



ARB Corporation Ltd

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SPECIAL DIVIDEND RECOMMENCEMENT OF REVISED DRP AND BSP

The Board of ARB Corporation Limited (“**ARB**” or the “**Company**”) is pleased to announce that it has declared a **special fully franked dividend of \$1.00 per share (“Special Dividend”)**. The Record Date for the Special Dividend is 19 November 2014 and it will be paid on 5 December 2014. The Ex-Dividend Date will be Monday 17 November 2014.

The Special Dividend of \$72.5m in total will distribute to shareholders a significant part of ARB’s accumulated franking credits. The Board believes that this capital management initiative provides significant value to shareholders, particularly considering the proposed reduction to the Australian corporate tax rate.

The Board has resolved to recommence the operation of the ARB Dividend Reinvestment Plan and the ARB Bonus Share Plan (together the “**Plans**”) with respect to the Special Dividend only, with effect from 21 October 2014. Eligible shareholders may elect to take all or part of their Special Dividend in the form of cash or shares in accordance with the Plans.

The price at which shares will be issued under the Plans will be the **lower of:**

- \$11.35 (ex the \$1.00 per share Special Dividend); and
- the price derived by applying a discount (being **5.0%** for the Special Dividend) to the volume weighted average market price of ARB shares (on an ex-dividend basis) during the five trading days subsequent to and inclusive of the Ex-Dividend Date for the Special Dividend (free of any brokerage, commission, stamp duty and other transaction costs), subject to the discretion of the Board to determine the market price in certain circumstances.

Shareholders should note that in recommending the Plans, the Board has also varied and modified the rules of the Plans to deal with recent changes to the ASX Listing Rules (with respect to the Record Date for the payment of dividends) while also making some further minor variations.

An Information Booklet which contains the revised rules of the Plans will be sent to shareholders shortly and should be read in full. Shareholders should seek independent professional advice if they have doubt about any aspect of the Plans or their operation.

The Executive Directors of ARB intend to participate in the Plans in respect of the existing shares held by them or on their behalf. In addition, the Special Dividend has been underwritten fully by Taylor Collison Limited stockbrokers with the support of the Company’s major institutional shareholders. This will enable ARB to maintain its strong financial position.

Please note that any previous participation that shareholders may have had in the Plans is no longer operative. Accordingly, **if shareholders wish to participate in the DRP and/or BSP with respect to this Special Dividend, shareholders must complete the Election Form (which will be enclosed with the Information Booklet) according to the instructions on the form and return it to the share registry. The form must be received at the share registry by 5pm on 21 November 2014.**

Roger G Brown
Chairman