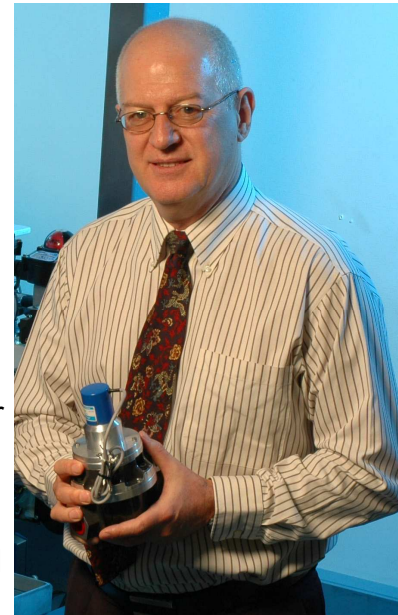




Year End Message from our CEO

As the year 2008 comes to an end I would like to wish you all a Merry Christmas and thank you for your support throughout the year and I look forward to continuing our successful partnership in 2009.



2008 was a significant year for Macnaught with the company celebrating 60 years of successful operation. Macnaught began way back in 1948 when my father Colin Macnaught started a small family business producing efficient and dependable hand-operated kerosene and oil pumps for primary producers. Since then Macnaught has grown into a global supplier of lubrication equipment and flow meters, distributing to more than 70 countries world wide.

Although Macnaught has grown significantly, our success can be attributed to maintaining our small business approach to doing business. We have a passion for what we do and take pride in our products, engineering them to perform and backing them with technical support. Providing good value to our customers is our focus.

Recognition also has to be given to you, our distributors and resellers. Your support and knowledge of the Macnaught range means that assistance, parts and service are never too far away from the users of our products.

Once again I would like to thank you for not only a wonderful year but for your support throughout the 60 years Macnaught has been in business. I look forward to working with you for many more years to come.



Peter Macnaught
Chief Executive Officer

Tech Talk - What do SAE grades mean?

SAE stands for the Society of Automotive Engineers. The SAE classification system is a way of defining how thin or how thick an oil is. This is known as an oil's viscosity.

An example of the classifications are listed here in order of increasing thickness: SAE 75W, SAE 80W, SAE 85W, SAE 90, SAE 140, SAE 250.

The temperature requirements set for oil by the Society of Automotive Engineers (SAE) is 0 degrees F (low) and 210 degrees F (high).

Oils meeting the SAE's low temperature requirements have a "W" after the viscosity rating (example: SAE10W), and oils that meet the high ratings have no letter (example SAE 30). An oil is rated for viscosity by heating it to a specified temperature, and then allowing it to flow out of a specifically sized hole. Its viscosity rating is determined by the length of time it takes to flow out of the hole. If it flows quickly, it gets a low rating. If it flows slowly, it gets a high rating.

The SAE grades 0W through 25W, where W stands for Winter, have a maximum viscosity specified at low temperatures (—5 through —35°C), to ensure easy starting under low temperature conditions, and a minimum viscosity requirement at 100°C to ensure satisfactory lubrication at the final operating temperature. The SAE grades 20 through 60 only have limits set at 100 C as these grades are not intended for use under low temperature conditions.

Christmas Break

Macnaught will be closing for the Christmas break from 1 pm on Wednesday 24th December and will reopen on Monday 5th January 2009.

On the 24th deliveries will be limited to Sydney metro only, up to that date we will offer our normal national and international service.

In order to ensure smooth delivery please place all anticipated orders well in advance.