



## **Bapcor Limited**

(ASX: BAP)

29 November 2018

### **Bapcor Announces Agreement to Acquire Commercial Truck Parts Group**

Bapcor Ltd is pleased to announce that it has signed an agreement to purchase 5 companies that specialise in the sale of Japanese commercial truck spare parts. Don Kyatt Spare Parts (Queensland), He Knows Truck Parts, I Know Truck Parts, H.I.M Spares and Japanese Commercial Spares operate businesses from 10 locations in Queensland, New South Wales, Victoria and South Australia with a team of 70 people. Currently the group of companies operates as a co-ordinated business.

The purchase will be funded through existing debt facilities and the issuance of new shares in Bapcor Limited. Completion of the transaction is expected to occur in early December 2018. \$15M of the purchase cost is deferred until 12 months after completion and is subject to certain conditions. Further details will be provided following completion.

The acquisition of this group is consistent with Bapcor's stated strategic direction. This commercial truck group is an excellent fit as a specialist business and will provide further opportunities for consolidation and organic expansion. The earnings from the acquisition in the remaining period of the 2019 financial year are expected to more than offset the full year earnings of TRS which was divested on 1 July 2018.

Darryl Abotomey, Bapcor's Chief Executive Officer and Managing Director said "We are excited to welcome these commercial truck teams to Bapcor. The acquisition of this commercial truck group further strengthens Bapcor's position as a specialist provider of automotive aftermarket parts, accessories and services. The growing prevalence of smaller commercial trucks in the Australian market will provide the group with further expansion opportunities."

#### **Ends**

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