

20 July 2007



Dexion Acquires Audeo Group Limited



Peter Farmakis

In a major announcement linked to its Commercial Workspace Division, Dexion Limited Managing Director, Peter Farmakis, stated today that Dexion had acquired New Zealand-based business – the Audeo Group Limited.

"I'm excited to say that this is the third Commercial Workspace-related acquisition we have made since January 2006 and supports our vision to be the first choice provider in this market," said Farmakis.

Audeo Group Limited was formed as a result of the merger of Precision Limited and Optim Group Limited in 2006. The Audeo Head Office and Manufacturing Plant are located at Wingate, north of Wellington. There is also a sales office and showroom located in Auckland.

The Group employs a team of approximately 140 experienced and dedicated staff, headed by CEO, Darcy Quinn.

Revenue for the March 31st '07 year end was NZ\$ 32.6m



Precision

Precision is the 'product' brand and markets a range of commercial office furniture. It has a history dating back to 1921 and products include workstations, screen systems, cabinets and mobile and static shelving systems.

In New Zealand, Precision products are distributed via all major commercial furniture resellers and direct to major corporations

In Australia, products are shipped in from New Zealand, China and Thailand and sold via a network of independent distributors in Brisbane, Sydney, Adelaide and Perth. In Melbourne there is a company-owned office that works collaboratively with the distributors in the other States.

Precision is the No. 1 in the NZ market for the provision of steel storage products.





Optim

Optim Projects has a history dating back to 1976 and is the 'service' brand in the Audeo portfolio. Services are provided to private and public sector organisations in New Zealand:

- Project and design management
- Main contractor works
- Space planning
- Custom furniture design
- Architectural services

Optim is a substantial growth area for Audeo and the business has significant on-going contracts with major NZ government departments and private sector organisations.



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Looking Towards a Bright Future

The Audeo Group's strong position in New Zealand compliments that of Dexion and Elite Built in Australia making the combination the outright No.1 player in ANZ. Audeo has excellent manufacturing facilities with additional capacity available.

The acquisition provides many opportunities:

- To strengthen our distribution networks in ANZ
- To forge relationships in Australia with New Zealand customers and vice-versa
- To introduce the Optim 'service' offer and Precision 'timber' products to Australia
- To introduce Dexion and Elite products into New Zealand to strengthen the product portfolio
- To develop total product/service and fitout solutions for the corporate and government sectors in ANZ
- To leverage critical mass position to improve operational cost base
- To create a manufacturing and operational centre of excellence for our Commercial Workspace business.