



## **RENOUNCEABLE RIGHTS ISSUE TO RAISE \$6.3 MILLION**

National Hire today announces the Offer of approximately 39,381,397 fully paid ordinary shares to raise approximately \$6,301,024. The shares are to be issued at 16 cents per share. The Offer is a Renounceable Rights Issue. The Offer made is by way of 6 New Shares for every 5 shares held by existing shareholders and 6 New Shares for every 5 convertible unsecured notes held by existing noteholders. The Offer will be fully underwritten by Hindal Securities Pty Limited and will be sub underwritten in part by parties associated with the Directors.

National Hire intends to use the funds raised to expand it's equipment hire fleet by the acquisition of new equipment, to effect a payment of loans provided by related party lenders (which monies will be used to subscribe for New Shares) and for payment of expenses incurred in the Rights Issue.

The capital raising comes at time when the Company has shown improved financial performance.

The pricing of the Offer is at a substantial discount to the average sale price in August 2003. In setting the price it has been a priority to ensure the success of the raising and to encourage existing shareholders and noteholders to take up their rights in total or alternatively provide them with some opportunity to renounce and sell their rights.

Today the Company announced its financial performance for the year ending 30 June 2003. It was a year of significant turnaround for the Company. Revenue increased by 4.9% or \$1,406,000 to \$30,395,000 and pre tax profit was \$111,000 compared to the previous years loss of (\$1,434,000). Importantly when comparing the two six month periods the six months ending June 2003 produced a pre tax profit of \$169,000 compared to a loss of (\$58,000) for the six months ending 31 December 2002. The improvements are being driven by the strategic repositioning of the business by the management, providing capital expenditure to replace sub hire expense, the increased demand for our services, concluding the HIH insurance matter and completing the refinancing of the Company's major facilities.

The current level of construction and building activity, particularly in the Sydney market which represents 69% of our business, and the commencement of a number of major road, rail and tunnel infrastructure projects provides confidence in looking forward.

Today, the Board has appointed Mr Ray Kelsey as an Executive Director of the Company. Mr Kelsey has had a long and successful career in the hire industry and will strengthen the Board's hire industry knowledge and expertise. Being resident in Victoria, Mr Kelsey will also strengthen and improve regional representation and he will play a key role in assisting, developing and reviewing the Group's strategic plan and its implementation. Please refer to the ASX Announcement of today "Appointment of Executive Director" for further details.

#### **SUMMARY OF IMPORTANT DATES**

Lodgement of Prospectus with ASIC	22 August 2003
Rights trading commences and Shares and Notes quoted ex-Rights	27 August 2003
Record Date to determine Entitlements	2 September 2003
Expected date of despatch of Prospectus and Entitlement and Acceptance Forms	5 September 2003
Rights trading ends	19 September 2003
Closing Date for receipt of acceptances and payment	26 September 2003
Allotment of New Shares and despatch of shareholder statements for New Shares	10 October 2003
Normal trading commences for New Shares	13 October 2003

For further information visit our website: [www.nationalhire.com.au](http://www.nationalhire.com.au) and click on Investor Relations

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