet consists of a modern 63 items, the majority being under three years of age.

The business of Whelan Access is one of the growth opportunities that was alluded to during the Chairman's Address at National Hire's Annual General Meeting on 26 November 1999.

An additional benefit from this acquisition is the recruitment of three key employees being Des Whelan, Mike Whelan and Max Brown to National Hire Group Limited.

Des is widely experienced in the equipment hire industry, having commenced with Wreckair Hire (family founded business) in 1956 and rising to the position of CEO of Wreckair Hire in 1972 prior to it being taken over by Repco. Des will provide Victorian expertise and assist with the continued development of our branch structure in that state.

Max Brown commenced in the hire industry in 1981 and joins us as Sales Manager Hi-Lift Rentals Victoria. Mike Whelan will join Hi-Lift Rentals in Sydney as a Sales Executive.

**Stephen Donnelley**

**Managing Director**