

PEP

PACIFIC EQUITY PARTNERS

10 January 2012

PACIFIC EQUITY PARTNERS RESPONSE TO SPOTLESS

Funds advised by Pacific Equity Partners (“PEP”) note the Spotless Group Limited (“Spotless”) announcement released on 9 January 2012 entitled “Terms required for due diligence and unanimous Board recommendation”.

On 1 December 2011, Spotless announced that it would “continue to seek to engage with PEP” on the basis of PEP’s Revised Proposal, which represented an all-cash proposal to acquire 100% of the shares of Spotless via a scheme of arrangement at an indicative price of \$2.68 per share on the terms set out in our letter to the Spotless Board dated 30 November 2011 (“Revised Proposal”). As part of this engagement, Spotless provided PEP with a management presentation on 21 December 2011 (“Management Presentation”) which was subsequently released to the market. PEP has received no other information from Spotless.

While the Management Presentation clarified certain high level assumptions, there was no information provided that would justify a valuation above our Revised Proposal of \$2.68. This is consistent with the confirmation provided by PEP at our meeting with the Chairman on 22 December 2011.

PEP continues to believe the Revised Proposal represents a highly attractive proposition for Spotless shareholders and provides an attractive premium to undisturbed trading levels, representing a 33.3% premium to the undisturbed share price on 2 November 2011¹ and a 41.2%² premium to the undisturbed 3-month volume weighted average price on 2 November 2011. Additionally, the Revised Proposal implies a P/E multiple of 16.5x³, a 61.5% premium compared to the average for comparable companies of 10.2x⁴. We again highlight that our Revised Proposal has broad shareholder support, including from shareholders who have entered pre-bid agreements with PEP, who have a total shareholding of over 26%⁵ of the issued share capital of Spotless.

PEP has re-iterated to the Chairman that it can complete a focused due diligence process in 4 weeks and remains willing to progress the Revised Proposal expeditiously. PEP is unable progress the Revised Proposal without access to due diligence.

- ENDS -

For further information, please contact:

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¹ Spotless closing share price of \$2.010 on 2 November 2011, the day before the 3 November 2011 Fairfax “Business Day” article “Spotless trading is merely intriguing” and the 3 November 2011 The Age and Sydney Morning Herald article “Spotless stays mum on takeover”

² 3 month VWAP on 2 November 2011 was \$1.898

³ P/E multiple for Spotless based on the average FY12 EPS estimates from Credit Suisse (21 Dec 2011), Macquarie (22 Dec 2011) and Goldman Sachs (21 Dec 2011) broker reports

⁴ Average of comparable companies include FY12 P/E for Programmed Maintenance, Transfield Services and UGL, calendarised to June year end, CapitalIQ

⁵ As at 16 November 2011



About Pacific Equity Partners:

Pacific Equity Partners (“PEP”) is the most active private equity firm in Australia and New Zealand. The firm has some A\$6bn of equity funds under management, with PEP Fund IV being the largest private equity fund in Australia. The team provide strategic management experience and capital resources to generate sustainable value within the PEP Funds’ operating companies through a focus on supporting management to drive operational improvement and realise additional growth opportunities.

Established in 1998, PEP Funds have made 22 operating company investments, and over 30 add-on acquisitions at the company level. The 8 current PEP group operating companies span several industries including energy, consumer products, entertainment and basic financial services industries, with a total combined enterprise value over A\$6bn. Together, these businesses employ over 10,000 people across Australia and New Zealand.

PEP has been the recipient of a number of awards in recent years, including Firm of the Year, Best LBO Deal of the Year and Private Equity Firm of the Year.

Recent PEP Funds transactions include:

- Joint Venture investment in SCA Hygiene Australasia in November 2011
- PEP Funds and Unitas sale of Independent Liquor to Asahi for NZ\$1.53bn in August 2011
- PEP Funds sale of Tegel Foods to Affinity Equity Partners for NZ\$605m in May 2011
- Acquisition of Energy Developments for A\$844m in January 2010

Further information on PEP and its operating companies can be found at www.pep.com.au.