

ASX and Media Release

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**IMPLEMENTATION OF THE COATES HIRE LIMITED SCHEME OF
ARRANGEMENT AND TRANSFER OF NATIONAL HIRE RENTAL BUSINESS
TO NED GROUP**

NED Group, a company established by National Hire Group Limited and The Carlyle Group, advises that it has successfully acquired Coates Hire Limited following implementation of the Scheme of Arrangement. In connection with the Scheme National Hire Group Limited (NHR) also transferred its rental business to NED Group.

To assist with funding its investment in NED Group, NHR completed a share placement on 31 December 2007 to Elph Pty Ltd (a company controlled by Mr Dale Elphinstone) at \$3.00 per share to raise \$86 million. Elph Pty Ltd now holds 19.9% of the shares in NHR.

As previously advised NED Group will now proceed with merging the Coates and National Hire rental operations. Following the transfer of its rental business, NHR holds a 47 per cent economic interest in NED Group and will retain full ownership of its Capital Sales division, which will trade as Allight. NHR will remain listed on the Australian Securities Exchange.

National Hire Group Ltd Executive Chairman Ray Romano said: "Successful implementation gives National Hire an investment in a company with greatly expanded scale and provides us with access to Carlyle's global experience."

Carlyle Managing Director Simon Moore said: "Today's implementation finalises the first stage of an important and exciting transaction for The Carlyle Group in Australia.

The new business is a high-quality one with excellent management teams. We look forward to contributing our experience in the global equipment rental industry, which Carlyle has gained through its investment in the Hertz Corporation in 2005."

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