

# GARRATT'S LIMITED

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## 92<sup>nd</sup> ANNUAL GENERAL MEETING

30 NOVEMBER 2000

### ADDRESS BY THE CHAIRMAN, MR. PETER BURROWS

Fiscal 2000 was our third successive year of record profits.

With the completion of the sale of Electrodata two months ago, we now have operations in three areas: fasteners, education and multimedia.

Both Premier Fasteners and Academies Australasia are positioned for growth. Premier Fasteners has expanded into adjoining premises as a result of which it has about doubled its total floor area. The operations of Clarendon Business College and Supreme Business College are now under one roof and common administration. New courses are being added to the curriculum and negotiations are in progress in regard to strategic alliances with other educational institutions, in Australia and overseas.

The point-of-purchase interactive multimedia technology business of IC & Count Technologies Limited, which we are funding, is achieving operating results ahead of budget, although revenues as well as expenses are, to date, below initial projections. New customers have been signed on and new products released. Drawdowns so far total US\$1.3 million. ICCT has appointed Grant Thornton, a leading international accounting and management consulting firm, to provide various services including advising on alternative business strategies that will maximise profitability and cash flow and market valuation for its operations in the USA.

Group management accounts (unaudited), after provision for interest on convertible notes and intangibles but before abnormal items and income tax, confirm that the Group has been operating profitably for the four months to 31 October 2000. I would like to thank all staff for their contribution.

It is disappointing to see the price of our shares trickle down after a substantial rise in March - notwithstanding three consecutive years of record performance. Unfortunately, in the current market, the smaller companies tend to be overlooked. Your Board's view is that the Company must grow, and we must continue to improve the depth, liquidity and spread of our shares.

Thank you.