

13 December 2005

Reece Australia Limited (“Reece”)

And

LG Carder Limited

Reece and L G Carder announce that Reece has entered into an agreement to acquire the business of L G Carder Limited of New Zealand. The assets to be acquired are stock, fixed assets and the L G Carder name.

The L G Carder plumbing supplies business is a long established and respected operator servicing the Auckland area from two trading locations.

The New Zealand plumbing supplies market is mature and highly competitive. Reece enters this market with plans to build a viable network over the longer term. L G Carder is therefore a strategic acquisition, being a foundation for future growth in New Zealand over the longer term.

Reece will take possession from 31 March 2006.

NEIL G CATHIE
CHIEF FINANCIAL OFFICER/COMPANY SECRETARY