

HIRE INTELLIGENCE INTERNATIONAL LIMITED
(ABN 79 098 210 121)

Appendix 4E
Preliminary final report
Financial year ended 30 June 2010
Results for announcement to the market

In thousands of AUD

Revenues from ordinary activities	reduced	5.8%	to	10,537
Profit from ordinary activities after tax attributable to members	reduced	40.4%	to	576
Net profit for the period attributable to members	reduced	40.4%	to	576

The following dividends were paid or provided for during the period:

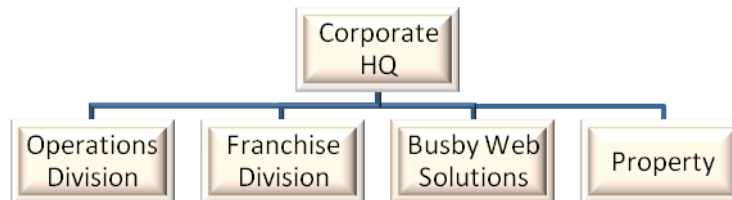
20 August 09 Fully franked 1 cent dividend of \$770,329 was paid

10 June 10 Fully franked 0.4 cent dividend of \$308,131 was declared

No further dividends were declared, approved, or provided for during the period.

OPERATING AND FINANCIAL REVIEW

Hire Intelligence is Australia's dominant, award winning, profitable, short-term business Information Technology (IT) and Audio-Visual (AV) equipment rental supplier, operating domestically since 1996 and building a multinational network.

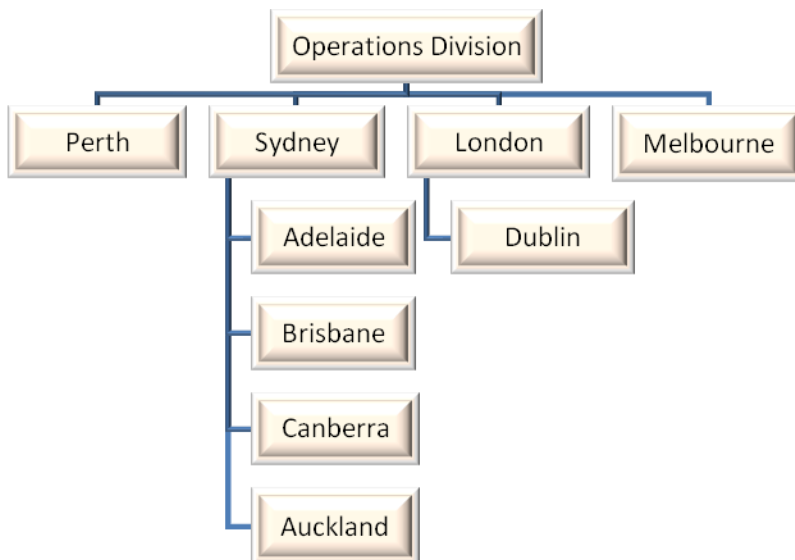


The group consists of four business divisions; Operations, Franchising, Property and Web Solutions, each reporting to the Corporate Head Office. The Franchise and Web Solutions businesses are operated by wholly-owned subsidiaries (Cityside Asset Pty Ltd and Busby Web Solutions Pty Ltd respectively).

The Operations Division is responsible for outlets in Sydney, Melbourne, Perth, Brisbane, Adelaide, Canberra, Auckland, Dublin and London.

In addition to the directly operated outlets, the Franchise Division covers a few territories in the UK.

Hire Intelligence is the largest short term rental company in Australia and the second largest operator in the UK.



Each outlet provides businesses with short-term rentals of IT and AV equipment, as well as videoconferencing, and fully equipped IT training rooms. Outlets operate identically, working from the same detailed Operations Manual, with the same IT systems, internal systems and processes. The outlets operate in accordance with a proprietary business process system which is detailed in a comprehensive Operations Manual and training course. Purpose-

specific, custom-built IT systems (built and owned in-house) make operations highly cost effective. The company has created a powerful process base on which it operates, and which controls every aspect of a consistently effective and profitable business.

The Franchising Division manages franchise territories in the UK.

Busby Web Solutions Pty Ltd was set up to sell online application and website development services.

The Property Division owns the freehold at 23 Barrack Street, Perth, Western Australia which is fully tenanted.

Market drivers

Hire Intelligence's traditional market is short-term rental of computing and audiovisual equipment to businesses, government and not for profit organisations for specific short term requirements.

Short term rentals differ from equipment leasing on the basis of the contracts, but more critically on the motivation for customers entering these contracts, which include:

- Budget constraints, and overall preference for operating expenditure over capital expenditure;
- Short-term requirements, *ad hoc* or planned

- Periodic or annual events
- Taxation advantages compared to equipment acquisition
- Flexibility to obtain specific equipment packages and configurations
- Reduced management load for acquisition, management, security and disposal
- Many others.

Operations

Hire Intelligence's consistently efficient operations provide a high standard of customer service, through a tightly-managed network of businesses, responding to a head office with clear visibility of everyone's results. This organisational cohesiveness results from a well-defined operating platform – a carefully constructed suite of interlocking processes and procedures, defined in a detailed Operations Manual, along with training and IT support.

The Operations Manual ensures the same policies and procedures are understood and enforced in all Hire Intelligence rental outlets.

Some 900 pages in length, the manual is the training basis for all employees, and a convenient reference in performing day-to-day duties as well as specialised functions. The manual has also provided an unusually clear functional specification for the JBS IT platform, which was developed around it.

Such a consistent process structure enforces high customer service levels while supporting detailed reporting and close management oversight. Management have visibility directly into each operation, which allows them to balance the independence of each outlet with the organisation's core financial priorities.

Underlying earnings

Hire Intelligence achieved earnings before interest and tax (EBIT) for the period of \$1.0 million (2009: \$0.9 million). The net profit for FY2010 of \$0.58 million compares with \$1.0 million in FY2009 and accounts for \$0.5million goodwill write off in Cityside Asset (Franchising Division), Busby Web Solutions loss of \$0.2 million and a provision for bad debts and legal costs associated with debt owed by the UK Master Franchisee. The weak British pound resulted in an exchange reduction of \$0.2 million.

Net tangible assets on 30 June 2010 were 13.1 cents per share. Sales Revenue totalled \$10.5 million for FY2010 (2009: \$11.2 million). In pound sterling terms our London outlet achieved an increase in revenue however when its results are compared against prior year in Australian dollars it reflects a drop in revenue of \$0.7 million as a result of the weak British pound. The strength of the Australian dollar also adversely impacted on revenue conversions in the Franchise Division as well as operations in Ireland and New Zealand. Busby Web Solutions revenue has fallen to an inconsequential level.

Net assets per share at 30 June 2010 were 17.3 cents (2009: 17.2 cents).

Future

Your Board is considering a wide range of structural and investment opportunities.



Tom Crage
Executive Chairman

Dated at Perth this 31st day of August 2009

Hire Intelligence International Limited
Preliminary Final Report
Consolidated Statement of Comprehensive Income

<i>In thousands of AUD</i>	Note	Consolidated	
		2010	2009
Sales Revenue		10,537	11,194
Cost of sales		(2,675)	(2,912)
Gross profit		7,862	8,282
Gain on controlled entity debt forgiveness		-	-
Financial income		100	393
Dividend income		-	-
Distribution expenses		(451)	(505)
Marketing expenses		(470)	(713)
Occupancy expenses		(786)	(696)
Administrative expenses		(4,663)	(4,980)
Forgiven debts		-	-
Amortisation of trademarks	2	(3)	(12)
Impairment of goodwill	2	(499)	-
Impairment of available for sale investments		(23)	(503)
Financial expenses		(51)	(1)
Profit before income tax		1,016	1,265
Income tax (expense)		(440)	(299)
Profit for the year		576	966
Other Comprehensive income/(expense)		(237)	(36)
Total Comprehensive Income attributable to the ordinary equity holders of the Company		339	930
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic and diluted earnings per share	3	0.75cps	1.25cps

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes, the 2010 annual report and any public announcements made by Hire Intelligence International Limited in accordance with continuous disclosure requirements.

Hire Intelligence International Limited
Preliminary Final Report
Consolidated Statement of Financial Position

<i>In thousands of AUD</i>	Note	Consolidated	
		2010	2009
Assets			
Cash and cash equivalents	4	671	6,794
Trade and other receivables		1,202	1,127
Inventories		92	118
Other assets		140	161
Total current assets		2,105	8,200
Investments			-
Available for sale financial asset		-	11
Receivables		-	181
Deferred tax assets		389	410
Investment properties		7,835	-
Property, plant and equipment	5	3,759	3,350
Intangible assets		3,211	3,713
Total non-current assets		15,194	7,665
Total assets		17,299	15,865
Liabilities			
Trade and other payables		1,702	892
Interest-bearing loans and borrowings		950	-
Deferred income		413	300
Income tax payable		238	94
Employee benefits		140	140
Provisions		321	839
Total current liabilities		3,764	2,265
Deferred income		45	180
Employee benefits		188	149
Total non-current liabilities		233	329
Total liabilities		3,997	2,594
Net assets		13,302	13,271
Equity			
Contributed Equity		37,729	37,729
Reserves		(763)	(526)
Retained earnings	7	(23,664)	(23,932)
Total equity attributable to equity holders of the parent		13,302	13,271
Net Tangible Asset Backing (cents per ordinary share)		13.10	12.40

The above consolidated statement of financial position should be read in conjunction with the accompanying notes, the 2010 annual report and any public announcements made by Hire Intelligence International Limited in accordance with continuous disclosure requirements.

Hire Intelligence International Limited
Preliminary Final Report
Consolidated statement of cash flows

<i>In thousands of AUD</i>	Note	Consolidated	
		2010	2009
Cash flows from operating activities			
Cash receipts from customers		10,852	12,429
Cash paid to suppliers and employees		(7,564)	(9,402)
Cash generated from operations		3,288	3,027
Other revenue		397	-
Interest paid		(51)	(1)
Income taxes (paid)/benefit		(276)	(837)
Net cash inflow from operating activities		3,358	2,189
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		308	391
Payments for investment properties		(7,895)	-
Payments for property, plant and equipment		(2,190)	(1,937)
Payments for other non-current assets		-	(8)
Proceeds from equity investments		15	19
Interest received		100	393
Net cash (outflow) from investing activities		(9,662)	(1,142)
Cash flows from financing activities			
Proceeds from borrowings		2,000	-
Repayment of borrowings		(1,050)	-
Loans from controlled entities repaid		-	-
Dividends from controlled entities received		-	-
Loans advanced from controlled entities received		-	-
Dividends paid		(768)	(1,537)
Net cash inflow/(outflow) from financing activities		182	(1,537)
Net increase in cash and cash equivalents		(6,122)	(490)
Cash and cash equivalents at 1 July		6,794	7,284
Cash and cash equivalents at 30 June		672	6,794

The above consolidated statement of cashflows should be read in conjunction with the accompanying notes, the 2010 annual report and any public announcements made by Hire Intelligence International Limited in accordance with continuous disclosure requirements.

Hire Intelligence International Limited
Preliminary Final Report
Consolidated statement of changes in equity

In thousands of AUD

Consolidated

For the financial year ended 30 June 2009

	Issued capital	Retained earnings	Translation reserve	Total equity
Opening Balance at 1 July 2008	37,729	(24,128)	(490)	13,111
Foreign exchange translation differences	-	-	(36)	(36)
Total profit items recognised directly in other comprehensive income for the year	-	-	(36)	(36)
Profit for the year	-	966	-	966
Total comprehensive income for the year	-	966	-	966
Transactions with owners in their capacity as owners				
Dividends	-	(770)	-	(770)
Closing balance at 30 June 2009	37,729	(23,932)	(526)	13,271

For the financial year ended 30 June 2010

Opening Balance at 1 July 2009	37,729	(23,932)	(526)	13,271
Foreign exchange translation differences	-	-	(237)	(237)
Total profit items recognised directly in other comprehensive income for the year	-	-	(237)	(237)
Profit for the year	-	576	-	576
Total comprehensive income for the year	-	576	-	576
Transactions with owners in their capacity as owners				
Dividends	-	(308)	-	(308)
Closing balance at 30 June 2010	37,729	(23,664)	(763)	13,302

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes, the 2010 annual report and any public announcements made by Hire Intelligence International Limited in accordance with continuous disclosure requirements.

1. BASIS OF PREPARATION

The financial statements are presented in Australian dollars, which is the company's presentation and functional currency.

The financial statements are prepared on the historical cost basis as modified by the revaluation of available for sale financial assets. Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the consolidated entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies have been applied consistently by all entities in the consolidated entity.

2. EXPENSES, BORROWING COSTS AND SIGNIFICANT ITEMS

Results from operating activities are arrived at after taking into account the following:

<i>In thousands of AUD</i>	Consolidated	
	2010	2009
Net bad and doubtful debts	(239)	(13)
Forgiven debts	-	-
Intercompany dividends received	-	-
Operating lease rental payments	(780)	(559)
Foreign exchange gains / (losses)	(8)	18
Impairment – available for sale financial assets	(23)	(503)
Impairment - goodwill	(499)	-
Depreciation	(1,429)	(1,626)
Amortisation	(3)	(12)

3. EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

The calculation of basic earnings per share at 30 June 2010 was based on the profit attributable to ordinary shareholders of 0.75 cents per share (2009: 1.25 cents per share) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2010 of 77,032,958 (2009: 77,032,958), calculated as follows:

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

<i>In thousands of AUD</i>	Consolidated	
	2010	2009
Profit for the period	576	966

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

<i>Number of Shares</i>	Consolidated	
	2010	2009
Issued ordinary shares throughout the year	77,032,958	77,032,958

DILUTED EARNINGS PER SHARE

There were no dilutive instruments during the year.

4. CASH AND CASH EQUIVALENTS

<i>In thousands of AUD</i>	Consolidated	
	2010	2009
Bank balances	671	2,651
Bank negotiable certificate of deposit	-	4,143
Cash and cash equivalents	671	6,794

The group has \$300,000 (2009: nil) facilities available but not drawn down as at 30 June 2010.

5. PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of AUD</i>	Leasehold improvements	Consolidated Plant and equipment	Total
Cost			
Balance at 1 July 2008	335	7,657	7,992
Acquisitions	3	2,197	2,200
Disposals	-	(1,574)	(1,574)
Effect of movements in foreign exchange	(4)	(249)	(253)
Balance at 30 June 2009	334	8,031	8,365
Balance at 1 July 2009	334	8,031	8,365
Acquisitions	33	2,481	2,514
Disposals	-	(1,323)	(1,323)
Effect of movements in foreign exchange	(28)	(396)	(424)
Balance at 30 June 2010	339	8,793	9,132

<i>In thousands of AUD</i>	Leasehold improvements	Consolidated Plant and equipment	Total
Depreciation and impairment losses			
Balance at 1 July 2008	154	4,350	4,504
Depreciation charge for the year	35	1,591	1,626
Disposals	-	(888)	(888)
Effects of movements in foreign exchange	(2)	(225)	(227)
Balance at 30 June 2009	187	4,828	5,015
Balance at 1 July 2009	187	4,828	5,015
Depreciation charge for the year	22	1,347	1,369
Disposals	-	(822)	(822)
Effects of movements in foreign exchange	(11)	(178)	(189)
Balance at 30 June 2010	198	5,175	5,373
Carrying amounts			
At 1 July 2008	181	3,307	3,488
At 30 June 2009	147	3,203	3,350
At 1 July 2009	147	3,203	3,350
At 30 June 2010	141	3,618	3,759

6. SEGMENT REPORTING

The consolidated entity comprises the following operating segments:

- IT and AV Equipment Rentals
- Franchising
- Web development
- Property rental

	Computer Equipment Rentals		Franchising		Web Development		Property Rental		Eliminations		Consolidated	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<i>In thousands of AUD</i>												
Revenue												
External segment revenue	9,570	10,454	555	615	15	125	397	-	-	-	10,537	11,194
Inter-segment revenue	236	-	299	310	-	837	-	-	(535)	(1,147)	-	-
Total segment revenue	9,806	10,454	854	925	15	962	397	-	(535)	(1,147)	10,537	11,194
Total revenue											10,537	11,194
Result												
Segment result	4,723	1,751	(3,289)	608	(196)	385	312	-	(343)	(837)	1,207	1,907
Unallocated corporate expenses											(191)	(642)
Profit before tax											1,016	1,265
Income tax expense											(440)	(299)
Net profit											576	966

	Computer Equipment Rentals	Franchising	Web Development	Property Rental	Eliminations	Consolidated
Segment assets						
Segment assets as at 30 June 2009	12,117	3,717	31	-	-	15,865
Segment asset increases/ (decreases) for the period:	(2,698)	(3,689)	(14)	7,835	-	1,434
Segment assets as at 30 June 2010	9,419	28	17	7,835	-	17,299
Total assets from continuing operations	9,419	28	17	7,835	-	17,299
Segment liabilities						
Segment liabilities as at 30 June 2009	1,105	1,480	9	-	-	2,594
Segment liability increases/ (decreases) for the period:	856	(400)	(3)	950	-	1,403
Segment liabilities as at 30 June 2010	1,961	1,080	6	950	-	3,997
Total liabilities from continuing operations						

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources. Inter-segment revenue represents sales between segments which are at arm's length. Inter-segment revenue is eliminated on consolidation.

The Company is managed primarily on the basis of business category. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

7. ACCUMULATED LOSSES

<i>In thousands of AUD</i>	Consolidated	
	2010 \$	2009 \$
Accumulated losses at beginning of year	(23,932)	(24,128)
Net profit attributable to members of the parent entity	576	966
Dividends	(308)	(770)
Accumulated losses at end of year	<u>(23,664)</u>	<u>(23,932)</u>

8. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

ANNUAL MEETING

The annual meeting will be held as follows:

Place	2/110 Jersey Street, Jolimont, WA 6014
Date	Friday 22 nd October 2010
Time	10:00am WST

COMPLIANCE STATEMENT

1. This report is based on +accounts to which one of the following applies. (Tick one)

✓

The +accounts have been audited.

The +accounts have been subject to review.

The +accounts are in the process of being audited or subject to review.

The +accounts have *not* yet been audited or reviewed.

2. The entity has a formally constituted audit committee.



Keegan Cage
Company Secretary
Hire Intelligence International Limited

Date: 24th August 2010