



DANKS HOLDINGS LIMITED ABN 81 004 295 532
414 Lower Dandenong Road Braeside Victoria 3195
Post Office Box 156 Mordialloc Victoria 3195 Australia
Telephone 61 3 9264 5000 Facsimile 61 3 9587 1719
Internet www.danks.com.au

4 November 2009

Company Announcements Office
ASX Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir,

Re: Takeover Update

Please find attached a letter to be sent to shareholders today regarding the proposed takeover offer from Carboxy Pty Ltd a joint venture between Woolworths Limited and Lowes Companies, Inc.

Yours sincerely,

Peter Cooper
Company Secretary



Celebrating
**15 DANKS
YEARS**

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Takeover Update

Dear Shareholder,

The takeover offer for Danks Holdings announced on 25 August 2009 from Carboxy Pty Ltd, a joint venture between Woolworths Limited and Lowes Companies Inc, contained a number of conditions that needed to be met before the takeover could be completed.

The condition of a minimum acceptance of 90% has been met and we note, that as at 28 October 2009, acceptances had been received from Danks shareholders representing 95.31% of the issued capital of Danks. Further, the condition of Foreign Investment Review Board (FIRB) approval has been satisfied.

The Condition that no action by a Public Authority adversely affecting the Offer, includes obtaining approval from the Australian Competition and Consumer Commission (ACCC). The ACCC commenced its takeover enquiry on 3 September 2009. As this condition has yet to be satisfied and has attracted some media coverage the Board wanted to provide an update for shareholders.

On 12 October 2009 Carboxy Pty Ltd extended the takeover offer closing date to 19 November 2009. This extends beyond the current ACCC enquiry timeframe. As part of its enquiry into the takeover offer the ACCC released a Statement of Issues on 16 October 2009 calling for further submissions and extending until 11 November 2009 the date by which it would hand down its decision.

In the event that the ACCC approves of the takeover of Danks by 11 November 2009, accepting shareholders should expect to receive payment for their shares within 1 month of all of the conditions to the offer being satisfied or waived.

As at the date of this announcement the business continues to experience strong trading conditions in line with our announcement on 25 August 2009.

On 30 September 2009 the company announced that because of some practical difficulties with the timing of the takeover, ASIC has granted Danks an extension until 31 January 2010 for the Company to hold its Annual General Meeting.

The company has released its 2009 Annual Report which is available on the website www.danks.com.au and will continue to keep shareholders informed as events unfold.

Yours sincerely,

Peter T Kempen
Chairman

