

12 April 2017

Spotless reiterates TAKE NO ACTION following despatch of Downer's Bidder's Statement to shareholders

The Board of Spotless Group Holdings Limited ("Spotless" or the "Company") (ASX: SPO) reiterates its advice to **take no action** in relation to Downer EDI Limited's ("Downer") (ASX: DOW) unsolicited highly conditional Takeover Offer for the Company (the "Offer") announced on 21 March 2017.

Spotless notes that Downer has dispatched a Replacement Bidder's Statement to Spotless shareholders today, after making a number of changes resulting from action by the Australian Securities and Investments Commission ("ASIC") and the Takeovers Panel.

The Spotless Board intends to dispatch a Target's Statement to Spotless shareholders on or before Thursday, 27 April 2017.

Until then, shareholders are advised that there is **no need to take any action** in relation to the Offer. There will be ample time after the release of the Target's Statement for shareholders to determine a course of action.

The Board is committed to acting in the best interests of all shareholders and to maximising shareholder value.

Importantly, Spotless is advancing discussions in respect of a potential superior proposal. As previously indicated, Spotless understands the willingness of third parties to progress these discussions is dependent on confidentiality being maintained at this stage. There can be no certainty that an alternative proposal will proceed or result in a superior proposal to the Offer.

The Board also reiterates the following messages in relation to the Offer:

- The Offer is hostile and opportunistically timed.
- Management and the Board have a clear plan to deliver earnings growth and long term value to shareholders.
- The Offer does not fully recognise the strength of Spotless' core business and the strategic and financial value of Spotless to Downer.

ASX RELEASE

- Coltrane Asset Management (“Coltrane”) has accumulated relevant interests in 10.37% of Spotless shares on issue⁽¹⁾ and has indicated to Spotless that its present intention would be to reject the Offer at the current Offer price⁽²⁾ (although it has not made any final decision and reserves the right to take any action it considers appropriate in relation to the Offer).
- The Offer is highly conditional and not certain to proceed.

Given these factors, shareholders are advised to continue to **take no action** in respect of the Offer until they receive the Target's Statement and Board's recommendation by Thursday, 27 April 2017.

All company announcements and information on the Offer are available on the Spotless website at www.spotless.com. Shareholders can also receive further information on the Offer by calling the Spotless Shareholder Information Line below:

Within Australia: 1300 963 991

Outside Australia: +61 1300 963 991

Enquiries

Investor and analyst contact:

Geoff Bryant

General Manager, Investor Relations

T +61 2 9816 9281

M +61 419 684 900

Media contact:

GRACosway

John Frey

Founding Partner

M +61 411 361 361

Rhianna Fursdon

Associate Director

M +61 477 029 337

⁽¹⁾ As set out in Spotless' ASX release dated 3 April 2017, Coltrane's relevant interest in 10.37% of Spotless shares on issue is through cash-settled equity swaps and an expectation to be delivered upon request the ordinary shares the subject of those swaps. If it was to do so, Coltrane Asset Management would be Spotless' second largest shareholder.

⁽²⁾ If it becomes the holder of those shares.