ASX Announcement
6 December 2010

**NATIONAL HIRE GROUP LIMITED ("NHR")
TRADING UPDATE**

Based on current internal management accounts, the Company expects that NPAT for the first half of the 2011 financial year will be in the range of $6 million to $9 million, compared with $2.8 million in the first half of the 2010 financial year.

The Company advises that it also expects an improvement in NPAT over the full financial year when compared with the prior corresponding period of $5.8m. Based on the information currently available, the Company estimates that NPAT for the current financial year will be between $12m and $16m.

These estimates remain subject to acquisition accounting and transaction costs of Sykes Group being in line with current expectations, audit review of the first half financial statements, a continuation of current trading conditions for the balance of the financial year and no other unexpected events.

The improved result will be primarily driven by the performance of Coates Hire.

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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, power generation and dewatering 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.