ASX RELEASE
10 September 2003

RESULTS FY2003

HiTech Group Australia Limited (HIT) today released its expected results for the financial year 2003.

As foreshadowed in our last ASX release, for the financial year ended 30 June 2003, the consolidated entity's operating revenue for the financial year was $4,127,782. Earnings before interest, taxation, interest and depreciation (EBITDA) was minus $206,283. Net loss after taxation (NLAT) was $1,314,634 This loss consists largely of asset write downs of $574,644 and was further increased by the decision not to bring a future tax benefit of $427,292 to account.

The continuing slow down in the IT industry has clearly had an effect on our company. The last year of trading has been challenging in many ways. HiTech, like other firms in the industry, has been affected significantly by this market downturn from the early days of listing on the ASX.

These results reflect the current difficult ICT and recruitment markets. Last year's performance is the worst we have seen so far since the company was founded 10 years ago. Clearly, growth in the future is dependent on the prevailing economic conditions at the time and we are optimistic of a market recovery.

It has been a very challenging market for the recruitment sector. HiTech has also had to endure a further squeeze on fees and termination of existing contracts as companies downsize or outsource IT departments.

Despite last year's result, HiTech remains a disciplined and steadfast company: we are committed to returning to profitability. HiTech remains resilient and we are determined to turn this company around. HiTech is fully geared to take advantage of any improvement in the ICT sector. We are working towards winning new business and ensuring that operating costs are kept to a minimum.

The outlook for FY2004 has started positively. **We are pleased to report that, already, we have seen a slight return to profitability in the first 2 months of FY2004**.

We have successfully diversified our business into non-ICT recruitment areas to a certain degree. Our major revenue is still generated from our ICT business. We have a proven business model that has been refined and updated over the past 10 years. "I am confident that our renewed commitment to growth will see us though these tough times, return us to profitability and increase shareholder value" said chairman and CEO Ray Hazouri.

The directors extend their appreciation to our enthusiastic staff members for their efforts during the year, our shareholders and valued clients.

For further information, please contact Chairman and CEO, Mr Ray Hazouri on 02 9241 1919.