

**Announcement**

**6 July 2007**

### **Methven Completes \$15 million Institutional Placement**

Methven, New Zealand's leading designer, manufacturer and supplier of tap and showerware, is pleased to confirm the successful completion of the institutional placement to raise \$15 million to partially fund the acquisition of Deva Tap Company Limited, one of the UK's largest independent and privately owned tap and showerware suppliers.

The placement was extremely well supported by institutional investors. Due to strong demand the book build price was raised above the initial range, to a final price of \$2.20 per share. At this level the book remained close to three times subscribed, and there has been material scaling of institutional bids.

In total, 6,818,182 million shares are to be issued at a price of \$2.20 per share, a 4.3% discount to the closing price on 4 July 2007. ABN AMRO Craigs Limited acted as Sole Bookrunner for the institutional placement.

The institutional placement is conditional on shareholder approval. The shareholder meeting to vote on the placement (among other interrelated matters) is scheduled to occur at Methven's annual meeting on 26 July 2007. Upon receiving shareholder approval, the shares will be immediately allotted.

In addition to funds raised from the institutional placement, Methven expects to partially fund the acquisition of Deva by way a rights issue. The Directors anticipate raising up to \$12.7 million through a 1 for 8 renounceable rights issue of new shares at \$1.75 per share to existing shareholders. The final terms of rights issue will be formally advised to the market in accordance with normal practice.

The Directors of Methven will request the removal of the trading halt on its shares on the NZSX.