



DuluxGroup Limited

ABN 42 133 404 065

ASX Announcement

13 January 2016

UNION ACTION AT ROCKLEA PAINT MANUFACTURING SITE

DuluxGroup has been advised by United Voice that union-represented employees at the Dulux business' Rocklea site in Queensland have voted to take indefinite strike action, beginning today.

The Rocklea site includes Dulux's principal Australian decorative paint manufacturing site and the Dulux Queensland state distribution centre.

Dulux has been negotiating a new enterprise agreement for the Rocklea site for some months and has offered no adverse changes to existing conditions plus a 3% per annum pay rise.

Dulux firmly believes that its offer is fair and reasonable.

Dulux is absolutely committed to long term manufacturing and distribution at Rocklea. Whilst there will be approximately 40 job losses at Rocklea when Dulux opens a new factory in Melbourne in late 2017, more than 70% of Rocklea's 150 operating staff will retain their jobs, and 60 new jobs will be created in Melbourne. Pay and conditions at the Rocklea site (including redundancy entitlements) are excellent and already well above industry standard. It is therefore disappointing that the union has taken strike action.

However, Dulux has been planning for this action for some time and has robust contingency plans in place. Dulux has built stock levels in advance and intends to use the broader DuluxGroup manufacturing network (including third party suppliers) to continue to service our customers nationally. Accordingly, Dulux does not anticipate any significant disruption to its supply arrangements.

Whilst there will be some additional costs associated with the contingency plans, it is not expected that this industrial action will have any material financial impact on DuluxGroup.

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