



GUD HOLDINGS LIMITED

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DATE: 18 July 2005

**FAX TO: MANAGER, COMPANY ANOUNCEMENTS
AUSTRALIAN STOCK EXCHANGE LIMITED**

1900 999 279

FAX FROM: Lawrence Tutton

SUBJECT: MEDIA RELEASE

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**GUD Holdings Limited**

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18 July 2005

Manager Company Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sirs

MEDIA RELEASE

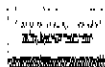
Attached is a release regarding acquisition by GUD of E D Oates Holdings Pty Ltd.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Lawrence R Tutton'.

LAWRENCE R TUTTON
Company Secretary

Encl:



SPA QUIP



GOSS

VICTA

UPONOR

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18 July 2005

GUD acquires OATES CLEAN®

GUD Holdings Limited today announces the acquisition of Australia's leading supplier of household and commercial cleaning products and accessories, E D Oates Holdings Pty Ltd ('Oates'), for an estimated \$35 million.

The acquisition will be funded from existing facilities and will have a modest impact on GUD's strong balance sheet. GUD will inherit a working capital commitment of \$4 million and the final acquisition price will be dependent on Oates' FY05 accounts.

The Oates acquisition meets all internal financial criteria and compliments GUD's other consumer product businesses in Sunbeam and Victa.

Before any revenue or cost synergies GUD expects the Oates acquisition to add at least 5% to earnings per share in FY06. Oates is forecast to generate net revenue and EBIT in FY06 of \$65 million and \$6 million, respectively. The cleaning products and accessories business should provide a cash value added return in excess of 10% in the first year.

Led by the OATES CLEAN® brand, Oates has leading market shares in floor cleaning accessories, ranging from hard surface to carpet and rug products. The OATES CLEAN® range covers most cleaning applications and has a strong presence in the Australian consumer and industrial market segments.

"Oates will operate within GUD's consumer products portfolio and will benefit from GUD's expertise in manufacturing, supply chain management and marketing," GUD Managing Director Mr Ian Campbell said.

"Oates has a very sound revenue and earnings track record and has the potential to sustain solid growth through range expansion and acquisitions," he said.

FY05 earnings guidance

GUD expects to report its profit result for the full year ending 30 June 2005 on 27 July 2005. EBIT from trading activities is expected to be within the \$55.6 million to \$59.9 million range of broker analysts' forecasts.

For further information:

Ian Campbell
Managing Director
GUD Holdings Limited
t: 03 9243 3332



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