



SUPPLY NETWORK

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27 May 2005

The Manager
Companies Announcement Office
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Re: Forecast Result June 2005.

Following a review of unaudited management accounts to 30 April 2005 the Board has revised down the Supply Network Limited full year profit forecast to between 5.0 and 5.5 cents per share. This is below indications given at our November AGM of a similar result to that of 2004 (6.2 cents per share).

Performances in the Multispares operations in Australian and New Zealand have been in line with expectations, achieving core product revenue growth and consolidating on their excellent results last year.

However Globac's performance has been disappointing. While revenue growth has been steady a significant increase in the flow of low cost competing product into the Australian market has resulted in lower than expected sales and this has significantly impacted Globac's result in the current financial year.

Globac is continuing to position itself in the market as a quality supplier and we believe long-term growth opportunities will strongly favour quality-oriented companies such as Globac.

Directors anticipate that the Company's final dividend for June 2005 will be similar, on a cents per share basis, to the final dividend paid last year (1.5 cents per share).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Gill', written in a cursive style.

Peter Gill
Company Secretary