



Multispares Holdings Limited

ACN 003 135 680

151 Fairfield Road,
Guildford, NSW 2161

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Guildford, NSW 2161

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2 November 2000

Hino

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Isuzu

UD

Mitsubishi

CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING

I am pleased to again welcome Shareholders and also be able to say that the planning and implementation of round the clock service for Sydney customers during the Olympics went smoothly and was well received by our customers. For the record there were 3,200 buses seconded from N.S.W. and interstate of a smorgasbord of makes and models for which we were asked to provide parts support. A valuable test of our resources and resourcefulness. The centralisation of New Zealand database to the Australian computer system, E-commerce start up and relocation of Adelaide Branch are our current major forward planning issues.

MAN

Mercedes

Scania

Operationally the first quarter sales are in line with budget levels and ahead of the same period last year. October has been disappointing with most service centres below revenue expectation - New Zealand being the notable exception. This may be attributable to impending quarterly GST payments and the need to conserve cash flow in November or post Olympic slow down.

Volvo

Renault

DAF

I am however pleased to be able to advise that management accounts show operating profit before tax is better than budget and well ahead of the same period last year.

Austral

A year almost to the day on from last year's AGM it gives me much pleasure to acknowledge that in this period with a dedicated and unchanged Executive and Management team, Geoff Stewart has provided effective leadership and direction. This is producing a steady but solid recovery and this has always been his stated objective.

Denning

Leyland

With the majority of our product sourced overseas the weakness of both the AUD and NZD is a cause of concern and has the potential to erode margins without close management. This position appears unlikely to improve in the short term and could impact on revenues.



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Whilst our shares are for most part thinly traded the past year has seen the departure of our fourth largest Shareholder who was also one of my original partners and more recently the advice of a new substantial Shareholder. Stock market quotes have shown some uptrend following our announcement of a return to dividend payment and it is hoped that this can be sustained in the future.

Isuzu

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Looking ahead our focus is on orderly organic growth and a strengthening of our distribution backbone to support existing products. The strength of our balance sheet and relatively low gearing ratio enables reasonable relevant acquisition opportunities to be considered.

MAN

In closing this brief update for those present I must record my appreciation to everybody within the organisation for their support and untiring efforts to make Multispares First in Truck & Bus parts. I do believe that the momentum in Multispares is once again on the rise.

Mercedes

Scania

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