

Bapcor Limited
(ASX: BAP)

New Zealand Media Release

BAPCOR TAKEOVER OFFER FOR HELLABY

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

27 September 2016: Bapcor Finance Pty Limited, a wholly owned subsidiary of listed Australian automotive aftermarket parts business, Bapcor Limited (ASX:BAP), has given notice of its intention to make a takeover offer for 100% of the fully paid shares in Hellaby Holdings Limited (NZX:HBV) for cash consideration of NZ\$3.30 per share. Bapcor has secured lock-up agreements in respect of approximately 30% of Hellaby's issued shares.

Darryl Abotomey, CEO of Bapcor, said: "The proposed acquisition of Hellaby, if successful, will enable Bapcor to enter the New Zealand automotive parts market and use its scale and proven industry expertise to improve the service and range of products offered in New Zealand, while looking for opportunities to expand, as it successfully has in Australia."

Bapcor is Australia's leading provider of automotive aftermarket parts, accessories, automotive equipment, and motor vehicle servicing, with a network of over 750 locations across Australia, including well-recognised retail store and workshop service brands Burson Auto Parts, Autobarn, Autopro, Opposite Lock, Midas and ABS.

"If our offer is accepted we will offer Hellaby customers a greater customer experience through new product ranges, technology and proprietary customer loyalty programmes, and Hellaby and Bapcor employees will receive enhanced career opportunities. The new entity will become the clear Australasian leader in the automotive aftermarket."

"The fact that interests representing approximately 30% of Hellaby's shares have already agreed to accept the Offer speaks for itself – particularly as these interests have been long term holders of the stock who understand the business well," said Mr Abotomey.

Bapcor has a strong history of growth, both organically and via acquisition. Since listing in 2014, it has significantly expanded the scope of its operations, with the A\$275 million acquisition of Metcash Automotive in July 2015 a key pillar to this expansion.

The Metcash acquisition has been further complemented by other acquisitions, and continued organic growth in the traditional trade business. As a result, Bapcor has transformed from an ~A\$300 million market cap company at listing to an ~A\$1.5 billion market cap company today.

The Offer

The offer price of NZ\$3.30 per share represents a 14% premium to the one month Volume Weighted Average Price (VWAP)¹, an 18% premium to the three month VWAP, and a 23% premium to the six month VWAP up to, and including, Monday, 26 September 2016.

Offer price premium to recent Hellaby share price



Source: IRESS

Registered Hellaby shareholders as at 23 September 2016 will receive Hellaby's FY16 final dividend of 12.5 cents per share, payable on 30 September 2016. The Offer has no impact on payment of that dividend to those Hellaby shareholders. If these Hellaby shareholders accept the Offer, and the Offer becomes unconditional, they will receive the

¹ VWAP means the volume weighted average price at which Hellaby shares have traded on the NZX Main Board for the relevant period. VWAP is calculated as the total dollar value of shares traded, divided by the total volume (or number) of shares traded during the period referred to. VWAPs have been calculated up to, and including close, as of 26 September 2016.

Offer price of NZ\$3.30 per share in addition to the dividend of 12.5 cents to be paid on 30 September 2016.

The Proposed Offer is conditional on 90% acceptances, obtaining any consents required from the New Zealand Overseas Investment Office, and other usual conditions as set out in the offer document attached to the takeover notice. An application will be filed with the New Zealand Overseas Investment Office today.

The transaction is expected to be fully funded through a combination of current cash holdings, debt facilities, and an A\$185 million equity raise. The equity raise will comprise an A\$165 million fully underwritten institutional placement, accompanied by a non-underwritten Shareholder Purchase Plan ('SPP') to raise approximately A\$20 million. The institutional placement will be conducted via a bookbuild today in both Australia and selected international jurisdictions.

Bapcor believes its cash offer should be highly attractive to Hellaby shareholders, particularly given Hellaby's recent annual results commentary, which highlights the uncertainty of the future outlook for some of its businesses.

Bapcor is being advised by Morgan Stanley, First NZ Capital Limited, Bell Gully and Allens in respect of the proposed takeover.

ENDS

For further information contact:

Amy Wallis
Acumen Republic
M: 027 2958 332
E: awallis@acumenrepublic.com

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act"), or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities may not be offered or sold directly or indirectly in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable United States state securities laws.