



MEDIA RELEASE

February 16, 2005

Boom Logistics doubles first-half profit

National crane hire company Boom Logistics Ltd has reported a net profit of \$6.7 million for the first half to December 31, 2004.

The result is a 101 per cent improvement on the net profit of \$3.3 million recorded in the previous corresponding period, which had 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.

The profit result was achieved on revenue of \$59.4 million for the six months to December 31, 2004, a 90 per cent improvement on the previous corresponding period and a 13 per cent increase from the \$52.5 million reported in the half-year to June 30, 2004.

Results for first-half to December 31, 2004	
Revenue	\$ 59.4 million
EBITDA	\$ 14.3 million
EBITDA %	24.1%
EBIT	\$ 11.0 million
Net Profit	\$ 6.7 million
Dividend	3.0 cents per share
Interim Dividend payable	March 23, 2005

Boom Logistics' managing director Rod Harmon said the company's initiatives in the resources sector and strong demand for crane hire across all industries would further enhance revenue growth.

In October last year Boom acquired Bower's Heavy Haulage & Crane Service for \$16.4 million. Bower's was established at Singleton in the Hunter Valley region in 1946 and is the leading provider of crane access and heavy haulage services in the Hunter Valley NSW coalfields.

Boom has also entered into an agreement to purchase Brambles Bowen Cranes for \$11.5 million. This business provides lifting solutions to customers predominantly involved in coal mining, and maintenance related activities in the Bowen Basin, Queensland.

Mr Harmon said these acquisitions had annual revenues of \$17.3 million and \$10.4 million respectively at the time of purchase. He said the second-half results would include a full half year contribution from Bower's while it is expected that Bowen Cranes will contribute from March 1 this year.

"Like our other acquisitions these additions are established businesses with long standing customer relationships and excellent safety record," he said.

During the period, the company raised \$23 million in capital, a combination of a \$19.5 million institutional placement and Share Purchase Plan, while maintaining earnings per share at 6.7 cents from the previous six months to June 30, 2004.

Directors declared a fully-franked interim dividend of three cents per share that will be payable on March 23, 2005. This represents a 50 per cent net profit payout.

Outlook

Mr Harmon said the outlook for the next 12 months remained positive across all sectors and States.

He said he also expected an increase in the company's existing 13 per cent market share through organic growth and further strategic acquisitions.

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

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