



## Media Release

11 August 2005

# Boom Logistics lifts profit 64%

Acquisitions and organic growth were the major forces behind Boom Logistics impressive lift in revenue and profit in the 2004-05 year.

In the year to June 30, 2005, Boom Logistics earned a profit after tax of \$15.4 million, which was 64 per cent higher than the \$9.4 million, recorded in the previous year.

The result was achieved on revenue of \$133 million, 59 per cent above the previous year's \$84 million.

A summary of the 2004-05 results is tabulated below.

Revenue	\$133 million
EBITDA	\$32 million
EBITDA %	24.1%
EBIT	\$24.5 million
Net Operating Profit after tax	\$15.4 million
Final dividend	3.9 cents

## Highlights

Highlights of the 2004-05 year included the acquisition and successful integration of five crane businesses for \$46.1 million and an \$17 million investment in 17 additional cranes to support the company's organic growth of 10 per cent during the year.

The five acquisitions were:

- Bower's Cranes in the Hunter Valley in October 2004.

- Brambles Bowen Cranes in Queensland in March 2005.
- Port Hedland Cranes in June 2005.
- Cameron Cranes Pty Ltd and Carrington Steel Pty Ltd in Newcastle in June 2005.

### **Purchase of Sherrin Hire**

Boom Logistics has this week finalised the acquisition of Sherrin Hire, a national provider of travel towers and access equipment, for \$130 million.

Boom's Chief Executive Officer, Rod Harmon, said Sherrin represented a very strong strategic fit with Boom's existing national crane hire network and strengthened its position as Australia's leading lifting solutions company.

The Sherrin purchase was funded by an underwritten institutional placement of \$67 million. These shares were placed at \$2.20 and will be eligible for the final dividend.

### **Dividend**

Directors declared a final dividend of 3.9 cents per share fully franked, payable on September 21, 2005 (record date August 31, 2005). This takes the total dividend for the 2004-05 year to 6.9 cents and represents a 50 per cent payout ratio of after tax profit.

### **Outlook**

Mr Harmon said the outlook for Boom and Sherrin over the next 12 months remained positive across all key sectors, underpinned by the strong demand from resources and infrastructure development.

He said Boom would focus on consolidating the Sherrin business, and progress cross-selling opportunities that exist between Boom Logistics and Sherrin Hire whilst considering further acquisition opportunities as they arise.

"We believe there are significant cross selling opportunities between the respective customer bases, with the combined strengths of Boom and Sherrin, creating a unique offering for our clients."

### **Background**

Boom Logistics is a leading Australian lifting solutions company with a pivotal position in the burgeoning industrial maintenance, commercial construction and resources sector. The logistics group sells a range of lifting services including:

- Managed lifting solutions
- Contractual maintenance arrangements
- Crane integration for high-rise constructions
- Engineering services and maintenance

- Equipment hire

Headquartered in Melbourne, Boom currently employs approximately 700 people nationally.

A full copy of the results is available at: [www.boomlogistics.com.au](http://www.boomlogistics.com.au)

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