BOOM
LOGISTICS
LIMITED

June 2009
Full Year Results

19 August 2009

FY09 Overview

Profit	Trading NPAT of $12.0m. • 2% revenue growth on FY08 across hire divisions. • Solid business and project activity resulted in a favourable performance in 1H09 particularly in the Crane Hire division, demonstrating the turnaround potential. • 2H09 downturn in key sectors of resources, non-residential construction and industrial services. • Reduced project activity, production levels and maintenance activity from major customers. • Depressed capital equipment market impacting James Equipment new and used crane sales. Reported NPAT result of a $27.4m loss includes impairment and restructuring costs of $39.5m.
Balance Sheet	• Net Debt reduced to $235.4m, down $17.7m from $253.1m in June 2008. As at 19 August, this will have further reduced to $221.7m. • $38m capital invested in the year, predominantly in the Crane Hire division. • Current NTA valuation of $0.89.
Cash Flow	• Operating cash flows are consistent with FY08, even with a depressed earnings. • $10.8m of asset sales realised in FY09. • $21m of tax refunds and interest received / receivable in the June to October 2009 period, with the majority to be applied to debt. • Inventory managed down from peak levels in February 2009 of $42m, to $25m at year end.
Dividend	• No final dividend declared for FY09. • Full year dividend of 1.0 cent, fully franked.

A strong start, followed by a challenging second half

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FY09 initiatives and response to downturn

	Initiative	Outcome
Customer Focus	• New, strategic approach to relationship management	• Consolidated major contracts, re-established relationships and won new long term contracts • Boom's top Crane Hire customer (BMA) signed to a contract extension in August • Developed key alliances in resources, LNG, renewable energy and infrastructure sectors
Operations and Process Improvement	• Customer interface system overhauled and roll out commenced • Stage 1 restructuring during Q409 • National procurement	• Smoother customer interface with improved revenue capture • $12.6 million full year EBITDA benefit from restructuring – c.90% complete by 30 June 2009 (approximately 4% of the operating cost base) • Procurement contract savings achieved with further benefits of $1 million per annum into FY10
Financial and Working Capital Management	• Debt facilities restructured and simplified • Legacy accounting and tax issues identified and addressed • Operational focus on Return On Assets • Strong emphasis on cash management	• Syndicated debt secured until September 2011 • Restated FY2008 financial statements • Tax refunds and interest of $21 million associated with prior periods • Materially more efficient allocation of capital across and within business units, based on Return On Assets • Debtor days reduced from 66 as at 30 June 2008 to 46 as at June 2009
Management	• New management structure and team • Key General Manager appointments made	• Highly skilled team now in place – significant experience in industrial services
Safety and training	• Heightened safety focus – including establishing a Safety Leadership Team • Training and development needs of depot management and supervisors identified	• Experienced National Safety Manager appointed • Strong safety disciplines aligned with customer expectations • Training advisors engaged and program established to enhance skill levels across the workforce

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FY09 Group Results

$m	1H08	2H08	FY08	1H09	2H09	FY09[1]
Revenue	202.3	207.6	409.9	223.5	173.5	397.0
EBITDA	**48.9**	**40.8**	**89.7**	**47.8**	**21.5**	**69.3**
EBITDA margin	24%	20%	22%	21%	12%	17%
Depreciation	(19.6)	(18.5)	(38.1)	(17.0)	(17.2)	(34.2)
EBITA	**29.3**	**22.2**	**51.5**	**30.8**	**4.7**	**35.5**
EBITA margin	14%	11%	13%	14%	3%	9%
Amortisation	(1.0)	(3.4)	(4.4)	(1.1)	(1.0)	(2.1)
EBIT	**28.2**	**18.9**	**47.1**	**29.7**	**3.7**	**33.4**
Net Interest [2]	(9.3)	(10.0)	(19.3)	(10.0)	(6.5)	(16.5)
Profit before tax	**19.0**	**8.9**	**27.9**	**19.7**	**(2.8)**	**16.9**
Tax	(5.8)	(3.4)	(9.2)	(5.9)	1.0	(4.9)
NPAT	**13.2**	**5.4**	**18.6**	**13.8**	**(1.8)**	**12.0**

1. *FY09 trading result excludes one off impairment and restructure costs of $39.5m incurred in 2H09. A summary of the FY09 one off items is set out at Appendix 1.*
2. *Net Interest includes interest income of $1.1m (bank interest and tax refund interest).*

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FY09 Divisional Results

$m	1H08	2H08	FY08	1H09	2H09	FY09[1]
Revenue						
Crane Hire	118.3	125.7	244.0	146.3	116.3	262.6
Boom Sherrin	50.4	46.4	96.8	47.3	37.6	84.9
James Equipment	33.6	35.5	69.1	29.9	19.6	49.5
Group Total	**202.3**	**207.6**	**409.9**	**223.5**	**173.5**	**397.0**
EBIT						
Crane Hire	16.8	14.9	31.7	27.5	10.9	38.4
Boom Sherrin	11.9	7.8	19.7	9.6	2.2	11.8
James Equipment	4.0	1.9	5.9	1.4	(0.5)	0.9
National Office [2]	(4.5)	(5.7)	(10.2)	(8.8)	(8.9)	(17.7)
Group Total	**28.2**	**18.9**	**47.1**	**29.7**	**3.7**	**33.4**

1. *FY09 trading result excludes net one off impairment and restructure costs of $39.5m incurred in 2H09. A summary of the FY09 one off items is set out at Appendix 1.*
2. *National Office costs in FY09 included approximately $2.8m of additional banking fees.*

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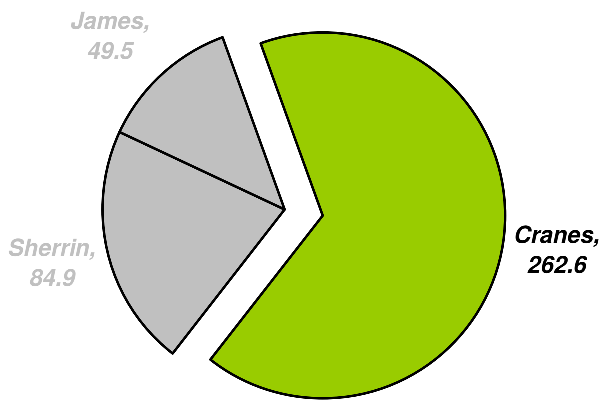
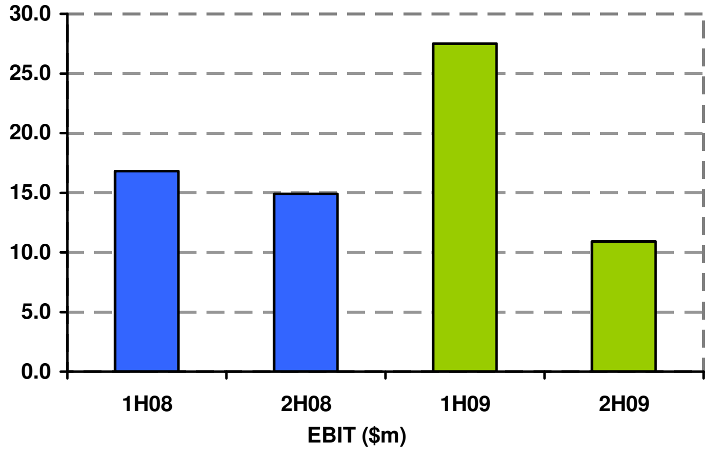
FY09 Divisional Results – Crane Hire

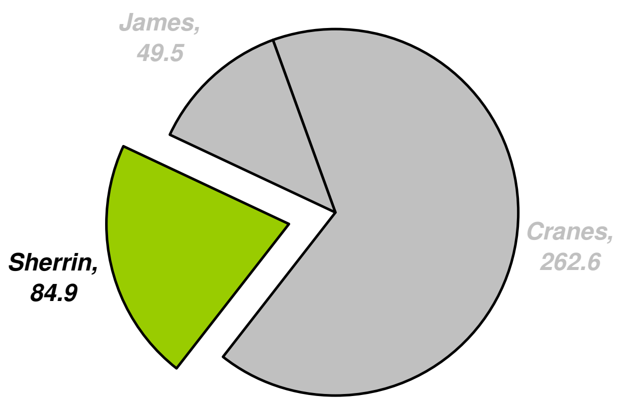


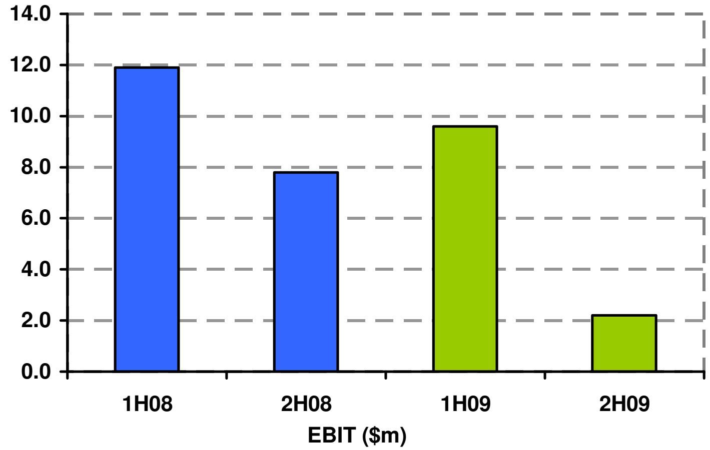


- 8% revenue growth from FY08.
- Solid business and project activity resulted in the performance of 1H09, demonstrating the turnaround potential of this business.
- 2H09 reduction in asset utilisation from 84% to 72% followed reduced customer projects, production and maintenance activity. This further supports the leverage to turnaround.
- Continued support from major customers and new business, particularly in mining and LNG (cranes already onto Barrow Island).
- “Phase 1” restructure undertaken in Q409 to yield $9m in the Crane Hire division.

Planning focus is currently on ensuring the optimal asset and people mix to capitalise on the FY10+ pipeline, particularly in mining, energy and infrastructure.

FY09 Divisional Results – Boom Sherrin

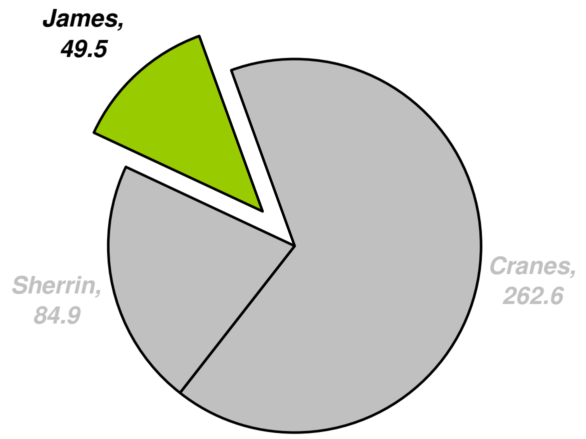


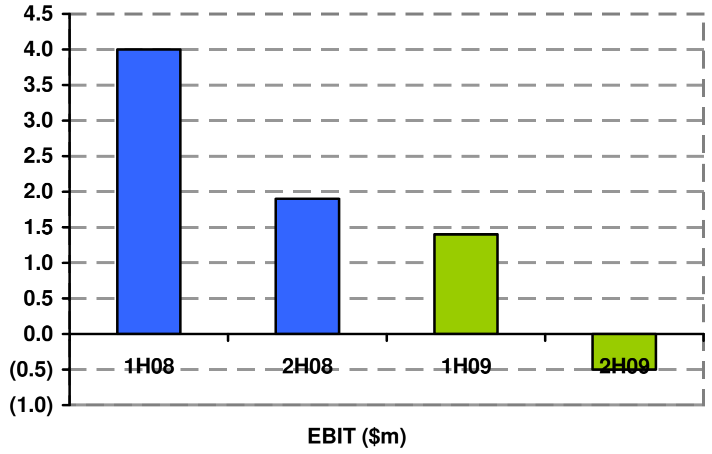


- Finalisation of project activity in 1H09 led to market oversupply, particularly in Queensland and Victoria.
- Competitive environment has pressured margins.
- Continued strong demand for high end Travel Towers.
- “Phase 1” restructure undertaken in Q409 to yield $2m in Boom Sherrin.
- Fixed cost nature of access equipment business supports strong leverage to turnaround.

Planning focus on longer term contracts, maintaining the current customer base and new project opportunities in telecommunications and school infrastructure programmes.

FY09 Divisional Results – James Group





- Challenging market conditions in relation to:
  - unfavourable Yen and Euro currency positions; and
  - low local demand for new and used cranes in the prevailing economic environment.
- Notwithstanding market factors, the focus on inventory management has reduced inventory from a February 2009 peak of $42m down to $25m at June 2009.
- Further inventory reduction in FY10 will generate cash to be used in debt reduction.
- “Phase 1” restructure undertaken in Q409 to yield $1m in the James Group.

Planning focus is on continued inventory management, management of overhead and positioning for major project supply opportunities.

FY09 Financial Position – Further debt reduction

	June 2008	June 2009	Mvmt
Cash	1.8	10.6	8.8
Trade Receivables	77.1	52.0	(25.1)
Other Receivables	-	13.0	13.0
Inventories	20.6	25.0	4.4
Assets Held For Sale	6.2	7.8	1.6
Plant & Equipment	378.6	351.9	(26.7)
Intangibles	112.4	91.5	(20.9)
Other current & non-current assets	9.3	9.8	0.5
Total Assets	**606.0**	**561.5**	**(44.5)**
Payables	44.1	23.5	(20.6)
Borrowings	254.9	245.9	(9.0)
Provisions	12.4	13.7	1.3
Other current & non-current liabilities	19.1	33.6	1.5
Total Liabilities	**330.4**	**316.7**	**(13.7)**
Net Assets	**275.6**	**244.8**	**(30.8)**

- Continued management focus on working capital and capital mix to enable further debt reduction.
- Working capital improvement achieved through inventory management and debtors days reduction.
- Other receivables includes $10.2m of expected tax refunds which have now been received.
- Pre impairment, June 2009 Net Debt to Equity of 83% (post impairment at 96%).
- Total gross impairments of $39.7m across Intangibles, Plant & Equipment, Inventories and Assets Held For Sale.

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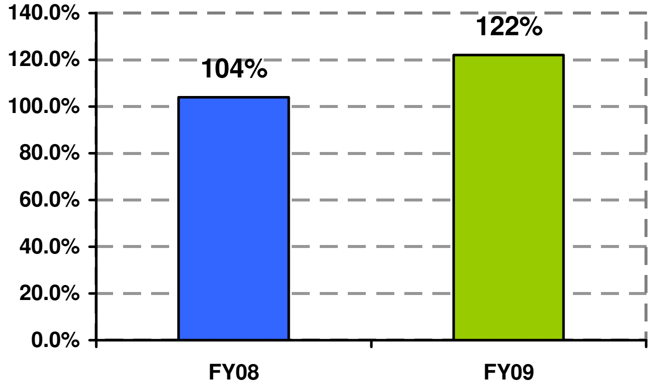
FY09 Cash Flow – Still sound

	June 2008	June 2009	Mvmt
Net receipts / (payments)	93.8	84.6	(9.2)
Net interest received / (paid)	(19.2)	(16.8)	2.4
Income tax paid	(7.1)	(0.2)	6.9
Cash provided from operating activities	**67.5**	**67.6**	**0.1**
Purchase of plant and equipment	(28.6)	(38.0)	(9.4)
Proceeds from the sale of plant and equipment	1.8	10.8	9.0
Cash used in investing activities	**(26.8)**	**(27.2)**	**(0.4)**
Net repayments of borrowings	(32.1)	(28.3)	3.8
Payment of dividends	(16.7)	(3.4)	13.3
Cash used in financing activities	**(48.8)**	**(31.7)**	**17.1**
Net increase / (decrease) in cash	**(8.1)**	**8.7**	**16.8**
Closing cash	**1.8**	**10.6**	**8.8**

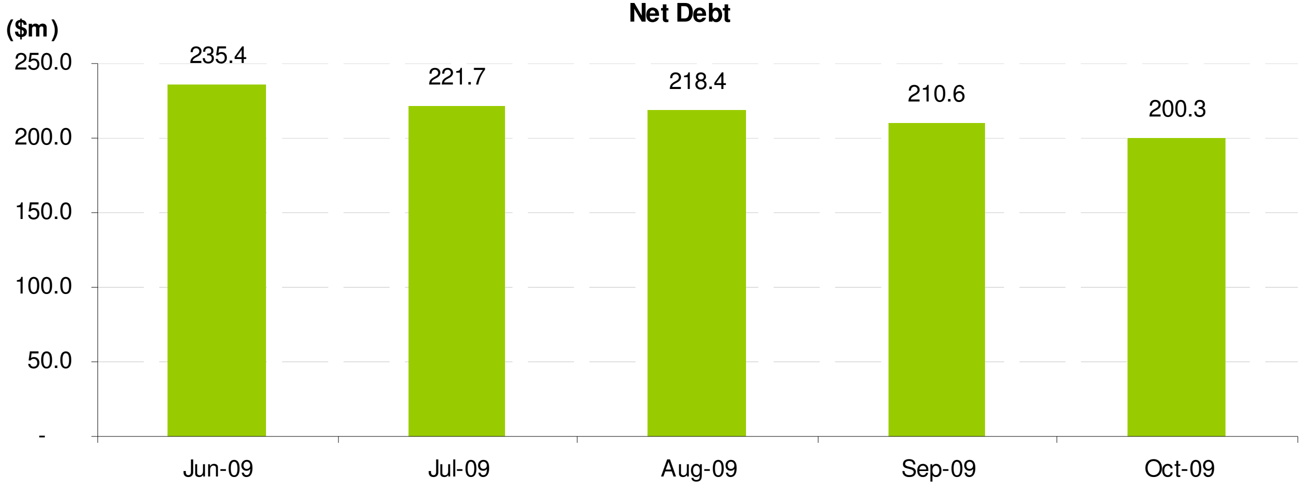
- Solid cash flows whilst still investing in capital and paying down debt, demonstrate operational resilience even in tough economic times.
- Emphasis on debtors days has reduced the measure down from 66 at June 2008 to a sustainable 46 at June 2009.
- Dividend payment restriction prudent under current conditions.



EBITDA conversion to cash

Cash Flow, Debt and Gearing

- FY09 cash flows enabled a reduction in Net Debt of $17.7m (to $235.4m) during the year, whilst investing $38.0m in capital expenditure.
- Through operating cash flows and the $21m tax refund, Net Debt is forecast to reduce from $235m at June 2009 to $200m by October 2009.
- Will comfortably enable all financial commitments to be met.
- Working positively with the banking syndicate to achieve a long term solution to the current Earnings Leverage issues.
- Strategic review with Lazard and advisory team will determine next steps in de-leveraging the balance sheet.



Strategic Review – Assessing alternatives

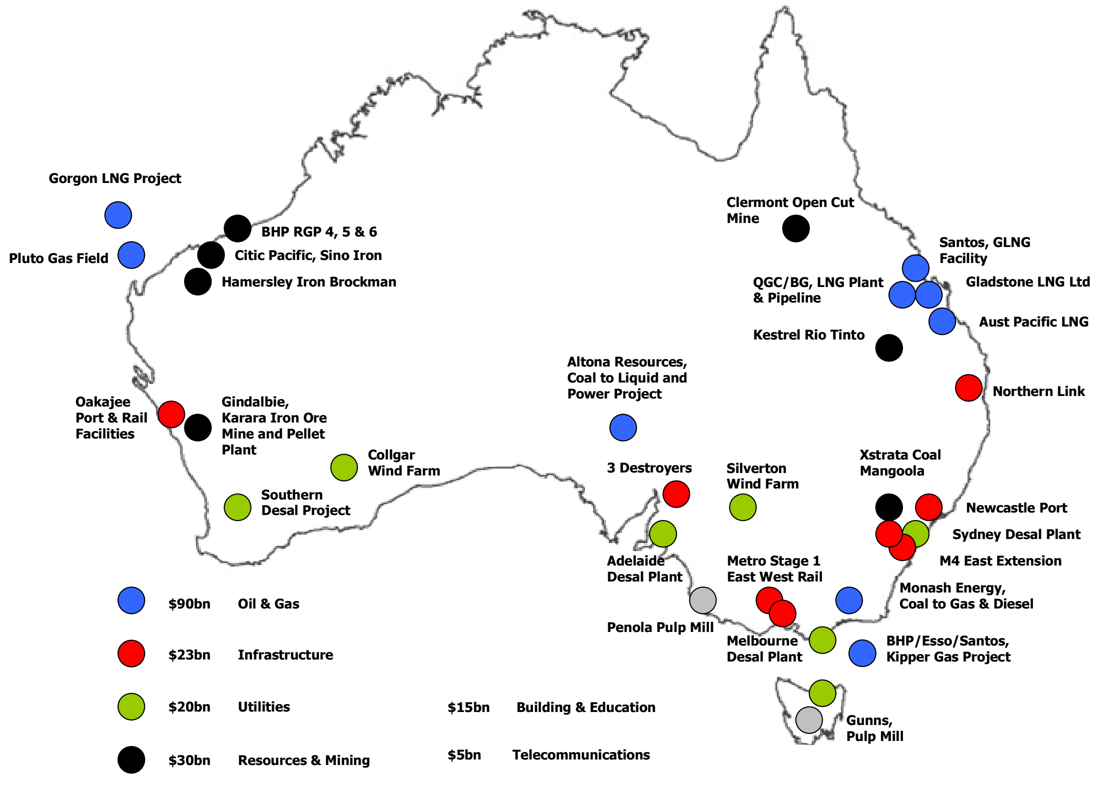
- Boom's strategic review is continuing.
- Harbrew's merger proposal continues to be assessed in conjunction with several other strategic opportunities, with a view to maximising value for all shareholders.
- As previously announced, Boom's original equity raising proposal is on hold whilst these strategic opportunities are assessed, with the assistance of Boom's advisors.
- Boom expects to have completed the strategic review prior to the Annual General Meeting, scheduled for November 2009.
- In the meantime, Boom will be conducting its business as usual, focussing on revenue growth and debt reduction.

FY10 initiatives – Revenue and Return On Assets focus

	Initiatives	Expected Outcomes
Sector specific opportunities	• Renewable energy • LNG projects • Resources • Schools building program • Other Government infrastructure • Telecoms and utilities	• Renewable energy – relationships established with significant incremental revenue opportunities emerging • LNG projects – alliances in place and business positioned for major projects • Resources – contracts and relationships in place; positioned for project expansion • Schools building program – particularly relevant for Boom Sherrin • Government infrastructure – significant opportunities for Crane Hire • Telecoms and utilities – Travel Tower opportunities for line maintenance and mobile tower rollouts
Operational improvements	• Reduce total costs and increase variable costs relative to fixed costs	• Additional, sustainable operational improvements planned for 1H10 in maintenance, transport and labour scheduling
Asset base	• Improve margins	• Strategic review of fleet mix – objective is to re-weight fleet towards high capacity, high margin cranes and travel towers • Cranes identified for sale – progress will be market dependent
Safety and training	• Stronger alignment of safety culture with customers • Become an employer of choice	• Completion of training program for sales, supervisors and Branch Managers

Market Outlook – Positioned for opportunities

- There is $183 billion in major projects forecast over the next 3 years with crane and lifting equipment hire opportunities.
- Boom is well positioned operationally and geographically to capitalise on opportunities, with available utilisation capacity from the existing fleet. The 1H09 result demonstrated Boom's leverage to turnaround and with the current fleet, a 5% increase in revenue could yield up to $8m NPAT.



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Appendix 1: Summary of FY09 One Off Items

$ million	Gross impact	Tax impact	Net impact
Trading NPAT	**16.9**	**(4.9)**	**12.0**
Intangible asset impairments			
James Equipment goodwill[1]	(18.8)	–	(18.8)
Tangible asset impairments			
Property, plant and equipment (including assets held for sale)[2]	(18.3)	5.5	(12.8)
James Equipment Crane inventory and Stock[3]	(2.6)	0.8	(1.8)
Total tangible asset impairments	**(20.9)**	**6.3**	**(14.6)**
Restructure[4]	**(3.1)**	**0.9**	**(2.2)**
Tax adjustment[5]	**–**	**(3.9)**	**(3.9)**
Reported NPAT	**(25.9)**	**(1.6)**	**(27.5)**

1. Assessed using a value in use calculation
2. Operational assets assessed and adjusted as necessary for value in use, residual value and useful life calculations. Operational assets identified as ready for sale, valued based on prevailing market conditions for used equipment
3. James Equipment crane inventory valued based on prevailing market conditions for used equipment. Stock relates to James Equipment and GM Baden workshop stock and consumables.
4. Costs associated with 2H09 restructure activity
5. Relates to tax adjustments claimed for the financial years ended 30 June 2002 to 30 June 2004. Whilst these periods are considered “closed” to claims, Boom Management have made a formal request to the Commissioner asking that he exercise his discretion to allow a claim for this period to proceed. Should Boom’s request be granted, this tax charge will be reversed in FY10.

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