

National Hire Group Limited

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ASX Announcement

14 December 2011

NATIONAL HIRE GROUP LIMITED (“NHR”) PROPOSED ACQUISITION BY COATES

Attached is a copy of an announcement made this morning by Traffic Technologies Limited following its entry into an agreement for Coates Hire Operations Pty Ltd to acquire its rental business.

The acquisition is not material to either Coates Hire or National Hire.

Contact

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About National Hire

National Hire Group Limited owns equipment sales and support businesses which operates under the name Allight, Sykes and Primax and a 46.1% interest in Coates Group Holdings Pty Ltd which owns the Coates Hire business.

Allight manufactures, assembles, sells and supports mobile lighting and power generation equipment and distributes Perkins engines, FG Wilson power generation sets and Rotair compressors. Sykes and Primax manufacture, sell and support dewatering solutions globally.

Coates Hire is the largest rental business in Australia and is one of the largest rental businesses globally. Coates Hire has been hiring equipment to the mining construction and event management sectors for more than a century, and today has a network of over 200 branches across Australia.



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Sale of Traffic Hire Business

14 December 2011, Melbourne:

Traffic Technologies Ltd (TTI) announces that it has entered into an agreement to sell its Traffic Hire business to Coates Hire Operations Pty Limited for \$2.5m.

The sale, which is expected to be completed by the end of December, is for a cash consideration of \$2.5m and will deliver TTI a net amount of around \$2.3 million. In addition, TTI will collect the book debts of the Traffic Hire business which will be applied in repaying trade creditors and other liabilities.

The Traffic Hire business provides equipment hire (barrier guard and portable roadside technology) services to road traffic authorities and construction companies.

The Traffic Hire business generated revenue of \$1.8m and an EBITDA profit of \$0.7m before non-recurring items for the Group in the financial year ended 30 June 2011.

The sale of the Traffic Hire business, which is non-core to the Group's business activities, is part of the ongoing positioning of Traffic Technologies as Australia's premier traffic solutions company, providing solutions ranging from the latest LED traffic lights to roadside safety phones and affiliated products.

Enquiries:

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