



## **SCHAFFER EXPANDS BUILDING PRODUCTS DIVISION WITH ARCHISTONE ACQUISITION**

Schaffer Corporation Limited (ASX: SFC) today announced that it has acquired Archistone Pty Ltd (**Archistone**), the Western Australian market leader in the reconstituted limestone block walling market. Archistone also supplies a range of natural premium stone products.

Archistone distributes its product range from retail sites in Osborne Park, Wangara, Mandurah and Jandakot and has reconstituted limestone manufacturing facilities at its Gingin quarry and factory in Neerabup.

Archistone generates revenues of approximately A\$12 million a year. Schaffer Corporation will acquire Archistone based on an enterprise value of \$7.75 million, representing a 2008 financial year forecast EBITDA multiple of less than five times. The transaction also includes options to purchase the retail properties currently leased by Archistone in Wangara and Mandurah, and another under development in Yangebup.

Schaffer Corporation Chairman, Mr John Schaffer, said that Archistone provided an excellent fit with Schaffer Corporation's existing UrbanStone and Limestone Resources operations and would provide increased leverage for the Company to Western Australia's robust economy.

"The Archistone acquisition is an important development for Schaffer Corporation's Building Products division," Mr Schaffer said

"Our strategy is to build value in the Building Products division through the expansion of the product range of our businesses and by acquiring the properties from which our Building Products division operates.

"Schaffer Corporation will realise distribution synergies, as Archistone product will complement the current range of UrbanStone and Limestone Resources products on offer through UrbanStone's established national distribution network," Mr Schaffer concluded.

Settlement of the Archistone acquisition is scheduled to occur 1 August 2007.

For further information, please contact:

John Schaffer  
Chairman  
Schaffer Corporation Ltd  
Tel: +61 8 9483 1201

Geoff Davieson  
Chief Financial Officer  
Schaffer Corporation Ltd  
Tel: +61 8 9483 1202

26 Jul 2007