

## **NATIONAL HIRE (ASX CODE: NHR)**

### **RESULTS CONFIRM CONTINUED MANAGED GROWTH**

Equipment hire and rental company, National Hire Group Limited, today announced its results for year ended 30 June 2000.

Net profit after tax (before an abnormal expense after tax of \$124,000) was \$1.914 million, a 35.3% increase over the previous year (after adjusting the 1999 profit after tax for amortisation of brandnames, previously treated as an abnormal). In May, 2000 the company completed a raising of \$3.5 million by a convertible note issue managed by JB Were to provide increased working capital to fund strategic acquisitions, expansion of the hire fleet and establishment of new branches. The costs of this issue have been recorded as an abnormal item.

Earnings per share (EPS), before the abnormal item, was 8.17 cents, a 29.3% increase over the previous year's EPS of 6.32 cents.

Earnings before interest and tax (EBIT) increased by 39.3% to \$4.2 million for year ended 30 June 2000, on total revenue for the year of \$30.9 million, a 25.2% increase on the previous year.

EBIT/Total Revenue margins increased to 13.7%, improved from 12.4% in the previous year reflecting effective cost and equipment management.

The company has declared a final dividend of 2.75 cents per share fully franked, taking full-year dividends to 4.25 cents per share. The record date for determining entitlements to the final dividend is 9 October 2000, payable on 23 October 2000.

Managing Director, Stephen Donnelley said the strong results reflected a continued pattern of growth, cost control and a strong focus on people development. This result together with the strengthened financial position following the convertible note issue in May, provides a strong platform for National Hire to take advantage of further opportunities for growth, including acquisition.

Same store revenue grew by \$3.1M (13%). The Cordukes acquisition that took place in late June 1999 delivered more than our original expectations due to strong customer focus and product expansion.

While Mr Donnelley expects weaker economic conditions led by a downturn in the construction industry over the next 12 months to have an impact on the equipment hire industry, he stated that "National Hire is well positioned to take advantage of growth opportunities which we expect to come from further industry consolidation and the continuing trend to outsourcing. The strong double digit organic growth delivered over the past three years is not expected to be replicated in 2000/2001.

#### YEAR END RESULTS:

<b>30 JUNE (\$'000)</b>	<b>2000</b>	<b>1999 *</b>	<b>% CHANGE</b>
<b>Total Revenue</b>	30,874	24,667	+25.2
<b>EBITDA</b>	7,216	5,262	+37.1
<b>EBIT</b>	4,245	3,047	+39.3
<b>NPAT - pre abnormals</b>	1,914	1,415	+35.3
<b>NPAT - post abnormals</b>	1,790	1,415	+26.5
<b>EPS - pre abnormals</b>	8.17¢	6.32¢	+29.3
<b>EPS - post abnormals</b>	7.56¢	6.32¢	+19.6
<b>DPS</b>	4.25¢	4.0¢	+6.25

*\* 1999 figures have been adjusted to treat amortisation of brandnames consistently with the 2000 result.*

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