

# Norcros plc

("Norcros", or the "Group")

## Disposal of investment

### Disposal of investment in RJ Beaumont & Co Pty Limited

Norcros announces that it has signed an agreement to sell its 25.5 per cent interest in RJ Beaumont & Co Pty Limited ("Beaumont"), its trade investment in Australia, for a consideration of Aus\$7.75 million to Beaumont by means of a selective share reduction.

Beaumont is primarily involved in the sale of ceramic tiles and adhesives in Australia. In the Group's accounts for the year ended 31 March 2009, Beaumont made dividend payments to the Group of £36,000 (2008: £71,000).

### Terms of the transaction

The cash consideration to be paid is approximately £4.3 million, net of costs of approximately £0.1m.

The payment of the consideration to the Group will be made following completion of the share reduction procedure. Due to Australian law requirements, completion of the transaction and payment of the consideration cannot take place until fourteen days after completion of the share reduction documentation. Completion of the transaction is expected to occur no later than 30 June 2010.

The carrying value of the investment in the Group's balance sheet as at 31 March 2009 was £1.7 million. A profit on disposal of £2.6 million will, accordingly, be reported in the Group's financial statements for the year ended 31 March 2011. This disposal realises value from the Group's investment and the net proceeds will be used to reduce debt and associated interest costs. The Group's net debt at the end of March 2010 was £15.9 million.

**1 June 2010**

### ENQUIRIES

#### **Norcros plc**

Joe Matthews, Group Chief Executive

**01625 549 010**

Nick Kelsall, Group Finance Director

#### **Oriel**

Emma Griffin / David Arch / Jonathan Walker

**020 7710 7600**

#### **College Hill**

Mark Garraway / Adam Aljewicz

**020 7457 2020**

For further information please visit the Company website:

[www.norcros.com](http://www.norcros.com)