



## **ASX Announcement**

3 July 2018

### **Reece Group completes MORSCO acquisition**

Reece Group (ASX: REH) is pleased to announce it has completed the A\$1.91bn acquisition of MORSCO Inc (MORSCO), a leading US distributor of plumbing, waterworks, heating and cooling (HVAC) products.

The acquisition marks Reece Group's entry into the US plumbing market through MORSCO's strategic platform of 171 branches across 16 states throughout the US Sun Belt region.

The acquisition was funded through a combination of debt and equity, including a A\$300m participation from major shareholder, the Wilson family, in the A\$600m capital raising

Reece Group Chief Executive Office and Managing Director, Peter Wilson, said the well supported debt and equity raising demonstrates the strong investor support for Reece's financial performance, its strategy and the investment rationale of MORSCO.

"We're excited to welcome MORSCO into the Reece Group in what is a transformational opportunity that has been years in the making," Mr Wilson said.

"With the acquisition complete, our focus continues to ensure a smooth integration under the leadership of MORSCO CEO, Chip Hornsby," he said.

MORSCO will be run separately to Reece Group's Australian and New Zealand businesses, with the existing MORSCO management remaining in place.

As previously announced, Gavin Street will replace Sasha Nikolic as Chief Financial Officer as at 23 July and continue in his role as Company Secretary.

For more information on MORSCO please refer to the Reece Group ASX announcement and presentation dated 7 May 2018.

For further information, contact Jonathon Geddes 0410 573 278.