

Haier

Facsimile

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FROM: Haier Group**PAGES:** 4 (Inc. cover page)

SUBJECT: HAIER ISSUES TAKEOVER NOTICE REGARDING FISHER & PAYKEL APPLIANCES

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11 September**MEDIA RELEASE****HAIER ISSUES TAKEOVER NOTICE REGARDING FISHER & PAYKEL APPLIANCES**

- *Proposed offer represents excellent value for shareholders*
- *Independent directors provide support with conditions*
- *Offer to open within 14 to 30 days*
- *Fisher & Paykel Appliances to remain as stand-alone company led by local management*

Haier Group, the 20 percent cornerstone shareholder in Fisher & Paykel Appliances Holdings Ltd (Fisher & Paykel Appliances), has today announced its intention to make a cash offer at NZ\$1.20 per share for all of the remaining shares in Fisher & Paykel Appliances that it does not already hold.

Fisher & Paykel Appliances was issued a Takeover Notice today by Haier New Zealand Investment Holding Company Ltd (Haier), a subsidiary of Haier Group.

"We believe our proposed offer for Fisher & Paykel Appliances represents excellent value for shareholders and will be well received by them," said Mr Liang Haishan, Director of Haier and President of Haier White Goods Group.

The proposed offer price represents a significant 60% premium to Fisher & Paykel Appliances' share price as at the close of trading on Friday 7 September, being the last trading date prior to Fisher & Paykel Appliances advising the market of a potential takeover offer from Haier. The proposed offer

price also represents a 91% premium to the volume weighted average trading price over the three month period up to and including Friday 7 September.

"We believe the opportunity to receive cash and realise a significant premium over the current share price is attractive for Fisher & Paykel Appliances' shareholders, particularly given market volatility, recent economic uncertainty and the competitive nature of the global white goods sector," Mr Liang said.

Fisher & Paykel Appliances' Independent Board is supportive of Haier's offer, subject to the offer price being within or above the independent adviser's valuation range, there being no superior alternative for Fisher & Paykel Appliances and its shareholders, and the terms and conditions of the offer being acceptable.

Mr Liang also noted that Allan Gray Australia Pty Ltd, which is the largest shareholder after Haier and holds 17.46 percent of Fisher & Paykel Appliances shares, has entered into an irrevocable agreement to accept the proposed offer. This represents a strong endorsement of the value of the proposed offer.

The proposed offer will be subject to general conditions, including regulatory conditions and a minimum acceptance condition that Haier holds more than 50 percent of the Fisher & Paykel Appliances shares.

Mr Liang said Haier has great respect for Fisher & Paykel Appliances' history, achievements and organisational culture. Haier sees Fisher & Paykel Appliances remaining as a stand-alone company led by local management. It supports the direction of Fisher & Paykel Appliances' current business strategy. The transaction will also help facilitate a closer partnership between the two companies.

"We want the Fisher & Paykel Appliances brand to stay and we will support its growth as a global premium brand, with the additional advantages of operating within the Haier Group," Mr Liang said.

"We also wish to retain the existing Fisher & Paykel Appliances development base in New Zealand and to support the future growth of Fisher & Paykel Appliances' product development capabilities."

Mr Liang said Haier also values the quality of Fisher & Paykel Appliances' management and employees.

"Should our proposed offer be successful, we wish to retain their technical and operational expertise and business development capabilities. We think the opportunities for Fisher & Paykel Appliances' employees will increase over time as a result of our greater involvement."

Haier also proposes that the existing ratio of New Zealand or Australian resident independent directors on the Fisher & Paykel Appliances board be maintained for at least two years.

Haier expects to despatch the offer document within 14 to 30 days from the date of this media release.

This media release contains statements of Haier's current intentions. Haier reserves the right to make changes to these intentions, but would only do so after consultation with the board of Fisher & Paykel Appliances.

UBS AG has been retained as financial advisor and Simpson Grierson and White & Case LLP as legal advisors.

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About Haier Group

Haier Group is a global leader in innovative, award-winning consumer electronics and home appliances. Headquartered in Qingdao, Shandong, China, Haier Group employs more than 80,000 people around the world and distributes products in more than 100 countries and regions with global revenues reaching US\$23.3 billion in 2011.

Haier has also been ranked by Euromonitor as the number one major appliance brand in the world with a 7.8% retail volume share in 2011, marking the third consecutive year Haier has been given this honor.

Haier's subsidiary, Qingdao Haier Co. Ltd (600690:SH), is listed on the Shanghai Stock Exchange and Haier's subsidiary Haier Electronics Group Co Ltd. (001169:HK) is listed on the Hong Kong Stock Exchange. Qingdao Haier Co., Ltd. is also an index stock of the Dow Jones China 88 Index.

Haier acquired an approximately 20 percent stake in Fisher and Paykel Appliances in 2009, establishing cooperation agreements in research and development, sourcing, manufacturing and marketing. Haier has two directors on the FPA board.