



DANKS HOLDINGS LIMITED
ABN 81 004 295 532

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DANKS HOLDINGS LIMITED ACQUIRES ITS FIRST RETAIL OPERATION

Danks Holdings Limited (Danks) has acquired its first retail operation, Blue Mountains Hardware, in a step that is certain to add value to its core wholesale business and support retail growth in the independent hardware sector.

According to Danks Managing Director, Mr. Graeme Danks, the acquisition marks the first important step towards an ongoing emphasis on acquiring or partnering with key retail stores nationally.

"Danks has continually assessed quality acquisition opportunities to add value to our core wholesale business," said Mr. Danks.

"Given the acknowledged succession issues and the capital constraints on family-owned independent hardware retailers, Danks has a desire to acquire or partner with strong retailers to either release capital for the retailer or inject new capital to assist in expansion," he said.

By acquiring or partnering with retailers, Danks will also benefit from a further enhanced understanding of the retail environment, achieved through a physical presence at store level and participation in the retail margin.

Established in 1859 by the Danks family, Danks is Australia's largest distributor of hardware and garden products, servicing over 700 independently owned and operated retail businesses through the HoME Timber and Hardware, Thrifty-Link Hardware and Plants Plus Garden Centre retail brands, and a further 1500 independent stores.

Located in Katoomba in NSW, Blue Mountains Hardware is the leading hardware and timber retailer in the region and the store's founders, Jeff Conroy and his family have owned and operated a number of hardware stores in the area since 1990.

"In Blue Mountains Hardware, Danks has acquired a strong business that has attained an impressive position in the niche area of the Blue Mountains," said Mr. Danks.

Blue Mountains Hardware joined the HoME Timber and Hardware marketing group in 2000, and today it has a strong position in its market with retail sales of approximately \$7 million.

"This is a very exciting time for Danks as we approach celebrations for our 150th Anniversary in 2009." Mr. Danks said.

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