



Ahrens

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MEDIA RELEASE

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SUBJECT: Ahrens buys MPH Rural

ISSUED BY: Stefan Ahrens, Managing Director

Ahrens expands rural footprint

With a growing agricultural division and 90 per cent of its workforce already based in regional areas, Ahrens has further extended its rural footprint with the purchase of MPH Rural.

MPH Rural is a leading supplier of grain storage and handling equipment and was formerly the sister company of Victorian-based, silo manufacturer Sherwell, which was purchased by Ahrens in 1998. The timing of the reunion of the two businesses is particularly significant, given 2010 marks the 50th anniversary of the establishment of Sherwell Holdings in Nhill, Victoria.

Immediately prior to Ahrens acquiring Sherwell's SA and Victorian business, Sherwell's Queensland operation was bought by brothers Michael and Jim O'Connor and their sister, Anne. The O'Connor family rapidly built up the business in Queensland and also pushed over the border into NSW with great success.

From August 25, MPH Rural, including its manufacturing facilities in Toowoomba, QLD, and Gilgandra, NSW, will operate as part of Ahrens Agri. This division of Ahrens, represents the company's key rural brands - Sherwell, Webster's, Famson and M&S - as well as distributorships for Brandt Agricultural Products and Chief Industries. Ahrens Agri's complete range of products already includes silos, field bins, feeders, conveyors, augers, bunker systems and multi-million dollar materials handling projects. These will now be complemented by MPH Rural's well regarded bulk grain storage systems, silos, chaser bins and cattle feeders, as well as the distributorship for Scafco silos.

The Ahrens Agri footprint will cover five states, with manufacturing and distribution sites in SA (Sheoak Log, Cleve and Kingsford), Victoria (Nhill), Tasmania (Westbury), Queensland (Goombungee and Toowoomba) and NSW (Gilgandra).

According to Ahrens Managing Director Stefan Ahrens, MPH Rural is an excellent match with Ahrens, because of its complementary product range and because it shares a similar culture.

"This is not the first time we have bought another family business with a focus on agricultural products and successfully integrated it into our company," Stefan said. "Our thinking is that if we see an opportunity such as this, which promises to be a great fit of products and culture, and enables us to improve our service to customers, then we will do everything we can to make it happen.

"The purchase of the MPH Rural business assets enables us to manufacture and distribute Sherwell products across five states, which is a great benefit to our Agri division. Not only do we now have an extended range of products and services to offer our rural clients over a much larger distribution area, but we also have an extended family, with 40 employees from MPH Rural joining the Ahrens' team.

"This is a very exciting opportunity which will help us to consolidate our position as a leading manufacturer and supplier of rural products to farmers and commercial operators. I am very confident that within a few years, the Ahrens Agri name will be synonymous with grain storage and handling equipment throughout Australia."

MPH Rural Director Michael O'Connor said he was very pleased with the decision to sell MPH Rural and his family gained a great deal of satisfaction from seeing the two Sherwell businesses reunited.

"We are delighted that our family venture has been purchased by another very successful family company," Michael said. "We know that it will be business as usual for our employees and clients when MPH Rural changes hands on August 25 and that Ahrens will continue to improve the range of products and services we have developed during our stewardship."

