

Full Year Results Presentation

30 June 2008



Status

- Comprehensive Balance Sheet review complete
- Debt restructured
- Key operational issues are clear

Recovery process under way

FY08 Financial Performance

\$ million	FY07 (Restated)	FY08 (Final)	% change	FY08 (Underlying)
Revenue	350.0	410.3	17%	410.3
EBITDA	97.1	90.1	(7%)	90.1
EBITDA %	27.7%	22.0%		22.0%
EBIT	62.9	47.5	(24%)	51.5
EBIT %	18.0%	11.6%		12.6%
NPAT	34.4	18.6	(46%)	22.1
NPAT %	9.8%	4.5%		5.4%
EPS (cents)	20.2	10.9		
DPS (cents)	11.0	5.5		

Correction of prior years' accounting errors – Balance Sheet impacts

1H08	Prior	Current	Total
Intangibles	-	-	-
Property, Plant & Equipment	(12.5m)	(4.1m)	(16.6m)
Tax impacts	3.8m	1.2m	5.0m
Total 1H08 Adjustment	(8.7m)	(2.9m)	(11.6m)

2H08	Prior	Current	Total
Intangibles	(1.2m)	(2.8m)	(4.0m)
Property, Plant & Equipment (including Stamp Duty)	(12.2m)	2.7m	(9.5m)
Tax impacts	6.1m	(0.5m)	5.6m
Total 2H08 Adjustment	(7.3m)	(0.6m)	(7.9m)

Total FY08 Balance Sheet Adjustment	(16.0m)	(3.5m)	(19.5m)
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Debt

- nabCapital, GE Capital and BankWest
- \$165m 3 year revolving debt facility
- \$32m 3 year working capital facility
- Majority of favourable interest rates preserved
- Average rate of approximately 9%
- Commitment to debt reduction
- Documentation to be finalised by end of August

Revenue still strong

- Crane sales and associated services (+ 43%)
- Crane hire (+ 10%), particularly strong in WA, Victoria, New South Wales and South East Queensland
- Resources and infrastructure project pipeline continues to drive demand
- Contracted customer base maintained
- Limited growth in access hire

Business strengths

- Diverse geographical footprint
- Infrastructure and resources exposure
- Blue chip customer base
- Product diversity
 - Cranes and Travel Towers
 - Access equipment
 - Crane Sales and Service

FY08 issues

- WA contracted cross hire expense for casual hire revenue (\$2m)
- Boom Sherrin / Moorland integration (\$2m)
- Underperforming capital investment – Boom Sherrin (\$3m)
- Crane hire systems and processes (\$2m)
- Weather – Bowen Basin and Hunter Valley (\$3m)
- Skills shortages in remote areas (\$1m)
- Growing too fast – reflected in overhead increases and gross margin erosion (\$6m)

Actions

- Cross Hire - back to back agreements
- Sherrin / Moorland – systems issue remedied, revenue recovery required
- Systems – Core crane customer interface implementation by January 2009
- Addressing underperforming assets for possible divestment - \$10m first half FY09
- Overheads investment is about delivering margin improvement – there is a time lag

Target Market Segments

- Contracted term maintenance (fixed installation)
 - Infrastructure and industrial development projects
 - Major projects - End to end logistics
 - All industries casual hire
- } *More value than price driven*

This requires organisational alignment:

Organisational Alignment

- Matching skills capabilities with market opportunities
 - Focus on high end access equipment and large capacity cranes
 - Specialised and experienced skills across the business in engineering, project management, OHS&E management, contract administration etc
 - Establishing a dedicated Projects Group with access to core operational expertise within regional businesses
 - Improvements in core systems

Operational imperatives

- Customer account management framework
- Cohesive sales and operations planning
- Lead time management
- Deliver the right mix of owned and cross hired equipment to minimise cyclical exposure
- Business improvement plans by Depot with training and focused incentives
- Review and upgrade of systems

Key management changes

- Brenden Mitchell - CEO
- Iona MacPherson - CFO
- Peter O'Shannessy - COO
- Rosie Hammond - General Manager HR
- Terese Withington – General Manager Boom Sherrin
 - New State Managers (Vic and WA)
- CIO – recruitment under way
- General Manager – WA recruited

Financial Position

Year Ended 30 June 2008 (\$m)	FY08 Actual	FY07 Actual
Cash	1.8	9.8
Receivables	77.1	66.2
Inventories	20.6	21.4
Plant & equipment	378.6	356.9
Intangibles	112.4	116.8
Other current & non-current assets	15.4	9.6
Total assets	605.9	580.7
Payables	44.1	45.6
Borrowings	254.9	238.4
Provisions	12.4	10.2
Other current & non-current liabilities	19.0	13.9
Total liabilities	330.4	308.1
Net assets	275.5	272.6
Gross Debt / Gross Debt + Equity	48%	47%

- Restated FY07 comparatives
- Debt / Debt + Equity position to be improved through debt reduction focus
- Banking covenants recast through debt restructure

Cash Flow

Year Ended 30 June 2008 (\$m)	FY08 Actual
EBITDA	90.1
Net interest	(19.2)
Income tax paid	(7.1)
Working capital / other	3.8
Net operating cash flow	67.6
Capital expenditure	(28.6)
Sale of plant & equipment	1.8
Net investing cash flow	(26.8)
Repayment of borrowings	(32.1)
Dividends paid	(16.7)
Net financing cash flow	(48.8)
Net cash flow	(8.0)

- Solid cash flow forecasts under debt restructure
- The cash flow reflects capital expenditure funded by cash payments. An additional \$48.5m was acquired through leases

Going forward

- Sound July result with further improvement required in Boom Sherrin
- Continued strong revenue growth
- First quarter results to be presented at AGM
- Sharper focus on key business drivers
- Rigorous process over capital investment decisions
- Detailed improvement plans managed effectively
- Drive for customer focus supported by systems and process improvements

Questions

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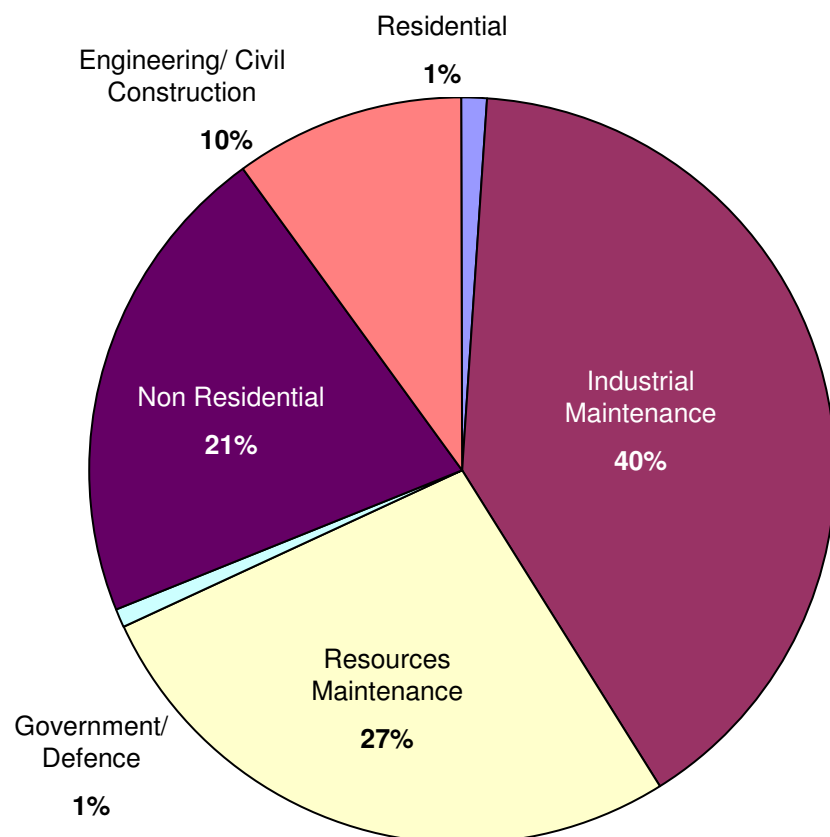
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Revenue Segmentation

Revenue Segmentation – FY08

Appendix

Market Segmentation



Geographic Segmentation

