BOOM LOGISTICS LIMITED

BOOM LOGISTICS

Providers of Lifting Solutions to Australia

BOOM SHERRIN

Half Year Results Presentation

31 December 2007

Business model overview

Boom's position in the supply chain

Nature and timing of revenue streams

Service provision vs asset utilisation

Accounting adjustments

	Prior	Current	Total
Sherrin fixed asset impacts	12.2	1.2	**13.4**
Other fixed asset impacts	0.3	1.7	**2.0**
Other	-	1.2	**1.2**
Total	**12.5m**	**4.1m**	**16.6m**

H108 Financial Performance

$ million	1H07	1H08 *(Trading)*	% change	1H08 *(Final)*
Revenue	**170.4**	**202.4**	**19%**	**202.4**
EBITDA	**48.2**	**51.0**	**6%**	**49.4**
EBITDA %	28.3%	25.2%	(3.1%)	24.4%
EBIT	**33.8**	**31.2**	**(8%)**	**27.2**
EBIT %	*19.8%*	*15.4%*	*(4.4%)*	*13.4%*
NPAT	**19.6**	**15.3**	**(22%)**	**12.4**
NPAT %	*11.5%*	*7.5%*	*(3.9%)*	*6.1%*
EPS	0.11	0.09		0.07

Revenue performing well

- Revenue growth of 19% influenced by:
  - +ve
    - Strong demand for Crane Hire in WA, Vic and South East QLD
    - Growth in new and used equipment sales
    - Cross selling into contracted customers
  - -ve
    - Price competition in the access equipment hire market
    - Softer demand for project related Crane Hire in Central Queensland, particularly in Q2

Sales focus on long term contracts

Business Unit	Activity	1H08 $M	1H07 $M	
BOOM Logistics	Crane Services	118.0	108.1	+ 9.2%
BOOM Sherrin	Equipment Hire	50.8	44.8	+ 13.4%
James Equipment	Equipment Sales	33.6	17.5	+ 92.0%
Total		202.4	170.4	+18.8%

- 42% of crane services and equipment hire revenue is derived from ongoing longer term contracts
- 28% from short term and project contracts
- 30% from uncontracted transactional work

Blue chip customer base

- **Term service contracts renewed or extended during the period:**
  - BMA *(2 years)*
  - Rio Tinto East Coast *(3 years)*
  - Bluescope Port Kembla *(1 year)*
  - Alcoa WA *(3 years)*
  - Iluka *(3 years)*

Margins pressured

- **1H08 EBITDA margin erosion due to:**
  - Service provision vs asset utilisation
    - need for improved focus on contract cost recovery
  - Labour supply and labour cost pressures, particularly in remote areas
  - Increased requirement for equipment cross hire, due to:
    - 10yr rebuild programme
    - shifting client maintenance requirements
- **Lower 1H08 NPAT % due to:**
  - Additional $3.3m of interest expense
  - Additional $3.6m of depreciation plus $2.9m of asset accounting adjustments

Financial Position

Half Year Ended 31 December 2007 ($m)	1H08 Actual	1H07 Actual
Cash	5.9	9.8
Receivables	71.0	66.2
Inventories	16.8	21.4
Plant & equipment	399.7	376.5
Intangibles	107.0	107.7
Other current & non-current assets	8.9	8.8
Total assets	**609.3**	**590.4**
Payables	33.9	45.6
Borrowings	262.0	238.4
Provisions	11.3	10.2
Other current & non-current liabilities	17.6	16.2
Total liabilities	**324.8**	**310.4**
Net assets	**284.5**	**280.0**
Net debt / equity	**90%**	**82%**

- $227m borrowings at an average interest rate of 7.6%
- Debt / Equity = 90%
- Interest cover = 3.0x

Cash Flow

Half Year Ended 31 December ($m)	1H08 Actual
EBITDA	**49.4**
Net interest	(9.2)
Income tax paid	(5.4)
Working capital / other	(4.1)
Net operating cash flow	**30.7**
Capital expenditure	(6.6)
Sale of plant & equipment	0.7
Net investing cash flow	**(5.9)**
Repayment of borrowings	(19.7)
Dividends paid	(9.0)
Net financing cash flow	**(28.7)**
Net cash flow	**(3.9)**

- Trading cash flow still strong to service finance obligations
- Dividends forecast to be distributed in line with Boom's policy of 50% of NPAT
- Management focus on improving operational cash flows to address gearing level

FY08 Capital Expenditure

Category	1H08 Actual $ Million	2H08 Forecast $ Million
Replacement	16.3	15.3
Organic growth	26.8	5.5
10 year rebuilds – Cranes	0.8	1.2
10 year rebuilds – Sherrin	2.8	2.0
Total	46.7	24.0

Management Structure

Management structure

- Board of Directors
  - Chief Executive Officer
    - J. Carr — Exec GM Sales & Marketing
    - A. Watson — Exec GM Strategic Development
    - P. O'Shannessy — Chief Operating Officer
      - C. Donaldson — GM WA
      - M. Aylward — GM VIC
      - G. Wright (Acting) — GM QLD
      - M. Apthorpe — GM NSW
      - T. Withington — GM Sherrin Hire
      - P. Shelton — GM James Equipment
    - Iona MacPherson — Chief Financial Officer

Outlook

Outlook

- Full year NPAT in the range of $29m - $30m (before accounting adjustments)
- WA and Victoria forecast to continue solid performance
- Bowen Basin (9% of group revenue) negatively impacting QLD performance
- Continued solid demand from major maintenance and infrastructure based customers
- James Equipment forward orders = 82 new cranes (over the coming 2 years)

Outlook

Key management focus on:

- reducing fixed costs across the business
- cost recovery under existing service contracts
- consolidating core processes and business systems
- improved equipment deployment to optimise utilisation
- a review of overall fleet mix

Questions

Contact Details

John Robinson
Chairman

Iona MacPherson
CFO/ Company Secretary

Address: Level 12, 390 St Kilda Road

MELBOURNE VIC 3004

Phone: (03) 9864 0200

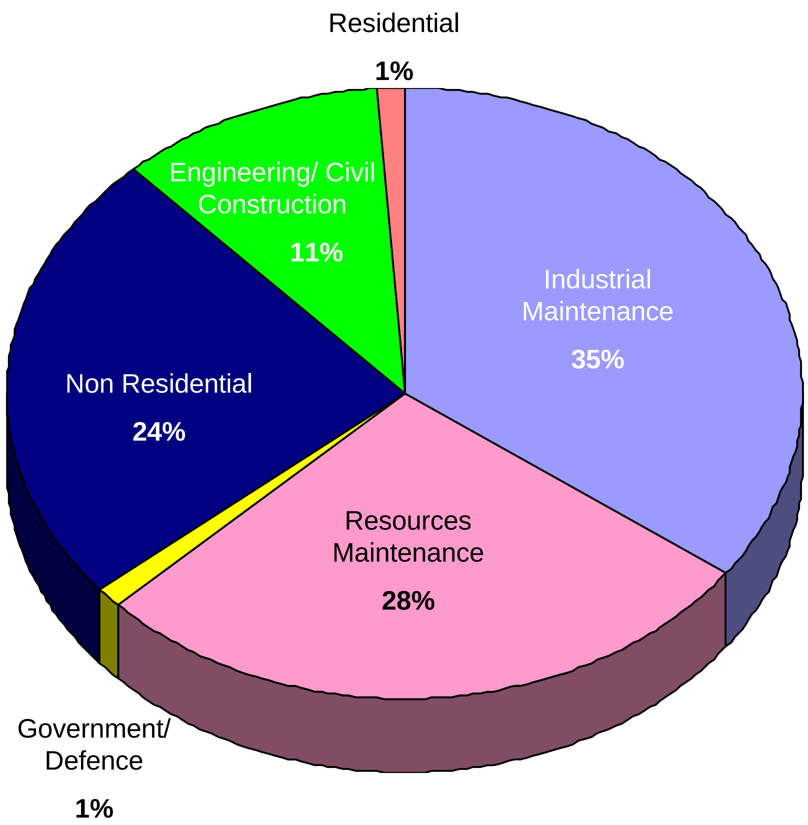
Fax: (03) 9864 0222

Revenue Segmentation

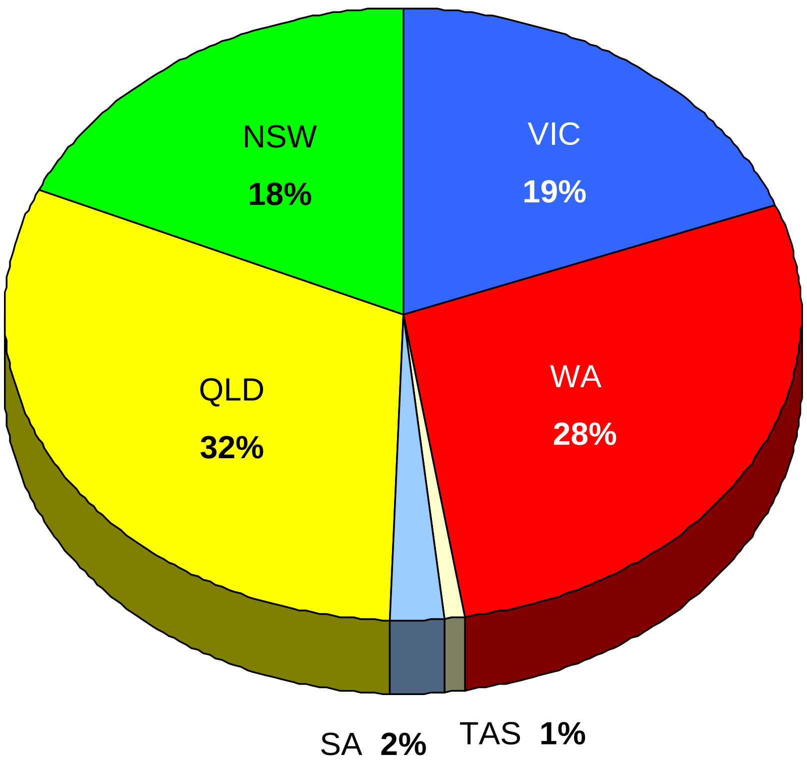
Revenue Segmentation – 1HY08

Appendix

Market Segmentation



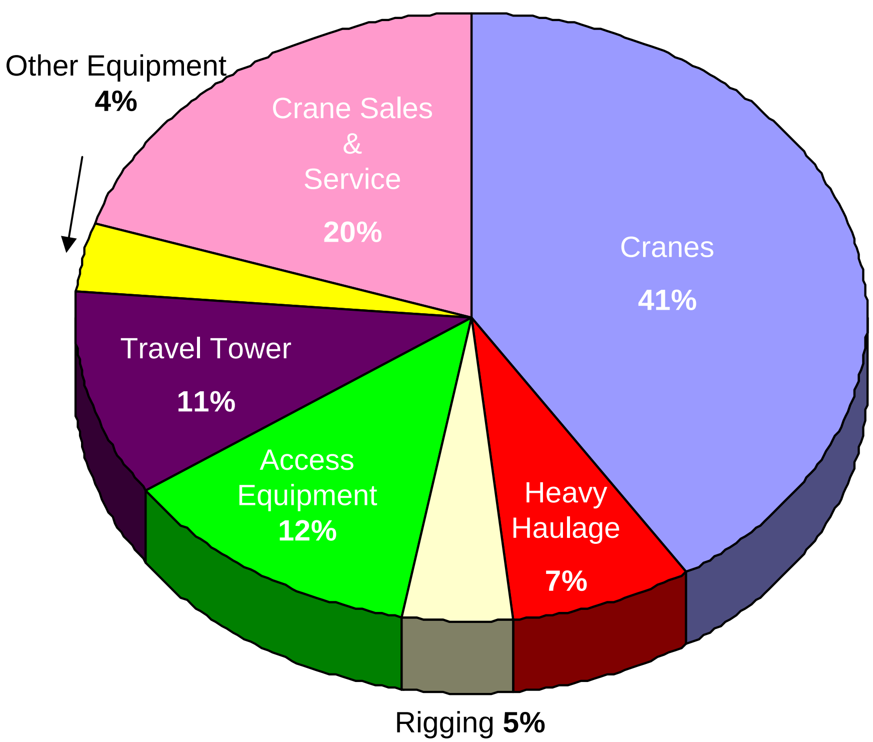
Geographic Segmentation



Revenue Segmentation – 1HY08

Appendix

Segmentation by Equipment



Wet Hire/ Dry Hire