

21 February 2008

## Wridgways profit up 23.7 per cent

Wridgways Australia Limited (ASX:WWA), Australia's only listed relocation services company, today announced a record first half after-tax profit of \$3.5 million for the six months to 31 December 2007, an increase of 23.7 per cent over the previous corresponding period. Revenue increased by 3.6 per cent to a record \$57.3 million.

Recognising the company's consistent earnings record, the directors have declared an interim dividend of 6.0 cents per share fully franked (2006:5.0 cents), payable on 14 March 2008 to shareholders on the register at 7 March 2008.

Results summary for the six months to	31 Dec 2007 (\$000)	31 Dec 2006 (\$000)	% increase
Revenue	57,322	55,352	3.6
EBIT (Earnings before interest and tax)	5,091	4,121	23.7
Profit after tax	3,555	2,874	23.7
Earnings per share – diluted (cents)	11.11	8.98¢	23.7
Interim dividend per share (cents – fully franked)	6.0¢	5.0¢	20.0

'This is another excellent result, reflecting increased labour mobility and Wridgways' strong market position and growing reputation for high quality service,' said Mr Des Stickland, managing director. 'Efficient asset utilisation and yield management, as well as tight cost control, led to higher average margins.'

'Wridgways remains in a sound financial position, debt free and with net cash of \$4.4 million at 31 December 2007. We have the financial and management resources to take advantage of growth opportunities – both organic or through acquisition, and in Australia or overseas.'

The high quality of Wridgways The Worldwide Movers' service was confirmed when the business was rated as the world's best international relocation company for 2007 among 130 members of the USA-based Graebel Relocation Alliance Network. The business was also rated as the Number One Quality Mover in the Asia Pacific region. These ratings were completed by over 5000 customers globally and related to movements in more than 100 countries. This is the first time an Australian company has been rated first in the world or the Asia Pacific region.

## Operational review

WridgWays The Removalists, the company's Australian relocation business which provides 60 per cent of group revenue, benefited from increased interstate migration and several significant contracts with the resources sector

WridgWays The Worldwide Movers, which provides inbound and outbound removal services through over 600 agents in 90 countries, had an outstanding half year and is positioned for further growth as demand for skilled labour leads to increased immigration.

Move Dynamics continued to perform well, with earnings underpinned by contracts with the New South Wales Government and the Australian Federal Police. The business, which specialises in servicing the needs of state and federal government departments through sophisticated internet technology and a network of 100 service providers around Australia, is currently tendering for a further major contract.

WridgWays Move Solutions, which provides a wide range of relocation services to corporate and government employees, increased its market penetration and business referrals to other parts of the group.

WridgWays Project Management, which provides transport, storage and logistics services for the hotel and resort industry, performed well, helped by major contracts including sole supplier of logistics services for the APEC conference in Sydney. The business is currently undertaking a number of quality projects.

## Outlook

'The company is well positioned to take advantage of continuing growth in the relocation sector. Subject to world events, we expect continued positive results in the second half,' said Mr Stickland.

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## *About Wridgways*

*Wridgways is recognised internationally as a world-class relocation company, offering a full range of packaging, storage, transportation and relocation services. It has 30 offices Australia-wide, with 750,000 square feet of warehousing, 620 employees and sub-contractors, and 300 vehicles. The company was founded in 1892 and listed on the ASX in 1999.*