



Media Release

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Boom stakes its claim in Queensland coal

Boom Logistics has finalised the purchase of Brambles Bowen Cranes as part of its strategy to diversify into new markets while supporting organic business growth.

The \$11.5 million purchase of Brambles Bowen Cranes in Queensland is the second acquisition by the company in the past six months that services the burgeoning coal sector and represents a significant market share of the state's crane hire business.

Bowen Cranes' fleet of 36 mobile cranes, numerous trucks and associated equipment currently generates \$10.4 million in annualised revenue and services approximately one third of the local market.

Boom's managing director Rod Harmon said the company's crane services to coal mining operations were strategically positioned to provide a footprint for further growth in the eastern states in a climate of higher coal prices and increased production forecasts.

In October last year Boom Logistics made a \$16.3 million investment in the Hunter Valley coal fields in NSW with the purchase of Bower's Cranes enhancing the company's existing exposure to the coal industry with operations based in the Victoria's Latrobe Valley coal district.

"We will continue our strategy of balancing organic growth and strategic acquisitions in a period of strong demand from the resources sector," Mr Harmon said.

Last month Boom reported a net profit of \$6.7 million for the first half to December 31, 2004, a 101 per cent improvement on the net profit of \$3.3 million recorded in the previous corresponding period (included only three months revenue from five acquisitions that were an integral part of the Initial Public Offering in October 2003).

Compared with the previous half year (to June 30, 2004), net profit was 11 per cent higher, from \$6.1 million to \$6.7 million on revenue of \$59.4 million.

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