

# BOON

LOGISTICS

Providers of lifting solutions to Australia



# Presentation Agenda



- Half year result to 31 December 2003
- Integration Update
- Boom Logistics Operations
- Market Outlook
- Summary

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# Half Year Result to 31 December 2003

# Financial Result Summary to 31 December 2003



	Half Year 31 December 2003 Actual (\$M)	Full Year Prospectus Statutory forecast to 30 June 2004 (\$M)
Revenue	31.3	73.1
EBITDA	7.4	18.6
EBITDA / REVENUE %	23.6%	25.4%
EBIT	5.7	14.8
EBIT/ REVENUE %	18.2%	20.2%
NOPAT	3.3	8.9
Diluted EPS (cents)	5.1	10.9
Dividend (cents)	1.2	4.8
Current Share Price	\$1.50	\$0.80
PE Ratio	13.5	7.3
Market Capitalisation	\$139m	\$76m

**Note:**

- The half year result includes less than 3 months results for the five crane businesses acquired in October 2003

# Financial Result Summary

## Comparative



Financial Summary \$ Million	6 Months to *31 December 2003	6 Months to *31 December 2002	Change %
Revenue	31.3	12.5	150%
EBITDA	7.4	2.9	155%
EBIT	5.7	2.3	148%
Net profit after tax	3.3	1.1	200%
<b>Key Performance Parameters:</b>			
EBITDA/ Revenue (%)	23.6%	23.2%	0.4%
EBIT/ Revenue (%)	18.2%	18.4%	<0.2>%
Diluted EPS (cents)	5.1	2.5	2.6

- 31 December 2003 financials have been subject to audit review, 31 December 2002 financial are unaudited management amounts.
- As at 31 December 2002 Boom Logistics was an unlisted public company.

# Financial Result Summary to 31 December 2003

## Balance Sheet



	As at 31 December 2003 (\$M)	As at 31 December 2002 (\$M) <sup>(3)</sup>
Cash	4.6	1.1
Receivables	14.4	5.4
Plant & Equipment	73.8	28.6
Intangibles	7.2	0.1
Other Current & Non-current Assets	2.4	1.9
<b>Total Assets</b>	<b>102.4</b>	<b>37.1</b>
Payables	5.0	2.5
Other Current Liabilities (1)	10.2	5.9
Borrowings	33.2	18.6
Provisions	4.9	1.2
Other Non-current Liabilities (2)	2.3	-
<b>Total Liabilities</b>	<b>55.6</b>	<b>28.2</b>
<b>Net Assets</b>	<b>46.8</b>	<b>8.9</b>
<b>Gearing</b>	<b>61%</b>	<b>197%</b>

### Notes

- (1) 31 December 2003 includes \$8.0M and 31 December 2002 includes \$5.4M of deferred settlement payments due to vendors <12 months
- (2) 31 December 2003 includes \$1.0m of deferred settlement payments due to vendors >12 months
- (3) 31 December 2002 Balance Sheet has been sourced from unaudited management accounts

# Cash Flow



- All businesses are generating strong operating cashflows.
- All deferred settlement commitments have been met.
- A fully franked interim dividend of 1.2 cents to be paid 23 March 2004 per prospectus forecast.

	Full Year Prospectus Statutory Forecast to 30 June 2004	Half Year 31 December 2003 Actual	Half Year 31 December 2002 Actual
Gearing % (Net Debt/ Equity)	51% (*)	61%	197%
Interest Cover	7.0	5.5	3.2
Debt Cover	2.4	2.0	1.7

(\*) Before organic growth initiatives

# Financial Result to 31 December 2003

## Key Achievements



### 1<sup>st</sup> Quarter (Jul – Sep 03)

- Non listed company status
- Operations in WA and VIC only
- Brambles Kalgoorlie operations acquired

### 2<sup>nd</sup> Quarter (Oct – Dec 03)

- Five acquisitions, QLD, NSW, WA, VIC successfully integrated
- Listing on the ASX, \$21M new capital raised
- National business established
- New contracts secured including \$5M Orbital road contract
- Further \$2.4M investment committed for new equipment to support organic growth opportunities
- Half year result ahead of budgeted 37% contribution after absorbing a \$150K NOPAT impact from acquisition settlement delays
- No industrial disputation or major accidents



# Integration Update

# Integration Update



- Customer Base
  - Existing
  - New
  - All retained
  - Several contracts enhanced & extended
  - \$5m Sydney Orbital Road contract signed in December 2003
- Industrial Relations
  - Zero disputation
- Safety
  - No serious incidences
- Fleet Management
  - Systems in place
- Deferred Acquisition Payments
  - Made on time
- Financial Integration
  - On schedule/ controls in place
- Board/ Corporate Governance
  - Committed/ alignment with ASX requirements a high priority
- Management Team
  - Enhanced/ Key personnel retained
- Capital Expenditure
  - Three new cranes purchased post listing to meet organic growth demand



# Boom Logistics Operations

# Boom's Operation



Segment	Boom % of Revenue
Non-residential building	13%
Engineering construction	25%
Maintenance	53%
Other dwellings	9%

- Crane usage factors: 3.5 - 5% per million dollars of new construction and 0.5 – 4% per million dollars of maintenance expenditure

Source: BIS Shrapnel

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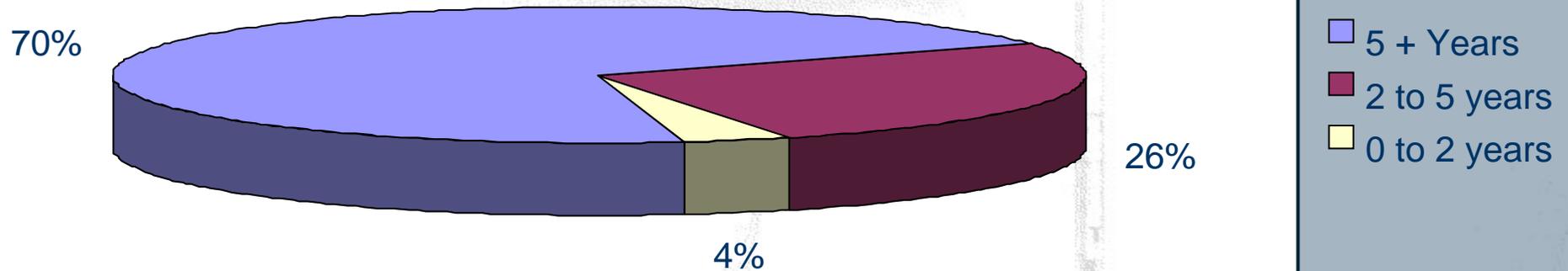
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# Boom's Operation

## Customer Base



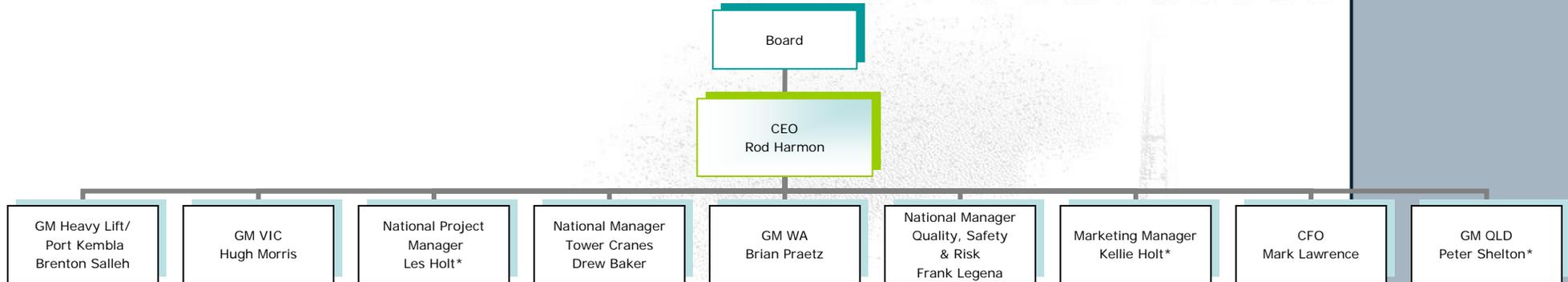
Majority of revenue from long-term customers



- Weighting toward large corporate blue chip clients eg. BP, Shell, WMC, ALCOA, Iluka, Grocon, Lend Lease, Multiplex, Blue Scope Steel
- Large proportion of underlying recurrent revenues

# BOOM's Board & Senior Management

## Management

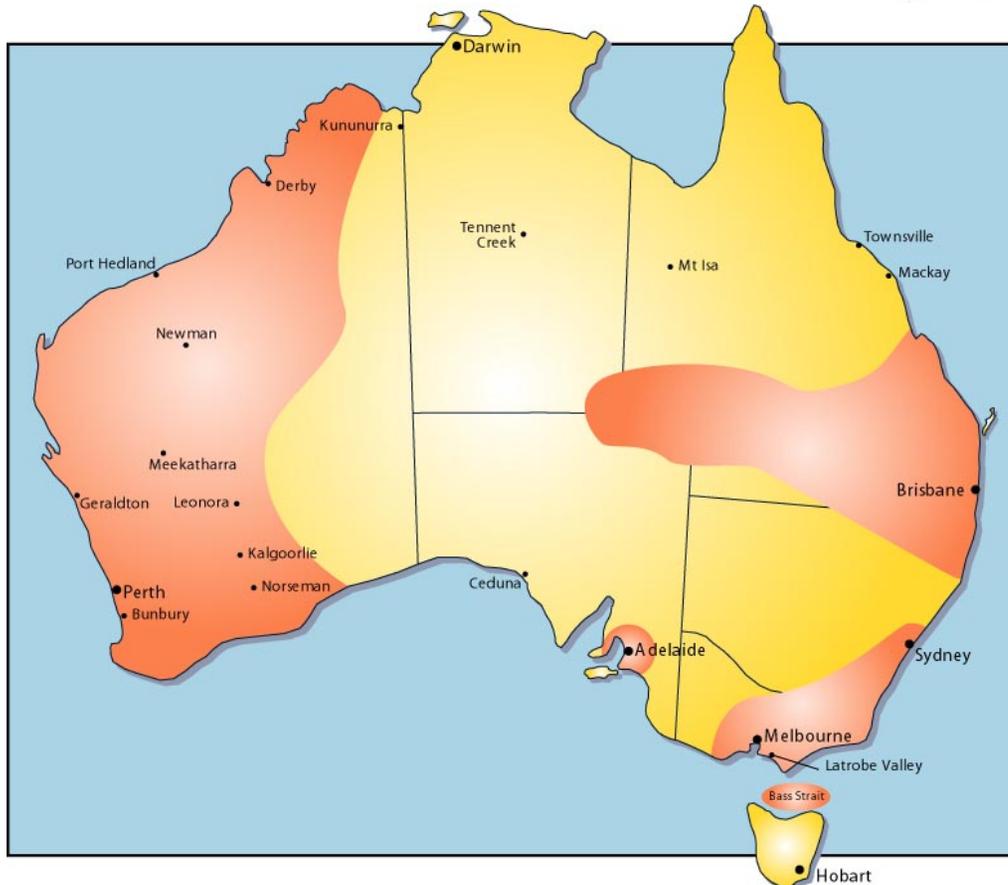


\* New Appointments

## Board

- John Robinson Non-Executive Chairman
- Rod Harmon Managing Director/ CEO
- Douglas Williams Non-Executive Director
- Jack Hebiton Non-Executive Director
- Dr Huw Davies Non-Executive Director
- Fiona Bennett Non-Executive Director
- Mark Lawrence Company Secretary/ CFO

# BOOM's Operations



- Head Office/Depots**
- VIC - St Kilda Road (Head Office)
  - Laverton North
  - Braeside
  - Latrobe Valley
  - WA - Welshpool
  - Kwinana
  - Geraldton
  - Kalgoorlie
  - Port Hedland
  - Bunbury
  - NSW - South Eastern NSW
  - QLD - Hendra
  - Toowoomba
  - Beenleigh
  - Rocklea

<u>Sector</u>	<u>Revenue/%</u>
Non Residential Building	\$11M/13%
Engineering Construction	\$21.8M/25%
Other Dwellings	\$8.2M/9%
Maintenance	<u>\$45.7M/53%</u>
Total	\$86.7M

Note: - FY2004 proforma forecast  
 - BOOM's revenues are diversified across sectors, not heavily exposed to the apartment sector and have a high recurrent component ie. maintenance

# BOOM's Operations



- A leading national lifting solutions provider
- A well defined, stable, simple industry not impacted by technological change
- History of profitable trading performance
- Achieved market and geographic diversity through strategic acquisitions
- Significant barriers to entry
- Recurrent revenue base with high operating margins
- Blue chip client base across a wide range of industries
- Attractive growth opportunities exist, organically and via acquisition
- Experienced board and management that are cash flow and value focused

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# Market Outlook

# Market Outlook

## BIS Shrapnel – Industry, Size & Growth



Strong growth next five years particularly in New South Wales, Queensland and Western Australia

Estimated Value of All Crane Hire	03 \$M	04 \$M	05 \$M	06 \$M	Total Increase	Drivers
Maintenance	297	306	330	351	18%	\$20bn PA industry - Structural upturn
Non-residential building	363	392	419	464	28%	Cyclical upturn – Hotels and offices
Other dwellings	141	107	116	146	4%	Potential supply/ demand imbalance. Major fluctuations.
Engineering construction	88	91	101	104	18%	Resource and infrastructure projects
<b>TOTAL \$M</b>	<b>889</b>	<b>896</b>	<b>966</b>	<b>1,065</b>	<b>20%</b>	

Note: BIS Shrapnel estimated the size of the lifting solutions market to grow year on year to over \$1 billion in 2006

# BOOM's Growth Strategy

## Growth Drivers

### Organic Growth

- National coverage and geographical reach
- Product development – bundled service offer
- Asset utilisation/flexibility/innovation
- Equipment sourcing
- New contracts – blue chip, contracted clientele
- Total solutions management
- Fragmented Industry, locally focused players

### Acquisition Growth

- Acquisitions/industry consolidation
- Cost/integration benefits
- Economies of scale
- Cross marketing/elimination of duplication
- Diversification and further strengthen market position
- Substantial room for growth - market share currently 10%

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# Boom's Growth Strategy

## Future Direction



### As Australia's leading national lifting solutions provider

- Grow through acquisition and industry consolidation, and organic investment.
- Focus on blue chip clients in stable, higher margin industry segments, eg. Maintenance (Petrochem, resources, manufacturing), Engineering and commercial construction
- Lead industry standards on OHSE and risk management
- Pursue total management solution contracts and recurring revenues

### Our Advantages

- Experienced Management
- Proven Integration skills
- Wide geographical coverage and fleet flexibility
- Branding
- Unique capacity and product/ service range – one stop shop
- High barriers to entrants in Boom's chosen markets

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# Summary

# Summary



- Integration has been effectively planned and executed
- Current financial performance on target
- Customer response to the Boom strategy has been favorable
- Outlook is strong across all sectors
- Experienced Management embedded and adding value
- Platform for further growth established
- Growth opportunities will be pursued
  - Organic
  - Acquisition
- Confident that the full year statutory result will be achieved
- Shareholder Value growth focused

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# Contacts



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Chief Financial Officer

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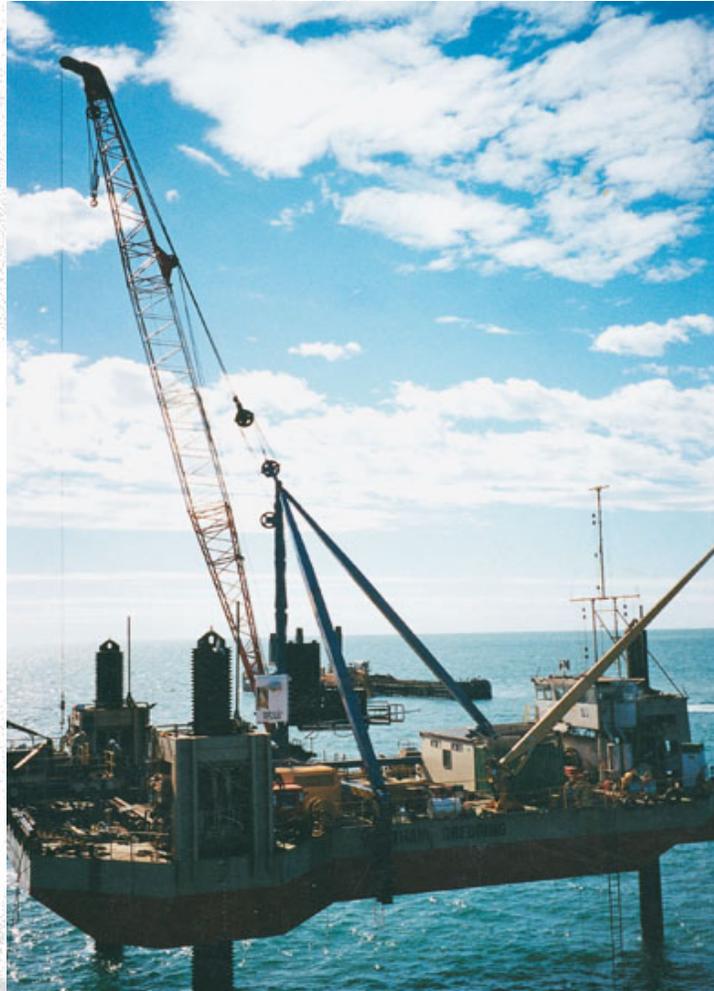
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# Questions



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