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Company Announcements Platform
Australian Securities Exchange

Gunns announces the sale of its Hardware Retail business

Gunns Ltd is pleased to announce that it has entered into an agreement to sell its Hardware Retail business to Blue Mountains Hardware Pty Ltd, a wholly owned subsidiary of John Danks & Son Pty Ltd (Danks), for an amount of \$40 million subject to completion adjustments.

The sale is a conclusion to a competitive bid process which evaluated offers from various parties. The transaction involves the sale of the entire Gunns Hardware Retail business in Tasmania and the transfer of all its employees.

Gunns Ltd CEO Greg L'Estrange commented "significant interest was received during the sale process and we congratulate Danks on this acquisition. This is an important strategic transaction between Gunns and Danks. Gunns has divested a non-core business to a group that is a world class retailer and with whom we plan to have a long term relationship as a timber supplier."

"We are also pleased that the transaction involves the retention of all employees at all of the retail sites. I would like to take this opportunity to thank all the management and staff of our Hardware Retail business for their dedication and contribution to Gunns Ltd and wish them every success as part of a growing hardware business going forward."

The sale is expected to complete on 31 May 2010.

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