



21 March 2017

Spotless recommends shareholders take no action in relation to Downer takeover offer

Spotless Group Holdings Limited (ASX: SPO) notes the announcement from Downer EDI Limited (ASX:DOW) regarding its 19.9% interest in Spotless and its unsolicited conditional takeover offer for Spotless at \$1.15 per share.

Spotless notes that the Downer offer is highly conditional, with conditions including a minimum acceptance of 90%, no change in Spotless' earnings guidance provided in February 2017, regulatory approvals, no termination of the underwriting agreement in relation to Downer's announced \$1,011 million equity raising and no material acquisitions, disposals or significant events being undertaken by Spotless.

The Board of Spotless advises shareholders to take no action in respect of Downer's takeover offer.

The Board will evaluate the offer and Downer's Bidder's Statement received and provide shareholders with a recommendation in due course. Until then, there is no need for shareholders to take action.

Spotless' Chairman Garry Hounsell said that "The Spotless Board continues to believe in the fundamental strengths of our business. These include a blue chip customer base and a strong portfolio of long term Government, Health, Defence and PPP contracts as well as operating the largest commercial laundry business in Australia and New Zealand. We will assess any proposal in the context of our announced strategy reset, including the recently announced contract portfolio restructure, which is expected to be a material driver of growth and enhanced future performance."

Spotless will keep its shareholders fully informed of further developments.

Spotless has engaged Citi as its financial adviser and Gilbert + Tobin as its legal adviser in relation to the proposal.

Enquiries

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