

WESTRAC TO ACQUIRE NORTH-EASTERN CHINA EXPANDED MINING PRODUCT DISTRIBUTION AND SUPPORT BUSINESS FROM CATERPILLAR GLOBAL MINING

10 December 2013 -- WesTrac China Limited, a wholly owned subsidiary of Seven Group Holdings Limited (ASX: SVW), and Caterpillar Global Mining LLC (formerly known as Bucyrus International, Inc.) today announced that the companies have reached an agreement for WesTrac to acquire Caterpillar Global Mining's distribution and support business in Provinces where WesTrac operates in north-eastern China. After closing, WesTrac expects to begin providing sales, service and support for expanded mining products in these territories.

The transaction is valued at approximately USD \$130 million and Seven Group Holdings Limited (SGH) will fund the transaction through a new five year debt facility. The acquisition is expected to be largely earnings per share neutral for the remainder of the financial year ending 30 June 2014, and accretive thereafter.

WesTrac estimates the annual revenues for the acquired distribution and support business to be in the range of USD \$210 million to \$250 million for the upcoming 2015 financial year.

Following completion, WesTrac will increase its staffing level by approximately 80 employees including 37 Caterpillar Global Mining employees and contractors in China. Subject to customary closing conditions and Chinese regulatory approval, it is expected the transaction will close by 30 June 2014.

The agreement was announced today by Mr Don Voelte AO, Managing Director and Chief Executive Officer of SGH, and Mr Steve Wunning, Caterpillar Group President with responsibility for Resource Industries.

"We are pleased to be building on and extending our partnership with Caterpillar. The acquisition of the expanded mining product distribution and support business in our north-eastern China markets will enhance our plans for development in the supply and service of heavy equipment to the mining and construction sectors," Mr Voelte said. "The former Bucyrus product line and large installed base are a logical addition to our current range of Caterpillar product, and will provide us with significant opportunities for future growth with our mining customers."

"As underground mining accounts for more than 80 per cent of all coal production in China, the acquisition of this business will significantly increase the opportunities for WesTrac's future growth in China. The expanded product range will enable WesTrac to deliver to mining customers a full suite of product and service solutions for the majority of their production needs."

WesTrac

SGH

Industrial Services, Media and Investments

“Because China produces almost half of the world’s coal – with a forecast to grow – there is a tremendous opportunity for both Caterpillar and WesTrac to partner and grow alongside our mining customers in that country,” said Mr Wunning. “The team at WesTrac are experts in both surface and underground mining and can now offer even more choices to meet all their Chinese customers’ equipment needs.”

Seven Group Holdings Limited

SGH comprises WesTrac Group, National Hire Group and significant shareholdings in major media companies in Australia – encompassing broadcast and subscription television, magazine and newspaper publishing, and online and new media technologies. WesTrac Group is the sole authorised Cat dealer in Western Australia, New South Wales/ACT and in North Eastern China territories and is one of Caterpillar's top five dealers globally (by sales value). SGH also owns National Hire Group (which itself has a 45 per cent shareholding in Coates Hire, Australia’s largest equipment hire business). In media, SGH has a 35 per cent shareholding and holds convertible preference shares in Seven West Media, Australia’s largest multiple platform media company, including Seven Network, West Australian Newspapers, Pacific Magazines and Yahoo!7.

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