

NATIONAL HIRE PTY LIMITED - JUDGMENT IN THE CASE OF NATIONAL HIRE PTY LIMITED -v- ACKO DIMKOVSKI

In proceedings commenced by Mr Acko Dimkovski, the user of a scissor lift which was hired by National Hire Pty Limited (a subsidiary of National Hire Group Limited) and who suffered injury in 1996 as a result of an accident involving the scissor lift, a judgement has been entered in favour of Mr Dimkovski against National Hire Pty Limited for a sum of \$1,737,500.

Previously this incident has been reported in the prospectus for the initial public offer for National Hire Group Limited.

National Hire Pty Limited held public liability insurance cover in respect of such incidents, however this cover was issued by HIH Insurances Limited and given the liquidation of HIH Insurances Limited, National Hire Pty Limited is effectively uninsured in respect of the claim made by Mr Dimkovski.

During the course of the proceedings, National Hire Pty Limited applied for relief under the HIH rescue package by way of indemnity for any award of damages in the proceedings and was advised by the body administering the HIH rescue package that such relief would be available. The judgement having been awarded and Mr Dimkovski having issued a statutory demand for payment, National Hire Pty Limited is presently seeking legal advice as to its entitlement to be indemnified under the HIH rescue package and its rights against third parties in connection with the judgement entered in the proceedings.

Further information will be released regarding this matter when advice on the availability of the indemnity under the HIH rescue package becomes available from the body administering the HIH rescue package.

Yours faithfully

Stephen Donnelley
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